

TC PROFILE

I. BASIC PROJECT DATA

Country/Region:	Ecuador/Guayaquil	
Program Name/Number:	Support Neighborhood Upgrading Program/ EC-T1087	
Team Members:	Ophélie Chevalier (Project Team Leader), Patricia Torres, Francesco Lanzafame, Ana Lucia Saettone (ICF/FMM), Fernando Bretas (INE/RND) and Marcelo Pérez-Alfaro (SPH/CEC)	
Date of Request:	Letter dated May 11, 2007	
Beneficiary:	Municipality of Guayaquil	
Executing Agency:	Inter-American Development Bank (IDB)	
Technical and Basic Responsibility:	ICF/FMM	
Financing Plan:	IDB (French Technical Cooperation Fund)	US\$199,900
	Local:	US\$0
	Total:	US\$199,900
Tentative Dates:	August 30, 2007 - Loan Committee	
	September 5, 2007 - PRE	

II. BACKGROUND AND PROBLEM STATEMENT

- 2.1 Santiago de Guayaquil (also known as Guayaquil) is Ecuador's largest city, with 2 million people, or 16.4% of the total population. Guayaquil is the capital of the province of Guayas and the seat of the namesake canton (second/order subnational entity below a first/order province). The city is the center of Ecuador's fishing and manufacturing industries and, since the late 1990s, has been promoting tourism and small enterprises and entrepreneurship. As a consequence, the city has been a pole of attraction, characterized by a haphazard urban expansion to the south, making artificial land fills with material from rock deposits on the marine estuaries that were originally covered by mangroves.¹ This trend is still ongoing as the city keeps attracting many migrants: estimates suggest that 50,000 people migrate to Guayaquil from the countryside annually, and that the housing deficit grows by 12,000 units each year.²
- 2.2 Like many other big cities in the region, Guayaquil suffers from ongoing intra-urban inequalities, characterized by marginal areas—the inner-city slums (*tugurios*) and squatter settlements (*suburbios*)—with low coverage, quality, and reliability of basic services such as water (in 2001, 79.7% of the houses were connected), sanitation (in 2001, 50.7% of the houses were connected), and

¹ Argudo, 2000 and Moser, 1982.

² Building and Social Housing Foundation, <https://www.bshf.org>.

drainage (in 1997, 55% of the population did not benefit from a drainage system).³ These shortcomings demand considerable additional time and money to obtain water from alternative sources and to dispose of gray and wastewaters and solid waste in alternative sites. The combination of housing and basic service deficiencies also implies hygiene, health, and environmental problems, as well as high vulnerability to natural disasters (such as earthquakes or *El Niño* phenomenon).

- 2.3 The growth of informal settlements, associated to the problem of urban expansion has forced Guayaquil to initiate a series of actions to ensure that adequate quantities of public goods are put in place in a timely fashion, including adequate capacity of trunk urban roads that can carry public transport, adequate supplies of drinking water and effective means of sewage disposal, and protection of sensitive lands from development. In the late 1990s, Guayaquil's current mayor, initiated a campaign of urban redevelopment projects -macro-projects-, that included: (i) the "urban regeneration", which reconstructed the city in all levels, including sidewalks, parks, sewer system, underground power and telephone lines, and an integral approach to the transit system; (ii) the "Malecón 2000" that consisted in the renovation of breakwater (*malecón*) along the Guayas River; and (iii) the "Nuevo Parque Histórico," a historical-architecture preservation park in the housing development area *Entre Ríos* between the Daule and Babahoyo rivers (which confluence to form the Guayas river) in a mangrove wetland area. These initiatives have changed the landscape of the city, created a new pattern for development, and proved that change and improvement is possible.
- 2.4 Despite these positive processes for city revitalization, some areas still required to be transformed Guayaquil local development practitioners have noticed that informal settlements around the Estero Salado ship channel (58 kilometers long) keep growing, generating urban risk in an area where environmental risk management is challenging because of the importance of the zone as an interface to various economic activities in the city.⁴ In order to address this problem, the Municipality of Guayaquil has requested IDB's assistance to initiate the preparation of an action plan for the zone, including city planning and environment mitigation.

III. OBJECTIVE AND DESCRIPTION

- 3.1 The specific objective of this technical cooperation is to support the Municipality of Guayaquil in the preparation of an urban master plan for the Estero Salado ship channel, with particular emphasis on: (i) the preparation and formulation of a proposal to improve the Estero Salado area, which includes the physical reorganization of the area, land use, utilities, circulation framework, open space system, and socio-economic incentives, among others; and (ii) the definition of strategic lines and alternatives to create a buffer zone to prevent urban growth in

³ INEC, 2001 and UNCHS, 2001

⁴ Argudo (2000), Habils (2003)

the Estero and to ensure its recovery and sustainability, taking into account the environmental context, including the levels of contamination, nuisances, and the general risks to health and safety for the inhabitants of the area.

- 3.2 Additionally the TC will contribute to the preparation of the Neighborhood Improvement Program for Guayaquil (EC-L1032 - Total of US\$15.000.000), which objective is to support the Municipality in the integral renovation of urban areas through the provision of basic services, as well as activities of community development and institutional strengthening. The development of the activities proposed in this TC will allow for a more expeditious process of the program through: (i) the definition of strategic lines of action for the Estero Salado area; and (ii) the preparation and formulation of an environmental boundary zone between the existing settlements and the Estero.

A. Activities

- 3.3 To achieve this objective, the operation will include the formulation of an urban master plan for the Estero Salado area, and the design of specific alternatives to control slum development in the zone.
- 3.4 To achieve the proposed goals, the resources of this operation will finance the hiring of consulting services to perform the following activities:
- 3.5 Formulation of the urban master plan of the Estero Salado area and its zone of influence. The objective of this planning exercise is to help the city government cope with the bewildering array of problems that urban expansion in the Estero Salado area generates, especially in terms of a comprehensive spatial reorganization. The exercise will include new patterns for the development of existing settlements, circulation and open space systems. Special attention should be given to the development of programs to improve the standard of living of the poorest, and the preservation of the existing community, integrating environmental values into the land use. The activities will include: (i) Assessment of the current situation in physical, and socio economic terms, including urban policy, land titling, institutional framework, infrastructure, and risk mitigation; (ii) Review of the current projects for the area in the Municipality's pipeline;⁵ (iii) Definition of problems and opportunities; (iv) Drafting of urban planning proposals; and (v) Validation of the action plan with the authorities. *Plan content:* the plan will include the definition of land use, transportation and circulation systems, open and recreational areas, community services, environmental aspects, areas of priority intervention, design guidelines and urban regulations.
- 3.6 Definition of an environmental boundary zone between the existing settlement and the Estero. The objective of this activity is to provide a strategic plan to

⁵ (i) Fertisa: recreational center; (ii) Guasmo: touristic center; (iii) Chongon: recreational center; (iv) Cerro Colorado: Valle Los Geranios, Pascuales, and Los Vergeles; (v) Isla Trinitaria; (vi) Integration of Mucho Lote to Bastión Popular; (vii) Urban renovation in Cerro Santa Ana-Cerro del Carmen; (viii) Cantera Municipal No. 8; (ix) Cisne II; (x) Posorja; (xi) Flor de Bastión; (xii) urban rehabilitation in El Estero Salado.

control the growth of informal settlements around the Estero Salado area. The action plan consists in the creation of a set of alternatives to create a buffer zone between the settlements and the Estero, which could be considered as a definitive boundary. The alternatives would take into account the change of uses and activities, and the consideration of physical elements such as boardwalks, roadways, parks, etc. Specific activities will include: (i) Preliminary design of alternatives, including environmental aspects and impacts, as well as preliminary costs; (ii) Evaluation of alternatives; (iii) Design Development of the preferred alternative; and (iv) Presentation of the final action plan to the Municipal authorities. *Plan content:* the plan will include preliminary costs, as well as the necessary sources of income for the accomplishment of the activities related to infrastructure, environmental aspects, and the strengthening of the regulatory framework, among others.

B. Consulting services required

- 3.7 Consultancy services financed by this operation will be targeted to support the Municipality of Guayaquil, as well as to give technical assistance to the staff involved in urban development topics.
- 3.8 One consulting firm will be hired according to Bank policies and procedures to carry out the planning activities. The inter disciplinary group should be integrated by the following specialists: (i) an urban development specialist or urban planner, as a coordinator; (ii) urban designer (iii) an institutional specialist; (iv) an economic/financial analyst; (v) and engineer (urban infrastructure specialist); and (vi) an environmental specialist. The consultants should have 10 years of experience, of which at least five should be in the area of expertise; and be fluent in Spanish. To complement the group, a local consultant could be sub-contracted by the international firm.

C. Outputs required

- 3.9 The consultancy will present four reports: (i) a detailed working plan 15 days after the contract signature; (ii) a diagnostic of the Estero Salado area two months after the contract signature; (iii) the options and strategies for a series of proposals, six months after the contract signature; and (iv) the final report, nine months after the contract signature.

IV. COST AND FINANCING

- 4.1 The total cost of this operation has been estimated at US\$199,900, according to the information in the following table. Total cost for the French Technical Cooperation Fund: US\$199,900.

Table V-1: Summary Cost Table (Miles US\$)⁶

Category	Bank (French TC Fund)	Total
1. Honoraria	128.5	128.5
1.1 Consulting Firm (6 experts and local support - 240 days during 12 months)	128.5	128.5
2. Trips	59.4	59.4
2.1 Tickets (Europe-Guayaquil at US\$2500 a ticket for 10 trips)	25	25
2.2 Per diem (US\$172 per day for 200 days)	34.4	34.4
3. Others	12	12
3.1 Cartography and communication	12	12
TOTAL	199.9	199.9

V. EXECUTING AGENCY AND EXECUTION STRUCTURE

- 5.1 The executing agency will be the IDB.⁷ The Municipality of Guayaquil will guarantee the formation of the local technical team in order to ensure ownership and continuity. The local team will be led by a coordinator, who will be selected by the Municipality based on knowledge of urban planning. The coordinator will be responsible for: (i) acting as counterpart of TC activities; (ii) supporting the activities of the consultants; (iii) ensuring the coordination between the institutions involved in the operation; and (iv) assessing the implementation of the activities together with the State and Civil Society Programs Division 3 (RE3/SC3) and the Bank's Country Office in Ecuador (COF/CEC).
- 5.2 This operation will be executed between September 2007- September 2008. During the month of August a pre-selection of consultants will be carried out and one consultant firm will be hired.
- 5.3 The execution period of the operation will be 12 months. The consultancy services will be required for a period of 200 working days in Guayaquil, and approximately 40 additional days in the country of origin. This period should allow the international consultants to provide technical assistance to the local team until the completion of activities.

VI. RESPONSIBILITY OF THE BANK

- 6.1 The Fiscal and Municipal Management Division (IFC/FMM) will have primary responsibility for the execution of this TC, including the selection and hiring of consulting services through Ophélie Chevalier (Email: opheliec@iadb.org, Tel: +1 (202) 623-1805).

⁶ For details of total costs for the fund, see Annex 1.

⁷ The Municipality of Guayaquil requested the IDB to be the Executing Agency (see Aide Memoire of June 22, 2007 – Mission of Analysis for EC-L1032).

VII. MAJOR ISSUES

- 7.1 This operation is a first step in the preparation of the Neighborhood Improvement Program in Guayaquil (EC-L1032). Therefore, the particular challenge of this operation is to create processes of coordination between the activities and institutions that are currently working on activities related to urban planning. As a consequence, the consultants' TORs will put particular emphasis on the importance to research initiatives and contact entities involved in these activities. The strategies and plans will have to be coordinated with ongoing actions.


VIII. ACTION PLAN

- 8.1 The plan of operation and the terms of reference of the project have been negotiated with the counterpart and agreed upon. The French Technical Cooperation Fund has approved the funds. Henceforth, it is estimated that the operation could be approved by the beginning of September.


IX. ENVIRONMENTAL AND SOCIAL STRATEGY

- 9.1 There are no environmental or social issues associated with the activities and has been classified as a "C" according to the Safeguard Classification tool.. However, consultants' TORs include specific technical requirements for environmental appraisal. In the long run, given its mitigating nature, this operation will have positive impact on beneficiaries, by aiming towards the enhancement of the quality of life in the settlements they occupy.

Approved:



Luisa Rains, Manager a.i.
VPS/ICF



Date

Annex 1 to TC Profile - Detailed Total Cost for the Fund (Miles US\$)

1. Honoraria Consulting Firm	Time (days)	Cost per day	Total cost
	240		128,500
Urban development specialist/Coordinator	90	650	58,500
Urban designer	20	400	8,000
Inst. and local govt specialist	10	300	3,000
Econ.fin analyst	10	300	3,000
Engineer	50	400	20,000
Env. Specialist	60	400	24,000
Apoyo Local			12,000
2. Trips			59,400
	(number of trips)	(Cost of each ticket)	
2.1 Tickets	10	2,500	25,000
	(days)	(cost per day)	
2.2 Per diem	200	172	34,400
3. Others			12,000
3.1 Cartography			12,000
3.2 Communication			0
TOTAL			199,900

N.B. Trips: 1 trip for the urban designer, the institutional specialist, and the econ analyst; 2 trips for the engineer, and the environmental specialist; and 3 trips for the coordinator.



Muy Ilustre
MUNICIPALIDAD DE GUAYAQUIL

DUAR-2007-026162
Guayaquil, mayo 11 del 2007

Sra. Abogada.

OPHÉLIE CHEVALIER

División de Programas de Estado

BANCO INTERAMERICANO DE DESARROLLO

Washington DC

De nuestras consideraciones,

Guayaquil, Ecuador Sudamérica, está rodeado de brazos de mar (Estero), en cuyos bordes se han utilizado de manera informal por parte de ciudadanos que vienen a la ciudad desde otros sectores del país, depredándose la biodiversidad que acompaña a estos lugares.

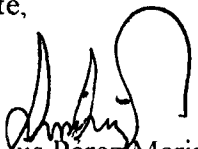
La utilización de los bordes de estos esteros se realizaron sin control dejando una secuela de rellenos con materiales inadecuados en estas áreas, lo que produce además que los cauces de estos sistemas hidricos sean afectados en su capacidad de caudal lo que provocará, en el momento de producirse aguaje (subida máxima de marea) unida a las lluvias de invierno colapsen estas viviendas y se afecten las familias.

Por lo mencionado y conocedores de su espíritu de servicio con nuestro país y nuestra ciudad, expresamos nuestro interés en desarrollar un "Proyecto de Desarrollo Urbano con Control de Bordes" mediante recursos no reembolsables acordados por el Fondo Fiduciario Francés del BID (US\$200,000), el mismo que nos permitirá aplicar un plan estratégico para poder realizar controles efectivos y prever el desarrollo urbano de otros sectores paralelos como respuesta a la imperiosa necesidad de tener una vivienda por parte de los pobladores.

Se pretende desarrollar este Proyecto incluido estos sectores:

Estero Mogollón (Isla Trinitaria Norte -Nigeria- y Cisne 2), Estero del Muerto (Isla Trinitaria Sur, Fertisa, Esmeraldas Chiquita), Estero Salado (Suburbio Oeste), Estero Lagarto (Guasmo Central), Estero Cobina (guasmo Sur).

Atentamente,



Arq. Luis Pérez Merino

Director

Urbanismo, Avalúos y Registros