

national structures, particularly middle management and technical staff responsible for monitoring, which should begin in 2010.

6. Conclusion

Overall progress in implementing PGRS in 2009 can be considered positive, and the results achieved are testimony to a collective effort to fulfill the objectives set in terms of attaining the defined targets.

The various sectors made positive contributions during the preparation, monitoring of the PGRS, and the mission itself. Nonetheless, there was some delay in submitting data and a failure to meet deadlines. These situations impose constraints on the normal development of the work. We reiterate here that PGRS data needs to be harmonized with those of the GAO.

We evaluate the progress made as positive and consider that, overall, the sectors have fulfilled their objectives and implementation of the GPRSP, resulting in effective implementation of the poverty reduction and growth strategy in Cape Verde.

7. Update of the General Joint Matrix for Budget Support (in Annex).

Annex – General Joint Matrix for Budget Support to the Government of Cape Verde

Topics	No.	Objectives	Evaluation				Monitoring
			2008 (Base)	2009	2010	2011	
Macroeconomy	1	Stability	+	+			MFAP
Poverty reduction	2	Implementation of PRGS I / PRGS	+	+			MFAP
Public finance management	3	Progress in implementing reforms	+	+			MFAP

Medium-term objectives	No.	Policy measures and actions			Indicators	Base 2008	Reference points			Monitoring (entity responsible)
		2009	2010	2011			2009	2009 result	Verification on doc.	
Pillar 1 – Good Governance										
Macroeconomy:										
Reduce and control liabilities including contingencies		Implementation of the plan for settlement of overdue loans (Completed)	Conclusion of implementation of the plan for settlement of overdue loans		Amount outstanding on overdue government loans (%)	60	38	31	DGT report	MFAP
		Preparation of a plan of action with a deadline for the settlement of Electra debts with suppliers within a maximum of four years (Completed)	Implementation of the plan for the settlement of Electra’s overdue loans with suppliers	Implementation of the plan for the settlement of Electra’s overdue loans with suppliers	Amount outstanding on overdue Electra debts with suppliers (%)	100	100	(To be confirmed with Electra)		
Budgetary planning and financing:										
Use medium-term fiscal framework (MTFF)		Preparation of 2010-2012 framework (Completed)	Preparation of 2011-2013 framework	Preparation of 2012-2014 framework	MTFF presented to Parliament as part of the Budget Law	Yes	Yes	Prepared		MFAP/ Strategic Studies Department
Expand the use of the MTFF		4 ministries prepare MTFF for 2010/2012 (Completed)	8 ministries prepare MTFF for 2011/2013	All ministries (15) prepare MTFF 2012-2014	Specialized MTFF units created	3	>5	5 OK	Orders from ministers	General Budget Directorate MFAP
					Number of sectors with MTFF	2	4	12	Existing docs.	
Budgetary execution:										
Expand use of the integrated system		Increase budgetary units’ access to SIGOF	Adoption of cumulative value: State assets partly recorded cumulatively in State accounts.		% of government budget units with access to SIGOF	80%	90%	91.2	DNOCP report	MFAP

Internal controls:										
Increase IGF capacity to conduct more controls			Recruit or bring trained staff back to the IGF		Number of inspections performed by the IGF		39	64	2009 IGF report lacks DG	IGF
					Number of inspections in FSA and municipalities		14	44	2009 IGF report	
					Number of training sessions		5	11	2009 IGF report	
External controls:										
Improve the timeliness of audits on government accounts by the Auditor General's Office			Increase the staffing and budget assigned to the Auditor General's Office		Latest government accounts verified	2005 government accounts verified	2006 and 2007 government accounts verified	Government accounts prepared and 2006/7 verified	Opinion on general government account	Auditor General's Office
National public procurement system:										
Improve transparency and efficiency		Publication of new regulations (Completed)	Evaluate performance of procurements for at least three ministries Finance, Health, and Transport/Equipment	Continue to evaluate performance for at least five ministries: previous 3 + Education and 1 to be chosen	% non-performance, contracts awarded directly	n/a	n/a	10	0	ARAP
		ARAP and UGAs operational in the respective ministries, i.e. staff appointed and regulation approved (Completed)	National standard bidding documents/market consultation approved	Deal with complaints transparently and efficiently	% of complaints dealt with in accordance with new regulations and published	0	0	50	100	ARAP/UGA
			Develop, adopt, and start implementation of a national public procurement training strategy	Create the integrated public procurement system MIS and M&A to evaluate performance	Average time to process procurements (months)	10	10	10	Activities report 2009	
			Public procurement website operational and publicly accessible							

National monitoring and evaluation system:										
Make it operational		Conclusion of the evaluation of training needs in M&A and results-based monitoring (RBM) (Completed)	Implementation of the training plan	Implementation of the training plan	Training plan for RBM and M&A	0		Plan approved	Budget program exists	DGP DGPOGs/GEPs INE NOSI
		Preparation of a strategic plan for M&A and RBM (Partially completed)	Implementation of the strategic plan	Implementation of the strategic plan	No. of staff trained in M&A	8	12	31	PASRP I report third-quarter	
		All output indicators of projects and programs for 2008 integrated into the national M&A system (Not done)	All active project and program output indicators integrated into the national M&A system.	Output and outcome indicators of all active projects and programs integrated into the national M&A system	% of projects and programs with measured output and/or outcome indicators in the M&A database	0	100% With output indicators	Information lacking		
Statistical system:										
Create a new improved national statistics system		Publication in the Official Bulletin of enabling decrees for the Statistics Law Law No. 35/VII/2009 BO No. 9 of March 2	New INE organizational structure prepared	Evaluate implementation of the 2007-2010 plan of action (Statistics Agenda)	Statistics Law passed	Statistics Law passed	N/A	N/A	N/A	MFAP/INE
					New statute for INE			100%		INE
		QUIBB 2007 data through STATLINE (national statistical data website) (Completed)	Conclusion of the platform linking INE to the national M&A system	Conclusion of the public sector survey, population census, statistics on employment and tourism	% of QUIBB data in Statline	40%	100%	Completed	INE site	INE/NOSI
			Conclusion of survey on tourist spending		Survey data in Statline	N/A	100%	Completed	INE site	INE/sector ministries

			Compilation of administrative and private sector data on tourism and employment							
Modernization of the State:										
Rationalization of government structures to make public administration more cost effective		Five ministries restructured as reflected in the 2009 State budget (Completed)	Continued implementation of restructuring recommendations	Continued implementation of restructuring recommendations	Research functions in three institutions transferred to the University of Cape Verde	0	1	3	BO No. 36 series I 9/10/08	UCRE
					DGPOG posts effectively staffed			10	25	
Decentralization:										
Municipal management capacity strengthening		At least 14 municipalities connected to the SIM and training their staff (17 municipalities have SIM)	17 municipalities connected to the municipal information system (SIM)	22 municipalities connected to the SIM	Number of municipalities that prepare accounts on time	3	9	14	Final MDHOT report 2009	NOSI-DGAL
Reform of public administration:										
Promote merit-based public administration and increase possibilities for internal and external mobility.		Approval of the Decree on Mobility by the Council of Ministers (Completed)	Approval of the new posts, careers, and salaries plan (PCCS) by the Council of Ministers	Implementation of the new posts, careers, and salaries plan (PCCS)	Staff turnover in leadership posts (not mobility) (%)	n/a	n/a	-5	-10	UCRE

Security:										
Improved security quality in Cape Verdean Territory					General progress of the sector security matrix		60% of indicators achieved	60% of indicators achieved	60% of indicators achieved	
					% of cases investigated by the judicial police and sent to court with charges brought	54.6	55.0	65.68	PJ report Jan-Dec 2009	
					Creation and implementation of the Financial Investigation Unit (UIF)	Creation of the UIF	Appointment of senior staff of the UIF	Completed		UIF
							Work program	Completed		
							Manual on distribution of work and internal procedures	An internal regulation for the UIF has been prepared		

Medium-term objectives	No.	Policy measures and actions			Indicators	Base 2008	Reference points			Monitoring (entity responsible)
		2009	2010	2011			2009	2009 result	Verificati on doc.	
Pillar 2 – Human Capital										
Primary education:										
Improve quality		Reduce the number of untrained teachers			% of primary school teachers with pedagogic training	82	84	86.5	Annual report	GEP / Ministry of Education
		Strengthening of pedagogic monitoring								
		Review program for each cycle								
Secondary education:										
Improve efficiency		Reduce the number of untrained teachers			Secondary school dropout rate (%)	8.2	8.1	8.0	Annual report	GEP / Ministry of Education
		Strengthening of pedagogic monitoring								
		Review program for each cycle								
Technical education:										
Improve access		Coordinate the program with vocational training			% of third cycle secondary school students going on to technical education	13.8	13.9	14.3	Annual report	GEP / Ministry of Education

Vocational education and training (*Ensino e formação profissional* - EFP):

Upgrade labor skills to satisfy market demand		Undertake studies to estimate future demand for labor and EFP training needs in various sectors			Number of sector studies completed	0	2	3	1- Employment market study 2- Vocational training charter 3- Vocational training glossary	Ministries of Employment and Vocational Training; Education; and Finance
		Reactivate platforms that satisfy supply and demand for EFP on each island	Proposed restructuring of the IEPF approved in the Council of Ministers		Implementation rate (%) of annual plans of Employment Center in Mindelo and Praia	n/a	>60	90	Report on IEPF and Employment center activities	
		Ministerial decision to reactivate and improve the Training Support Fund (FAF) (Completed)	Contracts with suppliers signed for up €600,000 to be financed from the Vocational Training Financing Fund		% of FAF funds used for EFP	0	>20	100.0	Protocols signed Minutes of CA FEFP; Financial execution report	

Medium-term objectives	No.	Policy measures and actions			Indicators	Base 2008	Reference points			Monitoring (entity responsible)
		2009	2010	2011			2009	2009 result	Verificati on doc.	
Pillar 3 – Competitiveness										
International trade										
Greater involvement by CV in international trade		New Customs Code in compliance with WTO principles approved in the Council of Ministers	Investment Code reviewed in accordance with principles defined by the WTO in draft	New draft law on intellectual property	Openness to trade, i.e. (imports + exports of goods and services, credit + debit)/as a percentage of GDP	107	107	Information lacking		Ministry of Economy, Growth and Competitiveness (MECC)
Tourism:										
Wide ranging and sustainable strategy with greater local content		Master plan approved by Council of Ministers (Completed)	Starting point for all indicators of local content	New revised legislation approved for the tourism sector	Number of EHTCV training events	0	5 School still being built	Strategic plan approved by Council of Ministers in December 2009		MECC
			Cape Verdean School of Hotel Management and Tourism (EHTCV) operating							
			Tourism satellite accounts implemented							
Financial sector:										
Strengthen stability		2007 Microfinance Law revised to clarify restrictions on accepting deposits Not revised	IFI legal framework revised to align regulatory regime with onshore system	IFRS accounting standards applied to banks and insurance companies	Asset-weighted average capital adequacy ratio (Basel 1) of whole system in %	9.9 (includes onshore banks only)	≥10	Solvency of the banking system 10%	BO No. 7 of 16/02/09 and BO No. 41 of 2/11/09 BCV report and account on the BCV site	Banco de Cabo Verde (central bank)
		Closure of offshore banks that do not comply with legislation (2 offshore banks closed)	Legal framework of banking supervision revised to give greater authority to the BCV							

Taxation:										
Alignment of reduction in taxes and tax incentives to improve the investment climate		Generalized reduction in business taxes	Draft law on tax incentives approved by the Council of Ministers	Law passed by Parliament	Percentage of taxes	30	25	25	BO No. 48 29/Dec/08	
					Investments					
Business climate:										
Improved government services		Citizens Advice Bureau (<i>Casa do Cidadão</i>) operational with x services	Proposed bankruptcy law prepared		No. of firms created through the Citizens Advice Bureau per year	600	630	780	www.porto ndinosilha.c v	MREDN Citizens Advice Bureau

Medium-term objectives	No.	Policy measures and actions			Indicators	Base 2008	Reference points			Monitoring (entity responsible)
		2009	2010	2011			2009	2009 result	Verification on doc.	
Pillar 4 – Infrastructure										
Land management:										
Improved land management (land use policy)		Cadastre Law passed and task force appointed to make it operational	Development plans (EROTs) for all islands concluded and approved by the Government of Cape Verde	National Strategic Development Plan for Cape Verde concluded and approved	Number of EROTs concluded /4	0	3 (Approved)	3 in the process of approval	DGOT report	MDHOT/DGHO T and municipal councils
					No. of PDMs / 22	0	11	1 approved (15 in preparation)	DGOT report	
Water:										
Improve access for families to the public system		Extend network to poor neighborhoods	Reduce the connection charge for the poor		Rate of family connections to the public of piped drinking water supply network in the <i>concelhos</i> (counties) of Praia, Mindelo, Boavista, and Sal.	49.5	51	56	Needs to be published on the site	Ministry of Infrastructure and Transport, INGRH, CAN
	Reduce production costs									
			Increase desalinization capacity		Additional m³ per day	0	0			Electra and ARE
Sanitation:										
Improve family access to the public system			Reduce the connection charge for the poor		% of families connected to the public sanitation system	18	19	19	Needs to be published on the site	Ministry of Infrastructure and Transport, Ministry of the Environment

Environmental management:										
Satisfactory implementation of the government’s environment policy (PANA II)		Implementation of PANA II	Implementation of PANA II	Implementation of PANA II	Evaluation of the report on annual implementation of PANA II by the CNA	Positive evaluation by the CNA	Positive evaluation by the CNA	Positive evaluation by the CNA		Annual PANA II progress report and minutes of CNA meetings
Improvement of sector governance		See specific sector matrix	See specific sector matrix	See specific sector matrix	Average of good governance criteria (c.f. Sector matrix)	Average of at least 60%	Average of at least 60%	(Achieved 68.75%)		Evaluation by budget support partners during joint missions
Improve environmental conditions		See specific sector matrix	See specific sector matrix	See specific sector matrix	Average of environmental management criteria (c.f. Sector budget support matrix)	Average of at least 60%	Average of at least 60%	(Achieved 66.5%)		
Energy:										
Restore financial viability of the electricity sector		Formulate the medium-term sector development strategy, including institutional evolution of Electra (achieved 66.5%)	Investments to reduce Electra production costs		Electra debt service coverage ratio	0.3	0.75	0.7	Awaiting official document	ARE / MECC
					Technical and nontechnical losses as % of MGW production	30	28	26.13	Electra Planning Department	
Increase production capacity, including renewable energy			Investments in production capacity of (...) ?		Production capacity in MW	73.9	77.6	98	Information from DGEnergia	
					% of renewable energy	3	3	3	Awaiting information from DGEnergia	

Medium-term objectives	No.	Policy measures and actions			Indicators	Base 2008	Reference points			Monitoring (entity responsible)
		2009	2010	2011			2009	2009 result	Veririfcation doc.	
Pillar 5 social cohesion										
Target social actions:										
Pilot program		Qualitative survey and plan of action	Pilot program	Evaluation of the performance of targeting systems	Number of people receiving social pensions	22,500	22,900	22,946	Activities report 2009	MTS
		Updating of the poverty map	Development of similar methods: (Training and surveys)	Map updated with the 2010 Census						
			Map updated with QUIBB 2007							
Support for priority sectors:										
Education		Implement PRGS II priorities 2009 budget	Implement PRGS II priorities in 2010 budget	Implement PRGS II priorities in 2011 budget	Education budget execution rate - investment with own funds	78%	>80%	82%	SIGOF	General Planning Department (MF)
Health		Implement PRGS II priorities 2009 budget	Implement PRGS II priorities in 2010 budget	Implement PRGS II priorities in 2011 budget	Health budget execution rate - investment with own funds	70.0%	>75%	98%	SIGOF	DGP
Protect vulnerable people:										
Provide housing		Creation of the Social Housing Promotion Fund	Provide financial resources to the fund	Provide financial resources to the fund	Number of vulnerable persons accommodated or benefiting from rehabilitation of their homes	628	700		Report data need to be reviewed	Ministry of Housing, IFH Municipalities SHP fund
Provide access to basic legal advice on the most urgent legal issues		Creation and rehabilitation of broad-coverage legal centers	Measure to be decided on to guarantee the sustainability of legal centers		Number of legal centers operating	7	11	11	Report by Legal Advice Bureau (Casa Direito)	Ministry of Justice / PIU

Medium-term objectives	No.	Policy measures and actions			Indicators	Base 2008	Reference points			Monitoring (entity responsible)
		2009	2010	2011			2009	2009 result	Verirfcation doc.	
			Data collection system created		Number of advisory services per legal center	150	>200	276	Report by Legal Advice Bureau (<i>Casa Direito</i>)	