Early Warning System

AFDB-P-CV-K00-020

CABO VERDE - E-Governance and Public Financial Management Reform Program, Phase 2 (E-PFMRP II)

Quick Facts

Countries	Cape Verde
Financial Institutions	African Development Bank (AFDB)
Status	Approved
Bank Risk Rating	C
Voting Date	2025-11-30
Borrower	Government of Cabo Verde - Ministry of Finance
Sectors	Finance, Law and Government
Investment Type(s)	Loan
Investment Amount (USD)	$ 20.30 million

Project Description

According to the Bank's website, the E-Governance and Public Financial Management Reform Program Phase II (E-PFMRP II) in Cabo Verde is a program-based budget support operation aimed at accelerating digital transformation, strengthening public financial management and consolidating good governance reforms to support inclusive and sustainable economic growth. The program is financed through an African Development Bank sovereign loan of EUR 17.71 million, implemented as part of a coordinated multi-donor budget support framework. The Bank's financing is complemented by parallel support from key development partners, including the World Bank, the International Monetary Fund, the European Union, Luxembourg, Portugal, and Spain, under the Budget Support Working Group, which provides harmonized policy dialogue and aligned financial assistance to the Government of Cabo Verde. The executing agency is the Ministry of Finance, and the program is implemented nationwide as a continuation of Phase I of the E-PFMRP.

The objective of the program is to accelerate and consolidate reforms in e-governance and public financial management in order to improve the quality and efficiency of public service delivery, enhance the competitiveness of the economy, and strengthen transparency, accountability and the efficient use of public resources. Through the expansion of digital public services, the promotion of open data and transparency, the modernization of public administration systems, the strengthening of domestic revenue mobilization, and the roll-out of e-procurement and digital financial management tools, the program seeks to foster a more effective, citizen-centred and climate-resilient public sector, while supporting private-sector development, gender equality and fiscal consolidation.

The beneficiaries of the program are the entire population of Cabo Verde, including citizens, businesses and public institutions across all islands, who will benefit from improved access to digital public services, greater transparency, and more efficient and accountable management of public resources. Indirect beneficiaries include small and medium-sized enterprises, which will gain from simplified online business services, improved investment climate and digitalized administrative procedures, as well as women and youth, who are specifically targeted through gender-responsive public administration reforms, digital inclusion measures and improved access to economic opportunities. Public sector institutions, particularly the Ministry of Finance and line ministries, will benefit from strengthened public financial management systems, enhanced human resource management, and improved capacity for evidence-based policymaking, ultimately contributing to better service delivery and inclusive growth for the Cabo Verdean population as a whole.

Early Warning System Project Analysis

Environmental Category: [3] Low Risk

The program is confirmed as Category 3, as no physical investments are envisaged and only soft activities will be financed, such as government reforms related to E governance and public financial management.

There are no direct environmental or social risks expected from the implementation of the program.

Investment Description

- African Development Bank (AFDB)

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Financial Instrument: Structural Adjustment
Commitments (UA): 15,091,478
Conversion Rate USD (2025-12-30): 1,34533
Commitments (USD): 20,303,018.10

FINANCING PLAN FOR 2025:
ADB (Public) Euro's 17.71 million
World Bank US$ 15 million
IMF US$ 4.5 million
Luxemburg Euro 3.0 million
Portugal Euro's 0.5 million
Spain Euro's 0.5 million
European Union TBD

Contact Information

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ACCESS TO INFORMATION

You can submit an information request for project information at: https://www.afdb.org/en/disclosure-and-access-to-information/request-for-documents. Under the AfDBs Disclosure and Access to Information policy, if you feel the Bank has omitted to publish information or your request for information is unreasonably denied, you can file an appeal at https://www.afdb.org/en/disclosure-and-access-to-information/appeals-process.

ACCOUNTABILITY MECHANISM OF AfDB

The Independent Review Mechanism (IRM), which is administered by the Compliance Review and Mediation Unit (CRMU), is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an African Development Bank (AfDB)-financed project. If you submit a complaint to the IRM, it may assist you by either seeking to address your problems by facilitating a dispute resolution dialogue between you and those implementing the project and/or investigating whether the AfDB complied with its policies to prevent environmental and social harms. You can submit a complaint electronically by emailing crmuinfo@afdb.org, b.kargougou@afdb.org, b.fall@afdb.org, and/or s.toure@afdb.org. You can learn more about the IRM and how to file a complaint at: https://www.afdb.org/en/independent-review-mechanism/

Bank Documents

- Appraisal Report (EN)
- Appraisal Report (FR)