



1. Project Data:		Date Posted : 09/25/2003	
PROJ ID: P057998		Appraisal	Actual
Project Name: Publ.sec.reform Supp	Project Costs (US\$M)	3.00	2.86
Country: Cape Verde	Loan/Credit (US\$M)	3.0	3.0
Sector(s): Board: PS - Sub-national government administration (64%), Law and justice (18%), Central government administration (18%)	Cofinancing (US\$M)	0.0	0.0
L/C Number: C3294			
	Board Approval (FY)		
Partners involved :	Closing Date		
Prepared by :	Reviewed by :	Group Manager :	Group:
John H. Johnson	Gene Tidrick	Kyle Peters	OEDCR
2. Project Objectives and Components			
a. Objectives			
1. To consolidate reforms introduced under the preceding Public Sector Reform and Capacity Building Project in the areas of economic and financial management, regulation, and the legal system .			
2. To prepare the next phase of public sector reform via analytical studies and pilot programs .			
b. Components			
1,			
a. Improve the data collection and methodology supporting preparation of the national accounts and macroeconomic modeling and management;			
b. Design, install, and implement a national and municipal financial information system to enhance budgetary and expenditure control;			
c. Assess the judicial system.			
d. Design and roll out a computer system for the borrower's court system; and			
e. Strengthen the Borrower's capacity to implement the legal framework through technical assistance and training.			
2.			
a. Assess the public sector .			
b. Perform a comparative analysis of the structure and functions of public administration;			
c. Review the organization and staffing of public administration; and			
d. Prepare a strategic framework and action plan to guide the next phase of civil service reform .			
c. Comments on Project Cost, Financing and Dates			
Procurement data suggest that actual project costs were slightly less than estimated at appraisal (US\$2.86 million vs. US\$3.0 million), although data on component costs suggest there was actually a large overrun, on the order of 40 percent (see discussion on ICR quality below). No information is supplied about whether any part of the original US\$3.0 million loan was cancelled. The loan closed on December 31, 2001, one year later than projected at appraisal .			
3. Achievement of Relevant Objectives:			
1.			
a. Fully achieved. A draft national account report is being discussed for finalization . A manual for preparing the National Development Plan has been completed . Diagnosis, creation, and integration of the database structure has been largely completed . The statistical and planning capacity of the Ministry of Finance has been strengthened. A macroeconomic scenario has been finalized and discussed . Staff training has been completed, albeit for smaller numbers than had been originally anticipated .			

- b. Partially achieved. A national financial information and management system is up and running . Network installed in the central administration, improving communication . Only one municipality has entered the network to date. because of funding constraints . Training on fiscal and financial management, decentralization, and financial affairs provided to staff of all municipalities . Two studies on municipal fiscal management systems completed .
- c. Fully achieved. The judicial reform study triggered a major refocus of the Borrower's judicial reform strategy, inducing the Minister of Justice to embrace a more comprehensive approach .
- d. Fully achieved. Computers have been installed throughout the court system, and a commission formed to begin design of a court software system . Operationalization is ongoing.
- e. Fully achieved. In service training of lawyers, judges, court officials, and prison staff has contributed to an improvement in the quality and efficiency of legal services . Criminal, civil procedure, asset registry, and intellectual property codes were finalized, and the labor code updated . The project also financed publication of a judicial code of ethics and conduct. Law libraries are being established, as are new bilateral links to judicial systems abroad .

- 2.
- a. Not achieved, due to time constraints, unavailability of basic information, and change of government . Overtaken by PRSP process. Project did finance a census of civil servants .
 - b. Not achieved (see 2.a above).
 - c. Not achieved (see 2.a above).
 - d. Not achieved (see 2.a above). Workshops on decentralization and partnership and a seminar on the role of the state sponsored.

4. Significant Outcomes/Impacts:

- a. User satisfaction with the quality and efficiency of legal services favorably affected by project -sponsored improvements.
- b. The 2003 budget was prepared on the basis of the new macroeconomic database and financial information systems.

5. Significant Shortcomings (including non-compliance with safeguard policies):

- a. Borrower ownership weakened mid-way through project implementation due to a change of political parties in power.
- b. The project design was overly complex and demanding, account taken of the Borrower's capacity to implement it.

6. Ratings:	ICR	OED Review	Reason for Disagreement /Comments
Outcome :	Satisfactory	Moderately Satisfactory	Difference in rating systems. Minimal progress on the project's second major objective.
Institutional Dev .:	Modest	Substantial	The project significantly improved the functioning of the judicial system, and made important advances in financial and budgetary management.
Sustainability :	Unlikely	Unlikely	
Bank Performance :	Satisfactory	Satisfactory	
Borrower Perf .:	Unsatisfactory	Unsatisfactory	
Quality of ICR :		Satisfactory	

NOTE: ICR rating values flagged with '*' don't comply with OP/BP 13.55, but are listed for completeness.

7. Lessons of Broad Applicability:

- 1. Timing project implementation to take place primarily in non-election years would mitigate the risk that changes of national leadership might undermine Borrower ownership in mid-stream.

8. Assessment Recommended? Yes No

9. Comments on Quality of ICR:

The ICR provides insightful analysis, and generally persuasive evidentiary support, marred by two significant omissions:

1. The ICR presents inconsistent data on project costs, with estimates of actual expenditures ranging from US 2.86 million (Annex Table 2) to US\$3.53 million in the text (sum of Components I and 2, p. 3), and appraisal estimates ranging from US\$2.08 million (by component) to US\$3.0 million (by procurement arrangements, Annex Table 2). Thus, it is uncertain whether a cost overrun or underrun occurred . The text does not clarify this issue .

2. The project design provided for the tracking of a number of output indicators (Annex Table 1), but this was

apparently not done. Such information would have been helpful, although not essential, in judging outcome, since the project did provide a number of performance indicators which were reported. In the case of such significant omissions, the ICR would be well advised to enter into a discussion as to why this key information was not collected in the section which discusses Bank supervision.