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2nd Strengthening Growth & Fiscal Policy Development Policy Financing (P161707)

AFRICA | Sao Tome and Principe | Macroeconomics, Trade and Investment Global Practice |
IBRD/IDA | Development Policy Lending | FY 2018 | Seq No: 1 | ARCHIVED on 16-Sep-2019 | ISR38387 |

Implementing Agencies: EMAE, Ministry of Finance, Trade and the Blue Economy

Key Dates

Key Project Dates

Bank Approval Date: 18-May-2018
Effectiveness Date: 09-Jul-2018
Original Closing Date: 31-Dec-2018
Revised Closing Date: 31-Dec-2018

Project Development Objectives

Program Development Objective (from Program Document)

The objective of this operation is to help the government introduce growth-enabling reforms in the financial sector, business environment, and infrastructure; generate fiscal resources and savings; and improve the quality of expenditures.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	--	Moderately Unsatisfactory
Overall Implementation Progress (IP)	--	Moderately Unsatisfactory
Overall Risk Rating	--	High

Implementation Status and Key Decisions

As a result of the changes in government and the lapse of the IMF program, the calendar for the third operation was adjusted. The team was also authorized to streamline the third operation to focus on the most critical prior actions.

Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	Substantial	--	High
Macroeconomic	Substantial	--	High
Sector Strategies and Policies	Moderate	--	Moderate

Technical Design of Project or Program	Moderate	--	Substantial
Institutional Capacity for Implementation and Sustainability	Substantial	--	High
Fiduciary	Substantial	--	Substantial
Environment and Social	Moderate	--	Moderate
Stakeholders	Moderate	--	Moderate
Other	--	--	--
Overall	Substantial	--	High

Results

Results Indicators

Introduce growth-enabling reforms in the financial sector, business environment, and infrastructure

▸Number of banks below the central bank's minimum capital adequacy ratio (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	3.00	--	0.00	0.00
Date	31-Dec-2015	--	31-Dec-2018	31-Dec-2020

▸Score on Doing Business indicator "Getting Credit" (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	10.00
Date	31-Dec-2015	--	31-Dec-2018	31-Dec-2020
Comments:	The indicator ranges from a minimum of zero to 20.			

▸Share of population with access to formal financial services (e.g. bank account) (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	38.70	--	38.70	45.00
Date	31-Dec-2017	--	31-Dec-2018	31-Dec-2020
Comments:	According to the latest financial inclusion survey, 38.7% of the population have a bank account, but most of the bank account owners are men (61.2%). The survey was undertaken in 2017, which is also serving as the baseline for the indicator. The previous baseline indicator were based on administrative data that clearly overestimated access to finance. The central bank intention is to carry out a new survey circa 2020.			

▸EMAE's non-technical losses (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target

Value	26.40	--	25.00	23.80
Date	31-Dec-2015	--	31-Dec-2018	31-Dec-2020

►amount of public sector arrears to EMAE (Amount(USD), Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	36.40	--	167.05	12.00
Date	31-Dec-2015	--	31-Dec-2018	31-Dec-2020
Comments:	The amount is in billion of LCU			

►Energy cost of production (Amount(USD), Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.54	--	0.27	0.21
Date	31-Dec-2015	--	31-Dec-2018	30-Dec-2020
Comments:	The unit of measure is USD per KWh			

►Number of complaints received by EMAE (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	6,542.00	--	3,207.00	3,000.00
Date	31-Dec-2015	--	31-Dec-2018	31-Dec-2020
Comments:	The reduction in the name of complaints is due to an increase in the installation of meters - including pre-paid meters - which was one of the main source of complaints.			

Generate fiscal resources and savings and improve the quality of public expenditures

►Tax revenues (as a share of GDP) (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	14.30	--	12.50	15.80
Date	31-Dec-2015	--	31-Dec-2018	31-Dec-2020

►Percentage of performance targets achieved - average for SOEs (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	50.00
Date	31-Dec-2015	--	31-Dec-2018	31-Dec-2020

▸Share of ongoing and finalized projects with basic information included in the National Investment Portfolio Database (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	100.00
Date	31-Dec-2015	--	31-Dec-2018	31-Dec-2020

▸Number of beneficiaries enrolled in three core social protection programs and receiving regular payments as set in law (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	3,850.00	4,000.00
Date	31-Dec-2015	--	31-Dec-2018	31-Dec-2020
Comments:	There are 3,850 beneficiaries enrolled in the program but payments have not started. They should start in November 2019 for 2,500 beneficiaries			

Data on Financial Performance

Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P161707	IDA-D3050	Closed	USD	6.00	6.00	0.00	5.93	0.00	100%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P161707	IDA-D3050	Closed	18-May-2018	12-Jun-2018	09-Jul-2018	31-Dec-2018	31-Dec-2018

Tranches

Restructuring History

There has been no restructuring to date.

Related Project(s)

P159010-STP Strengthening Growth and Fiscal Policy DPO ,P164321-THIRD STRENGTHENING GROWTH AND FISCAL POLICY DEVELOPMENT POLICY FINANCING