



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 | \$23,033,996 |
| Amount Expended | \$12,495,834 |
| 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 | \$12,882,265 |

| | YEAR 1 | YEAR 2 | YEAR 3 | YEAR 4 | YEAR 5 |
|--|----------------------------------|--------|-----------------|--------|--------|
| Water, Sanitation, and Hygiene Project | [Bar with red and blue segments] | | [Vertical line] | | |

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. | Technical assistance to the new national water agency (ANAS) and the new multi-municipal water utility for the island of Santiago, Aguas de Santiago (AdS), is progressing. The process for separating water distribution services from Electra, the energy and former water utility, to AdS is underway. Under the IGF, construction works are underway. Plans are being developed to move the IGF to ANAS as a division within the new agency. | The new national water agency and sector technical regulator, ANAS, has been officially established and is operational. The new multi-municipal utility for the island of Santiago, Aguas de Santiago (AdS), has been established and staffed. A draft of a comprehensive national legislation pertaining to both water and wastewater has been completed and is pending official approvals. |

| Land Management for Investment Project | PROJECT COST | TOTAL CONTRACT COMMITMENTS | | TOTAL PROJECT EXPENDITURES [†] | | | | | |
|--|---|--|---|---|--|--|--|--|---|
| | \$17,260,000 | \$6,844,313 | | \$3,705,096 | | | | | |
| <p>The Land Management for Investment Project aims to loosen the land-related constraints to investment and to reduce 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 Beneficiary numbers estimated over 20 years.</p> </td> <td> <p>\$28,000,000 Discounted benefits in USD attributed to MCC costs, whose PV amount to approximately USD 16 million as 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 Beneficiary numbers estimated over 20 years.</p> | <p>\$28,000,000 Discounted benefits in USD attributed to MCC costs, whose PV amount to approximately USD 16 million as 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 project's legal, procedural and institutional reforms have been approved and published by the Government of Cabo Verde. Fieldwork activities have started on the pilot island of Sal. Fieldwork approaches are being tested and refined and the new institutional environment, involving MCA-CV II, the fieldwork firm, various institutions of the land sector, including the national team responsible for validating the firm's work, is now active.</p> |
| | ESTIMATED BENEFICIARIES | ESTIMATED INCREASE IN HOUSEHOLD INCOME | | | | | | | |
| <p>13,100 Beneficiary numbers estimated over 20 years.</p> | <p>\$28,000,000 Discounted benefits in USD attributed to MCC costs, whose PV amount to approximately USD 16 million as compared to USD 39 million of associated non-MCC costs.</p> | | | | | | | | |
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[†]Expenditures are the sum of cash outlays and quarterly accruals for work completed but not yet paid or invoiced.