

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE MINISTRY OF FINANCE AND PLANNING OF THE REPUBLIC OF CABO VERDE
AND
THE MILLENNIUM CHALLENGE CORPORATION

This Memorandum of Understanding ("**MOU**") between the Millennium Challenge Corporation ("**MCC**") and the Ministry of Finance and Planning (the "**MoF**") of the Republic of Cabo Verde (the "**Government**") (MCC and the MoF, collectively, the "**Participants**," and individually, a "**Participant**") sets forth a framework in pursuit of common goals.

WHEREAS, the Government and the United States of America, acting through MCC, entered into that certain Millennium Challenge Compact dated July 5, 2005 (the "**First Compact**") and that certain Millennium Challenge Compact dated February 10, 2012 (the "**Second Compact**") both of which funded programs aimed at reducing poverty in Cabo Verde through economic growth

WHEREAS, the First Compact ended on October 17, 2010 and relevant monitoring and evaluation activities are expected to continue for three years after the Second Compact's term ends;

WHEREAS, the Second Compact term ends on November 30, 2017, the expected results of the Second Compact program will take years to materialize across most projects; and as a result, monitoring and evaluation activities are expected to continue for five years after the Second Compact's term ends;

WHEREAS, the Government and MCC wish to cooperatively monitor the results and evaluate the impacts of the First Compact programs and the Second Compact programs on reducing poverty through economic growth in Cabo Verde;

WHEREAS, the Government has designated MoF to manage the Government's post-First Compact and post-Second Compact monitoring and evaluation activities; and

WHEREAS, MCC has engaged, and each of the Participants may, in the future, engage, one or more service providers (the "**Service Providers**") to collect, review and analyze the data resulting from the First Compact and Second Compact.

NOW, THEREFORE, the Participants have reached the following understandings:

- 1. Objective.** This MOU aims to facilitate the continued monitoring of the results of the First

Compact and Second Compacts, and timely delivery of accurate evaluations of their impact on reducing poverty through economic growth in Cabo Verde.

2. **Cooperation.** MCC and the MoF express their intent to cooperate to fulfill the objective by undertaking the tasks and responsibilities set forth in the post-First Compact and post-Second Compact monitoring and evaluation plans, annexed hereto (the "*Post-First Compact M&E Plan*" and the "*Post-Second Compact M&E Plan*", respectively), which plans outline the monitoring and evaluation tasks that are anticipated to take place after each compact term has ended. Without limiting the foregoing or any provisions of the Post-First Compact M&E Plan or the Post-Second Compact M&E Plan, the Participants expect that:

- a. MCC will hire and manage one or more independent evaluation firms or consultants to support post-First Compact and post-Second Compact data collection and analysis; and
- b. the MoF will facilitate the firms' work, including by providing such resources as necessary for the facilitation of data collection and dissemination of results, including, but not limited to, human resources and office facilities.

3. **Communications.**

- a. MCC and the MoF endeavor to communicate with each other to coordinate their efforts under this MOU. For purposes of this MOU, the Participants will be represented by the persons holding or acting in the following positions (the "*Representatives*"):

For MCC: Vice-President for the Department of Compact Operations. As of the signing of this MOU, the person holding this position is Mr. Robert Blau.

For the MoF: Minister of Finance and Planning. As of the signing of this MOU, the person holding this position is the Honorable Olavo Correia.

- b. The Representatives may each designate, in writing, one or more officials who may represent the respective Participants under this MOU, other than for purposes of modification or termination of this MOU (which may only be undertaken by the Representatives), except as provided in Section 4 below. Such officials will function as the primary contact on all substantive issues under this MOU. As of the date hereof:

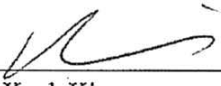
MCC designates the official holding the position of Acting Managing Director

of Monitoring and Evaluation, Department of Policy and Evaluation. As of the signing of this MOU, the person holding this position is Ms. Berta Heybey.

The MoF designates the official holding the position of Minister of Finance and Planning. As of the signing of this MOU, the person holding this position is the Honorable Olavo Correia.

4. **Terms.** This MOU is expected to continue for five years after the Second Compact's term ends, and may be extended or modified in writing signed by both Representatives; provided, however, that for modifications to Annex II, the officials identified in Section 3(b) above have the authority to approve and sign such modifications.
5. **No Financial or Legal Obligation.** Nothing contained in this MOU is intended to be construed as creating any financial or legal obligation or commitment on the part of MCC, the United States Government, the MoF or the Government in relation to the proposed activities contemplated hereunder or any other project or program in Cabo Verde. This MOU does not give rise to rights or obligations under international or domestic law.
6. **Internal References in the Annexes.** Please note that any reference to the "Compact" in either of the Post-First Compact M&E Plan or the Post-Second Compact M&E Plan refer to the compact for which each plan was initially drafted.

MILLENNIUM CHALLENGE CORPORATION



By: Kye Kim
Title: Principle Deputy Vice-President,
Department of Compact Operations

Date: 6 Nov 2017

MINISTRY OF FINANCE



By: Olavo Correia
Title: Minister of Finance and Planning

Date: _____

IN WITNESS WHEREOF:

Unigal Angelo Bando de Sousa
By: PCA, ANAS
Title:
National Agency of Water and Sanitation (ANAS)
Date: 07-03-2018



P.C.A. - AdS
By: P.C.A. - AdS
Title:
Aguas de Santiago (AdS)
Date: 13/03/18



LICE MAFALDA CARVALHO AMARANTE
By: LICE MAFALDA CARVALHO AMARANTE
Title: RED- INGT
National Territory Management Institute (INGT)
Date: 1.3.2018



António Joaquim Fernandes
By: António Joaquim Fernandes
Title: PCA, NOSI - EPE
Operational Centre of Information (NOSi)
Date: 9.3.2018



Osvaldo Monteiro Borges
By: Osvaldo Monteiro Borges
Title: PCA - INE
Institute of National Statistics (INE)
Date: 14.03.2018





By: _____

Title: _____

Department of Registration, Notary and Identification (DGRNI)

Date: 01 de Março de 2018



By: _____

Title: _____

Municipality of Sal

Date: 07/10



By: _____

Title: _____

Municipality of Boa Vista

Date: 12 de Maio de 2018

By: _____

Title: _____

Municipality of Maio

Date: 20/03/2018



By: _____

Title: Municipality of São Vicente

Date: 08/03/18

Henice Anaise de Silve Souza



By:

Title: Minister

Ministry of Infrastructure

Date: 13.03.2018

Gilberto Silva



By: Gilberto Silva

Title: Minister

Ministry of Agriculture and Environment

Date: 9-3-18

ANNEX I
POST-FIRST COMPACT
MONITORING AND EVALUATION PLAN

ANNEX II
POST-SECOND COMPACT
MONITORING AND EVALUATION PLAN

Roads & Bridges Activity:

MCC has contracted an independent evaluator to assess the current condition and expected useful economic life of the infrastructure assets that were improved or constructed under the First Compact's Roads and Bridges project. In order to evaluate these assets, MCC's evaluator will need a point of contact to facilitate essential support and access to information that is available within the Ministry of Infrastructure (MOI).

However, after the end of the current CVII Compact the entity currently responsible for implementation of this Compact will be disbanded. Therefore, MCC seeks agreement that a Post-Compact government representative responsible for supporting MCC's evaluation activities shall be appointed. Throughout the remainder of this document, this person will be referred to as the "Post-Compact POC" for the Government of Cabo Verde.

MCC's evaluation of the Roads and Bridges project will address four broad Research Areas:

1. Engineering analysis and economic modelling of the economic returns to the road and bridge investments;
2. Assessment of the road maintenance practices that influence the useful economic life of these and other CV road investments;
3. What goods and passengers are currently being transported along these roads, what are the effective prices paid for people and goods to pass these roads and bridges, including transport fees paid and travel times (TTs) spent on trips along these routes?
4. What is the structure of transportation markets, and how does this structure influence the linkages between improvements in roads and bridges and prices of transportation-related services?

MCC's evaluator will seek the assistance of MoI through the Post-Compact POC to help address these questions.

For Research Area 1, the evaluator may seek any available historical information about the structure and current condition of relevant roads and bridges and about their current and historical levels and composition of traffic flows. The evaluator will seek any necessary permissions and support to ensure that data they need to collect along these routes can be done safely and legally. The evaluator may also require information characterizing the composition and operating costs of the stock of vehicles operating on the relevant CV road network.

To address Research Area 2, the evaluator will require MOI support to document the status and use of the road fund, and to document how the MOI plans, finances and implements its maintenance of the CV road network – especially the MCC-funded roads and bridges. This documentation should help the evaluator assess previous, current and likely future maintenance practices that affect the remaining economic life of the MCC-funded roads and bridges.

To address Research Area 3, the evaluator will need MOI support to structure the framework for the Origin-Destination surveys, time travel surveys and on the traffic counts, as well as determine the impact of the investments on the beneficiaries of the road investments. More specifically, the

evaluator will need relevant documentation from MOI to analyze the key linkage between the road improvements and economic benefits in the reduction in Vehicle Operating Costs and TTs and how they influence the use of transportation services.

On Research Area 4, the support will consist of helping the evaluator understand the local transportation market structure and composition, including institutional framework, market regulations, etc. Any existing central government and local government data and records on market competitiveness (or lack thereof), market efficiency, effects of MCC financing on user pricing, etc. will be useful for the evaluation team.

Watershed Management and Agriculture Support Project:

MCC has contracted an independent evaluator to assess the current condition and expected useful economic life of the irrigation/agriculture infrastructure assets that were improved or constructed under the First Compact's Watershed Management and Agriculture Project. In order to evaluate these assets, MCC's evaluator will need a point of contact to facilitate essential support and access to information that is available within the Ministry of Agriculture (MOA).

However, after the end of the current CVII Compact the entity currently responsible for implementation of this Compact will be disbanded. Therefore, MCC seeks agreement that a Post-Compact government representative responsible for supporting MCC's evaluation activities shall be appointed. Throughout the remainder of this document, this person will be referred to as the "Post-Compact POC" for the Government of Cabo Verde who may be the same person as the Post-Compact POC for the Roads & Bridges Activity above.

MCC's evaluation of the Watershed Management and Agriculture Support Project will address three broad Research Areas:

1. Watershed and Soil Conservation: this includes questions relating to how the infrastructures are being managed, and whether there have been changes in agricultural production 7 years after the program closed out;
2. Agribusiness Development: this revolves around farmer organizations and farming-related incomes;
3. Credit Access: this includes questions on micro-financial Institutions and credit activities, and their effects on farmers' productivity and returns.

For the three aforementioned research areas, the evaluator will need support from the Ministry of Agriculture (MOA) in collecting baseline data and other government studies. The government will also help coordinate field visits by the evaluation team in the intervention areas.



Post-Compact Monitoring and Evaluation Plan

MCA-Cabo Verde II

Original November 2017
Revised March 2018

Table of Contents

1. Compact and Objective Overview	6
1.1 Introduction	6
1.2 Compact Background	7
1.3 Program Logic	7
2. Projects and Activities	10
2.1 Overview of Water, Sanitation and Hygiene Project and Activities	10
2.2 Overview of Land Management for Investment Project	13
3. Projected Economic Benefits	15
3.1 Water, Sanitation, and Hygiene Project ERR	15
3.2 Land Management for Investment Project ERR	18
4. Program Beneficiaries	20
4.1 Water, Sanitation, and Hygiene Project	21
4.2 Land Management for Investment Project	23
5. Monitoring Component	24
5.1 Summary of Monitoring Strategy	24
5.2 Data Quality Reviews (DQRs)	25
5.3 Standard Reporting Requirements	25
6. Evaluation Component	26
6.1 Independent Evaluations	26
6.2 .Specific Evaluation Plans	26
7. Implementation and Management of M&E	30
7.1 Responsibilities	30
7.2 Review and Revision of the M&E Plan	33
7.3 Coordination of M&E Data Gathering	33
8. M&E Budget	34
9. ANNEXES	34
ANNEX I	34
ANNEX II	34

Preamble

The Post-Compact Monitoring and Evaluation Plan serves as a guide for monitoring the sustainability of Millennium Challenge Corporation (MCC) investments. The Post-Compact Monitoring & Evaluation (M&E) Plan is required according to the M&E policy approved on May 1, 2012: “In conjunction with the Program Closure Plan, MCC and MCA-CV II will develop a Post-Compact monitoring and evaluation plan designed to observe the persistence of benefits created under the Compact. This plan should describe future monitoring and evaluation activities, identify the individuals and organizations that would undertake these activities, and provide a budget framework for future monitoring and evaluation which would draw upon both MCC and country resources.”

The Post-Compact Monitoring and Evaluation Plan serves as a guide for monitoring Post-Compact sustainability of Millennium Challenge Corporation (MCC) investments during the period calendar years 2018-2022. The Post-Compact Monitoring and Evaluation Plan may be modified or amended based on the agreement between the designated representative and the Millennium Challenge Corporation.

As described in the MCA-CVII Program Closure Plan the designated representative for Post-Compact M&E is the Ministry of Finance and Planning (MOF).

List of Acronyms

ADA	Agência de Distribuição de Água	Water Distribution Agency
AdS	Aguas de Santiago	Corporatized Water Utility on Santiago Island
ANAS	Agência Nacional de Água e Saneamento	National Agency of Water and Sanitation
ARE	Agência de Regulação Económica	Economic Regulation Agency
CI	Cabo Verde Investimento	Cabo Verde Trade Investment
CM	Camara Municipal	Town Hall
CNAS	Conselho Nacional de Água e Saneamento	National Water and Sanitation Council
DGA	Direcção Geral do Ambiente	Department of Environment
DGPCP	Direcção Geral do Património e de Contratação Pública	Department of Patrimony and Public Contract
DGRNI	Direcção-Geral dos Registos, Notariado e Identificação	Department of Registration, Notary and Identification
ELECTRA	Electra - Empresa de Electricidade e Água, SARL	Electra - Electricity and Water Company
ICCP	Instituto Nacional de Cartografia e Cadastro	Institute of Cartography and Land registration
IEFP	Instituto de Emprego e Formação Profissional	Institute of Employment and Professional Training
INE	Instituto Nacional de Estatística	Institute of National Statistics
INGRH	Instituto Nacional de Gestão de Recursos Hídricos	National Institute for Water Resources Management
INGT	Instituto Nacional de Gestão de Território	National Territory Management Institute
MAHOT	Ministério do Ambiente, Habitação e Ordenamento de Território	Ministry of Environment, Housing and Territorial (Land) Management
MECC	Ministério da Economia, Crescimento e Competitividade	Ministry of Economic Growth and Competitiveness
MCA	Millennium Challenge Account Unidade de Gestão	Millennium Challenge Account

MCC	Millennium Challenge Corporation	Millennium Challenge Corporation
MJ	Ministério de Justiça	Ministry of Justice
MoF	Ministério de Finanças	Ministry of Finance
MTIE	Ministério do Turismo, Indústria e Energia	Ministry of Tourism, Industry and Energy
NOSi	NOSi - Núcleo Operacional da Sociedade de Informação	NOSi – Operational Centre of Information
OSC	Organização de Sociedade Civil	Organization of Civil Society
RNI	Registo, Notariado e Identificação	Registry, Notary and Identification
SAAS	Serviços Autónomos de Água e Saneamento	Municipal Water and Sanitation Services Company
SDTIBM	Sociedade de Desenvolvimento Turístico das Ilhas de Boa Vista e Maio	Boa Vista and Maio Islands Touristic Development Company, SA
UCCP	Unidade de Coordenação do Cadastro Predial	Land Registration Coordination Unit
UniCV	Universidade de Cabo Verde	University of Cabo Verde

1. Compact and Objective Overview

1.1 Introduction

As MCA-CVII's designated representative, and in accordance with the Program Closure Plan (PCP) agreed between the Government of Cabo Verde and Millennium Challenge Corporation (MCC), the Cabo Verde Ministry of Finance (MoF) will be designated as the primary government entity (Point of Contact – POC) to continue monitoring and evaluation of the Compact investments during the period 2018-2022. For the WASH Project, Agência Nacional de Água e Saneamento (ANAS), Aguas de Santiago (AdS) shall serve as key reporting agencies on Post-Compact M&E activities. On the Land Management for Investment (LMI) Project, Instituto Nacional de Gestão de Território (INGT), Direcção-Geral dos Registos, Notariado e Identificação (DGRNI,) Núcleo Operacional da Sociedade de Informação (NOSi), and the Municipal *Camaras* of Sal, Boa Vista, Maio, and Sao Vicente shall serve as the key reporting agencies. In addition, Instituto Nacional de Estatística (INE) shall contribute to Post-Compact monitoring and evaluation for both WASH and LMI Projects.

This Post-Compact Monitoring and Evaluation Plan serves as a guide for the implementation and management of Post-Compact monitoring and evaluations. This Plan details what MCC expects the MoF to monitor after the Compact closure period and how the MoF and MCC will conduct Post-Compact M&E to observe the persistence of benefits created under the Compact and confirm that proper operations and maintenance of Compact investments is taking place.

The MoF is the responsible entity for overall Compact administration including Post-Compact responsibilities. It will remain the same after closure.

The Post-Compact Monitoring and Evaluation Plan is a management tool that provides the following functions:

- Gives details about Post-Compact monitoring. Under the PCP, the MoF is responsible for on-going monitoring of a small set of indicators. The data themselves will be collected by various involved entities, while the MoF will be responsible for collating and verifying the data. The Indicator Documentation Table in ANNEX I provides a detailed definition of each indicator, unit of measurement, source of data, responsible entity, and frequency of reporting. Note: Each annex to this M&E Plan constitutes an integral part of this M&E Plan, and references to “ANNEX” mean an annex to this M&E Plan unless otherwise expressly stated.
- Discusses Post-Compact reporting requirements and other obligations. In accordance with the Post-Compact M&E Plan, the MoF is responsible for developing and submitting an Annual Summary Report. The report will include, amongst other things, the small set of monitoring indicators mentioned above. Additionally, the Post-Compact obligations include permitting any authorized MCC representative to conduct assessments, review, evaluate or audit and inspect activities funded by MCC, and providing documentation as may be requested from time to time by MCC.
- Provides information about Post-Compact evaluation, including independent evaluation resources. In addition to Post-Compact monitoring, MCC will manage and publish final evaluations after the Compact. MCC has contracted independent evaluators to conduct final evaluations of all Compact activities. The MoF is responsible for organizing and facilitating the presentations of the findings of the final evaluations as well as for spreading these results through local media and posting evaluation results on a government website.

1.2 Compact Background

Strategically located at the crossroads of mid-Atlantic air and sea lanes, Cabo Verde continues to exhibit one of Africa's most stable and democratic governments. In 2001, Cabo Verde embarked on a transformation agenda aimed at building a self-sustaining high growth economy through policy reforms, private sector led growth, infrastructure development, and institutional changes. The Government of Cabo Verde (GoCV) recognizes that in order to alleviate poverty it must continue to improve performance and accelerate important reforms.

The Compact Goal is to reduce poverty through economic growth in Cabo Verde. The Program objectives are to reduce the costs upon the economy of inefficiently provided public services and to remove institutional conditions that impede private sector investment.

Towards these ends, the U.S. Government's Millennium Challenge Corporation (MCC) signed a five- year US \$66.2 million Compact with the Government of Cabo Verde in February 2012. US \$41.1 million is designated for the Water, Sanitation and Hygiene Project; and US \$17.3 million is designated for the Land Management for Investment Project.

The objective of the Water, Sanitation and Hygiene Project is to establish a financially sound, transparent, and accountable institutional basis for the delivery of water and sanitation services to Cabo Verdean households and firms by a) reforming national policy and regulatory institutions, b) transforming inefficient utilities into autonomous corporate entities operating on a commercial basis, and c) improving the quality and reach of infrastructure in the sector.

The objective of the Land Management for Investment Project is to reduce the time required for establishing secure property rights and to establish more conclusive land information in areas of near- term, high development potential in Cabo Verde by a) refining the legal, institutional and procedural environment to increase the reliability of land information, achieve greater efficiency in land administration transactions, and strengthen protection of land rights, b) developing and implementing a new land information management system, and c) clarifying parcel rights and boundaries on targeted islands with high investment potential.

1.3 Program Logic

The Compact consists of two projects in two distinct sectors; i.e., Water, Sanitation and Hygiene and the Land Tenure Services.

The objective of the Water, Sanitation and Hygiene Project is to establish a financially sound, transparent and accountable institutional basis for the delivery of water and sanitation services to Cabo Verdean households and firms. The outcomes of the Project activities include: (a) institutions and procedures required for the regulation of corporatized utilities providing water and sanitation services and operating according to commercial principles; (b) the establishment and operation of commercially oriented water utilities; (c) improved cost-effectiveness of services; and (d) improved extent, quality and reliability of services provided.

The objective of the Land Management for Investment Project is to reduce the time required for establishing secure property rights and to establish more conclusive land information in areas of near- term high development potential in Cabo Verde. The outcomes of the Project activities include: (a) a reduction in the average time required to establish a clear property right and to complete other land- related transactions; (b) an increase in the reliability of land rights and boundaries information; and (c) an increase in the level of development activity on targeted islands, resulting in higher levels of employment, in

response to reductions in lead time to investment.

The combined results of the Program are expected to contribute to Cabo Verde’s own poverty reduction and economic growth goals as defined in the Cabo Verde development strategy. Graphic representations of the Program logic for the Water, Sanitation and Hygiene Project and the Land Management for Investment Project are below.

Figure 1: Water, Sanitation and Hygiene Project Logic Graphic

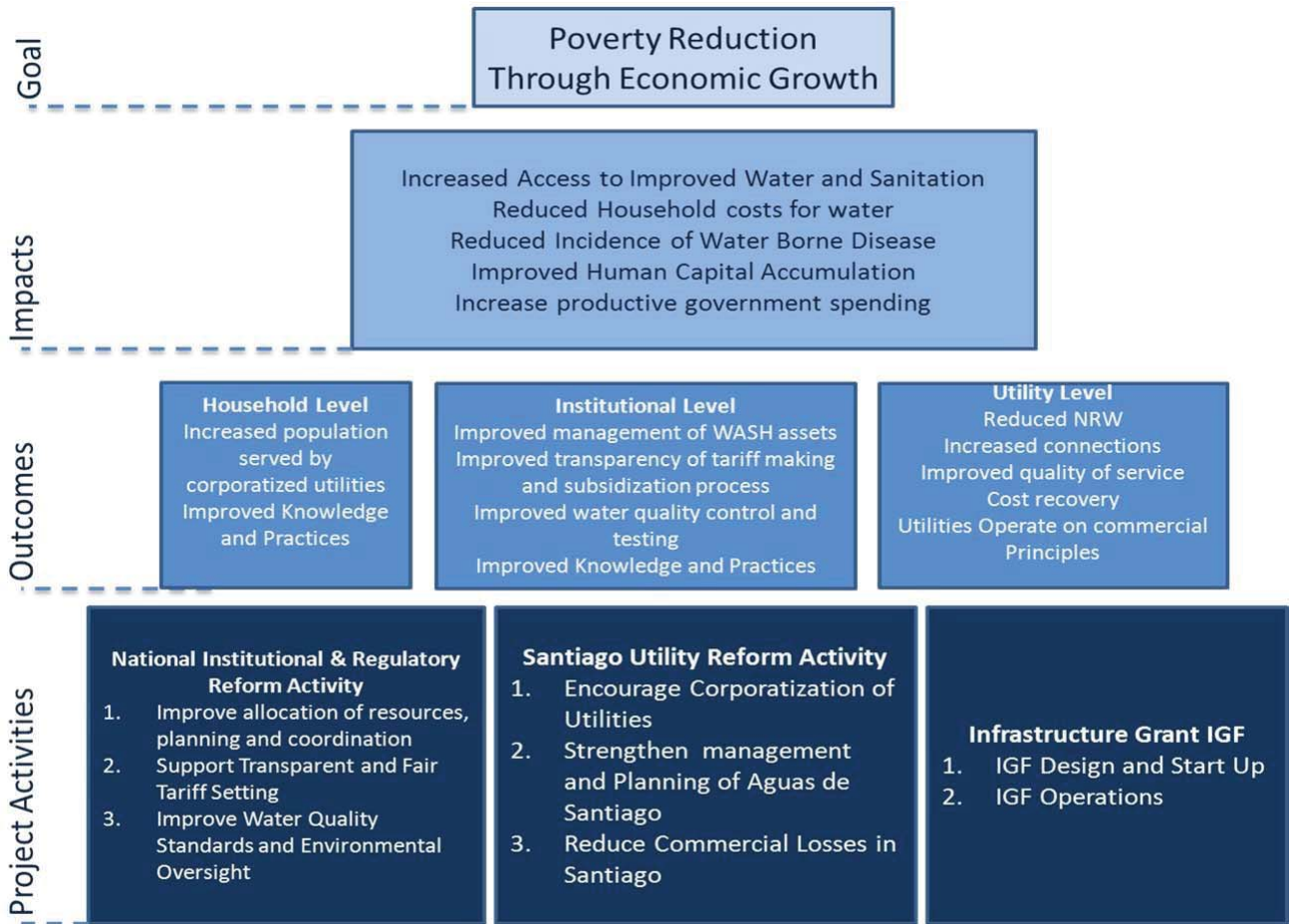
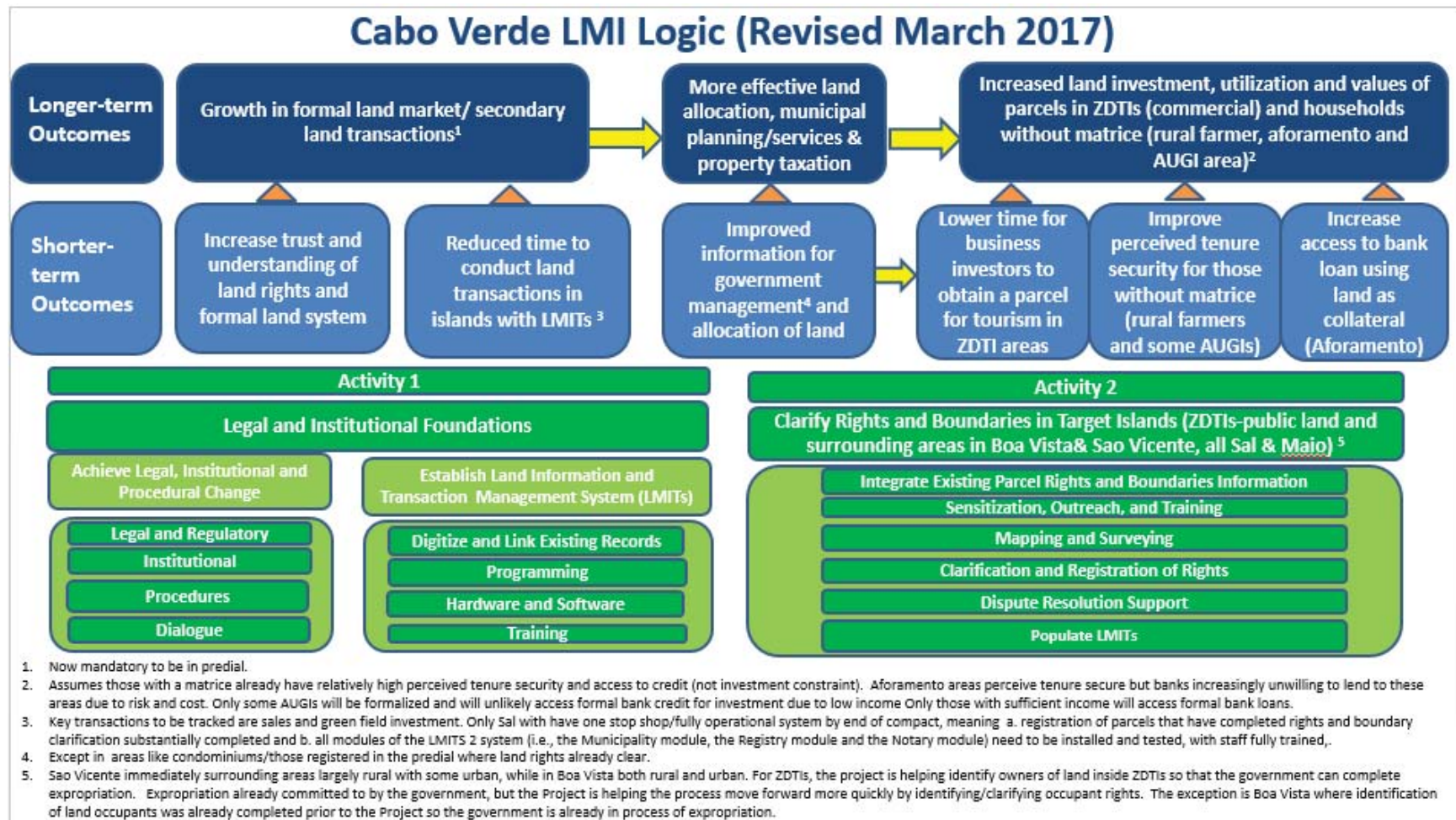


Figure 2: Land Management for Investment Project Logic Graphic



2. Projects and Activities

2.1 Overview of Water, Sanitation and Hygiene Project and Activities

The objective of the Water, Sanitation and Hygiene Project (WASH Project) is to install a financially sound, transparent and accountable institutional basis for the delivery of water and sanitation services to Cabo Verdean households and firms by 1) reforming national policy and regulatory institutions, 2) transforming inefficient utilities into autonomous corporate entities operating on a commercial basis and 3) improving the quality and reach of infrastructure in the sector. The WASH Project is comprised of three activities and six sub-activities as described below.

2.1.1. National Institutional and Regulatory Reform Activity

The GoCV is committed to undertaking institutional and regulatory reform activities at the national level in order to improve planning systems, regulatory processes and the setting of tariffs.

During the Compact term, the Government will create a new National Agency for Water and Sanitation (ANAS), which will be responsible for policy and planning of all water resources, domestic water supply, wastewater, and sanitation. ANAS will be guided by a National Water and Sanitation Council (CNAS), where core ministries, municipalities, private sector and civil society will be represented and will ensure that sector policies are aligned with overall government policy direction. The Government will also strengthen the existing Economic Regulatory Agency (ARE) to better regulate economic and technical aspects of the WASH sector, including setting tariffs. The General Directorate of the Environment (DGA) will expand its existing functions on environmental protection to include water and wastewater quality. Finally, social and gender objectives will be integrated into policy and planning at ANAS, CNAS, ARE, and other national institutions as relevant.

A significant number of National Institutional and Regulatory Reform activities involve conducting studies and developing action plans that translate into the adoption of new sectorial policy and institutional change. In order to facilitate the reform process, MCA-CV II has signed implementing entity agreements with a) the Ministry of Environment, Housing and Territorial Management as well as with b) the Economic Regulation Agency. Said implementing entity agreements a) identify the aforementioned organizations as stakeholder counterpart agencies, b) defines their respective institutional roles and responsibilities, c) specifies activities to be conducted and d) establishes a clear set of deliverables to be produced in accordance with the design specifications jointly agreed upon with MCC in support of achieving desired institutional and regulatory reforms over the term of the five year compact.

The GoCV will support the operational costs for the new and strengthened agencies with its own resources. MCC will support the design and operationalization of the proposed institutional changes with MCC funding for the following three sub-activities:

A. Improve Allocation of Resources, Planning, and Coordination Sub-Activity

This sub-activity aims to improve the allocation of resources mobilized for the sector, improve the coordination of sector activities and improve sector planning with a clear definition of sector priorities. During the project development process and to facilitate implementation of this Compact, MCC agreed to support the development of a Strategic National Master Plan (Master Plan) and strategic environmental and social assessment (SESA) for the WASH sector. The Strategic National Master Plan will serve as the basis for sector planning, resource allocation, and investment coordination.

B. Support Transparent and Fair Tariff Setting Sub-Activity

This sub-activity will support the move to transparent and fair tariff setting, to better reflect the cost of service, and to improve the financial well-being and sustainability of utilities. Tariff support will also include assistance for the formation of appropriate pro-poor tariff policies. Specifically, MCC Funding will assess the current financial state of utilities nationally, and on Santiago particularly, with the goal of identifying the true cost of the existing systemic sector inefficiencies, impacts of these costs and inefficiencies on cost of service rates, and tariff and regulatory strategies for transitioning to a financially self-sustaining system.

C. Improve Water Quality Standards and Environmental Oversight Sub-Activity

MCC funding will support technical assistance to DGA for the development of existing functions on environmental protection, with an emphasis on potable water and wastewater quality, and to develop new water quality and wastewater discharge standards, including appropriate wastewater treatment technologies and associated standards for wastewater reuse.

2.1.2 Utility Reform Activity

The Utility Reform Activity will promote the transition of existing service providers to increased financial and administrative autonomy and operation based on commercial principles. MCC will focus its assistance on the Island of Santiago to support the formation of a new, multi-municipal utility that covers all or most of the island (Aguas de Santiago). The Parties expect that this Activity will create a blueprint for utilities in other parts of the country.

A. Encourage Corporatization of Utilities Sub-Activity

MCC funding will support the design and establishment of Águas de Santiago, including a legal review and the preparation of organizational documents, staffing requirements, position descriptions, internal policies and operating procedures, and a plan for recruiting and transitioning staff to the new utility.

B. Strengthen Management and Planning of Águas de Santiago Sub-Activity

MCC funding will support: 1) a long-term strategic investment and business plan, capital improvement, and business plans for the water and sanitation sector on Santiago pursuant to the guidance emerging from the Master Plan and SESA. While these plans will be long-term and strategic in nature, they will assess the condition of existing water and sanitation systems and identify any immediate infrastructure and operational needs. The plans will also improve the management of water resources by ensuring an integrated approach to infrastructure planning; 2) technical assistance for water sector utility operations and management, including technical, financial, commercial, legal, environmental, investment planning, procurement, contract management, and social and gender practices; 3) the acquisition and implementation of, and training on, management information systems and identified hardware and software, such as GIS, asset management, billing and customer management systems, and office equipment (to be funded by MCC and GoCV); 4) information, education and communication (IEC) campaigns that include outreach by utilities and/or non-governmental organizations (NGO's).

The objective of the IEC campaigns is to improve communication between the utility and its customers, with a focus on developing an understanding of the cost of services and culture of payment by users, promoting efficient water use and conservation, and other aspects necessary to increase impact and sustainability of the reforms; and 5) technical and vocational education and

training (TVET) to the staff of Águas de Santiago to improve their ability to carry out their roles and responsibilities and to any redundant staff to assist their transition to new functions and responsibilities in other government agencies or in the private sector.

C. Reduce Commercial Losses in Santiago Sub-Activity

Non-revenue water (NRW) at existing municipal water and sanitation entities (SAAS) in Santiago is estimated to be approximately 50 percent. MCC funding will support a NRW study for service providers on Santiago (municipal SAASs, the Water Distribution Agency of Praia (ADA), and the national electricity utility with responsibility for water provision to select municipalities (ELECTRA) in order to provide better estimates of the level of losses in each service provider, assess the reductions likely achievable through improved commercial and technical management practices, and identify potential solutions to improve both technical and commercial aspects of NRW management. The study will provide a detailed strategy, and identify specific management actions and physical investments, for reducing NRW. Support from the “Strengthen Management and Planning of Aguas de Santiago Sub-Activity” will be provided to improve customer billing databases, asset inventories, and other business operational elements that contribute to high NRW. Subject to prior approval by MCC, MCC funding may be used to implement priority investments identified in the aforementioned study to reduce NRW losses for Aguas de Santiago under this sub-activity; these may include but are not limited to instituting demand management areas and meter replacement programs.

2.1.3 Infrastructure Grant Facility Activity

In order to promote continued national level reform, incentivize and reward utility reform, and improve investment planning, the Parties will support the establishment of an Infrastructure Grant Facility (IGF) to fund much needed infrastructure and capital improvements in the WASH sector.

MCC will make funds available to the IGF in three tranches as national policy and utility reform conditions precedent are met. The IGF will provide grants on a competitive basis to utilities that qualify based on continuous improvement on commercialization of operations. Grant applications from qualified utilities will be evaluated based on a set of transparent financial, economic, technical, operational, environmental, and gender and social criteria.

The objective of the IGF is to provide grants for three categories of projects: Category I – studies and technical assistance; Category II – existing network improvements and off-network improvements; and Category III – network expansion. The categories reflect the level of complexity to implement these projects, and utility applicants will be required to demonstrate incremental progress towards corporatization to be eligible for funding under Categories II and III. Category II and III projects will include financial support for IEC and TVET activities connected to specific infrastructure projects as identified during the design phase. Utility IEC campaigns will be funded by MCC through eligible Category II and III projects that benefit from IGF funding. MCC will fund the following IEC requirements: needs assessment of targeted communities, identify partners, set IEC campaign goal, establish IEC campaign objectives, define IEC strategy and campaign design, conduct pilot study, review barriers /set solutions, execute IEC campaign, conduct campaign evaluation, and design next phase of program. According to the IEC strategic rules established by ANAS, the IEC will be managed by the multi-municipal utilities. It is noted that the IGF will have a pool of funds to assist poor and female-headed households to overcome access barriers to WASH services.

The eligibility requirements, project selection criteria, and operations and management procedures of

the IGF, will be set forth in an operations manual to be approved by the Government and MCC.

The Parties expect that the IGF will initially be managed by MCA-CV II with the support of advisory services as the Parties deem necessary and eventually will be transferred to ANAS when it is deemed to have sufficient capacity to administer and manage the facility according to such management tools as the ANAS Operational and Organizational Manuals. A technical evaluation panel will carry out detailed evaluations, provide technical assessments, and score proposed projects. An executive committee of the MCA-Cabo Verde II Steering Committee will oversee the IGF and approve projects that pass established selection criteria and technical evaluation. The amount of MCC funds allocated for feasibility studies under Category I of the IGF will not exceed 20 percent, unless otherwise agreed by MCC. Each grant will also be subject to MCC no objection.

MCC funding will also support the development of an environmental and social management framework for the IGF, acceptable to the Government and MCC, to define the guiding environmental and social principles and to create procedures that will be included in the operations manual for assessing proposals against these objectives.

As set forth more specifically in the Program Implementation Agreement, MCC Funding for the IGF will be made available incrementally subject to the achievement of reform milestones

2.2 Overview of Land Management for Investment Project

The objective of the Land Management for Investment Project (Land Project) is to reduce the time required for establishing secure property rights and to establish more conclusive land information in areas of near-term high development potential in Cabo Verde by a) refining the legal, institutional and procedural environment to create conditions for increased reliability of land information, greater efficiency in land administration transactions, and strengthened protection of land rights, b) developing and implementing a new land information management system, and c) clarifying parcel rights and boundaries on targeted islands with high investment potential. The Land Project is comprised of two Activities as described below.

2.2.1 Legal and Institutional Foundations Activity

The Legal and Institutional Foundations Activity (Foundations Activity) will consist of the two principal sub-activities described below.

A. Develop Legal, Institutional and Procedural Foundations Sub-Activity

Under this sub-activity, MCC funding will support: 1) legal and regulatory analysis, recommendations, and drafting of regulatory texts and procedural manuals for improved operations and coordination by land administration institutions over the long term; 2) design of legal, regulatory and procedural tools and manuals enabling implementation and achievement of the objectives of the Rights and Boundaries Activity (described below); and 3) stakeholder workshops and public outreach.

B. Develop and Install Land Information and Transaction Systems Sub-Activity

Under this sub-activity, MCC funding will support: 1) technical assistance to computerize and link existing information about land rights and land parcels held in the paper-based Ministry of Justice registry system and in different municipal departments; 2) the design of a computerized land information system that will be used by the Ministry of Justice's Registry and Notary and by

municipal governments to efficiently manage and access information within their area of legal competence; 3) system programming work consistent with the new institutional and procedural arrangements and data access protocols; and 4) installation of the system, acquisition of relevant hardware and software for system operations, training for users, and public outreach.

Under the aforementioned technical assistance, MCC will fund support for the development of a standards survey, foundation database, legal texts, information system development and Operations Manual of the Land Project. Regarding infrastructure and equipment, MCC will fund the development, installation and equipping of the Land Management Information and Transaction System (LMITS) and the stakeholder organization offices to which LMITS will be deployed.

2.2.2 Rights and Boundaries Activity

Building on the Foundations Activity, the Rights and Boundaries Activity will support actual clarification of parcel rights and boundaries in targeted islands with high tourism investment potential, including through capacity building of key institutions.

The objective of the Clarification of Parcel Rights and Boundaries Activity is to ensure greater legal trust in property rights through centralization of information and by increasing legal safe guards while simultaneously reducing time and cost in property transactions.

Clarification of Parcel Rights and Boundaries will result in documentation of 1) descriptive information containing data on ownership, tax value, area measurements, location and other types of rights as well as 2) graphic representation of area, boundaries and location of the property.

Subject to the satisfaction of the mutually agreed upon conditions precedent, MCC funding will support: a) communications, b) outreach and training (including topics on environmental and social risk management and planning as well as production and management of geographic information, c) inter-office linking of rights and boundary information where data exists, d) field-based clarification of boundaries through map consultation and surveying, e) field-based clarification of rights through consultation of existing records and information gathering and consultation with current occupants, f) rights adjudication recommendations made based on regulations and procedures agreed as a result of the Foundations Activity, g) public noticing of rights and boundary claims and requirements/opportunities for submission of or objection to claims, h) dispute resolution assistance through mediation and/or arbitration processes, i) training of mediators and equipping premises (Casas do Direito) for addressing conflict resolution cases, j) utilization of a resettlement policy framework tool as needed per International Finance Corporation Performance Standard No. 5, k) registration of rights that can be adjudicated and l) inputting of final boundary and rights information into the land information and transaction management system created under the Foundations Activity.

The Rights and Boundaries Activity will cover areas of land claimed or held as a) private property, b) property of the national government, and c) property of municipal governments. The Activity will commence as a pilot on the island of Sal and be scaled to up to three other targeted islands subject to satisfaction of the mutually agreed upon conditions precedent. Should the Parties agree that additional funds remain in the Rights and Boundaries Activity after completion of Sal and commitment of sufficient funding (including adequate contingencies) for the three additional islands, the Parties may allocate any remaining funds to implement the Activity on other islands, based on criteria to be agreed by MCC and MCA-Cabo Verde II.

3. Projected Economic Benefits

3.1 Water, Sanitation, and Hygiene Project ERR¹

Analytic Approach

The analysis attempts to capture first order effects: changes in behavior that represent the broadest elements of benefits, which, on their merits alone, should provide clear indication of the likelihood of satisfactory outcomes. Many of the proposed interventions aim to achieve modified policies, institutions and institutional procedures as outputs. Such outputs have significance only to the extent that they actually lead to changes that have definable consequences within the economy. The institutional interventions of the proposed compact have as their primary objective a change in governance in the water and sanitation sector to improve the delivery of services. This is important because the present provision of services is limited, inefficient and wasteful, while water is a very expensive good for the economy to supply. The inefficiency creates increasing demands upon public resources. The expected outcome, therefore, that is the focus of the analysis is a reduction in cost of that inefficiency to the economy. As the institutional and policy environment is assembled to provide utilities incentives to operate accountably, it is expected that the formation of ring-fenced utilities in Cabo Verde will expand, first of all on the island of Santiago, the cost of services will appreciably decrease and significant progress toward financial sustainability will be observed.

The analytic approach for estimating the Project Economic Benefits, is based on a World Bank publication authored by Blanca Moreno-Dodson, titled “*Assessing the Impact of Public Spending on Growth An Empirical Analysis for Seven Fast Growing Countries*”, The World Bank (Poverty Reduction and Economic Management Network), WPS4663, July 2008.

Utility Reform

A primary focus of this analysis is the estimated impact of releasing general fiscal resources from financing the commercial losses of existing operations that are presently distributed among various institutions. Several elements determine the fiscal impact; including, average cost of supply, quantities of water distributed (which are related to population size, growth, water demand and both system and system losses) and the estimated response of GDP growth per capita to re-allocations from unproductive to productive government spending. In the analysis, demands upon fiscal budgets to cover operational and/or commercial losses represent an element of unproductive government spending.

The analysis focuses on conditions prevailing on the island of Santiago, on which half of the population of Cabo Verde is located. The results estimated for Santiago are used as a proxy for the rest of the archipelago.

Infrastructure Grant Facility

This analysis is based on a model that predicts an expected pattern of investments that might occur under the new institutional and policy environment, with a number of unknowns and variables with assumed ranges producing different estimates of impact. The model is then run numerous times, generating many possible outcomes for investments that might be considered during the compact implementation period, based on the current understanding of the uncertainty of outcomes and performance of the facility, and those outcomes are aggregated to produce average results (over many possible futures of the compact implementation). In this way, a scenario of facility activity and

¹ Post-Compact ERRs for the WASH project will be posted at <https://www.mcc.gov/our-impact/err>.

outcomes is constructed. Many such scenarios are simulated and the results averaged to produce the expected return for the facility.

Base Results and Sensitivity Utility Reform

Total proposed costs for the National Institutional and Regulatory Reform and Utility Reform Activities, including price contingencies, are estimated at \$ 20.5 million.

The expected base return to the proposed institutional development is estimated at 15% with a standard deviation of 1.3%. That is, the expected ERR is expected to lie in an interval between 12% and 18% with 95% probability. This is calculated on total base investment costs, excluding price contingencies, of about \$ 18.7 million.

Cost elements used in this analysis includes:

- the design of CNAS and ANAS,
- ANAS capacity building,
- legal and legislative review,
- redrafting of national legislation,
- multiple-municipal utility (MMU) economic viability study,
- drafting of water quality standards,
- legal review for establishing MMUs,
- technical assistance (TA) for national institutions,
- infrastructure needs study for Santiago,
- assessment of water and sanitation systems for Santiago island,
- last mile connections study for Santiago Island,
- MMU TA and other elements of national institutional and regulatory reform.

The principal drivers of the base result are:

- the average cost of water supply;
- the expected extent of reduction in commercial losses; and
- the incremental growth effect of releasing the use of government from unproductive to productive spending.

Results of a recent study of high growth economies, to which Cabo Verde would be comparable, found on average a 1% reallocation of government expenditure shifted from unproductive to productive spending leads to an increase in per capita GDP growth of 0.35%. Presently, average per capita growth is estimated at about 5.3% through year 2016. Afterwards, average per capita growth is expected to lower to approximately 3.9%. If there were no improvement on the scale of commercial losses but only a 13% reduction in the average cost of water, under the base assumption regarding the fiscal impact, the point estimate for the ERR is about 11%. This would correspond to a fiscal impact of about 0.1% of GDP following completion of the compact. Reduction of commercial losses from 20% to 10% increases this point estimate by about five points. Together, the anticipated reduction in water costs and commercial losses would represent a level of government expenditure that is about 0.18% of GDP. All other things remaining the same as in the base case, a 10% reduction in the fiscal impact parameter (from 0.35% to 0.32%) lowers the ERR to about 14%. A 20% reduction (from 0.35% to 0.28%) results in an ERR of about 12%. These results would be higher should improve management within the sector also lead to reductions in technical losses.

These results depend upon the establishment of one or more MMUs on Santiago Island within two years of the compact period and establishment of MMUs throughout the rest of Cabo Verde following the end of compact implementation. The results of the base case do not critically depend upon the full

corporatization of utilities outside Santiago. The extension of benefits to the rest of Cabo Verde following 2017 accounts for about four percentage points in the base ERR estimate.

Infrastructure Grant Facility

Total proposed activity costs, including contingencies, are estimated at \$29.0 million. This includes the capital fund (\$26.5 million), and the design, ESMF and operational costs of the facility (\$2.5 million). The MCC share of total costs is \$22.3 million, including contingencies.

The analysis proceeds as if assessed returns of proposals presented to the facility are drawn from a distribution of returns for water and sanitation projects. The analysis attempted to use ‘pipeline’ projects assembled by the independent engineer (IE) to gauge the distribution of possible returns to investment projects submitted to the facility.

For the simulation trials, the analysis initially assumed that \$ 17.9 million would be available for capital investments and the remainder would be available for feasibility studies and due diligence. Work flow and the investment amounts of proposals are uncertain. The fund total in 2011 values is approximately \$ 22.4 million. The analysis allows the average number of proposals processed each year of operation to vary from 4 to 10. Average costs of proposal preparation and due diligence financed out of the fund are assessed at 20% of a proposal amount. For assessing the return to the facility as an investment proposal in itself, such costs of preparation and due diligence enter the total costs of the facility whether individual fund applications are approved or not. A threshold of 12% is applied, which means in each trial a certain number of applications for capital development will be rejected. In implementation, each individual investment that is accepted for financing by the facility needs to pass a high enough ERR threshold to ensure that the returns of projects that do move forward compensate the costs of running the facility operation, including the cost of preparing and assessing proposals that are rejected. The analysis demonstrates that, on the average, a threshold of 12% accomplishes this requirement. The investment amounts of proposals were allowed to range from \$500,000 to \$5 million per proposal.

For this base run, after 8,000 trials, the expected ERR for the facility under these conditions is approximately 11% with a standard deviation of 12%. That is, the expected ERR is expected to lie in an interval between -12% and 34% with 95% probability. The simulation indicates that about \$13.8 million (in 2011 values) would be invested in various projects, about \$7.1 million would be used in proposal preparation and due diligence costs and about \$ 1.4 million (in constant values) of the fund would go undisbursed.

Refer to Table 1, listed below, for a summary of Economic Rates of Return disaggregated by WASH Activity

Table 1: Summary of Economic Rates of Return

	Project/Activity/Sub-Activity	Original ERR	Current ERR
1	Water, Sanitation and Hygiene Project		

1.1	National Institutional and Regulatory Reform Activity	15,1%	
1.1.1	Improve Allocation of Resources, Planning, and Coordination Sub-Activity		
1.1.2	Support Transparent and Fair Tariff Setting Sub-Activity		
1.1.3	Improve Water Quality Standards and Environmental Oversight Sub-Activity		
1.2	Utility Reform Activity		
1.2.1	Encourage Corporatization of Utilities Sub-Activity		
1.2.2	Strengthen Management and Planning of Aguas de Santiago Sub-Activity		
1.2.3	Reduce Commercial Losses in Santiago Sub-Activity		
1.3	Infrastructure Grant Facility Activity	11,0%	

3.2 Land Management for Investment Project ERR

Analytic Approach

Tourism has been one of the economy’s principal drivers over the last ten years and the country’s development strategy continues to place strong emphasis on developing tourism development zones on the islands of Sal, Boa Vista, Sao Vicente and Maio to generate employment opportunities and income. The analysis considers the impact of reducing the time required to register property as it affects tourism development.

As tourism is a key economic driver, the projected tourism impact was selected as the most quantifiable ERR model with demonstrable and observable impact within a short/medium term timeframe. Other potential benefits at the national level due to the legislative and management information system reform, or other benefits to the populations of the target islands beyond the impact of tourism, are not included in the model. Given the importance of tourism to the economy and the identification of the present land registration regime as a prominent impediment to investment, improvement of the situation should trigger a prominent response in investor behavior in this sector, if nowhere else.

Benefit streams include incremental value added from tourism receipts and from construction. The analysis focuses on the implications for development on Sal and Boa Vista islands, as these two islands comprise over 90 percent of total tourist bed-nights and in the short run these two islands will continue to be well positioned in terms of existing and planned infrastructure development to continue to attract foreign investment. In the analysis, construction of accommodation requires two years.

Over the past ten years, the number of available beds on Sal has grown annually at about 9 percent. In

recent years, tourist accommodations on Boa Vista have increased at an annual rate of over 17 percent. Although Cabo Verde has also been affected by the global economic downturn, tourism trade now appears to have rebounded to above 2008 levels and is rapidly tapping into new European markets. Although it would be optimistic to forecast 15% growth in tourist stays, 5% growth might represent a reasonable lower bound – particularly in reference to the recent performance of tourism in Europe. The base case of the analysis maintains growth of the Cabo Verdean tourism market at the same historic trend (9%) for both islands through the year 2016 and then assumes 5% growth thereafter.

Tourism has developed for a longer period on Sal than at other island locations. Given the island's relatively small size, development potentially reaches a limit within a decade or so. This feature is modeled in the analysis and its principal effect is that total tourism and employment development remain the same in over the analysis period; although, in the with-project case maximum development is realized sooner.

After Sal, tourism is most developed on the island of Boa Vista. The development of accommodation on Sao Vicente is much more modest than on Sal and Boa Vista, but is growing. Due to the lack of much basic infrastructure to develop the industry in a similar way, tourism presently is extremely limited on the island of Maio. The development of this island is regarded as a long-term objective. For the purposes of this analysis, the prospects of speculative impacts on the future development of Maio have been excluded.

Presently accommodations on Sal realize over 1.2 million bed-nights and for Boa Vista the figure approaches 800,000. Stays on Sao Vicente account for approximately 9% of total bed-nights. On average, tourism generates approximately \$ 77 of income to Cabo Verde per day of a tourist's stay. The economic assessment assumes that system improvements are not fully realized until 2014: in the third year of the compact's implementation, assuming EIF by mid-2012. For the modeling, where time for property registration is shortened by two years, this means that construction starting in 2014, following prior registration of property rights, and finishing in 2016 is augmented by construction that would have been completed in 2018, given a process that starts in 2014 under the status quo (which spans two years for securing property rights and two years for construction). In the analysis total investment costs in mid-2011 values, excluding price contingencies, include national fixed costs of approximately \$ 10.4 million. Compact investment costs for Sal, excluding compact administration and management costs, have been estimated at \$ 1.9 million. For Boa Vista, estimated investment costs amount to approximately \$ 2.5 million. Costs for work on Sao Vicente amount to about \$ 3.9 million. Total estimated project costs, excluding contingencies, amount to about \$ 18.8 million. Total costs including contingencies are about \$ 20 million.

The analyses are expressed in constant mid-2011 values. An exchange rate of US\$ 1 = 77 Cabo Verde Escudos (CVE) was used to convert between dollars and escudos. The time horizon for the analyses is twenty years. The ERR estimates include compact administration and management costs.

Base Results

The primary determinant of the economic assessment is the time required to register property value, and to a lesser extent, value added per bed-night, accelerated value added from construction, constant occupancy rates and tourism growth rates following 2016. In the base case, where the lag until new construction starts is reduced by two years and total base costs are on the order of \$ 18.8 million, the total estimated ERR is about 22% (with a standard deviation of 4%). Based on the uncertainties modeled in the analysis, the estimated likelihood is 95% that this result falls within an interval between 14% and

30%. For the project to deliver its projected returns, the project activities must successfully transform processes used to secure property rights in a way that signals a significant reduction of time to investment. Refer to Table 2, listed below, for a summary of Economic Rates of Return disaggregated by LAND Activity.

Table 3: Summary of Economic Rates of Return

	Project/Activity/Sub-Activity	Original ERR	Current ERR
2	Land Management for Investment Project	22%	
2.1	Legal and Institutional Foundations Activity		
2.1.1	Develop Legal Institutional and Procedural Foundations Activity		
2.1.2	Develop and Install Land Information and Transaction Systems Sub-Activity		
2.2	Rights and Boundaries Activity		

4. Program Beneficiaries

The Cabo Verde Compact II is a Program whose objectives are to reduce the costs upon the economy of inefficiently provided public services and to remove institutional conditions that impede private sector investment. Beneficiary analysis is used to estimate the impact of Compact Projects on the population and households. Beneficiaries of the projects are individuals or households who realize improved standards of living, primarily through improved income, as a result of the economic gains generated by the investments. The participants on the other hand are groups of peoples who will utilize services provided by the MCC funding or enjoy outputs from the Projects. The estimated total number of beneficiaries for the Cabo Verde Compact II over 20 years is 604,000 individuals, corresponding to the sum of beneficiaries of both projects: Water, Sanitation and Hygiene (591,000) and Land Management for investment (13,100), respectively.

The Water, Sanitation and Hygiene Project is designed to remediate the problem of the extreme water scarcity, high cost and poor service levels of the water and sanitation sector as a binding constraint to growth.

Water availability in the urban and peri-urban areas on the Island of Santiago can be characterized, at best, as intermittent with most networked households limited to receiving water from two to three times weekly for a reduced number of hours on service delivery days. In such circumstances, households rely on storage tanks and supplemental water tanker delivery services providing lesser quality and more costly potable water for household consumption. Urban and peri-urban households without the benefit of storage tanks rely on intermittent supplies from public fountains. According to an MCC-funded 2011 Water and Sanitation Baseline Survey, 86% of population of Santiago had access to improved drinking water. According to the 2012 DECRP III, the access to improved drinking

water in the rural area of Cabo Verde was around 70% in 2010. Notwithstanding, it is important to note that such access is intermittent, costly and unreliable.

According to the MCC-funded 2011 Water and Sanitation Baseline Survey approximately 60% of the Santiago Island urban population has access to improved sanitation facilities whereas access to sanitation facilities in the rural area of Cabo Verde is reported at 42% in 2010 (2012 DECRP III).

It is also noted that women generally assume the primary responsibility for off-network water gathering activities and as primary care givers for the young, sick and elderly, have additional special needs for access to improved reliable potable water supply and improved sanitation and wastewater disposal facilities.

As the poor have fewer economic means to spend on water and sanitation services, the poor are obliged to spend a larger percentage of their disposable income, or equivalent in time in water gathering activities, for access to improved water sources. The poor, and particularly female head-of-households, are especially vulnerable as only 9% (SGIP Plan, 2012) of poor households have access to the networked public water supply. Lack of access to improved drinking water and sanitation facilities result in significant public health problems, including diarrhea, dengue, cholera and malaria.

A primary objective of the Land Management for Investment Project is to improve Cabo Verde's investment climate targeting islands with high tourism investment potential. It is expected that the improvement of the legal, policy, and institutional environment and the implementation of a unified land information system will strengthen the protection of land rights and provide greater efficiency in land transactions leading to increasing domestic and foreign investment, especially in the tourism sector. Benefit streams include incremental value added from tourism receipts and from increased employment opportunities generated from construction activities.

Initial beneficiaries of the Land Management for Investment Project include investors (national and foreign) and the general population (urban and rural) of the islands of Sal, Boa Vista, São Vicente and Maio. Longer term beneficiaries are the general national of Cabo Verde.

The poor and other vulnerable groups are generally at a disadvantage in securing land rights. Low literacy (including legal literacy), lack of knowledge about official processes, lack of identity papers, and the inability to afford fees for registering property or for resolving conflicts through the court system are among some of the principle constraints to securing property rights.

The Land Management for Investment Project seeks to mitigate such risks to the poor and vulnerable groups. In the initial months of Project start-up, property registration and conflict mediation is either free or available at a reduced cost and IEC campaigns will be conducted to instruct beneficiaries on preparing property registration documents and for initiating processes for mediating conflicts and/or resolving legal disputes.

Individual beneficiary analyses were conducted for each project and are described below.

4.1 Water, Sanitation, and Hygiene Project

The beneficiary analysis is divided into two parts. The first part concerns Utility Reform; namely the institutional development of water and sanitation services with the establishment of corporatized utilities. The second part addresses the Infrastructure Grant Facility.

Utility Reform

Initially, the project’s beneficiaries are identified as the population of Santiago Island; numbering approximately 278,000 in 2010. During or soon after compact completion, the corporatization of utilities is expected to extend throughout the rest of Cabo Verde. As project coverage is expected to be universal, the Beneficiary Analysis is based on general characteristics of the population at large.

The performance of the proposed scale of investment to support institutional change for the provision of water and sanitation services in Cabo Verde should be satisfactory provided that a) the establishment of an MMU on Santiago Island (Aguas de Santiago) proceeds relatively quickly, b) MMUs throughout the archipelago achieve appreciable improvements in cost efficiency and cost recovery, and c) the impact on the general government budget allows for some adjustment in the pattern of government expenditures.

Infrastructure Grant Facility

The analysis estimates that on average a population of 48,000 (approximately 11,000 households), or just over 10% of the current population, would benefit from the operation of the facility, assuming no overlapping of beneficiaries across investments financed from the facility. The Beneficiary Analysis is based on the characteristics of the beneficiaries of each approved project.

Table 4: Water, Sanitation and Hygiene Project Beneficiaries

	Project/Activity/Sub-Activity Name	Estimate d Number of Beneficiaries	Estimate d Increase in Househ
1.1	National Institutional and Regulatory Reform Activity	591,000	
1.1.1	Improve Allocation of Resources, Planning, and Coordination Sub-Activity		
1.1.2	Support Transparent and Fair Tariff Setting Sub-Activity		
1.1.3	Improve Water Quality Standards and Environmental Oversight Sub-Activity		
1.2	Utility Reform Activity		
1.2.1	Encourage Corporatization of Utilities Sub-Activity		
1.2.2	Strengthen Management and Planning of Aguas de Santiago Sub-Activity		
1.2.3	Reduce Commercial Losses in Santiago Sub-Activity		

1.3	Infrastructure Grant Facility Activity	48,000	

4.2 Land Management for Investment Project

Based on estimates of incremental employment opportunities, it is estimated that at least 3,000 households (approximately 13,100) would benefit from increased tourism development as a consequence of improving the process of land registration in the islands with high investment potential in tourism, such as Sal, São Vicente, Boa Vista and Maio. This number excludes the current population on the islands who might also benefit from the improvement in the land registration regime.

Note: According to the 2010 Population Census, the population of Sal is 25,779, Boa Vista is 9,162, Maio is 6,952, and São Vicente is 76,140. The area in square kilometers of Sal is 216, Boa Vista is 620, Maio is 269, and São Vicente is 227.

Table 5: Land Management for Investment Project Beneficiaries

Project/Activity/Sub-Activity Name		Estimated Number of in Beneficiaries Household	Estimated Increase
2	Land Management for Investment Project	13,100	
2.1	Legal and Institutional Foundations Activity	13,100	
2.1.1	Develop Legal, Institutional and Procedural Foundations Sub-Activity		
2.1.2	Develop and Install Land Information and Transaction Systems Sub-Activity		
2.2	Rights and Boundaries Activity		

5. Monitoring Component

5.1 Summary of Monitoring Strategy

Post-Compact performance will be monitored systematically and progress reported in order to track the use of Compact investments and sustainability of Compact activities.

There are three levels of indicators included in the Post-Compact ITT that flow from the program logic framework: (i) output, (ii) outcome, and (iii) goal. The various indicator levels map to the program logic and thus allow project developers and managers to understand to what extent planned activities are likely to achieve their intended objectives.

Goal indicators measure the economic growth and poverty reduction that occur during, or, most likely, after implementation of the program. For MCC Compacts, goal indicators will typically be a direct measure of local income and are typically measured through Post-Compact evaluations. Outcome indicators measure the intermediate effects of an activity or set of activities and are directly related through the Program Logic to the output indicators. Output indicators directly measure Project Activities. They describe and quantify the goods and services produced directly by the implementation of an activity.

Monitoring Indicators, Baseline, and Target Definitions

MCC, MCA-CV II, and designated representatives at the Ministry of Finance (MoF) selected the Post-Compact indicators and agreed that MoF will monitor these indicators at least until all Compact evaluation work is complete. All indicators with their (i) name; (ii) definition; (iii) unit of measurement; (iv) level of disaggregation; (v) data sources; (vi) responsible party; and (vii) frequency of reporting are listed in ANNEX I. Some Post-Compact indicators were also monitored during the Compact. For these indicators, ANNEX II provides the baselines and targets that were included in the final closeout M&E Plan, however, no new targets for the Post-Compact period are needed, per MCC Policy, and thus are not included. For new indicators that have been added for the Post-Compact period, these indicators generally do not have baseline information or annual targets from the Compact period. Indicators can be retired at any time if they are deemed unnecessary with mutual agreement between MCC and MoF.

Data Sources

For the Post-Compact period, there will be two reporting mechanisms for reporting Post-Compact ITT data. One will be through MoF and the other will be through MCC's evaluation consultants.

The MoF will coordinate the collection of most Post-Compact indicators. For indicators whose responsible party is "MCC Evaluator", Post-Compact ITT data will be provided by MCC's evaluation consultants. MCC's consultants should provide Post-Compact ITT data to both MCC as well as MoF. These indicators will have their responsible party listed as "MCC Evaluator." All other indicators will be reported on by MoF in the Post-Compact Indicator Tracking Table (ITT).

For indicators whose responsible party is not "MCC Evaluator," the responsible party will appoint a point of contact (POC) who will be responsible for providing the data to MoF Post-Compact. If the (POC) changes, the responsible party should alert MoF and provide contact information for the new POC.

Data Collection Frequency

For the Post-Compact period, reporting will be on an annual basis. For data provided by MCC’s evaluation consultants, these data will be available on a rolling basis, as they become available upon survey/evaluation completion.

5.2 Data Quality Reviews (DQRs)

The designated representative will be responsible for ensuring data quality by verifying the accuracy and reliability of performance data from each reporting entity. Similarly, MCC’s evaluation consultants will be responsible for overseeing and managing the quality of survey-collected data.

MCC may contract an independent data quality reviewer if deemed necessary. MoF may also conduct field visits to review the quality of the data gathered through the post-Compact M&E Plan. This exercise will be done in coordination with MCC and the respective stakeholders.

5.3 Standard Reporting Requirements

As per the terms of the PCP, the MoF will be responsible for submitting an annual report to MCC covering the period through the end of calendar year 2022. The Annual Summary Report need only cover the projects thru to the completion of the final evaluation for the particular project.

This report should be submitted to MCC via email to the Vice President of the Department of Compact Operations at VPOperations@mcc.gov with the subject line “Cabo Verde Post-Compact Reporting” and the dates of report coverage. The Annual Summary Report for every Compact is due on March 31st of each year. The Annual Summary Report will be sent to MCC for information by MoF. It will be made public and posted on MCC’s and the MoF’s website.

Table 6: Report Schedule

Report	Due Date	Includes Data From	Projects Covered
Annual Summary Report #1	March 31, 2019	December 2017 to December 2018	WASH, LMI
Annual Summary Report #2	March 31, 2020	2019	WASH, LMI
Annual Summary Report #3	March 31, 2021	2020	WASH, LMI
Annual Summary Report #4	March 31, 2022	2021	WASH, LMI
Annual Summary Report #5	March 31, 2023	2022	WASH

The Annual Summary Report about Compact program activities should include the following information:

- A narrative summary of any activities undertaken or continued by the Government of Cabo Verde Post-Compact that relate to the sustainability of compact investments including any issues with operations and maintenance of infrastructure, if applicable.
- A summary of progress on any activities undertaken by GoCV or other donors that are complementary to Compact investments.
- The following documents should be Annexed to the Annual Summary Report and submitted as a package to MCC by the designated representative:

- Annual progress report on the WASH Sector Fund, to include financial information such as value of outstanding loans, capitalization rates and a balance sheet.
- Post-Compact Indicator Tracking Table (ITT) that includes all of the indicators included in ANNEX I of this plan for the preceding calendar year, except for the indicators whose data source is “MCC Evaluation Consultant.” The Post-Compact ITT will have the same format as the Compact ITT only with additional years added to it. The ITT template will be provided to the designated representative by MCC one quarter before the reporting due date.
- The status of outstanding issues for infrastructure components through the end of the defects liability period.

6. Evaluation Component

As defined in the MCC M&E Policy, evaluation is the objective, systematic assessment of a program’s design, implementation and results. MCC is committed to making the evaluations as rigorous as warranted in order to understand the causal impacts of the program on the expected outcomes and to assess cost effectiveness. The results of all evaluations will be made publicly available in accordance with the MCC M&E Policy.

6.1 Independent Evaluations

According to the MCC M&E Policy, every Project in a Compact must undergo a comprehensive, independent evaluation (impact and/or performance). The next section on Specific Evaluation Plans describes the purpose of each evaluation, methodology, timeline, required MCC approvals, and the process for collection and analysis of data for each evaluation. All independent evaluations must be designed and implemented by independent, third-party evaluators, which are hired by MCC.

For each independent evaluation, the MoF and relevant stakeholders are expected to review and provide feedback to independent evaluators on the evaluation design reports,² evaluation materials (including questionnaires), baseline report (if applicable), and any interim/final reports in order to ensure proposed evaluation activities are feasible, and final evaluation products are technically and factually accurate. Results will be presented in Cabo Verde by the independent evaluator. The MoF is expected to facilitate these presentations and coordinate with local stakeholders.

6.2 .Specific Evaluation Plans

The following table summarizes specific evaluation plans.

Evaluation Name	Evaluation Type	Evaluator	Primary/ Secondary Methodology	Final Report Date
WASH Project Evaluation	Performance	Mathematica Policy Research	- Process Evaluation - Quantitative Pre-Post - Case Studies	2022
Land Management for Investment (LMI) Project Evaluation	Performance	Mathematica Policy Research	- Quantitative Pre-Post - Qualitative Study	2021

² Evaluation Design Reports can be accessed [here](#).

			- Case Studies	
--	--	--	----------------	--

6.2.1 Water, Sanitation and Hygiene Project (WASH) Evaluation

Objective

Evaluations of the WASH Project activities will focus on three main themes: 1) independent reviews and, as warranted, independent specification and estimation of relevant project ERRs; 2) assessing household-level impacts of the program investments and activities; and 3) examining the broad institutional benefits of the changes in national policies and utility organization and management. At the household level, the evaluations will focus on the following program impacts on household and individuals including:

- a) Household expenditures on water purchases and coping mechanisms,
- b) Imputed value of individual time devoted to water gathering and coping, and
- c) Other household and individual costs attributable to the changing water and sanitation environment.

All estimates of household and individual costs and benefits should determine patterns across social, economic and demographic groups, including gender analysis. The evaluations will attempt to review poverty, economic activity, water-borne disease and intra-household member productivity trends; however, MCC does not expect that a valid counterfactual for the project can be established in such a way as to attribute changes on these outcomes to the project.

At the institutional and utility level, the evaluations will focus on assessing the impacts of the program on utilities, particularly with regards to:

- a) Reducing operating costs or losses, and
- b) Increased commercial efficiency.

The consistency of these indicators shall be assessed using any historical and current high-frequency indicators, including water supplies, revenue collections, operating costs, and non-revenue water. The evaluation may use a before-after comparison of utility performance and/or a benchmarking methodology.

The WASH evaluation will assess the outcomes and impacts of individual Compact activities, as defined in the Compact agreement. However, because the WASH project is designed to produce synergies between different activities- for example, the institutional reform activities under the WASH project will impact and are conditions precedent for the Santiago utilities, while the IGF Activity is meant to provide incentives for reform by furthering the corporatization of utilities and improving the allocation of scarce resources in the sector across all islands- several evaluation questions will analyze the combined impact of the project activities.

Data collection methodology

The first component is a process evaluation of all three project activities using interviews, project documents, and administrative records to document how each activity was implemented, how implementation was influenced by the context (including the incentives different actors faced and the characteristics of the individuals and institutions involved in the project), how the three activities reinforced each other, and the potential for the project's effects to be sustainable.

The second component of the evaluation is pre-post analyses using household survey data from Santiago and secondary administrative data sources to explore the effects of all three project activities on households and utilities. At the household level, the pre-post analyses will track changes over time in access to water and sanitation services, the quality of these services, WASH behaviors, expenses on WASH services, and outcomes related to household productivity. Existing baseline household survey data will be used and primary household survey data will be collected for the evaluation to estimate the combined effects of the NIRR and URA on Santiago, using a household sample that is representative of the whole island's population. The additional benefits from FASA and FAS among Santiago households who live in the FASA project zones or received subsidized household connections to the piped water network through FAS will be estimated by oversampling neighborhoods in FASA project areas and complementing the representative sample of FAS beneficiaries. In addition to the survey data, the evaluation will draw from the new WASH sector monitoring yearbook for Cabo Verde and administrative statistics provided by AdS to describe how measures such as the number of connections to the network, the collection ratio, and the volume of technical losses have changed over time.

The rationale, implementation, challenges, and results of FASA projects that represent the diversity of the portfolio will be explored through a set of case studies of FASA projects and using data from the process evaluation and pre-post analyses, plus additional interviews, focus group discussions, document review, and descriptive sub-group analyses of the household survey data.

Evaluation questions

1. Were the Activities/Sub-Activities implemented as designed? What were implementation challenges and successes?
2. How did the political and economic incentives of different sector actors affect the implementation, sustainability, and efficacy of the WASH project? In particular, how did these incentives affect the reform portfolio, and the effects of the WASH project on customers, utilities, and the management efficiency of the sector?
3. a) Has the FASA mechanism efficiently selected the most effective, high quality projects as measured by the effects of the FASA projects on the socioeconomic well-being of households, the finances and management of the utilities, economy value-added and business and household productivity? b) Is the FASA a sustainable institution in Cabo Verde that is and will catalyze additional financing for WASH infrastructure?
4. a) Is the new tariff for AdS pro-poor (progressive), regressive, or neutral? b) Does the new tariff structure allow for cost-recovery by AdS?
5. Is there evidence that the interventions have resulted in the outcomes outlined in the program logic?
6. Was the WASH project as a whole effective at increasing the management efficiency and sustainability of the sector as measured by non-revenue water, collection ratio, and tariff adequacy? At reducing the (implicit) subsidy to the WASH sector at the municipal and national level?
7. What has been the effect of the WASH project on access to, quality and continuity of, and total costs of (direct and indirect) water and sanitation services for households and businesses in Cabo Verde? On gender and social equality in access to and cost of water and sanitation services?
8. How do the FASA and FAS projects' effects on these outcomes compare?

6.2.2 Land Management for Investment (LMI) Project Evaluation

Objective

The Evaluation will assess changes in home/commercial investments in properties located in islands targeted by the fieldwork that have their tenure security improve or be more clear as a result of the project (registration of existing land rights, newly established “aforamento” tenure regime, award of full property rights of municipal land to aforamento rights holders, inheritance registered/chain of title restored, etc.).

The Evaluation will need to distinguish between a) islands/parcels with LMITS and with Activity 2 fieldwork as compared to b) islands/parcels with LMITS but without Activity 2 field work³. Areas of islands which undergo Activity 2 fieldwork will systematically register property rights and hence measuring of time for first time registration or other updating/correcting of facts will not have any meaning because those tasks will be undertaken over a short time period with project support.

In addition, the evaluator will review the underlying logic of the LMI ERR model and conduct a data quality review of the LMI Project monitoring data reported in the ITT. The evaluator’s data quality review will assess and ensure the reliability of monitoring indicators reported to MCC. As part of the ERR analysis, the evaluator will assess the model’s validity and work with MCC to develop an ex-post ERR estimate that updates key parameters in their model and includes the benefit streams that were realized in practice. This could include variables that were not included due to earlier limitations of data availability.

Data collection methodology

The Independent evaluator will conduct a mixed-methods performance evaluation⁴ that includes three components:

1. A trend analysis, which will examine changes in key outcomes over time using secondary data. These data will largely consist of annual island-level information (covering all four targeted islands and, for some outcomes, additional non-targeted islands) drawn from surveys conducted by other entities, LMITS, or administrative data.
2. A qualitative study, which will provide rich information to interpret the findings from the trend analysis and enable researchers to answer a broader set of research questions. The qualitative study will rely on data collected through two rounds of in-depth interviews with key stakeholders at the national and island levels, and one round of focus group discussions in 2020 with beneficiary households and businesses on targeted islands⁵. Whereas the in-depth interviews will cover all four targeted islands (and, for some stakeholders, additional non-targeted islands), the focus group discussions will target primarily on Sal and Boa Vista, which are the two targeted islands on which implementation will reach the most households and on which all key household typologies of

³ Four of Cabo Verde’s nine islands will be receive both Activity 1 (LMITS) and Activity 2 (Rights regularization) are Sal, Boa Vista, Maio and Sao Vicente. The remaining five islands will only be receiving the LMITS system (Santiago, Santo Antao, San Nicolao, Fogo, and Brava).

⁴ An impact evaluation of the tourism zones was not possible due to sample size. In terms of households, there was a decision by GoCV and MCC not to conduct an impact evaluation at the start of the LMI Project and instead wait to consider options once the LMI Project Island rollout areas were confirmed. An impact evaluation was considered by Mathematica at that point: however, it was not considered feasible due partially to existing high levels of perceived tenure security for those households most likely to invest combined with concerns of comparability of inter-island analysis.

⁵ An additional round of focus groups might be conducted in 2017 depending on budget.

interest exist. Dependent on local data collection costs and the final status of LMI Project implementation, there might be the possibility of some focus groups on additional targeted islands.

3. A multisite case study of large tourism-related commercial investments—specifically, hotel and condominium developments—on the four targeted islands. This study will focus on investments in tourism development zones (known as Zonas de Desenvolvimento Turístico Integral, or ZDTIs) on these islands. It will examine planned and actual investments in the years leading up to the project and for several years after the end of the project to understand how the project affected these investments.

Evaluation questions

1. Does domestic and/or foreign investment in land and property and/or productive use of land increase after the project is implemented?
2. What is the extent of the changes in property values after the project is implemented?
3. What is the extent of the changes in land tenure security and land-related disputes after the project is implemented?
4. Is there a reduction in the time required for key property transactions after the project is implemented?
5. Is there an increase in key property transactions using the formal land system after the project is implemented?
6. Is the LMITS financially sustainable?
7. Are institutions targeted by the project still using the new land systems and procedures introduced by the project in the post-project period?
8. How do the project's benefits and/or costs accrue differently to men and women? To the poor/vulnerable versus non-poor? What is the reason for these differences?
9. Do more efficient procedures and more reliable rights and boundary information lead to increased investment and growth in the tourism industry and related economic activity?

7. Implementation and Management of M&E

7.1 Responsibilities

Both MCC and the GoCV via MoF have responsibilities under the Post-Compact M&E Plan. In addition, ANAS, AdS, INE, INGT, NOSi, DGRNI and Municipal Camaras of Sal, Maio, Boa Vista and Sao Vicente. Responsibilities of each are described below.

MCC:

Post-Compact responsibilities of the MCC M&E Unit include:

- Contracting and managing independent evaluators and other consultant(s) to coordinate Post-Compact M&E activities;
- Ensuring evaluators conduct stakeholder review of evaluation reports;
- Contracting Post-Compact data collection for evaluations;
- Providing guidance and training to the country on the detailed requirements for preparing the Annual Summary Report, as necessary and practical.

MoF:

The MoF, with the support of MCC, is responsible for implementing the Post-Compact M&E Plan, as

explained in this document. These responsibilities include:

- Development and submission of the Annual Summary Report to MCC per Section 5.3;
- Serving as the primary point of contact for any questions from MCC, Implementing Entities (IEs), evaluators, or other parties regarding M&E of the CVII Compact;
- Assignment of focal person(s) to coordinate the collection, cleaning, and reporting of all local data within the framework of the Post-Compact M&E Plan;
 - Note: Patrimonio, as a department of the MoF, has two roles related to M&E in the land sector in the Post-Compact period. One role is as focal point for the MoF to coordinate post-Compact reporting for Land; the second is to provide primary data for key Land Project Post-Compact indicators.
- Communicating with focal persons at reporting entities to validate data submitted per the Post-Compact M&E Plan;
- Checking data quality of agreed to indicators, ensuring that all reported indicators have proper documentation;
- Ensuring accountability of ANAS and NOSi for maintaining the functionalities of the SIRAS and LMITS systems, respectively;
- Issue necessary authorizations, as needed, for evaluators to access databases sourced from NOSi and INE;
- Cooperating with MCC consultant(s) in their execution of MCC's Post Compact M&E Plan and related activities;
- Supporting the external evaluation teams procured by MCC to evaluate Compact activities;
- Reviewing and providing an official response to each evaluation and helping to coordinate the review of evaluation reports by other government agencies as necessary;
- Disseminating results, including organizing in-country presentations with stakeholders and posting evaluations on a government website;
- Identifying opportunities to apply the learning from evaluations to project design and implementation;
- Maintaining stable communications with MCC on topics pertaining to the evaluation of projects implemented by MCA-CV II; and

Other reporting agencies will contribute to the Post-Compact reporting as detailed below.

ANAS:

Post-Compact responsibilities of ANAS includes:

- Identifying a focal person to provide continuous assistance and advice to the MoF on all aspects related to Post-Compact M&E of WASH Projects.
- Coordination of technical M&E aspects with entities responsible (AdS, INE) for providing primary data for indicators as detailed in this Post-Compact M&E Plan;
- Collecting data from WASH sector utilities and other relevant institutions and calculating data for input into the Post-Compact ITT;
- Monitoring and maintaining the SIRAS system, to ensure that WASH sector data that shall be reported in the Post-Compact ITT are up-to-date;
- Ensuring completeness, accuracy, and integrity of data compiled from reporting entities before submitting data for the annual reports to MoF;
- Submitting WASH sector data to the MoF for the Annual Summary Report;
- Supporting the MoF with dissemination of information, organization (if applicable) of presentations of the results of evaluations and publication on relevant websites, such as those for SIRAS and MoF; and
- Serve as a point of contact for inquiries regarding Compact projects and activities implemented.

AdS:

Post-Compact responsibilities AdS includes:

- Identifying a focal person responsible for coordinating with ANAS on implementing the Post-Compact M&E Plan specific to the WASH Project;
- Submitting data to ANAS for the Post-Compact ITT as part of the WASH sector annual reporting;
- Ensuring completeness, accuracy, and integrity of data; and
- Responding to inquiries from MoF, ANAS or other stakeholders on Post-Compact indicators.

INE:

Post-Compact responsibilities of INE includes:

- Identifying a focal person responsible for coordinating with ANAS and INGT on implementing the Post-Compact M&E Plan for WASH and LMI Projects;
- Providing data for the Post-Compact ITT as part of the WASH and LMI sector annual reporting;
- Ensuring completeness, accuracy, and integrity of data; and
- Responding to inquiries from MoF INGT and other stakeholders on Post-Compact indicators.

NOSi:

Post-Compact responsibilities of NOSi includes:

- Ensuring capacity to host SIRAS data system;
- Maintaining the functionality of LMITS; in the event that the LMITS dashboard does not function, provide data in another suitable format (such as MS Excel);
- Identifying a focal person responsible for coordinating with INGT on implementing the Post-Compact M&E Plan specific to the LMI Project;
- Submitting data to INGT for the LMI Project Post-Compact ITT; and
- Respond to inquiries from INGT on LMI Project Post-Compact indicators.

INGT:

Post-Compact responsibilities of INGT includes:

- Identifying a focal person to provide continuous assistance and advice to the MoF on all aspects related to Post-Compact M&E.
- Coordination of technical M&E aspects with entities responsible (NOSI, DGRNI, INE, Municipal Camaras) for providing primary data for indicators as detailed in the Post-Compact M&E Plan;
- Collecting data from Land sector utilities and other relevant institutions and calculating data for input into the Post-Compact ITT;
- Communicate with MoF on the status of the LMITS in the event that the system is not functioning as required for data reporting;
- Ensuring completeness, accuracy, and integrity of data compiled from reporting entities before submitting data for the annual reports to MoF;
- Submitting Land sector data to MoF for the Annual Summary Report; and
- Support MoF with dissemination of information, organization (if applicable) of presentations of the results of evaluations and publication on relevant websites, such as those for LMITS and MoF;
- Serve as a point of contact for inquiries regarding Compact projects and activities implemented.

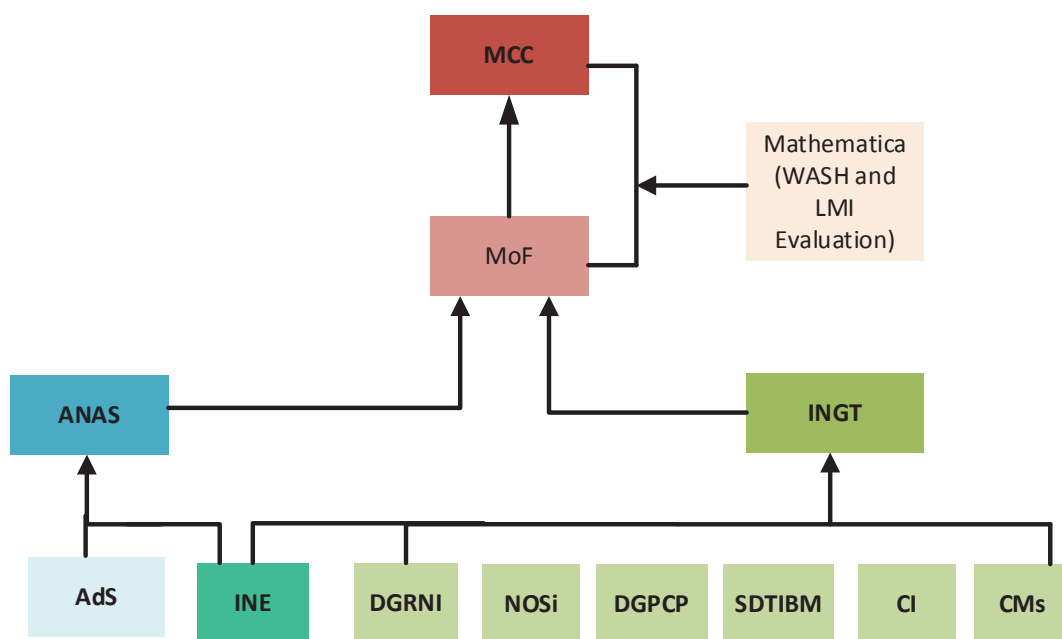
DGRNI, INE, DGPCP, SDTIBM, Municipal Camaras are expected to:

- Identify a focal person responsible for coordinating with INGT on implementing the Post-Compact M&E Plan specific to the LMI Project;
- Submit data to INGT for the Post-Compact ITT; and
- Respond to inquiries from INGT on Post-Compact indicators.

7.2 Coordination of M&E Data Gathering

As described in Section 7.1, while MoF will ultimately be responsible for Post-Compact Reporting, data for Post-Compact indicators will be sourced by multiple in-country entities, including entities that provided the same data during the Compact and are familiar with the reporting procedures. Figure 3 illustrates the reporting channels for the Post-Compact period.

Figure 3: Reporting/Data Flow Structure for Post-Compact Reporting



7.3 Review and Revision of the M&E Plan

All revision to the Post-Compact M&E Plan will be mutually agreed upon by the MoF and MCC. Either party may suggest revisions to the plan. Within MCC, revisions to the Post-Compact M&E Plan will be shared with Department of Compact Operations colleagues for information and approved by the M&E lead; MCC sector leads will also be consulted before approving revisions.

In the case of future revisions, this section will summarize the changes between this original draft of the CVII Post-Compact M&E Plan and any future revision. Any changes to indicators must be documented in an ANNEX III and included with this M&E Plan.

The reviewed and approved Post-Compact M&E Plan should be publicly available through the Post-Compact section of the MCA-CV II website and MCC’s website.

8. M&E Budget

MCC is responsible for contracting the independent evaluator for post-Compact M&E. The Post-Compact M&E budget is expected to be approximately USD 3.5 million for data collection and analysis for the final evaluations.

The MoF is expected to dedicate staff time to Post-Compact M&E activities. It will facilitate dissemination of interim and final evaluation findings via presentations and other modalities (e.g. brochures) as well as any data quality review that MoF undertakes.

9. ANNEXES

ANNEX I

See below

ANNEX II

See below

Cape Verde II Water, Sanitation and Health Project
Annex I: Indicator Documentation Table

Common Indicator	Indicator Level	Indicator Name	Definition	Unit of Measurement	Indicator Classification	Disaggregation	Primary Data Source	Responsible Party	Frequency of Reporting	Additional Information
Program Goal										
Water, Sanitation and Hygiene Project										
	Outcome	Percentage of productive national government spending	Value of government funds allocated to "productive" spending / Total value of government funds allocated. This includes value of government funds allocated to "unproductive" spending. Productive spending includes a) general public services, b) defense, c) education, d) health, e) housing and f) transportation and communication. Unproductive spending includes a) social security and welfare, b) recreation and c) other economic services.	Percentage	Level	None	National Budget (SIGOF)	National Directorate of Budget and Public Accounts (DNOCP) of the Ministry of Finance and Planning (MFP)	Annually Post Compact	Linked to the ERR Analysis. 1. According to the findings of a World Bank research publication titled "Assessing the Impact of Public Spending on Growth: An Empirical Analysis for Seven Fast Growing Countries", by Blanca Moreno-Dodson, a) the classification of expenditures that distinguishes "productive" from "unproductive" spending is based on an a priori judgment regarding expected impact on economic growth. This categorization of expenditures is consistent with the theory behind endogenous growth models which contends that only "productive" public spending should be expected to have a robust relationship with GDP per capita growth, b) reallocating 1% of unproductive spending towards the productive spending categories would lead to a 0.35 % increase in GDP per capita growth, everything else being equal. With regard to the WASH Project, unproductive public spending refers to the amount of public finance lost over time in the form of implicit subsidies due to inefficiently operated "non-corporatized" municipal water and sanitation utilities. The project economic rate of return model contends that the establishment of multiple municipal water and sanitation utilities operating according to "corporatized" principles will a) reduce the over-reliance of municipal utilities on federal subsidies to cover the true costs of operations and, thereby, b) enable the central government to increase investments in productive public spending. Unproductive public spending includes "transferências não orçamentadas para cobrir ineficiências do sistema de distribuição de água".
	Outcome	Total WASH Financial Position	Total Wash Financial position = Total Expenditures – Total revenues (without expansion costs financed by MCC)	US Dollars	Level	None	Utilities' End of Commercial Year Report	ANAS	Annually Post Compact	US Dollars calculated based on 2012 USD-ECV exchange rate. Average value = 85.63.
	Outcome	Time spent fetching water from home in last week on Santiago Island	Time Use Survey in urban and rural areas of all nine Santiago island municipalities focused on household water gathering activities performed during a one week period (one day recall) intended to highlight the time spent on gathering water; a form of unpaid work generally performed by women, teenage girls and children considered to be a major contributing factor to gender inequality and women's poverty. Time spent gathering water includes time spent getting to the closest water point, time queuing to wait for one's turn, time queuing to wait for water supply, time drawing/collecting water and time spent returning from the closest water point.	Hours	Level	(A) Female/Male (A.1) Urban/Rural	Household Survey	MCC Independent Evaluator	Other (2018, 2022)	
	Outcome	Value of time spent fetching water per week on Santiago Island	Value of time spent fetching water per week. Calculation is based on 22 working days a month with 8 hours a day and an unskilled wage of 15,000 escudos a month.	US Dollars	Level	(A) Female/Male (A.1) Urban/Rural	Household Survey	MCC Independent Evaluator	Annually Post Compact	

Activity 1 National Institutional and Regulatory Reform Activity

Cape Verde II Water, Sanitation and Health Project
Annex I: Indicator Documentation Table

Common Indicator	Indicator Level	Indicator Name	Definition	Unit of Measurement	Indicator Classification	Disaggregation	Primary Data Source	Responsible Party	Frequency of Reporting	Additional Information
	Outcome	Network service coverage by corporatized utilities	Percent of population served by the network of corporatized utilities regulated by Economic Regulatory Agency (ARE).	Percentage	Level	(A) Santiago Island	Utility Annual Report	ANAS	Annually Post Compact	IBNET Indicators 1.1 and 2.1. Corporatized utilities are characterized by the following key features: 1) legally established as an independent entity, subject to prevailing Cape Verde corporate laws, private system of courts and accounting rules regarding transparency of operations and reporting requirements, 2) management acts autonomously, free of government intervention, exercising virtually complete control over all inputs and issues related to production and delivery of services, represents shareholder interests while maintaining fiduciary duties to the utility's wellbeing to other customers and creditors. Board of Directors established and meeting on a regular basis, 3) as applicable, retained staff are retrained with applicable benefits (incentives and bonuses) transferred. As applicable, redundant staff are retrained, transferred to alternate civil service entities or retired from civil service with applicable benefits transferred and just compensations paid. Private sector oriented workforce recruiting, staffing, performance-based salary and benefit packages/policies (pensions, incentives and bonuses) and disciplinary procedures established, 4) "correctly valued assets and liabilities" transferred appropriate for it to raise revenues to service debt and fund existing operations), 5) financial operations can be characterized as exercising greater financial independence allowing for increased portion of revenue coming from sales (rather than budget allocation), increased possibilities for retaining excess revenues while holding it responsible for losses, fully accountable for financial performance with liquidation being the final solution in case of insolvency. Aligned with MasterPlan "sin fines de lucros con fines de cubrir costos" including capital investment.
	Outcome	Non-network service coverage by corporatized utilities	Percent of population served by non-network water from corporatized utilities regulated by Economic Regulatory Agency (ARE).	Percentage	Level	(A) Santiago Island	Utility Annual Report	ANAS	Annually Post Compact	
	Outcome	Network sanitation service coverage by corporatized utilities	Percent of population served by wastewater network of corporatized utilities regulated by Economic Regulatory Agency (ARE).	Percentage	Level	(A) Santiago Island	Utility Annual Report	ANAS	Annually Post Compact	
Activity 2. Utility Reform Activity										
WS-15	Outcome	Value of implicit subsidy for Aguas de Santiago	The total value of "hidden costs" associated with 1) poor bill collection rates; 2) excessive losses due to inefficient operations or theft from the network in power, gas or water systems; and 3) tariffs set below cost-recovery rates; i.e., amounts needed for long-run operations and maintenance, investment, and normative losses. Tariffs set below cost-recovery levels as a recognized policy should be considered an explicit subsidy and therefore should be deducted from the overall calculation.	US Dollars	Level	None	Utility Annual Report	AdS	Annually Post Compact	The baseline was revised to 2015 for the following reasons. Nothing practical happened that could affect implicit subsidy until the beginning of 2016, i.e., No improvements to accounting practices, no operational changes to SAAs to impact NRW or operating costs, no material changes to the tariff, no changes to collection efficiency, etc. All data provided for 2012-2014 appears to be unreliable. ATAS recommends using 2015 data, as the degree of unreliability of 2012-2014 data is too high. In fact it suggested that the combined SAAs that would eventually make up AdS were operating in the black (making a net profit) up to 2015 and only then was there an implicit subsidy. Use of 2012 data for the baseline would probably therefore be misleading. For 2015, sensible assumptions and qualifying of data have been used by ATAS. These can be taken forward for future year targets and also for actual measurement by AdS as they move forward. AdS's revised 2017 business plan will contain data projections for approximately the 5 years. These will be based on the current position and a judgement as to the likely improvements made over that period. The relevant projected parameters within the 2017 business plan should be used in the future for calculating implicit subsidy targets. A confidence grade should be given to each of the constituent data parameters to provide some context to the results.
	Outcome	Non-residential water consumption	The average amount of non-residential water consumed measured in cubic meters per month.	Cubic meters per month	Level	(A) Industrial and Commercial/Institutional	Administrative records	AdS	Annually Post Compact	
WS-14	Outcome	Residential water consumption	The average water consumption in liters per person per day.	Liters per capita per day	Level	(A) Network/Non-network	Administrative records	AdS	Annually Post Compact	Indicator refers only to Santiago Island (Aguas de Santiago).

**Cape Verde II Water, Sanitation and Health Project
Annex I: Indicator Documentation Table**

Common Indicator	Indicator Level	Indicator Name	Definition	Unit of Measurement	Indicator Classification	Disaggregation	Primary Data Source	Responsible Party	Frequency of Reporting	Additional Information
	Outcome	Average water tariff on Santiago Island	Average tariff paid by network and non-network consumers per cubic meter.	US Dollars	Level	(A) Network/Non-network	Utility reports	AdS	Annually Post Compact	3,54 (2105) Estimate by ATAS according to business Plan of AdS. (930467000/2837256)=3,95 (2012) Baseline by economic viability, estimate according to ARE methodology as income/water billed. 328 ECV per liter/83,118 average exchange rate of 2012 = 3,95
	Outcome	Percentage of households reporting network water as primary water source on Santiago Island	Percentage of households self-reporting primary water source for the household as network water on Santiago Island.	Percentage	Level	(A) Male/Female head-of-household (B) Poor/non-poor	Household Survey	MCC Independent Evaluator	Other (2018, 2022)	
	Outcome	Average recovery price of water for AGUAS DE SANTIAGO	Cost per cubic meter of operations + 24 hour supply factor + maintenance investment	USD per cubic meter	Level	None	Financial records and capital investment plan	AdS	Annually Post Compact	1. Baseline (3.26 - 2012) and target provided by Economic Viability Study Final Report approved by MCA/MCC in 10July2013, pg.229, Fig.113: Preço médio de recuperação de gastos dos serviços dos MMUs: MMU de Santiago, dados de referência. Targets: 3.08(2015); 3.13 (2016); 3.19 (2017, End of Compact). (Exchange rate: USD\$1=83,118 ECV - average of 2012, provided at Central Bank of Cabo Verde website).
WS-9	Outcome	Operating cost coverage	Total annual operational revenues divided by total annual operating costs.	Percentage	Level	None	Annual financial statements	AdS	Annually Post Compact	Data covers Águas de Santiago only. Equivalent to the International Benchmarking Network for Water and Sanitation Utilities (IBNET) Indicator 24.1. The methodology of calculation of the indicator: total annual operational revenues divided by total annual operating costs. (IBNET Indicator 24.1) (Calculation: OPC = R/C where OPC = Operation Cost Coverage, R = Total Annual Operational Revenue and C = Total Annual Operational Cost (including maintenance)).
WS-10	Outcome	Continuity of Service	Average hours of service per day for water supply.	Hours per day	Level	(A) Urban/Rural	Administrative records	AdS	Annually Post Compact	Urban and rural baselines calculated as an average of all municipalities (as reported by Electra and SAAS). Rural disaggregation excludes Sao Domingos and Praia because there are no rural connections.
	Outcome	Percentage of monitoring points covered by systematic monitoring for fecal coliform and residual chlorine	Percentage of the monitoring points covered by systematic monitoring for fecal coliform and residual chlorine conducted according to the defined timetable and in the planned areas established in the annual monitoring strategy identified by ANAS.	Percentage	Level	(A) Water source/Waternetwork/Point of use	Independent laboratory analyses of randomized municipal water samples	ANAS	Annually	1. Annex III-11. IB-NET Indicator . Semi-annual independent laboratory results of randomized municipal water samples of fecal coliform counts (and/or residual C12) at the water treatment works and points of use. 2. To be defined by Water Quality and Wastewater Discharge Standards Final Report approved in April 2014. Baseline shall determined by ANAS when technical staff and the Water Quality sector of ANAS will be operational., this will happen in the first or second quarter of 2015. however the Water Quality Standard Study will propose a schedule timeline for laboratory of quality of water control and monitoring implementation. 3. Percentage of the water system covered includes 65 independent water distribution systems. 4. AdS is focusing on improving water quality, and after that will invest in equipment for testing. As a result it is unlikely that there will be progress on these indicators before the end of the compact. It is anticipated that there will be improvements post-compact. 5. Monitoring Only until Post-Compact 6. Monitoring points can include water sources, distribution system, and point of use as designated by ANAS.
	Outcome	Percentage of the monitoring points that meet regulatory standards.	Percentage of the monitoring points that meet regulatory standards for potable water (fecal coliform and chlorine).	Percentage	Level	(A) Water source/Waternetwork/Point of use	Independent laboratory analyses of randomized municipal water samples	ANAS	Annually	1. Percentage of the monitoring points...refers to the source of water i.e., boreholes, desal plants 2. Progress will be measured against the annual plan while AdS focuses on improving water quality. Post compact they will invest in equipment for testing. As a result it is unlikely that there will be progress on these indicators before the end of the compact, but improvements are expected post-compact. 3. Monitoring Only until Post-Compact 4. Monitoring points can include water sources, distribution system, and point of use as designated by ANAS.

Cape Verde II Water, Sanitation and Health Project											
Annex I: Indicator Documentation Table											
Common Indicator	Indicator Level	Indicator Name	Definition	Unit of Measurement	Indicator Classification	Disaggregation	Primary Data Source	Responsible Party	Frequency of Reporting	Additional Information	
	Outcome	Collection Ratio of Aguas de Santiago	"Cash income" divided by "Billed revenue" expressed as a percentage. (IBNET indicator 23.2)The effectiveness of the collections process is measured by the amount of outstanding revenues at year end compared to the total billed revenue for the year, in day equivalents, and by the total amount collected as a percentage of the billed amount.	Percentage	Level	None	Multiple Municipal Utility(s) of Santiago financial records	AdS	Annually Post Compact	1. IBNET reference: Billing customers, and getting paid are two different things. The effectiveness of the collections process is measured by the amount of outstanding revenues at year end compared to the total billed revenue for the year, in day equivalents, and by the total amount collected as a percentage of the billed amount. 2. "Cash income" divided by "Billed revenue" expressed as a percentage. (IBNET indicator 23.2) . The effectiveness of the collections process is measured by the amount of outstanding revenues at year end compared to the total billed revenue for the year, in day equivalents, and by the total amount collected as a percentage of the billed amount. 3. Target provided by Non-revenue Water Study: Estudo de perdas de água (Á	
	Outcome	Aguas de Santiago staff per 1,000 potable water connections	Total number of staff (full-time equivalent) expressed as per thousand connections (IBNET Indicator 12.1) in Santiago Island	Ratio	Level	None	Employment records	AdS	Annually Post Compact	1. IBNET reference: Staff costs are traditionally a major component of operating costs. Understanding staffing levels can often give a quick guide to the extent of any over-manning in a water utility. While it is preferable to be able to allocate staff time to either water or wastewater services, this information is sometimes not available. Comparisons are best made between utilities which offer the same scope of service both in terms of total size, and mix of water and sewer service. Note that where outside contractors are used (see indicator 14.1), staff number comparisons should take this into account. http://www.ib-net.org/en/texts.php?folder_id=106&mat_id=87&L=1&S=2&ss=6	
WS-8	Outcome	Non revenue water	Difference between water supplied and water sold (i.e. volume of water "lost"); expressed as a percentage of net water supplied.	Percentage	Level	(A) Technical losses/Administrative losses	Administrative records	AdS	Annually Post Compact	Linked to ERR. Baseline data source: Compact Annex I; pp.5, paragraph (c). 2. Baseline (38- 2012) actualized (39-2012) by Non-revenue Water Study: Estudo de perdas de água (Águas Não faturadas - NRW), Report 5, Final, approved by MCA/MCC at 2th July 2013. Target defined by ATAS from Aguas de Santiago business plan.	
	Outcome	Client satisfaction with supply reliability of Aguas de Santiago urban network water	Percent of population that are either "very satisfied" or "satisfied" with water reliability in urban network.	Percentage	Level	None	Household Survey	MCC Independent Evaluator	Other (2018, 2022)	1. Refer to MCC-funded 2011 WASH/LAND Baseline Survey conducted by INE for establishing baseline and 2017 WASH/LAND endline survey for reporting actuals in Q20. 2. Rural/urban defined according to INE definitions. 3. Target source: WASH baseline survey.	
	Outcome	Client satisfaction with supply reliability of Aguas de Santiago rural network water	Percent of population that are either "very satisfied" or "satisfied" with water reliability in rural network.	Percentage	Level	None	Household Survey	MCC Independent Evaluator	Other (2018, 2022)	Rural/urban defined according to INE definitions.	
	Outcome	Client satisfaction with water quality of Aguas de Santiago urban network water	Percent of population that are either "very satisfied" or "satisfied" with water quality in urban network.	Percentage	Level	None	Household Survey	MCC Independent Evaluator	Other (2018, 2022)		
	Outcome	Client satisfaction with water quality of Aguas de Santiago rural network water	Percent of population that are either "very satisfied" or "satisfied" with water quality in rural network.	Percentage	Level	None	Household Survey	MCC Independent Evaluator	Other (2018, 2022)		
Activity 3. Infrastructure Grant Facility Activity											
WS-12	Outcome	Access to improved water supply	The percentage of households in the MCC project area whose main source of drinking water is a private piped connection (into dwelling or yard), public tap/standpipe, tube-well, protected dug well, protected spring or rainwater.	Percentage	Level	(A) Male/female head-of-household; (A.1 - nested) Network/Non-network;	Inquérito Multiobjetivo Contínuo (IMC) survey	INE	Annually Post Compact	"Improved sanitation and improved water sources classifications are based on the Joint Monitoring Program for Water Supply and Sanitation by the World Health Organization and UNICEF. According to the WHO and UNICEF Joint Monitoring Program (JMP) "improved drinking water sources is defined as one that, by nature of its construction or through active intervention, is protective from outside contamination, in particular from contamination with faecal matter". In Cape Verde, "improved water sources" includes household connections to the public water network (different from the sewer network), public fountains/stand pipes, pump trucks, bottle water, protected springs, protected reservoirs and protected wells. For urban networked projects, this indicator is associated with IBNET Indicator 1.1 This is not a national figure - applies only to islands with IGF projects. Baseline source: IMC - INCE 2012 Survey. We do not have baseline data for the disaggregation's.	
	Outcome	Access to improved water supply on Santiago Island	The percentage of households in the MCC project area whose main source of drinking water is a private piped connection (into dwelling or yard), public tap/standpipe, tube-well, protected dug well, protected	Percentage	Level	(A) Male/female head-of-household; (A.1 - nested)	Inquérito Multiobjetivo Contínuo (IMC) survey	INE	Annually Post Compact	Baseline calculated using the WASH Baseline Survey 2011	

**Cape Verde II Water, Sanitation and Health Project
Annex I: Indicator Documentation Table**

Common Indicator	Indicator Level	Indicator Name	Definition	Unit of Measurement	Indicator Classification	Disaggregation	Primary Data Source	Responsible Party	Frequency of Reporting	Additional Information
WS-13	Outcome	Access to improved sanitation	The percentage of households in the MCC project area who get access to and use an improved sanitation facility such as flush toilet to a piped sewer system, flush toilet to a septic tank, flush or pour flush toilet to a pit, composting toilet, ventilated improved pit latrine or pit latrine with slab and cover.	Percentage	Level	(A) Male/female head-of-household; (A.1 - nested) Network/Non-network;	Inquérito Multiobjetivo Continuo (IMC) survey	INE	Annually Post Compact	1. The baseline for this indicator would be the percentage of households with improved sanitation at the beginning of the project. The change in this indicator may not be attributed to solely MCC since many other factors could influence household sanitation. Assumptions and caveats required for statements regarding the project's impact on access to improved water supply should be documented in the indicator definition table of the M&E Plan. The inputs (i.e. numerator and denominator) for this indicator must be included in the ITT indicator input spreadsheet(s). Classifications for improved sanitation facilities conform to the Joint Monitoring Program (JMP) of UNICEF and WHO.
	Outcome	Access to improved sanitation on Santiago Island	The percentage of households in the MCC project area who get access to and use an improved sanitation facility such as flush toilet to a piped sewer system, flush toilet to a septic tank, flush or pour flush toilet to a pit, composting toilet, ventilated improved pit latrine or pit latrine with slab and cover.	Percentage	Level	(A) Male/female head-of-household; (A.1 - nested) Network/Non-network;	Inquérito Multiobjetivo Continuo (IMC) survey	INE	Annually Post Compact	
	Outcome	Average HH expenditure on water per month (as a percentage of total household expenditures)	Average monthly expenditure on water as a percentage of average total monthly household expenditures	Number	Level	A) Poor/Non-poor B) Male/Female	Household Survey	MCC Independent Evaluator	Other (2018, 2022)	

Cabo Verde II LAND PROJECT
Annex I: Indicator Documentation

Indicator Level	New or Existing	Indicator Name	Definition	Unit of Measurement	Indicator Classification	Disaggregation	Primary Data Source	Responsible Party	Frequency of Reporting	Additional Information
PROGRAM GOAL										
Land Management for Investment Project										
Outcome	Existing	Bed-capacity on islands of high tourism investment potential	Bed capacity developed on intervention islands of high tourism investment potential (Sal, Boa Vista, Sao Vicente, and Maio)	Number	Level	(A) By Intervention Island (Sal, Boa Vista, Sao Vicente and Maio)	"Inventário Anual de Estabelecimentos de Alojamento"	Cape Verde National Statistical Institute (INE) + INGT	Annually Post Compact (2018-2022)	
Outcome	Existing	Hotel occupancy rate on islands of high tourism investment potential	Average percentage of beds occupied over the year, as calculated by average total beds occupied over the year divided by total bed capacity.	Percentage	Level	(A) By Intervention Island (Sal, Boa Vista, Sao Vicente and Maio)	"Inquerito Mensal de Movimentacao de Hospedes"	Cape Verde National Statistical Institute (INE) + INGT	Annually Post Compact (2018-2022)	
Outcome	Existing	Annual Business Turnover for Tourism Sector on intervention island(s) of high tourism investment potential	The total value of sales for goods and the provision of services, in Tourism Sector on intervention island(s) of high tourism investment potential during the reference period.	US Dollars	Level	(A) By Intervention Island (Sal, Boa Vista, Sao Vicente and Maio)	"Inquerito Anual as Empresas" (2018, 2019, 2020, 2021) and "Recenseamento Empresarial" (2022)	Cape Verde National Statistical Institute (INE) + INGT	Annually Post Compact (2018-2022)	
Outcome	Existing	Annual Business Turnover for Construction Sector on intervention island(s) of high tourism investment potential	The total value of sales for goods and the provision of services, in Construction Sector on intervention island(s) of high tourism investment potential during the reference period.	US Dollars	Level	(A) By Intervention Island (Sal, Boa Vista, Sao Vicente and Maio)	"Inquerito Anual as Empresas" (2018, 2019, 2020, 2021) and "Recenseamento Empresarial" (2022)	Cape Verde National Statistical Institute (INE) + INGT	Annually Post Compact (2018-2022)	
Outcome	Existing	Number of hotel establishments on intervention island(s) of high tourism investment potential	The total of tourism lodging establishments that provide for remuneration, accommodation and other services or support, with or without meals services, and aiming at a daily rental.	Number	Level	(A) By Intervention Island (Sal, Boa Vista, Sao Vicente and Maio)	"Inquerito Anual as Empresas" (2018, 2019, 2020, 2021) and "Recenseamento Empresarial" (2022)	Cape Verde National Statistical Institute (INE) + INGT	Annually Post Compact (2018-22)	
Outcome	Existing	Average ZDTI land market values per square meter in intervention island(s) of high tourism investment potential	Average market value of square meter of ZDTI properties based on the official USD/ECV exchange rate recorded by the BCV.	US Dollars	Level	(A) By Intervention Island (Sal, Boa Vista, Sao Vicente and Maio)	(A) MCC independent evaluation survey for non ZDTI (B) For ZDTI disaggregations, SDTIBM for Maio and Boa Vista; Cabo Verde Investimento for Sal and Sao Vicente	MCC independent evaluator for non ZDTI; Cabo Verde Investimento and SDTIBM for ZDTI area	End of compact; 2020; 2022	Municipalities publish land data
Outcome	Existing	Number of formal ancillary tourism businesses in intervention island(s) of high tourism investment potential	Number of service-related formal businesses developed for tourism, including for example; restaurants and bars, rental car services, currency exchange houses, tour agencies, souvenir stores, artisan shops; et. al.	Number	Level	(A) By intervention island (Sal, Boa Vista, Sao Vicente, and Maio).	"Inquerito Anual Empresarial"	Cape Verde National Statistical Institute (INE) + INGT	End of compact; 2020; 2022	

Cabo Verde II LAND PROJECT
Annex I: Indicator Documentation

Indicator Level	New or Existing	Indicator Name	Definition	Unit of Measurement	Indicator Classification	Disaggregation	Primary Data Source	Responsible Party	Frequency of Reporting	Additional Information
Outcome	Existing	Foreign Direct Investment	A foreign direct investment is an individual, an incorporated or unincorporated public or private enterprise, a government, a group of related individuals, or a group of related incorporated and/or unincorporated enterprises which has a direct long-term investment enterprise (i.e., a subsidiary, associate or branch) operating in Cape Verde other than the country or countries of residence of the foreign direct investor or investors.	US Dollars	Level	(A) Tourism/Non-Tourism	Balance of Payments Statistics (Estatísticas da Balança de Pagamentos"	Central Bank of Cape Verde (BCV) + INGT	Annually Post Compact (2018-2022)	
Outcome	Existing	Persons employed in tourism sector on intervention island(s) of high tourism investment potential	Persons employed in the tourism sector in intervention island(s) of high tourism investment potential.	Number	Level	(A) By intervention island (Sal , Boa Vista, Sao Vicente, Maio); (B) by gender (c) by salaried or non-salaried; (d) by Cabo Verdean or non-Cabo Verdean	"Inquérito Anual as Empresas" (2018, 2019, 2020, 2021) and "Recenseamento Empresarial" (2022)	Cape Verde National Statistical Institute (INE) + INGT	Annually Post Compact (2018-2022)	INE agreed could provide but will need to add a question to capture disaggregation for C.
Outcome	Existing	Persons employed in construction sector on intervention island(s) of high tourism investment potential	Persons employed in the construction sector in intervention island(s) of high tourism investment potential.	Number	Level	(A) By intervention island (Sal , Boa Vista, Sao Vicente, Maio); (B) by gender	"Inquérito Anual as Empresas" (2018, 2019, 2020, 2021) and "Recenseamento Empresarial" (2022)	Cape Verde National Statistical Institute (INE) + INGT	Annually Post Compact (2018-2022)	
Outcome	Existing	Change in time for key property transactions (days) in intervention island(s) of high tourism investment potential	The average change in number of days for an individual or company to conduct a property transaction within the formal system, as per Common Indicator L-7. For Cabo Verde, the key transactions that will be tracked are sale, donations and green field investment.	Days	Level	Sales Private Land, Sales Municipal Land, Sales State Land (non ZDTI), Greenfield Investment in ZDTIs in Sal and Sao Vicente , Greenfield Investment in ZDTIs in Maio and Boa Vista	Independent Evaluation, including using data from Land Management Information and Transaction System (LMITS) and land records of these offices	Independent Evaluator	2018, 2021	*Pre project, registration was not required but it is now a requirement. As such, pre project some owners waited months to register their land rights or never registered and may have only obtained a deed or paid the property tax. *Transactions start at different offices depending on type of transaction
Outcome	Existing	Percentage change in time for property transactions	The average percentage change in number of days for an individual or company to conduct a property transaction within the formal system.	Percentage	Level	Sales Private Land, Sales Municipal Land, Sales State Land (non ZDTI), Greenfield Investment in ZDTIs in Sal and Sao Vicente , Greenfield Investment in ZDTIs Maio and Boa Vista	Independent evaluation, including use of data from Land Management Information and Transaction System (LMITS) and land records of these offices	Independent Evaluator	2018, 2021	*Pre project, registration was not required but it is now a requirement. As such, pre project some owners waited months to register their land rights or never registered and may have only obtained a deed or paid the property tax. *Transactions start at different offices depending on type of transaction

Cabo Verde II LAND PROJECT
Annex I: Indicator Documentation

Indicator Level	New or Existing	Indicator Name	Definition	Unit of Measurement	Indicator Classification	Disaggregation	Primary Data Source	Responsible Party	Frequency of Reporting	Additional Information
Outcome	Existing	World Bank Doing Business assessment of change in time for transfers of commercial property already registered (days)	The median duration that property lawyers, notaries or registry officials indicate is necessary to complete a procedure.	Days	Level	None	Annual Doing Business Report	INGT	Annually Post Compact (2018-2022)	
Outcome	Existing	World Bank Doing Business assessment of percentage change in time for transfers of commercial property already registered	Percentage change of the median duration that property lawyers, notaries or registry officials indicate is necessary to complete a procedure.	Percentage	Level	None	Annual Doing Business Report	INGT	Annually Post Compact (2018-2022)	
Outcome	Existing	Number of key property transactions on intervention island(s) of high tourism investment potential	Average annual number of sales of high tourism investment potential. For Greenfield investment, this is for the final transfer of land after all payments have been made. The initial contract is captured by another indicator.	Number	Level	(A) Sales Municipal Land, Sales Private Land, Sales State Land (non-ZDTI), Green Field Investment in ZDTIs (B) Sal, Boa Vista, Maio, Sao Vicente (C) Male/Female/Joint/Commercial/Other	LIMITs for non state land and Notary Patrimonio annual report for state land	INGT	Annually Post Compact (2018-2022)	
Activity 2. Rights and Boundaries Activity										
Output	Existing	Land rights formalized (by Project)	The number of household, commercial and other legal entities (e.g., NGOs, churches, hospitals) receiving formal recognition of ownership and/or use rights through certificates, titles, leases, or other recorded documentation by government institutions or traditional authorities at national or local levels.	Number	Cumulative	(A) Household/Commercial/Other legal entity (B) By Intervention Island (Sal, Boa Vista, Sao Vicente and Maio); (C) Urban/Rural; (D) Male/Female/Joint/Commercial/Other	LIMITs	INGT	Annually Post Compact (2018-2022)	For Cabo Verde this represents a predio rather than parcel and is considered formalized (registered) once it is incorporated within the registry predial.
Outcome	New	Number of new investment contracts in ZDTIs	Number of new contracts signed with investors in ZDTIs as captured by the initial contracts between an investor and the investment agencies. The actual transfer of the land is captured in the "number of key property transactions-greenfield investment" after all payments have been made on the contract.	Number	Level	(A) By Intervention Island (Sal, Boa Vista, Sao Vicente and Maio)	STDIBM and Cabo Verde Investimento annual report for state land	INGT	Annually Post Compact (2018-2022)	

Cabo Verde II LAND PROJECT
Annex I: Indicator Documentation

Indicator Level	New or Existing	Indicator Name	Definition	Unit of Measurement	Indicator Classification	Disaggregation	Primary Data Source	Responsible Party	Frequency of Reporting	Additional Information
Output	Existing	Parcels corrected or incorporated in land system (by Project)	The number of parcels with relevant parcel information corrected or newly incorporated into an official land information system (whether a system for the property registry, cadastre or an integrated system).	Parcels	Cumulative	(A) By Island; (B) Legally resolved/unresolved; (C) Urban/Rural	LIMITs	INGT	Annually Post Compact (2018-2022)	In Cabo Verde, this represents predios corrected or incorporated within the cadastral predial via the land management and information transaction system (LIMITs). Surface area classified as "cadastro diferido" (unresolved parcels) will also be disaggregated and reported.
Outcome	New	Percent of surface area incorporated into the Land Management Information and Transaction System (LIMITs)	Percent of surface area of each island that is incorporated into the land management information and transaction system (LIMITs) including the total surface area of land inserted into cadastral predial. Surface area classified as "cadastro diferido" (unresolved parcels) will also be disaggregated and reported.	Percentage	Cumulative	By Island	LIMITs	INGT	Annually Post Compact (2018-2022)	
Outcome	New	Parcels corrected or incorporated in land system (non-Project areas)	The number of parcels with relevant parcel information corrected or newly incorporated into an official land information system (whether a system for the property registry, cadastre or an integrated system).	Parcels	Cumulative	(A) Sal, Boa Vista, Sao Vicente and Maio; (B) Urban/Rural (C) Legally resolved/unresolved	LIMITs	INGT	Annually Post Compact (2018-2022)	In Cabo Verde, this represents predios corrected or incorporated within the cadastral predial via the land management and information transaction system (LIMITs). Surface area classified as "cadastro diferido" (unresolved parcels) will also be disaggregated and reported.
Output	New	Number of prédios converted from diferido to cadastro status in project areas	Number of predios that have been registered in the predial after land holders have taken action to convert from diferido status.	Number	Cumulative	(A) By Intervention Island (Sal, Boa Vista, Sao Vicente and Maio)	LIMITs	INGT	Annually Post Compact (2018-2022)	
Outcome	New	Number of mortgages registered in predial that use registered land right as collateral	The number of predios that are registered in the predial as a result of the project activity that are used as collateral for mortgage credit.	Number	Level	(A) By intervention island (Sal, Boa Vista, Maio, Sao Vicente); (B) Rural/Urban; (c) male/female/joint/commercial/other	LIMITs	INGT	Annually Post Compact (2018-2022)	
Outcome	New	Number of islands who use LIMITs to conduct land transactions	The number of islands using LIMITs 2 (Integrated Registry, Notary and Municipal SIM 3 modules), including all relevant institutions (Municipality, Notary and Registry), to conduct land transactions.	Number	Level	Project/Non-Project Islands	LIMITs	INGT	Annually Post Compact (2018-2022)	

Cabo Verde II LAND PROJECT
Annex I: Indicator Documentation

Indicator Level	New or Existing	Indicator Name	Definition	Unit of Measurement	Indicator Classification	Disaggregation	Primary Data Source	Responsible Party	Frequency of Reporting	Additional Information
Outcome	New	Number of legal, institutional and procedural reforms published by GoCV to further clarify and improve the process of clarification of land rights and boundaries and to promote further efficiency of land transactions	The number of reforms approved by the Government as a result of the LMI Project end of Compact recommendations to revise, clarify, strengthen or address potential gaps in the existing legal framework.	Number	Level	N/A	Publications in the Official Gazette	INGT	Annually Post Compact (2018-2022)	
Outcome	New	Number of building permits	Number of building permits approved by government of Cabo Verde.	Number	Level	(A) By intervention island (Sal, Boa Vista, Maio, Sao Vicente); (B) Rural/Urban; (c) male/female/joint/commercial/other	LIMITs	INGT	Annually Post Compact (2018-2022)	
SDG	New	Percentage of total adult population with legally recognized documentation of land tenure	Number of adults with their name listed on legally reconized documentation of at least one property or land parcel divided by the total adult population.	Percentage	Level	A. Male/female; B. by type of tenure; C. by island; D. Urban/Rural	LIMITs	INGT	Annually Post Compact (2018-2022)	
SDG	New	Percentage of adult population who feel secure in their tenure	Percentage of respondents who feel they are unlikely to lose their land in the next five years.	Percentage	Level	A. Male/female; B. by type of tenure; C. by island ; D. Urban/Rural	INE: Household Census	INGT	Once during the Census	INE said will need SDG 1.4.2/5.a.1 joint question module and then can try to incorporate following discussions with Head of INE.

Cape Verde II Water, Sanitation and Hygiene Project
Annex II: Table of Indicator Baselines and Targets

Common Indicator	Indicator Level	Indicator Name	Unit of Measure	Indicator Classification	Baseline (year)	Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact Target	Comment
						2013	2014	2015	2016	2017		
PROGRAM GOAL												
Water, Sanitation and Hygiene Project												
	Outcome	Percentage of productive national government spending	Percentage	Level	70.00000 (2012)	70.00014	70.00030	70.00028	70.00037	70.00045	70.00045	
	Outcome	Total WASH Financial Position	US Dollars	Level	-2,942,808	-2,989,519	-2,370,595	-1,588,182	-1,611,538	-1,634,893	-1,634,893	Linked to the ERR Analysis.
	Outcome	Time spent fetching water from home in last week - Santiago Island	Hours	Level	7.19 (2012)					1.13	1.13	Average working time (gathering water activities) is reported as: 2 - 3hs/day (=20liters/time)*(5 - 8) times * (20 minutes/time) assuming consumption of 20-30 liters per day per person. Target calculated by taking the average of the 2017 projections of FASA project. Using time fetching water target defined at Annex II, estimation done according to the calculation formula (time*value per hour of minimum wage)/exchange rate
	Outcome	Time spent fetching water from home in last week - Santiago Island (Female)	Hours	Level	7.18 (2012)							
	Outcome	Time spent fetching water from home in last week - Santiago Island (Female - Urban)	Hours	Level	6.87 (2012)							
	Outcome	Time spent fetching water from home in last week - Santiago Island (Female - Rural)	Hours	Level	7.25 (2012)							
	Outcome	Time spent fetching water from home in last week - Santiago Island (Male)	Hours	Level	7.19 (2012)							
	Outcome	Time spent fetching water from home in last week - Santiago Island (Male - Urban)	Hours	Level	7.04 (2012)							
	Outcome	Time spent fetching water from home in last week - Santiago Island (Male - Rural)	Hours	Level	7.22 (2012)							
	Outcome	Value of time spent fetching water per week on Santiago Island	US Dollars	Level	7.15 (2012)					1.13	1.13	Average working time (gathering water activities) is reported as: 2 - 3hs/day (=20liters/time)*(5 - 8) times * (20 minutes/time) assuming consumption of 20-30 liters per day per person. Target calculated by taking the average of the 2017 projections of FASA project. Using time fetching water target defined at Annex II, estimation done according to the calculation formula (time*value per hour of minimum wage)/exchange rate
	Outcome	Value of time spent fetching water from home in last week - Santiago Island (Female)	US Dollars	Level	7.15 (2012)							
	Outcome	Value of time spent fetching water from home in last week - Santiago Island (Female - Urban)	US Dollars	Level	6.84 (2012)							
	Outcome	Value of time spent fetching water from home in last week - Santiago Island (Female - Rural)	US Dollars	Level	7.22 (2012)							
	Outcome	Value of time spent fetching water from home in last week - Santiago Island (Male)	US Dollars	Level	7.16 (2012)							
	Outcome	Value of time spent fetching water from home in last week - Santiago Island (Male - Urban)	US Dollars	Level	7.0 (2012)							

Cape Verde II Water, Sanitation and Hygiene Project
Annex II: Table of Indicator Baselines and Targets

Common Indicator	Indicator Level	Indicator Name	Unit of Measure	Indicator Classification	Baseline (year)	Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact Target	Comment
						2013	2014	2015	2016	2017		
	Outcome	Value of time spent fetching water from home in last week - Santiago Island (Male - Rural)	US Dollars	Level	7.19 (2012)							
Activity 1. National Institutional and Regulatory Reform Activity												
	Outcome	Network service coverage by corporatized utilities	Percentage	Level	63.0 (2011)	64.0	65.0	68.0	71.0	75.0	75.0	
	Outcome	Network service coverage by corporatized utilities (Santiago Island)	Percentage	Level	59 (2011)	59	60	61	64	66	69	
	Outcome	Non-network service coverage by corporatized utilities	Percentage	Level	0 (2012)	22	21	19	17	15	15	
	Outcome	Non-Network service coverage by corporatized utilities (Santiago Island)	Percentage	Level	0 (2012)	28	27	24	21	18	18	
	Outcome	Network sanitation service coverage by corporatized utilities	Number	Level	18 (2012)	18	19	26	33	40	40	
	Outcome	Network sanitation service coverage by corporatized utilities (Santiago Island)	Number	Level	13 (2012)	14	15	23	30	38	38	
Activity 2. Utility Reform Activity												
WS-15	Outcome	Value of implicit subsidy for Aguas de Santiago	US Dollars	Level	11,797,509 (2015)				12,239,250	13,752,769	13,752,769	
	Outcome	Non-residential water consumption	Cubic meters per month	Level	62,000 (2012)	63,000	63,000	64,000	66,000	71,000	71,000	
	Outcome	Non-residential water consumption (Industrial and commercial)	Cubic meters per month	Level	17927 (2012)							
	Outcome	Non-residential water consumption (Institutional)	Cubic meters per month	Level								
WS-14	Outcome	Residential water consumption	Liters per capita per day	Level	23.19 (2010)	23.39	26.12	29.41	32.87	36.52	36.52	
	Outcome	Residential water consumption (Network)	Liters per capita per day	Level	20.888 (2012)	21.48	24.08	27.43	31.00	34.81	34.81	
	Outcome	Residential water consumption (Non-Network)	Liters per capita per day	Level	2.31 (2012)	1.91	2.04	1.98	1.87	1.71	1.71	
	Outcome	Average water tariff on Santiago Island	US Dollars	Level	3.54 (2015)			3.54	3.35	3.30	3.30	
	Outcome	Average water tariff on Santiago Island (Network)	US Dollars	Level	2.33 (2014)					4.12	4.12	
	Outcome	Average water tariff on Santiago Island (Non-network)	US Dollars	Level	10.13 (2014)					2.54	2.54	
	Outcome	Percentage of households reporting network water as primary water source on Santiago Island	Percentage	Level	51.19 (2011)							
	Outcome	Percentage of households reporting network water as primary water source on Santiago Island (Male head-of-household)	Percentage	Level	50.48							

Cape Verde II Water, Sanitation and Hygiene Project
Annex II: Table of Indicator Baselines and Targets

Common Indicator	Indicator Level	Indicator Name	Unit of Measure	Indicator Classification	Baseline (year)	Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact Target	Comment
						2013	2014	2015	2016	2017		
	Outcome	Percentage of households reporting network water as primary water source on Santiago Island (Female head-of-household)	Percentage	Level	51.74							
	Outcome	Percentage of households reporting network water as primary water source on Santiago Island (Poor)	Percentage	Level	38.90							
	Outcome	Percentage of households reporting network water as primary water source on Santiago Island (Non-poor)	Percentage	Level	56.00							
	Outcome	Average recovery price of water for AGUAS DE SANTIAGO	USD per cubic meter	Level	3.26 (2012)			3.08	3.13	3.19	3.19	
WS-9	Outcome	Operating cost coverage	Percentage	Level	111				124	119	119	
WS-10	Outcome	Continuity of Service	Hours per day	Level	6			8	11	13	13	
	Outcome	Continuity of Service (Urban)	Hours per day	Level	8 (2011)							
	Outcome	Continuity of Service (Rural)	Hours per day	Level	5.6 (2011)							
	Outcome	Percentage of monitoring points covered by systematic monitoring for fecal coliform and residual chlorine	Percentage	Level	0					Monitoring Only	Monitoring Only	
	Outcome	Percentage of monitoring points covered by systematic monitoring for fecal coliform and residual chlorine (Water source)	Percentage	Level	0					Monitoring Only	Monitoring Only	
	Outcome	Percentage of monitoring points covered by systematic monitoring for fecal coliform and residual chlorine (Water network)	Percentage	Level	0					Monitoring Only	Monitoring Only	
	Outcome	Percentage of monitoring points covered by systematic monitoring for fecal coliform and residual chlorine (Point of use)	Percentage	Level	0					Monitoring Only	Monitoring Only	
	Outcome	Percentage of the monitoring points that meet regulatory standards	Percentage	Level	0					Monitoring Only	Monitoring Only	
	Outcome	Percentage of the monitoring points that meet regulatory standards (Water source)	Percentage	Level	0					Monitoring Only	Monitoring Only	
	Outcome	Percentage of the monitoring points that meet regulatory standards (Water network)	Percentage	Level	0					Monitoring Only	Monitoring Only	
	Outcome	Percentage of the monitoring points that meet regulatory standards (Point of use)	Percentage	Level	0					Monitoring Only	Monitoring Only	
	Outcome	Collection Ratio of Aguas de Santiago	Percentage	Level	68 (2013)			68	72	85	85	
	Outcome	Aguas de Santiago staff per 1,000 potable water connections	Ratio	Level	15			12	12	10	10	
WS-8	Outcome	Non revenue water	Percentage	Level	39 (2012)			39	27	24	24	

Cape Verde II Water, Sanitation and Hygiene Project
Annex II: Table of Indicator Baselines and Targets

Common Indicator	Indicator Level	Indicator Name	Unit of Measure	Indicator Classification	Baseline (year)	Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact Target	Comment
						2013	2014	2015	2016	2017		
	Outcome	Access to improved water supply on Santiago Island (Male head-of-household - Non-network)	Percentage	Level								
WS-13	Outcome	Access to improved sanitation	Percentage	Level	67.35 (2012)	72.0	72.0	78.0	83.0	89.0	89.0	
	Outcome	Access to improved sanitation (Female head-of-household)	Percentage	Level								
	Outcome	Access to improved sanitation (Female head-of-household - Network)	Percentage	Level								
	Outcome	Access to improved sanitation (Female head-of-household - Non-network)	Percentage	Level								
	Outcome	Access to improved sanitation (Male head-of-household)	Percentage	Level								
	Outcome	Access to improved sanitation (Male head-of-household - Network)	Percentage	Level								
	Outcome	Access to improved sanitation (Male head-of-household - Non-network)	Percentage	Level								
	Outcome	Access to improved sanitation on Santiago Island	Percentage	Level	53.4 (2011)	53.40	53.40	60.40	65.40	72.40	72.40	
	Outcome	Access to improved sanitation on Santiago Island (Female head-of-household)	Percentage	Level								
	Outcome	Access to improved sanitation on Santiago Island (Female head-of-household - Network)	Percentage	Level								
	Outcome	Access to improved sanitation on Santiago Island (Female head-of-household - Non-network)	Percentage	Level								
	Outcome	Access to improved sanitation on Santiago Island (Male head-of-household)	Percentage	Level								
	Outcome	Access to improved sanitation on Santiago Island (Male head-of-household - Network)	Percentage	Level								
	Outcome	Access to improved sanitation on Santiago Island (Male head-of-household - Non-network)	Percentage	Level								
	Outcome	Average household expenditure on water per month (as a percentage of total household expenditures)	Number	Level	6.04							
	Outcome	Average household expenditure on water per month (as a percentage of total household expenditures) (Poor)	Number	Level	6.13							
	Outcome	Average household expenditure on water per month (as a percentage of total household expenditures) (Non-Poor)	Number	Level	5.79							
	Outcome	Average household expenditure on water per month (as a percentage of total household expenditures) (Male)	Number	Level	6.17							

Cape Verde II Water, Sanitation and Hygiene Project
Annex II: Table of Indicator Baselines and Targets

Common Indicator	Indicator Level	Indicator Name	Unit of Measure	Indicator Classification	Baseline (year)	Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact Target	Comment
						2013	2014	2015	2016	2017		
	Outcome	Average household expenditure on water per month (as a percentage of total household expenditures) (Female)	Number	Level	5.93							

Cape Verde II LAND PROJECT

Annex II: Table of Indicator Baselines and Targets

Indicator Level	Indicator Name	Unit of Measure	Indicator Classification	Baseline (year)	Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact Target	Comment
					2013	2014	2015	2016	2017		
PROGRAM GOAL											
Land Management for Investment Project											
Outcome	Bed-capacity on islands of high tourism investment potential	Number	Level	14,581 (2012)		Monitor only	Monitor only	Monitor only	Monitor only	Monitor only	INE will collect data quarterly but MCA will report to MCC annually. Monitor only as compact will be formalizing rights until the very end of compact with few titles issued until year 4/5 and then it takes at least 3 years to develop and establish hotels. There are some increases in capacity that will be experienced but those deals were in place prior to compact land formalization activities.
Outcome	Bed-capacity on islands of high tourism investment potential (Sal)	Number	Level	7,995 (2012)		Monitor Only	Monitor Only	Monitor Only	Monitor Only	Monitor Only	
Outcome	Bed-capacity on islands of high tourism investment potential (Boa Vista)	Number	Level	5,217 (2012)		Monitor Only	Monitor Only	Monitor Only	Monitor Only	Monitor Only	
Outcome	Bed-capacity on islands of high tourism investment potential (Maio)	Number	Level	121 (2012)		Monitor Only	Monitor Only	Monitor Only	Monitor Only	Monitor Only	
Outcome	Bed-capacity on islands of high tourism investment potential (São Vicente)	Number	Level	1,248 (2012)		Monitor Only	Monitor Only	Monitor Only	Monitor Only	Monitor Only	
Outcome	Hotel occupancy rate on islands of high tourism investment potential	Percentage	Level	43.5 (2012)				Monitor Only	Monitor Only	Monitor Only	It is too early to see results by end of compact so monitoring only.
Outcome	Hotel occupancy rate on islands of high tourism investment potential (Sal)	Percentage	Level	57.0 (2012)				Monitor Only	Monitor Only	Monitor Only	
Outcome	Hotel occupancy rate on islands of high tourism investment potential (Boa Vista)	Percentage	Level	82.0 (2012)					Monitor Only	Monitor Only	
Outcome	Hotel occupancy rate on islands of high tourism investment potential (Maio)	Percentage	Level	12.0 (2012)					Monitor Only	Monitor Only	
Outcome	Hotel occupancy rate on islands of high tourism investment potential (São Vicente)	Percentage	Level	23.0 (2012)					Monitor Only	Monitor Only	
Outcome	Annual Business Turnover for Tourism Sector on intervention island(s) of high tourism investment potential	US Dollars	Level	345,157,059 (2012)	Monitor Only	Monitor Only	Monitor Only	Monitor Only	Monitor Only	Monitor Only	INE to provide value in ECV. MCA will convert to USD. There are 2 data sources as once ever 5 years there is a census instead of a survey (2012 and next one 2017, 2022). The survey covers 95% of business turnover. The 5% is from small companies which are many but small turnover. Monitoring only during compact as changes in tourism
Outcome	Annual Business Turnover for Tourism Sector on intervention island(s) of high tourism investment potential (Sal)	US Dollars	Level	272,724,687 (2012)				Monitor Only	Monitor Only	Monitor Only	

Cape Verde II LAND PROJECT

Annex II: Table of Indicator Baselines and Targets

Indicator Level	Indicator Name	Unit of Measure	Indicator Classification	Baseline (year)	Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact Target	Comment
					2013	2014	2015	2016	2017		
Outcome	Persons employed in construction sector on intervention island(s) of high tourism investment potential (Boa Vista)	Number	Level	213 (2012)	Monitor only	Monitor only	Monitor only	Monitor only	Monitor only	Monitor only	
Outcome	Persons employed in construction sector on intervention island(s) of high tourism investment potential (Maio)	Number	Level	46 (2012)	Monitor only	Monitor only	Monitor only	Monitor only	Monitor only	Monitor only	
Outcome	Persons employed in construction sector on intervention island(s) of high tourism investment potential (São Vicente)	Number	Level	461 (2012)	Monitor only	Monitor only	Monitor only	Monitor only	Monitor only	Monitor only	
Outcome	Persons employed in construction sector on intervention island(s) of high tourism investment potential (Male)	Number	Level		Monitor only	Monitor only	Monitor only	Monitor only	Monitor only	Monitor only	
Outcome	Persons employed in construction sector on intervention island(s) of high tourism investment potential (Female)	Number	Level		Monitor only	Monitor only	Monitor only	Monitor only	Monitor only	Monitor only	
Outcome	Change in time for key property transactions (days) in intervention island(s) of high tourism investment potential	Days	Level	TBD					TBD	TBD	<p>For Cabo Verde, the time being measured is for sales and greenfield investment in islands of high tourism only, which are those that receive rights and boundaries clarification activities as well as all components of the LMITS platform, including its transaction component (LMITS 2) which would be populated with clarified data. The rest of the country will receive modules of LMITS 2 but not the rights and boundaries clarification.</p> <p>ZDTI investment agencies disaggregations applies only to green field investments. For Sao Vicente and Boa Vista, the investment agency is Society.</p> <p>Evaluator will not be able to collect baseline before the end of the Compact, and will be using only secondary sources.</p> <p>Although Footnote 23 of Compact Annex III states: "Targets reflect linkages to the economic rate of return analysis. This analysis assumes the target will be achieved by end of Compact year 3". The targets for 90% decrease still stand but by end of compact-year 5 (not year 3) as system not finalized until formalization finished and system installed.</p> <p>Target will be 90% reduction from baseline</p>
Outcome	Change in time for key property transactions (days) in intervention island(s) of high tourism investment potential (Sales Private Land)	Days	Level	TBD					TBD	TBD	
Outcome	Change in time for key property transactions (days) in intervention island(s) of high tourism investment potential (Sales Municipal Land)	Days	Level	TBD					TBD	TBD	
Outcome	Change in time for key property transactions (days) in intervention island(s) of high tourism investment potential (Sales Public Land (non-ZDTI))	Days	Level	TBD					TBD	TBD	
Outcome	Change in time for key property transactions (days) in intervention island(s) of high tourism investment potential (Greenfield Investment in ZDTIs in Sal and Sao Vicente)	Days	Level	TBD					72	72	

Cape Verde II LAND PROJECT

Annex II: Table of Indicator Baselines and Targets

Indicator Level	Indicator Name	Unit of Measure	Indicator Classification	Baseline (year)	Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact Target	Comment
					2013	2014	2015	2016	2017		
Outcome	Change in time for key property transactions (days) in intervention island(s) of high tourism investment potential (Green field investment in ZDTIs in Maio and Boa Vista)	Days	Level	TBD					72	72	
Outcome	Percentage change in time for property transactions	Percentage	Level	0					90	90	For Cabo Verde, the time being measured is for sales and greenfield investment in islands of high tourism only, which are those that receive rights and boundaries clarification activities as well as all components of the LMITs platform, including its transaction component (LMITs 2) which would be populated with clarified data. The rest of the country will receive modules of LMITs 2 but not the rights and boundaries clarification. Evaluator will not be able to collect baseline before the end of the Compact, and will be using only secondary sources. Originally Footnote 23 of Compact Annex III: stated "Targets reflect linkages to the economic rate of return analysis. This analysis assumes the target will be achieved by end of Compact year 3". The targets for 90% decrease still stand but by end of compact-year 5 (not year 3) as system not finalized until formalization finished and system installed.
Outcome	Percentage change in time for property transactions (Sales Private Land)	Percentage	Level	0					90	90	
Outcome	Percentage change in time for property transactions (Sales Municipal Land)	Percentage	Level	0					90	90	
Outcome	Percentage change in time for property transactions (Sales State Land (non ZDTI))	Percentage	Level	0					90	90	
Outcome	Percentage change in time for property transactions (Greenfield Investment in ZDTIs in Sal and Sao Vicente)	Percentage	Level	0					90	90	
Outcome	Percentage change in time for property transactions (Greenfield Investment in ZDTIs in Maio and Boa Vista)	Percentage	Level	0					90	90	
Outcome	World Bank Doing Business assessment of change in time for transfers of commercial property already registered (days)	Days	Level	31 (2011)					3	3	World Bank Web site: "Doing Business Survey; 2012". Time is recorded in calendar days. It is assumed that the minimum time required for each procedure is 1 day. Although procedures may take place simultaneously, they cannot start on the same day. It is assumed that the buyer does not waste time and commits to completing each remaining procedure without delay. If a procedure can be accelerated for an additional cost, the fastest legal procedure available and used by the majority of property owners is chosen. If procedures can be undertaken simultaneously, it is assumed that they are. It is assumed that the parties involved are aware of all requirements and their sequence from the beginning. Time spent on gathering information is not considered. Doing Business Property Registration indicator measures transfers of commercial property in country's capital city. Methodology assumes property being transferred is already registered at the MJ registo predial.

Cape Verde II LAND PROJECT

Annex II: Table of Indicator Baselines and Targets

Indicator Level	Indicator Name	Unit of Measure	Indicator Classification	Baseline (year)	Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact Target	Comment
					2013	2014	2015	2016	2017		
Outcome	Number of key property transactions on intervention island(s) of high tourism investment potential (Joint)	Number	Level		Monitor only	Monitor only	Monitor only	Monitor only	Monitor only	Monitor only	
Outcome	Number of key property transactions on intervention island(s) of high tourism investment potential (Commercial)	Number	Level		Monitor only	Monitor only	Monitor only	Monitor only	Monitor only	Monitor only	
Outcome	Number of key property transactions on intervention island(s) of high tourism investment potential (Other)	Number	Level		Monitor only	Monitor only	Monitor only	Monitor only	Monitor only	Monitor only	
Activity 2. Rights and Boundaries Activity											
Output	Land rights formalized	Number	Cumulative	0				11250	34074	34074	For Cabo Verde this represents a predio rather than parcel and is considered formalized once. It is incorporated within the Predial. The target represents 75% of parcels targeted for incorporation into LIMITs with the expectation that 25% will remain differidos.
Output	Land rights formalized (Household)	Number	Cumulative	0				11250	34074	34074	
Output	Land rights formalized (Commercial)	Number	Cumulative	0							
Output	Land rights formalized (Other Legal Entity)	Number	Cumulative	0							
Output	Land rights formalized (Sal)	Number	Cumulative	0				11250	11250	11250	
Output	Land rights formalized (Boa Vista)	Number	Cumulative	0					4824	4824	
Output	Land rights formalized (Maio)	Number	Cumulative	0					6000	6000	
Output	Land rights formalized (São Vicente)	Number	Cumulative	0					12000	12000	
Output	Land rights formalized (Urban)	Number	Cumulative	0					Monitor only	Monitor only	
Output	Land rights formalized (Rural)	Number	Cumulative	0					Monitor only	Monitor only	
Output	Land rights formalized (Male)	Number	Cumulative	0					Monitor only	Monitor only	

Cape Verde II LAND PROJECT

Annex II: Table of Indicator Baselines and Targets

Indicator Level	Indicator Name	Unit of Measure	Indicator Classification	Baseline (year)	Year 1	Year 2	Year 3	Year 4	Year 5	End of Compact Target	Comment
					2013	2014	2015	2016	2017		
Output	Land rights formalized (Female)	Number	Cumulative	0					Monitor only	Monitor only	
Output	Land rights formalized (Joint)	Number	Cumulative	0					Monitor only	Monitor only	
Output	Land rights formalized (Other)	Number	Cumulative	0			Monitor only	Monitor only	Monitor only	Monitor only	
Output	Number of new investment contracts in ZDTIs	Number	Level								
Output	Number of new investment contracts in ZDTIs (Sal)	Number	Level								
Output	Number of new investment contracts in ZDTIs (Boa Vista)	Number	Level								
Output	Number of new investment contracts in ZDTIs (Maio)	Number	Level								
Output	Number of new investment contracts in ZDTIs (Sao Vicente)	Number	Level								
Output	Parcels corrected or incorporated in land system (project areas)	Parcels	Cumulative	0					45432	45432	In Cabo Verde, this represents predios corrected or incorporated. Surface area classified as "cadastro diferido" (unresolved parcels) will also be disaggregated and reported.
Output	Parcels corrected or incorporated in land system (Sal)	Parcels	Cumulative	0					15000	15000	
Output	Parcels corrected or incorporated in land system (Boa Vista)	Parcels	Cumulative	0					6432	6432	
Output	Parcels corrected or incorporated in land system (Maio)	Parcels	Cumulative	0					8000	8000	
Output	Parcels corrected or incorporated in land system (São Vicente)	Parcels	Cumulative	0					16000	16000	
Output	Parcels corrected or incorporated in land system (Urban)	Parcels	Cumulative	0					Monitor only	Monitor only	

Annex III

Modifications to the Cabo Verde II Monitoring and Evaluation Plan – March 2018

Indicator Changes:

LAND

Average ZDTI land market values per square meter in intervention island(s) of high tourism potential			
Project:	Land Management for Investment Project		
Activity:	N/A		
Sub-Activity:	N/A		
April 2018	Change Description:	Data Source Modification	
	Change:	Previous	Revised
		SDTIBM for Maio and Boa Vista; Cabo Verde Trade Investimento for Sal and Sao Vicente	(A) MCC independent evaluation survey for non ZDTI (B) For ZDTI disaggregations, SDTIBM for Maio and Boa Vista; Cabo Verde Investimento for Sal and Sao Vicente
	Justification Description:	Aligning to better match the correct data source.	
April 2018	Change Description:	Responsible Party Modification	
	Change:	Previous	Revised
		Cabo Verde Trade Investimento and SDTIBM for ZDTI area	MCC independent evaluator for non ZDTI; Cabo Verde Investimento and SDTIBM for ZDTI area
	Justification Description:	Aligning to better match the correct responsible party.	

Change in time for key property transactions (days) in intervention island(s) of high tourism potential	
Project:	Land Management for Investment Project
Activity:	N/A

Sub-Activity:	N/A		
April 2018	Change Description:	Disaggregation Modification	
	Change:	Previous	Revised
		Sales Private Land, Sales Municipal Land, Sales State Land (non ZDTI), Greenfield Investment in ZDTIs in Sal and Sao Vicente , Greenfield Investment in Maio and Boa Vista	Sales Private Land, Sales Municipal Land, Sales State Land (non ZDTI), Greenfield Investment in ZDTIs in Sal and Sao Vicente , Greenfield Investment in ZDTIs in Maio and Boa Vista
Justification Description:	Updating the disaggregation's to correctly match the information we are able to get.		
April 2018	Change Description:	Primary Data Source Modification	
	Change:	Previous	Revised
		Independent evaluation, including use of data from Land Management Information and Transaction System (LMITS)	Independent Evaluation, including using data from Land Management Information and Transaction System (LMITS) and land records of these offices
Justification Description:	Aligning to better match the correct data source.		

Percentage change in time for property transactions			
Project:	Land Management for Investment Project		
Activity:	N/A		
Sub-Activity:	N/A		
April 2018	Change Description:	Disaggregation Modification	
	Change:	Previous	Revised
		Sales Private Land, Sales Municipal Land, Sales State Land (non ZDTI), Greenfield Investment in ZDTIs in Sal and Sao Vicente , Greenfield Investment in Maio and Boa Vista	Sales Private Land, Sales Municipal Land, Sales State Land (non ZDTI), Greenfield Investment in ZDTIs in Sal and Sao Vicente , Greenfield Investment in ZDTIs Maio and Boa Vista

	Justification Description:	Updating the disaggregation's to correctly match the information we are able to get.	
April 2018	Change Description:	Data Source Modification Modification	
	Change:	Previous	Revised
		Independent evaluation, including use of data from Land Management Information and Transaction System (LMITS)	Independent evaluation, including use of data from Land Management Information and Transaction System (LMITS) and land records of these offices
Justification Description:	Aligning to better match the correct data source.		

Number of key property transactions on intervention island(s) of high tourism investment potential			
Project:	Land Management for Investment Project		
Activity:	N/A		
Sub-Activity:	N/A		
April 2018	Change Description:	Disaggregation Modification	
	Change:	Previous	Revised
		Sales Private Land, Sales Municipal Land, Sales State Land (non ZDTI), Greenfield Investment in ZDTIs in Sal and Sao Vicente , Greenfield Investment in Maio and Boa Vista	(A) Sales Municipal Land, Sales Private Land, Sales State Land (non-ZDTI), Green Field Investment in ZDTIs (B) Sal, Boa Vista, Maio, Sao Vicente (C) Male/Female/Joint/Commercial/Other
Justification Description:	Updating the disaggregation's to correctly match the information we are able to get.		

Land right formalized (by project)			
Project:	Land Management for Investment Project		
Activity:	Rights and Boundaries Activity		
Sub-Activity:	N/A		
April 2018	Change Description:	Disaggregation Modification	
	Change:	Previous	Revised

	(A) Household/Commercial/Other legal entity (B) By Intervention Island (Sal, Boa Vista, Sao Vicente and Maio); (C) Urban/Rural; (D) Male/Female/Joint/Other	(A) Household/Commercial/Other legal entity (B) By Intervention Island (Sal, Boa Vista, Sao Vicente and Maio); (C) Urban/Rural; (D) Male/Female/Joint/Commercial/Other
Justification Description:	Updating the disaggregation's to correctly match the information we are able to get.	

Number of mortgages registered in predial that use registered land right as collateral			
Project:	Land Management for Investment Project		
Activity:	Rights and Boundaries Activity		
Sub-Activity:	N/A		
	Change Description:	Disaggregation Modification	
April 2018	Change:	Previous	Revised
		(A) By intervention island (Sal, Boa Vista, Maio, Sao Vicente); (B) rural/urban; (c) male/female	(A) By intervention island (Sal, Boa Vista, Maio, Sao Vicente); (B) Rural/Urban; (c) male/female/joint/commercial/other
	Justification Description:	Updating the disaggregation's to correctly match the information we are able to get.	

Number of building permits			
Project:	Land Management for Investment Project		
Activity:	Rights and Boundaries Activity		
Sub-Activity:	N/A		
	Change Description:	Disaggregation Modification	
April 2018	Change:	Previous	Revised
		(A) By Intervention Island (Sal, Boa Vista, Maio, Sao Vicente); (B) rural/urban; (c) male/female	(A) By intervention island (Sal, Boa Vista, Maio, Sao Vicente); (B) Rural/Urban; (c) male/female/joint/commercial/other
	Justification Description:	Updating the disaggregation's to correctly match the information we are able to get.	

	Justification Description:	Updating the disaggregation's to correctly match the information we are able to get.
--	-----------------------------------	--

Percentage of total adult population with legally recognized documentation of land tenure			
Project:	Land Management for Investment Project		
Activity:	Rights and Boundaries Activity		
Sub-Activity:	N/A		
	Change Description:	Disaggregation Modification	
April 2018	Change:	Previous	Revised
		A. Male/female; B. by type of tenure; C. by island	A. Male/female; B. by type of tenure; C. by island; D. Urban/Rural
	Justification Description:	Updating the disaggregation's to correctly match the information we are able to get.	

Percentage of total adult population who feel secure in their tenure			
Project:	Land Management for Investment Project		
Activity:	Rights and Boundaries Activity		
Sub-Activity:	N/A		
	Change Description:	Disaggregation Modification	
April 2018	Change:	Previous	Revised
		A. Male/female; B. by type of tenure; C. by island	A. Male/female; B. by type of tenure; C. by island; D. Urban/Rural
	Justification Description:	Updating the disaggregation's to correctly match the information we are able to get.	