Implementation Status & Results
Lesotho
Second Private Sector Competitiveness and Economic Diversification Prj (P144933)

Operation Name: Second Private Sector Competitiveness and Economic Diversification Prj (P144933)
Project Stage: Implementation
Seq.No: 2
Status: ARCHIVED
Archive Date: 23-Jun-2014

Country: Lesotho
Approval FY: 2014
Product Line: IBRD/IDA
Region: AFRICA
Lending Instrument: Investment Project Financing
Implementing Agency(ies): Ministry of Trade and Industry, Cooperatives and Marketing

Key Dates
Board Approval Date 31-Oct-2013
Original Closing Date 30-Apr-2019
Planned Mid Term Review Date 01-Nov-2016
Last Archived ISR Date 23-Dec-2013
Effectiveness Date 09-Jan-2014
Revised Closing Date 30-Apr-2019
Actual Mid Term Review Date

Project Development Objectives
The development objective of the proposed project is to contribute to the development of selected non-textile sectors resulting in increased private sector investment, firm growth and job creation.

Has the Project Development Objective been changed since Board Approval of the Project?
☐ Yes  ☐ No

Component(s)
Component Name Component Cost
Improving the Business Environment 3.56
Supporting Economic Diversification 8.95
Project Implementation 2.04

Overall Ratings
Progress towards achievement of PDO Satisfactory
Overall Implementation Progress (IP) Satisfactory
Overall Risk Rating Moderate

Implementation Status Overview
The Second Private Sector Competitiveness and Economic Diversification Project (SPSCEDP) is a US$13.1 million operation which was approved by the World Bank Board on October 31, 2013 and declared effective on January 9, 2014. The Project was officially launched by GoL on February 27, 2014. The Project Preparation Advance has been closed. The signatories for the Project have been submitted to the Bank and withdrawal applications have been submitted and processed under the credit. The first implementation Support mission was conducted in March 2014 and found that the project management was fully staffed and the major procurement activities in all the subcomponents had been initiated and
well under way. The project had disbursed US$1.13 million to date. The implementation progress on the various subcomponent is detailed below. As per the suggestion made by the CD, the project helped facilitate a Lesotho Diaspora event in Johannesburg which helped facilitate potential linkages for investments into Lesotho.

**Locations**
No Location data has been entered

**Results**

### Project Development Objective Indicators

<table>
<thead>
<tr>
<th>Indicator Name</th>
<th>Core</th>
<th>Unit of Measure</th>
<th>Baseline</th>
<th>Current</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct project beneficiaries</td>
<td>☒</td>
<td>Number</td>
<td>0.00</td>
<td>75000.00</td>
<td>31-Oct-2018</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Value</td>
<td>Date</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>04-Sep-2013</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Comments</td>
<td>This is an indicator for components 1 and 2. This will include all the enterprises that benefit from streamlined business regulations, SMEs (manager and firm employees) that are able to access loans with movable collateral, individuals that are covered under the credit bureau, artisans, hotel establishments benefiting from the tourism sub-component and the small holder farmers benefiting under commercial horticulture, and LEAP beneficiaries. While official targets are only twice during the project implementation, this indicator will be monitored annually, to track progress.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Female beneficiaries                 | ☒    | Percentage      | 0.00     | 30.00   |            |
|                                      |      | Sub Type        | Value    | Date    |            |
|                                      |      | Supplemental    | 04-Sep-2013 |        |            |

| Increase in jobs created in selected non-textile sectors | ☐   | Percentage | 6058.00 | 40.00   |
|                                                         |     | Date       | 04-Sep-2013 | 31-Oct-2018 |
This is an indicator for component 2. Jobs will be defined as full-time, part time and seasonal workers. This will include jobs created in new foreign and domestic non-textile firms attracted in the industrial estates, jobs created under the horticulture and tourism sub-components.

While official targets are only twice during the project implementation, this indicator will be monitored annually, to track progress.

<table>
<thead>
<tr>
<th>Increase in domestic enterprises created/registered in non-textile sectors</th>
<th>Percentage</th>
<th>Value</th>
<th>Date</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>11382.00</td>
<td>04-Sep-2013</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>31-Oct-2018</td>
<td></td>
</tr>
</tbody>
</table>

Intermediate Results Indicators
<table>
<thead>
<tr>
<th>Indicator Name</th>
<th>Core</th>
<th>Unit of Measure</th>
<th>Baseline</th>
<th>Current</th>
<th>End Target</th>
<th>Date</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decrease in the number of days required to obtain a construction permit from</td>
<td></td>
<td>Days</td>
<td>106.00</td>
<td>65.00</td>
<td>31-Oct-2018</td>
<td>04-Sep-2013</td>
<td>This indicator does not include acquiring a fixed line which is included in the process of receiving a construction permit in the Doing Business indicator methodology. While official targets are only twice during the project implementation, this indicator will be monitored annually, to track progress.</td>
</tr>
<tr>
<td>the Maseru City Council.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Credit Bureau established and operational.</td>
<td></td>
<td>Yes/No</td>
<td>No</td>
<td>Yes</td>
<td></td>
<td>04-Sep-2013</td>
<td>This indicator measures the fact that registered lodging operations will be adhering to the Star Grading System of accommodations that will be rolled out during the project implementation. While an end of year</td>
</tr>
<tr>
<td>Increase in non-textile investments in the industrial estates.</td>
<td></td>
<td>Percentage</td>
<td>418.50</td>
<td>50.00</td>
<td>31-Oct-2018</td>
<td>04-Sep-2013</td>
<td>Baseline figure is in Million Maloti This indicator measures the new foreign as well as domestic investments that come into the industrial estate in the non-textile sectors.</td>
</tr>
<tr>
<td>Coverage of registered lodging operations under the star grading system.</td>
<td></td>
<td>Yes/No</td>
<td>No</td>
<td>Yes</td>
<td></td>
<td>04-Sep-2013</td>
<td>This indicator measures the fact that registered lodging operations will be adhering to the Star Grading System of accommodations that will be rolled out during the project implementation. While an end of year</td>
</tr>
</tbody>
</table>
Tourism information center established and operational

Yes/No Value

Date 04-Sep-2013

Comments

Increased incomes of participating farmers.

Percentage Value

Date 31-Oct-2018

Comments

Baseline to be determined via survey during project implementation.

This indicator is measured in real terms and not nominal terms. Will be controlled for inflation.

Share of firms supported by LEAP that increased sales by greater than 10% after a year of support.

Percentage Value

Date 31-Oct-2018

Comments

This indicator will track the performance of the firms being supported from the date of support. The target values for subsequent years are cumulative.

Data on Financial Performance (as of 02-Apr-2014)

Financial Agreement(s) Key Dates

<table>
<thead>
<tr>
<th>Project</th>
<th>Ln/Cr/Tf</th>
<th>Status</th>
<th>Approval Date</th>
<th>Signing Date</th>
<th>Effectiveness Date</th>
<th>Original Closing Date</th>
<th>Revised Closing Date</th>
</tr>
</thead>
</table>

Disbursements (in Millions)

<table>
<thead>
<tr>
<th>Project</th>
<th>Ln/Cr/Tf</th>
<th>Status</th>
<th>Currency</th>
<th>Original</th>
<th>Revised</th>
<th>Cancelled</th>
<th>Disbursed</th>
<th>Undisbursed</th>
<th>% Disbursed</th>
</tr>
</thead>
<tbody>
<tr>
<td>P144933</td>
<td>IDA-53090</td>
<td>Effective</td>
<td>XDR</td>
<td>8.70</td>
<td>8.70</td>
<td>0.00</td>
<td>0.74</td>
<td>7.96</td>
<td>8.00</td>
</tr>
</tbody>
</table>

Disbursement Graph
**Key Decisions Regarding Implementation**

The project is making good implementation progress in its various subcomponents as detailed under each component.

**Restructuring History**

There has been no restructuring to date.

**Related Projects**

There are no related projects.