



1. Project Data:		Date Posted : 11/24/2004	
PROJ ID: P056393		Appraisal	Actual
Project Name: Second Social Action Fund Project (fas li)	Project Costs (US\$M)	47.0	42.84
Country: Angola	Loan/Credit (US\$M)	33.0	32.4
Sector(s): Board: SP - General education sector (35%), Sanitation (30%), Other social services (25%), Health (10%)	Cofinancing (US\$M)	9.0	7.78
L/C Number: C3399			
	Board Approval (FY)		00
Partners involved : Norway, Sweden, Italy, USAID, Shell, British Petroleum	Closing Date	02/29/2004	02/29/2004

Prepared by :	Reviewed by :	Group Manager :	Group:
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2. Project Objectives and Components

a. Objectives

To increase the sustainable utilization of basic social and economic services by target populations through the provision or rehabilitation of social and economic infrastructure at the community level; capacity building at the level of communities, partners, local government and Social Action Fund (Fundo de Apoio Social, FAS); and strengthening the M&E system (PAD, page 2).

b. Components

The project had four components :

1. Social and Economic Infrastructure (Appraisal US\$ 28.9m; Actual US\$ 31.55m): To support a wide range of small and medium scale social and economic infrastructure subprojects .
2. Capacity Building (Appraisal US\$ 3.30m; Actual US\$ 2.02m): To transfer skills and improve methods for stakeholders at the community, implementing partners, local government officials, and FAS levels .
3. Monitoring and Evaluation (M&E) (Appraisal US\$ 1.80m; Actual US\$ 0.12m): To improve the existing MIS system and design and implement a more comprehensive M&E system which would include the more regular use of Beneficiary Assessments and qualitative evaluations .
4. Institutional Support (Appraisal US\$ 3.60m; Actual US\$ 6.47m): To support administration and operating costs of FAS and strengthen its procurement and financial management capacities .

No formal restructuring of the project was undertaken, but the focus of the capacity building component was shifted shortly after effectiveness from community capacity building to building capacity of local administrations and implementing partners.

c. Comments on Project Cost, Financing and Dates

The actual total project cost was US\$ 42.84m against an appraisal estimate of US\$ 47.0m. Physical and price contingencies amounted to US\$ 4.50m each. The Bank disbursed US\$ 32.4m of the US\$ 33.0m planned at appraisal (ICR page 19). Government contribution was slightly over half that projected at appraisal (US\$ 2.66m against US\$ 5m). The cofinancing figures indicated above include both donor and community contributions (the ICR lumps them together). Community contributions were lower than the US\$ 4m expected at appraisal while donor contributions slightly exceeded the appraisal estimate of US\$ 5m. Over half of the disbursements were in 2002 after signing of the peace accord. The project closed on schedule .

3. Achievement of Relevant Objectives:

Based on the limited evidence in the ICR, the project objective of achieving an increase in the sustainable utilization of basic economic and social services appears to have been met . This will be verified through an OED project performance assessment (See Section 8 and 9 below).

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4. Significant Outcomes/Impacts:

1. Improved access to education, enhanced quality of education, reduced distance to health care, reduced labor in fetching water and washing, and better household hygiene (2002 and 2003 Beneficiary Assessments).

2. 89 and 90 percent of the beneficiaries "approved of" the FAS (2002 and 2003 Beneficiary Assessments).

3. FAS was able to deliver a significant amount of infrastructure in a conflict-affected country. It also expanded links with local government through provincial and municipal training. The ICR notes "In a country that was characterized by bad governance, FAS functioned for both the public and the private sector as a transparent example of good governance. FAS also expanded the link with local government and implementing partners and helped develop the institutional capacity of local authorities and partner organizations. There was clear impact of training in procurement, financial management, and disbursement procedures at this intermediary level. FAS II strengthened the partnerships with local government through provincial and municipal training for partners and administrations, and through the Consultative Committees in each province" (ICR page 10).

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

1. There are questions about sustainability. According to the borrower's input to the ICR: "The issue of sustainability of this infrastructure is still a source of concern, especially in the health sector, due to the irregular supply of medicines and establishment of specialized infrastructure. There is a lot of involvement of the community in water and sanitation sector projects...but the lack of resources is still an obstacle to the creation of their own alternatives. FAS and its partners, especially government structures, shall have to study mechanisms to ensure that project sustainability is not endangered, as the situation is currently" (ICR page 34). In addition, the 2002 and 2003 Beneficiary Assessments point to weaknesses in communities' sense of responsibility for maintenance of provided infrastructure. Qualitative data from the Beneficiary Assessment and project site visits suggest that the absence of capacity building specifically targeted to communities affected community ownership and participation (ICR page 7). The ICR notes that the realignment of the training to focus on municipal and regional administrations rather than community capacity building had an impact of the ability of communities to manage and sustain their projects (page 11).

2. Community training, a weakness in the first project, remained a weakness in this follow-on project as well. Although there possibly was some community capacity enhancement through learning by doing, this effect does not appear to have been significant based on the ICR (especially, page 9): "The Beneficiary Assessments in FAS II showed that the learning by doing effects mostly do not spill over into any further community development activity, the main focus remains the subproject".

3. The logframe was not finalized until the first half of 2001, FAS management did not consistently track all impact and output indicators in the logframe, and it was of limited use in project management. Some key M&E data were lacking including on achievement of the project objective. The ability to monitor impacts needs strengthening.

6. Ratings:	ICR	OED Review	Reason for Disagreement /Comments
Outcome:	Satisfactory	Satisfactory	To be verified through an OED project performance assessment given limited and conflicting evidence in the ICR.
Institutional Dev.:	Substantial	Substantial	
Sustainability:	Likely	Non-evaluable	The ICR contains conflicting information on sustainability with the sustainability analysis and a-posteriori evaluation giving a positive picture and other evidence in the ICR (see point 1 in Section 5 above) showing a negative picture. It is not possible to rate sustainability either "likely" or "unlikely" at this stage.
Bank Performance:	Satisfactory	Satisfactory	
Borrower Perf.:	Satisfactory	Satisfactory	
Quality of ICR:		Unsatisfactory	

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

7. Lessons of Broad Applicability:

- Building capacity requires careful planning and adequate allocation of time and budget. Particular attention is also needed to systematically monitor and evaluate capacity building initiatives.
- In a post-conflict situation, a quick and flexible response is needed to country situations.

8. Assessment Recommended? Yes No

Why? To verify ratings and contribute to OED's evaluation of World Bank support to LICUS.

9. Comments on Quality of ICR:

The ICR has major shortcomings:

1. The ICR provides limited and conflicting evidence of the achievement of the project objective of increasing the "sustainable utilization" of basic social and economic services . The ICR provides inadequate utilization data (also a reflection of the weaknesses in the M&E system).
2. The ICR fails to provide a coherent analysis of the sustainability issue and reconcile conflicting information . While the a-posteriori evaluation and sustainability analysis give a positive picture, other parts of the ICR including the borrower's input raise concern about sustainability (see point 1 in Section 5 above). Furthermore, FAS II failed to adequately mitigate two risk factors for sustainability identified in the PAD : community training (which was postponed to FAS III), and a focus on rehabilitation rather than new infrastructure (which did not materialize--76 percent of the infrastructure supported by FAS II was new infrastructure). In addition, since over half of project disbursements were made after the signing of the peace accord in April 2002, most of the infrastructure is likely to have been relatively recent at the time of the sustainability evaluations . There is also some lack of clarity about the timing of the a-posteriori evaluation--page 28 of the ICR says it was after one year of "implementation" of the subproject while page 31 says it was one year after the subproject's "delivery" to the community.
3. The ICR does not indicate the soundness of the methodology underpinning the sustainability analysis and a-posteriori evaluation which it cites.
4. There are discrepancies in a number of figures reported in the ICR . The actual total cost figures are reported on page 18 of the ICR as US\$ 40.16m versus US\$ 42.84m on page 19 of the ICR. Community contributions are wrongly reported as part of the cofinancing figures . Regional comments note that there was an issue with accounting for community contributions (\$ 2.68m in labor, kind, and opportunity cost), and that the difference seems largely due to wrongly reported community contributions .