



COMPACT GOAL

MCC's five-year, \$66.2 million compact with the Government of Cabo Verde was signed on February 10, 2012. The Compact focuses on two main constraints to growth: 1) inefficiencies in Cabo Verde's water and sanitation sector that result in limited access, high costs, low quality, and poor systems management; and 2) inadequacies in the country's land property registration and management systems that limit the ability of households and firms to invest in their property in order to create value and increase incomes.

COMPACT AT A GLANCE

Compact Signed	02-10-2012
Entry Into Force	11-30-2012
Compact End Date	11-30-2017
Compact Total	\$66,230,000
Amount Committed	\$20,524,294
Amount Expended	\$8,389,572
Estimated Program Beneficiaries	604,100
Estimated Increase in Household Income	\$112,900,000

% OF TOTAL COMPACT	BUDGET (USD MILLIONS)
60%	Water, Sanitation, and Hygiene Project \$39.7
26%	Land Management for Investment Project \$17.2
12%	Program Administration \$7.8
2%	Monitoring and Evaluation \$1.3



■ Project Preparation ■ Project Implementation

Water, Sanitation, and Hygiene Project	PROJECT COST	TOTAL CONTRACT COMMITMENTS	TOTAL PROJECT EXPENDITURES*
	\$39,730,000	\$11,002,695	\$2,782,722

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Water, Sanitation, and Hygiene Project	[Red bar for Year 1, Blue bar for Year 2]		[Grey bar for Years 3-5]		

PRESENT

Projected Long-Term Results (Up to 20 years)		PROJECTED RESULTS BY END OF COMPACT	PROGRESS TO DATE	PROJECT ACHIEVEMENTS
ESTIMATED BENEFICIARIES	ESTIMATED INCREASE IN HOUSEHOLD INCOME			
591,000 Beneficiary numbers estimated over 20 years.	\$46,500,000 Discounted benefits in USD attributed to MCC costs, which amount to approximately 91% of the PV of total costs.	National institutional and regulatory reform and municipal utility reform will improve planning systems and regulatory processes, including tariff setting and social and gender inclusion, and restructure and corporatize utilities to function independently. New entities for sector oversight will be established and an infrastructure grant facility will provide funding for WASH infrastructure improvements.	Process for separating distribution services from ELECTRA's (current utility) business continues. Technical assistance consultant under the National Reform activity completed the first phase of its work, identifying key areas for improvement in the sector. Procurement of technical assistance under the Utility Reform activity is underway. Under the IGF, consultants have been hired to complete bid documents for projects under 1st tranche.	The new sector technical regulator, ANAS, has been officially established and is operational. A draft of a comprehensive national legislation pertaining to both water and wastewater has been completed, and awaiting official approvals. The multi-municipal utility "Aguas de Santiago" has been established, and the committee for standing up the new company has been selected.

Land Management for Investment Project	PROJECT COST	TOTAL CONTRACT COMMITMENTS	TOTAL PROJECT EXPENDITURES*								
	\$17,260,000	\$6,844,138	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5				
<p>The \$17.3 million Land Management for Investment Project aims to loosen the land-related constraints to investment and by reducing land rights registration and transaction time and cost for all users by refining the legal, procedural and institutional environment, developing and installing a land information system, and clarifying rights and boundaries on targeted islands.</p> <p>Projected Long-Term Results (Up to 20 years)</p> <table border="1"> <thead> <tr> <th>ESTIMATED BENEFICIARIES</th> <th>ESTIMATED INCREASE IN HOUSEHOLD INCOME</th> </tr> </thead> <tbody> <tr> <td> <p>13,100</p> <p>Beneficiary numbers estimated over 20 years.</p> </td> <td> <p>\$28,000,000</p> <p>Discounted benefits in USD attributed to MCC costs, whose PV amount to approximately USD 16 million as to compared to USD 39 million of associated non-MCC costs.</p> </td> </tr> </tbody> </table>	ESTIMATED BENEFICIARIES	ESTIMATED INCREASE IN HOUSEHOLD INCOME	<p>13,100</p> <p>Beneficiary numbers estimated over 20 years.</p>	<p>\$28,000,000</p> <p>Discounted benefits in USD attributed to MCC costs, whose PV amount to approximately USD 16 million as to compared to USD 39 million of associated non-MCC costs.</p>	<p>PROJECTED RESULTS BY END OF COMPACT</p> <p>The legal, institutional, and procedural foundations for land management and property rights will be reformed and strengthened. A new land information and transaction system will be developed and installed. Building on the legal and institutional groundwork, actual clarification and formalization of parcel rights and boundaries in targeted islands of high tourism investment potential will be completed.</p>		<p>PROGRESS TO DATE</p> <p>Project's legal and procedural reforms are reaching their final stages. The majority of proposals have been developed by MCA-CV II and some received approval from the Cabo Verdean Government. The National Institute for Land Management has been officially created. These achievements are critical to implement the Rights and Boundaries Clarification Activity and will pave the way for sector's long term sustainability.</p>		<p>PROJECT ACHIEVEMENTS</p> <p>The first version of the Land Management Information and Transaction System is being finalized and operational tests planned to ensure it is ready for fieldwork activities on the pilot Island of Sal. MCA-CV II received and evaluated 9 technical proposals to complete the Field Operations Manual and implement Land Rights and Boundaries Clarification in Cabo Verde (Island of Sal). Actual fieldwork activities are expected to start early 2015.</p>		
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<p>13,100</p> <p>Beneficiary numbers estimated over 20 years.</p>	<p>\$28,000,000</p> <p>Discounted benefits in USD attributed to MCC costs, whose PV amount to approximately USD 16 million as to compared to USD 39 million of associated non-MCC costs.</p>										

*Expenditures are the sum of cash outlays and quarterly accruals for work completed but not yet paid or invoiced.