



Accelerating Economic Diversification and Job Creation Project (P178035)

EASTERN AND SOUTHERN AFRICA | Angola | Finance, Competitiveness and Innovation Global Practice | IBRD/IDA | Investment Project Financing | FY 2023 | Seq No: 1 | ARCHIVED on 09-Nov-2023 | ISR58188 |

Implementing Agencies: Ministry of Economy and Planning, Republic of Angola

Key Dates

Key Project Dates

Bank Approval Date: 31-May-2023

Effectiveness Date: --

Planned Mid Term Review Date: 23-Sep-2025

Actual Mid-Term Review Date:

Original Closing Date: 31-Dec-2029

Revised Closing Date: 31-Dec-2029

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

To increase private investment and climate resilient growth of micro, small and medium enterprises in non-oil value chains, particularly in the Lobito corridor

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

No

Components Table

Name
Enabling Environment for Trade, Finance, and Investment:(Cost \$40.00 M)
Catalyzing Investment in Productive Infrastructure:(Cost \$130.00 M)
Strengthening Firms' Capabilities and Access to Finance:(Cost \$115.00 M)
Project Management and Monitoring and Evaluation:(Cost \$15.00 M)

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	--	<input type="checkbox"/> Satisfactory
Overall Implementation Progress (IP)	--	<input type="checkbox"/> Satisfactory
Overall Risk Rating	--	<input type="checkbox"/> Substantial

Implementation Status and Key Decisions

The first implementation support mission was carried in September 2023. The mission worked with government counterparts, particularly in the Ministry of Economy and Planning (MEP), to: (1) Advance the conditions for the project to become effective, specifically the hiring of the key staff of the Project Implementation Unit (PIU) and the completion of the Project Implementation Manual; (2) Prepare for the implementation of priority activities for the different components of the Project, including advancing key manuals and terms of reference and identification of needs from key stakeholders; (3) Identify the actions required to establish the PIU and prepare the financial management, procurement, environmental and social management (E&S) and monitoring and evaluation (M&E) systems; (4) Prepare the financial plan for the first six months and the work plan for the first year of the project and reviewing the procurement plan; (5) Visit some of the project's implementation areas, namely the provinces of Benguela and Huambo; and (6) Complete the handover of the Project Team Leadership. An additional brief mission focused primarily on the Credit Guarantee Fund was completed in October 2023.



The original deadline for effectiveness was October 24, 2023, but at the Government's request was delayed until January 10, 2024. It is expected that the conditions of effectiveness - hiring of key personnel for the Project Implementation Unit and completion of the Project Operations Manual - will be completed by early December 2023. Work toward completing these conditions is very advanced and government counterparts are working diligently and continuously to fulfill these conditions.

Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	<input type="checkbox"/> Substantial	--	<input type="checkbox"/> Substantial
Macroeconomic	<input type="checkbox"/> Substantial	--	<input type="checkbox"/> Substantial
Sector Strategies and Policies	<input type="checkbox"/> Moderate	--	<input type="checkbox"/> Moderate
Technical Design of Project or Program	<input type="checkbox"/> Substantial	--	<input type="checkbox"/> Substantial
Institutional Capacity for Implementation and Sustainability	<input type="checkbox"/> Substantial	--	<input type="checkbox"/> Substantial
Fiduciary	<input type="checkbox"/> Substantial	--	<input type="checkbox"/> Substantial
Environment and Social	<input type="checkbox"/> Substantial	--	<input type="checkbox"/> Substantial
Stakeholders	<input type="checkbox"/> Moderate	--	<input type="checkbox"/> Moderate
Other	--	--	--
Overall	<input type="checkbox"/> Substantial	--	<input type="checkbox"/> Substantial

Results

PDO Indicators by Objectives / Outcomes

Increase private investment in non-oil value chains				
▶ Value of private sector investment leveraged by direct project activities (Amount(USD), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	400,000,000.00
Date	01-Jan-2023	--	03-Oct-2023	31-Dec-2029
Comments:	Resources mobilized from the private sector in activities of the project that concur in reaching the project's objectives (credit guarantees and grants to SMEs and investments in productive infrastructure).			
□ Value of private sector investment leveraged by direct project activities in the Lobito corridor (Amount(USD), Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target



Value	0.00	--	0.00	120,000,000.00
Date	01-Jan-2023	--	03-Oct-2023	31-Dec-2029
<input type="checkbox"/> Value of privately financed loans facilitated by the credit guarantee scheme (Amount(USD), Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	280,000,000.00

Support climate-resilient growth of MSMEs

► Change in revenue growth by beneficiary firms (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	25.00
Date	01-Jan-2023	--	03-Oct-2023	31-Dec-2029
Comments:	Simple average change in sales growth of firms directly supported with interventions to strengthen capabilities and access to finance.			

Change in revenue growth by beneficiary women-owned/led firms (Percentage, Custom Supplement)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	25.00

► Climate mitigation and adaptation investments facilitated by the project (Amount(USD), Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	70,000,000.00
Date	31-Mar-2023	--	03-Oct-2023	30-Jun-2029
Comments:	Value of investments facilitated by (i) vouchers and grants under Component 3.1, and (ii) the credit guarantee scheme under Component 3.2. Eligibility of subprojects will be determined by the Common Principles for Climate Mitigation Finance and by the Joint Methodology for Tracking Climate Change Adaptation Finance.			

► Beneficiaries of job-focused interventions (Number, Corporate)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	24,000.00
Date	30-Jun-2023	--	03-Oct-2023	31-Dec-2029

Beneficiaries of job-focused interventions - Female (Number, Corporate Supplement)

	Baseline	Actual (Previous)	Actual (Current)	End Target
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Value	0.00	--	0.00	11,000.00
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Intermediate Results Indicators by Components

Enabling environment for trade, finance, and investment				
► Reduction in the time required for the release and/or clearance of goods (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	20.00
Date	01-Jan-2024	--	03-Oct-2023	31-Dec-2029
Comments:	Change in the actual time to release and/or clear goods based on the World Customs Organization's Time Release Study. Time is measured from the time of arrival until the physical release of cargo.			
► Automation tools for international trade implemented and functional (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	01-Jan-2023	--	03-Oct-2023	31-Dec-2029
Comments:	The project will track if the automation tools (NSW and technical software for Customs Administration) have been implemented as per the specifications and requirements.			
► Implemented reforms supporting private sector development (Number, Corporate)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	5.00
Date	01-Jan-2023	--	03-Oct-2023	31-Dec-2029
► Firms benefiting from private sector initiatives (Number, Corporate)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	12,000.00
Date	01-Jan-2023	--	03-Oct-2023	31-Dec-2029
Catalytic investments in productive infrastructure				
► Project preparation fund established and capitalized (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target



Value	No	--	No	Yes
Date	01-Jan-2023	--	03-Oct-2023	31-Dec-2029
Comments:	This indicator the establishment and capitalization of a Project Preparation Fund with support from the project to prepare selected PPP transactions.			
► Tenders for productive infrastructure awarded (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	3.00
Date	01-Jan-2023	--	03-Oct-2023	31-Dec-2029
Comments:	International competitive tenders supported by the project awarded			
► Investments in productive infrastructure that apply climate adaptation or mitigation standards (Amount(USD), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	60,000,000.00
Date	01-Jan-2023	--	03-Oct-2023	31-Dec-2029
Comments:	This indicator will measure the productive infrastructure investments, including last-mile infrastructure supported by the project, with dedicated climate mitigation or adaptation standards, such as clean energy investments, water management, waste management, and recycling.			

Strengthening firm capabilities and access to finance				
► Firms that completed the capabilities and technology adoption diagnostic (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	10,000.00
Date	30-Jun-2023	--	03-Oct-2023	31-Dec-2029
Comments:	Number of firms that complete the diagnostic of firm capabilities and technology adoption supported by the project			
□ of which, women-owned/led firms (Number, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	5,000.00
Date	30-Jun-2023	--	03-Oct-2023	31-Dec-2029
► Firms provided with advice to strengthen managerial capabilities and technology adoption (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target



Value	0.00	--	0.00	2,000.00
Date	01-Jan-2023	--	03-Oct-2023	31-Dec-2029
Comments:	Number of MSMEs and cooperatives that received technical assistance to upgrade their technologies and managerial capabilities with support of the project			
<input type="checkbox"/> of which women-owned/led (Number, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	1,000.00
Date	01-Jan-2023	--	03-Oct-2023	31-Dec-2029
<input checked="" type="checkbox"/> Firms receiving proof-of-concept grants for technology adoption (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	100.00
Date	01-Jan-2023	--	03-Oct-2023	31-Dec-2029
Comments:	Number of MSMEs and cooperatives receiving grant support from the project			
<input type="checkbox"/> of which women-owned/led (Number, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	35.00
Date	01-Jan-2023	--	03-Oct-2023	31-Dec-2029
<input checked="" type="checkbox"/> Increase in the aggregate Firm-level Technology Adoption Index for beneficiary firms (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	15.00
Date	01-Jan-2023	--	03-Oct-2023	31-Dec-2029
Comments:	The Technology Adoption Index measures the MSMEs adoption of technology, i.e. either better general business functions or sectoral technologies. Details can be found in the Firm-level Adoption of Technology Survey Flagship publication.			
<input checked="" type="checkbox"/> Volume of guarantees issued under the Project (Amount(USD), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	180,000,000.00
Date	31-Dec-2022	--	03-Oct-2023	30-Jun-2029
Comments:	The cumulative USD amount of guarantees issued by the credit guarantee scheme managed by the FGC and funded by the Project, as of the end of the reporting period.			



☐ Non-performing loans guaranteed under the Project (percentage) (Text, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	Less than 20% of gross loans
▶ Loans to businesses facilitated by the Project (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	375.00
Date	01-Jan-2023	--	03-Oct-2023	31-Dec-2029
Comments:	Number of loans guaranteed by the credit guarantee fund (Fundo de Garantia de Credito -- FGC) with the scheme capitalized by the Project. Businesses are defined as any private legal entity or individual entrepreneur operating in Angola, registered with the tax authorities, duly licensed (if applicable), and with not more than 200 employees.			
☐ Loans to women-owned/led businesses (Number, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	115.00
Date	01-Jan-2023	--	03-Oct-2023	31-Dec-2029

Project Management and M&E				
▶ Percentage of grievances that received a response (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	100.00
Date	01-Jan-2023	--	03-Oct-2023	31-Dec-2029
Comments:	Measures the percentage of target beneficiaries grievances that are addressed, using the GRM Manual, with incidence reporting and response protocol.			
▶ Civil servants benefiting from direct interventions to enhance their capacity (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	225.00
Date	30-Jun-2023	--	03-Oct-2023	31-Dec-2029
Comments:	Civil servants of government entities participating in the Project that actively participate in a training session or workshop that takes at least one working day.			

Performance-Based Conditions



Data on Financial Performance

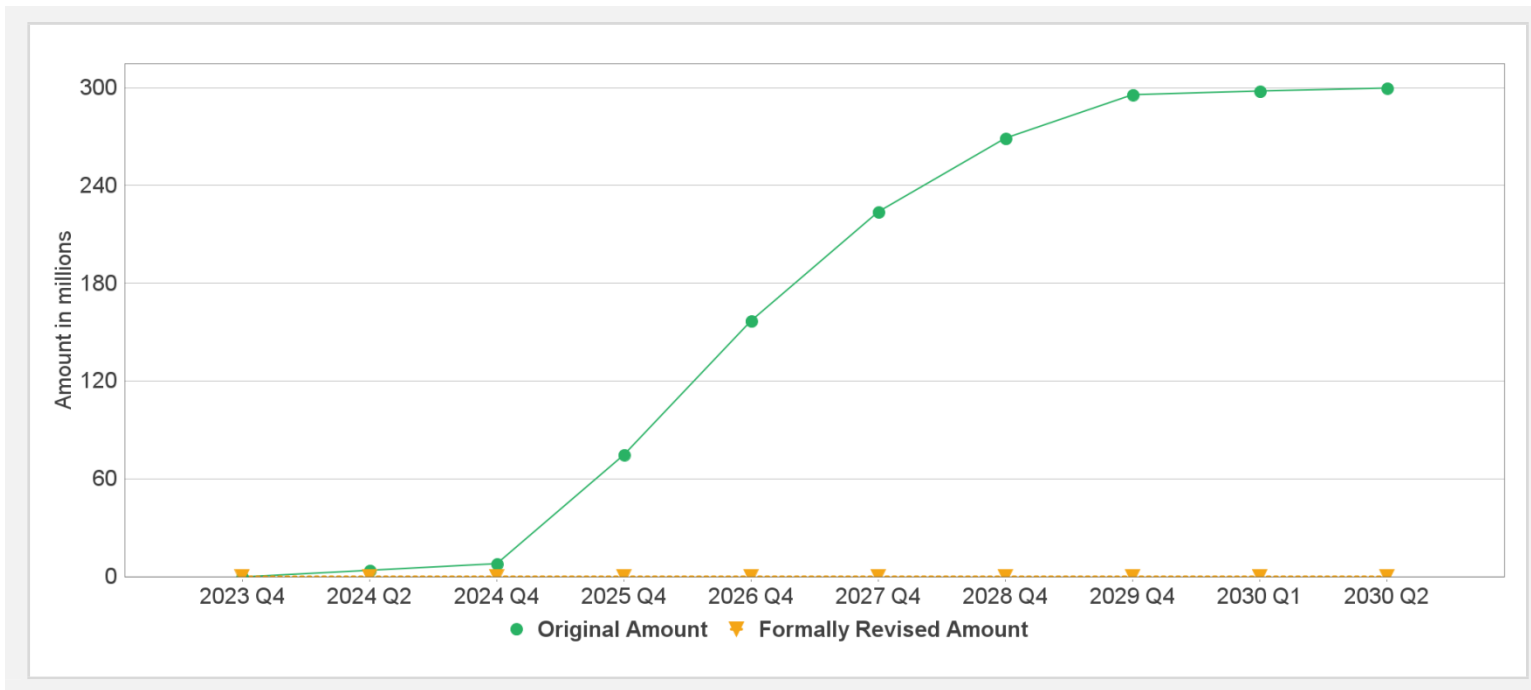
Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P178035	IBRD-95270	Not Effective	USD	300.00	300.00	0.00	0.00	300.00	0%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P178035	IBRD-95270	Not Effective	31-May-2023	26-Jun-2023	--	31-Dec-2029	31-Dec-2029

Cumulative Disbursements



Restructuring History

There has been no restructuring to date.

Related Project(s)

There are no related projects.

