



# Board of Executive Directors

For consideration

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**To:** The Board of Executive Directors  
**From:** The Secretary  
**Subject:** Colombia. Nonreimbursable technical-cooperation funding for the road program for territorial integration and social equity of Antioquia

<b>Basic</b>	Executing Agency	..... Inter-American Development Bank (IDB)
<b>Information:</b>	Amount	..... Up to US\$480,000
	Source	..... Japan Special Fund
	Amount	..... Up to US\$600,000
	Source	..... Japanese Trust Fund for Consultancy Services

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**References:** AT-1046-4(11/95), GN-1838-1(7/94), DR-398-5(5/03)

**Other**  
**distribution:** Representative in Colombia

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

**COLOMBIA**

**PLAN OF OPERATIONS**

**ROAD PROGRAM FOR TERRITORIAL INTEGRATION AND  
SOCIAL EQUITY OF THE DEPARTMENT OF ANTIOQUIA**

**(CO-T1034)**

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Proposed resolution

[Terms of reference: Legal study of business options for the design, promotion, and organization of community road maintenance microenterprises.](#)

[Terms of reference: Economic, social, environmental, and institutional impact assessment of the PVIE program.](#)

[Terms of reference: Social review of beneficiaries and socioeconomic and gender impact assessment.](#)

[Terms of reference: Preparation of road planning manual.](#)

[Terms of reference: Training to microenterprises and institution-strengthening.](#)

## **BASIC SOCIOECONOMIC DATA**

For basic socioeconomic data, including public debt information, please refer to the following address:

<http://www.iadb.org/RES/index.cfm?fuseaction=externallinks.countrydata>

## **ABBREVIATIONS**

GIS	Geographic information system
JCF	Japan Trust Fund for Consultancy Services
JSF	Japan Special Fund
PVIE	Road Program for Territorial Integration and Social Equity
RMM	Road maintenance microenterprise
SIF	Physical Infrastructure Secretariat
TOR	Terms of reference

**ROAD PROGRAM FOR TERRITORIAL INTEGRATION AND  
SOCIAL EQUITY OF THE DEPARTMENT OF ANTIOQUIA  
(CO-T1034)**

**I. EXECUTIVE SUMMARY**

**Executing agency:** Physical Infrastructure Secretariat (SIF), Office of the Governor of Antioquia Department.

**Beneficiaries:** Antioquia's Office of the Governor, municipal governments, and rural communities.

<b>Financing:</b>	IDB:	(JSF)	US\$ 480,000
		(JCF)	US\$ 600,000
	Local:		US\$ 270,000
	Total:		US\$1,350,000

**Objectives:** To provide Antioquia's Office of the Governor with technical assistance in developing and implementing the technical, environmental, and institutional framework and the instruments necessary to execute and support the Road Program for Territorial Integration and Social Equity (PVIE) under the responsibility of the Physical Infrastructure Secretariat (SIF), thereby building department road and transportation sector planning and management capacity.

<b>Terms:</b>	Execution period:	36 months
	Disbursement period:	42 months

**Special contractual conditions:** None.

**Exceptions to Bank policy:** None.

**Environmental and social review:** The Committee on Environment and Social Impact (CESI) reviewed and approved the technical cooperation profile as presented at meeting 26-06 of 30 June 2006. No further revisions were required.

**Coordination with other donors:** The Bank is the only development finance institution operating in the Department of Antioquia's transportation sector. This technical cooperation operation and CO-T1040 comprise the PVIE program's support framework.

## II. FRAME OF REFERENCE AND RATIONALE

- 2.1 Antioquia, one of the most important departments of Colombia, has one of the country's highest unemployment rates, in an area marked by civil strife of diverse origin. Under such conditions, 61% of its population lives below the poverty line, and 21% in extreme poverty. Antioquia has identified isolation and poor accessibility as major factors in the persistence of rural poverty, and has indicated great interest in expanding infrastructure and transportation services in rural areas as a structural means of addressing them.
- 2.2 The road program for territorial integration and social equity (called by its Spanish-language acronym, PVIE) is therefore a high social, economic, and political priority, as demonstrated by the commitment Antioquia's Office of the Governor has shown in substantially increasing the resources allocated to such activities in current and future budgets, and ensuring such financing through IDB loan CO-L1016. This technical cooperation operation will support execution of the PVIE program. The activities under it are essential to achieve major improvement in the quality of road planning and management, with their consequent impact on economic expansion and better living conditions, particularly for the rural population.
- 2.3 The Bank's country strategy with Colombia focuses on: (i) economic revival and jumpstarting growth; (ii) promotion of social development while protecting the needs and rights of those most in need; and (iii) enhanced governance and support for modernization of the State. The PVIE program, and hence this technical cooperation operation, are an integral part of that strategy in that they will: (i) heighten competitiveness and spur economic growth by making the area more accessible; (ii) promote regional integration in remote areas of Antioquia where, given the nature of the investments, the poor rural population stand to benefit most; and (iii) support decentralization efforts by aiding local government road management and governance, promoting social equity in a department where political and social violence have been prevalent in recent times.
- 2.4 The Bank's sector strategy is to develop a diversified portfolio of activities at the levels of central government (road projects of major national and regional importance, competitiveness, and logistical platforms) and subnational government, both departmental (secondary and tertiary road networks) and municipal (tertiary road network and urban public transportation). This strategy is consistent with Colombian government efforts identified in its main instruments of medium- and long-run planning: the Domestic Agenda and Vision 2019.
- 2.5 The PVIE program (loan CO-L1016) was added to the Bank's pipeline during the programming and portfolio review mission on 9 December 2005. The Loan Committee approved the project concept document on 9 March 2006.

- 2.6 **Coordination with other donors.** The IDB is the only development finance institution operating in Antioquia's transportation sector. In addition to this technical cooperation operation, the Finance and Basic Infrastructure Division 3 (RE3/FI3) is now preparing an operation (CO-T1040) with the Korea Poverty Reduction Fund (KPRF), whose scope complements the framework for development of an efficient road management system in the Department of Antioquia. It encompasses the legal, institutional, financial, technical, social, and environmental framework for pack trails (foot or animal paths) and development of a pilot plan.

### **III. THE PROGRAM**

#### **A. Objectives and description**

- 3.1 This program will provide Antioquia's Office of the Governor with technical assistance in developing and implementing the technical, environmental, and institutional framework and the instruments necessary to execute and support the Road Program for Territorial Integration and Social Equity (PVIE) under the responsibility of the Physical Infrastructure Secretariat (SIF), thereby building department road and transportation sector planning and management capacity.
- 3.2 The purpose of the PVIE program (loan CO-L1016) is to make public, economic, and social services more accessible to Antioquia's rural population by improving the departmental and municipal road network. The program will support the governor's office in its efforts to improve the department's physical integration by developing road and transportation infrastructure in both rural and periurban areas, and making it more institutionally, technically, and financially sustainable. Such tasks are essential in overcoming the problems of rural poverty and internal law and order. A joint strategy and work practices will help the local governments to be supported by the PVIE program expand qualitatively while the governor's office enhances its own technical and work practices by introducing a system for managing the secondary and rural road network using modern planning, execution, supervision, and evaluation tools.
- 3.3 Conceived as a multiple-works program, PVIE will impact physical accessibility at two institutional levels: (i) departmental jurisdiction over secondary roads, which are entirely the SIF's responsibility; and (ii) municipal jurisdiction over community accessways, comprising tertiary roads, bridges, cableways, the semiurban streets known as "rutas de vida," and pack trails (foot or animal paths), where it will provide technical, institutional, and financial assistance.
- 3.4 At the first of these levels, the PVIE program will support: (i) preparation of a Departmental Transportation Master Plan, essential to keep the transportation system moving in the general direction set by the Departmental Development Plan; (ii) rehabilitation of the paved secondary network where it is in poor condition, and

- periodic maintenance where it is in average condition, along with routine maintenance to ensure that the entire network is in good condition by program end; and (iii) gravel surfacing of unpaved secondary access roads to municipio capitals, making them permanently accessible on well-maintained roads.
- 3.5 At the second level—support for local governments—the program will help to guarantee community accessways, comprising: (i) the semiurban streets known as “*rutas de vida*,” easily constructed at low cost and low environmental impact; (ii) small *bridges* (up to US\$25,000) on the tertiary network; (iii) *rural cableways*, which are an effective solution for very remote rural communities where road systems are too costly; (iv) the *tertiary road network*; and (v) *pack trails*.
- 3.6 This technical cooperation operation will support the SIF and strengthen its capacity to plan and manage the road network under its responsibility, raise the quality of its work and resource allocation, and monitor and evaluate its activities. It will also help the SIF to develop instruments that better enable it to manage the transportation networks under local government responsibility.

## **B. Components**

- 3.7 This technical cooperation operation will include a wide range of activities to design and test technical, environmental, and socioeconomic instruments, as well as the information necessary to execute and evaluate the PVIE program.

### **1. Component I. Program organization and management (US\$357,000)**

- 3.8 **Legal and regulatory framework.** Financing will be provided for the development of: (i) design technical standards and construction technical specifications for paved and gravel secondary and tertiary roads, including bridges and engineering works, and manuals for their implementation; (ii) rules on right-of-way use and occupancy and mechanisms for monitoring and supervision; (iii) legal and institutional options for the municipal structure of road network and transportation management; (iv) legal options for the creation of routine road maintenance microenterprises; (v) legal agreements between the SIF and municipios for project cofinancing and joint management; and (vi) the program Operations Manual.
- 3.9 **Institution-strengthening.** Financing will be provided for: (i) training of SIF and participating municipio personnel: (a) to develop the technical, environmental, and social-sector skills for their road and transportation management responsibilities; and (b) on program fiduciary issues; (ii) analysis of municipios’ fiscal leeway for rural transportation infrastructure and financial capacity to provide the required counterpart contribution and ongoing support for road maintenance; (iii) development of training through universities for small consulting firms and contractors, and of incentives for rural transportation research; and (iv) development of mechanisms for community participation in program activities, particularly communities adjacent to the infrastructure to be rehabilitated.

- 3.10 **Road planning and management.** Financing will be provided for: (i) preparation of subregional participatory road plans with the involvement and active participation by communities and local governments; (ii) evaluation of current road maintenance practices; (iii) development of alternative contracting mechanisms for routine maintenance (both manual and mechanized) for secondary and tertiary roads, so as to make it more sustainable; (iv) procedures and manuals for the development, training and strengthening of road maintenance microenterprises (RMMs), and identification of mechanisms and sources of financing; (v) monitoring and evaluation of RMMs and their capacity, effectiveness, and efficiency in performing routine road maintenance on different types of roads; identification of mechanisms to support and build RMM capacity and supervise their activities; (vi) development of technical and environmental specifications for road rehabilitation works and the operation and maintenance of secondary and tertiary roads; and (vii) modification of bidding and works supervision documents.

**2. Component II. Evaluation, monitoring, and supervision mechanisms (US\$243,000)**

- 3.11 Financing will be provided for preparation of the PVIE program's socioeconomic baseline and short-term impact evaluation, including: (i) rural population access to road infrastructure and the transportation services provided on it; (ii) access to social, public, and financial services, markets, and employment opportunities; (iii) changes in quality, cost, availability, and continuity of transportation infrastructure; (iv) job creation and income diversification; (v) efficiency and sustainability of road maintenance activities and the population's attitudes toward the roads and RMMs; and (vi) rural poverty alleviation.

**3. Component III. Inventory of the secondary road network and geographic information system (US\$750,000)**

- 3.12 This component will complement Antioquia's Road and Transportation Master Plan. Through field work utilizing modern technologies for pavement surveys and recording, it will support preparation of a comprehensive inventory of secondary roads, both paved and unpaved, including bridges and structures. This component will provide the SIF with clear methods for gathering all the information needed for road planning and management, and continually updating that information. The scope of work will include the Department of Antioquia's entire paved secondary road network (986 km), at an estimated cost of approximately US\$350/km.
- 3.13 A partial inventory of unpaved roads will also be done, adapting the technologies to the nature of the road network. The scope of work will include some 1,500 km of the department's 3,900 km of unpaved roads, at an estimated cost of approximately US\$40/km. Work supervision activities will be contracted out and account for an estimated 5% of the road inventory costs.

- 3.14 Lastly, this component will develop, install, and train the SIF's technical team to use a geographic information system (GIS) that can support the road inventory as prepared and updated periodically, as well as the socioeconomic and environmental baseline. The GIS must be fully compatible with the one owned and operated by the governor's office.

#### IV. COST AND FINANCING

- 4.1 The estimated cost of this technical cooperation operation is US\$1,350,000. Of that amount, US\$480,000 will be provided by the Japan Special Fund (JSF), to finance Components I and II. The Japan Trust Fund for Consultancy Services (JCF) will contribute US\$600,000 for Component III. The remaining US\$270,000 will be allocated from the budget of the Physical Infrastructure Secretariat (SIF). A small amount of office and computer equipment will be purchased for the SIF to support and monitor execution of this technical cooperation operation. Counterpart resources will be contributed in kind (office space, logistical and support services for execution of the operation, and SIF personnel assigned to it) and through partial financing of the studies to be contracted.

Component	Month	IDB		Local	Total
		JSF	JCF		
<b>Direct costs</b>					
Program organization and management <sup>1</sup>					
Legal and regulatory framework	12	44,570			44,570
Institution-strengthening	36	38,100			38,100
Road planning and management	18	75,090			75,090
Evaluation, monitoring, and supervision <sup>1</sup>					
Socioeconomic baseline	12	24,850			24,850
Short-term impact evaluation	36	29,450			29,450
Planning and inventory of secondary roads <sup>1</sup>					
Paved secondary road network	15		82,850		82,850
Unpaved secondary road network	21		30,500		30,500
Road geographic information system	24		43,500		43,500
<b>Indirect costs (overhead)</b>	36	212,060	188,220		400,280
<b>Allowances (travel, per diem, etc.)</b>	36	33,000	104,250		137,250
<b>Technical equipment lease</b>	18		90,000		90,000
<b>Other costs</b>	36	22,880	60,680		83,560
<b>Local counterpart</b>				270,000	270,000
<b>Grand total</b>		480,000	600,000	270,000	1,350,000
		36%	44%	20%	

<sup>1</sup> The SIF has prepared many of the TORs to contract the first-year studies.

## **V. PROGRAM EXECUTION**

### **A. Executing agency**

- 5.1 The Physical Infrastructure Secretariat (SIF) of Antioquia's Office of the Governor will execute this technical cooperation operation. It has the necessary technical and professional resources, and is well organized to contract the type of consulting services required. Also noteworthy, the Colombian chapter of Transparency International has cited the SIF as a leader in transparency and public integrity of the technical and administrative processes under its responsibility.
- 5.2 The SIF has sole responsibility for road and transportation activities within the jurisdiction of the Department of Antioquia. Well equipped to meet its responsibilities, it undertook a major institutional and operational restructuring in 2004, abandoning its previous practice of doing work on force account and moving decisively toward contracting and outsourcing of its activities. After the inevitable initial adjustments, the SIF's budget has grown substantially since then.
- 5.3 The SIF's main responsibilities include: (i) planning, coordination, direction, and evaluation of works execution; (ii) preparation the annual work plan; (iii) coordination of annual budget preparation; (iv) review and clearance of works budgets; (v) review and clearance of studies and bidding documents for tenders; and (vi) preparation and recommendation of bidding conditions for tenders, and obtaining their approval.
- 5.4 The SIF has a proven track record of recent infrastructure project execution. The PVIE program will finance the SIF's core activities—transportation sector planning with an emphasis on road rehabilitation and maintenance—as well as provide broad support for other transportation activities, many of them under municipal jurisdiction. These include rural roads, small bridges, and streets in periurban areas, as well as the technological development associated with low-capacity rural cableways. Such infrastructure will bring much needed physical accessibility to the rural or semirural population, thereby promoting their social and productive integration.
- 5.5 This technical cooperation operation will support such department-level efforts by developing the technical and institutional means and capacity to follow through on the governor's office's commitment to expanding economic infrastructure. While the municipios will benefit from several of the operation's components, they would not be involved in its execution, since the aim is to strengthen SIF capacity to execute the PVIE program, and so support them by that means.
- 5.6 The institutional sustainability of this technical cooperation operation is ensured by the SIF's leadership and support, demonstrated by the steps already taken during preparation of the PVIE program and this technical cooperation operation. Its

technical sustainability is ensured by the professional skills already possessed by the SIF. Its political sustainability is ensured by the support of the Government of Antioquia at the highest levels, and by the support shown by the Departmental Assembly when it approved the borrowing to execute the PVIE program. The program's financial sustainability and preparation are also ensured, since the governor's office has already included sufficient counterpart resources in the 2006 and 2007 budgets.

**B. Project execution and management**

5.7 Given the close relationship between this technical cooperation operation and the PVIE program, the Bank's Country Office will have technical, administrative, and financial responsibility for its execution. The project team will, however, participate actively in its execution, given the innovative nature of the activities to be supported by it and the PVIE program. To that end, the SIF will simultaneously deliver to the Bank—both Country Office and Headquarters—the technical documentation pertaining to the contracting and performance of consulting services.

5.8 **Accounting and financial records.** The SIF will be responsible for keeping accounting and financial records for this technical cooperation operation, and bear ultimate responsibility for the contracting processes and keeping of documentation pertaining to transactions.

**C. Execution period and disbursement timetable**

5.9 The execution period for this technical cooperation operation will be 36 months, a length of time keyed to program execution and the achievement of initial short-term outcomes. The SIF will submit quarterly progress reports (see paragraph 6.1). The disbursement period will be 42 months.

**D. Procurement**

5.10 The SIF will procure goods and related services in accordance with the policies and procedures set forth in the Policies for the Procurement of Works and Goods Financed by the Inter-American Development Bank (document GN-2349-6). Given the amount of the expected procurements (under US\$50,000), the shopping method will be used.

5.11 The SIF will procure consulting services in accordance with the policies and procedures set forth in the Policies for the Selection and Contracting of Consultants Financed by the Inter-American Development Bank (document GN-2350-6). Consulting services with an estimated cost of US\$100,000 or more per contract will be procured using the quality- and cost-based selection method. Contracts under US\$100,000 may use the selection method based on the consultants' qualifications.

- 5.12 Contracts will be subject to prior review, in accordance with Appendix 1 to the aforementioned documents. However, consulting assignments with an estimated cost of US\$100,000 or less for consulting firms, and US\$50,000 or less for individual consultants, may be subject to post review by sampling of supporting documentation, provided that the prior review findings have been satisfactory and the Bank has given its no objection as to the control and record keeping systems. The rationale for the anticipated level of prior review is based on: (i) the SIF's cumulative procurement experience; (ii) the information and tracking system that can compare costs of similar projects; and (iii) the Bank, which will conduct periodic reviews, spot checks and onsite visits, and examine procurement documents. The procurement plan for goods and related services and consulting services will be updated each year.
- 5.13 Given the nature of the planned activities, most contracts to be financed with Japan Special Fund (JSF) resources will be with individual consultants or small consulting firms, many of which should be local. Japanese consulting firms will execute Component III, which may be tendered as a single contract in order to make it more attractive and heighten competition. The studies to be commissioned with resources under this technical cooperation operation are being identified by the project team in conjunction with the SIF during preparation missions, so that execution can begin immediately. However, some activities will remain to be identified during execution of the PVIE program and this operation.

## **VI. MONITORING AND EVALUATION**

### **A. Monitoring and supervision**

- 6.1 During the last 30 days of each calendar quarter, the Physical Infrastructure Secretariat (SIF) will submit progress and monitoring reports on execution of this technical cooperation operation. The main indicators to be employed in these reports are given in the logical framework. At a minimum, the reports will describe: (i) progress in relation to the performance indicators; (ii) the detailed program of activities and plan of action for the next two quarters; and (iii) issues that might jeopardize execution of the operation.
- 6.2 By 30 November of each year, the SIF will submit the annual work plan for the following year, including activities to be financed and estimated budget.
- 6.3 Two supervision and evaluation missions will be conducted each year for this technical cooperation operation. They will provide an opportunity to review: (i) the progress of activities; (ii) the effectiveness of contacts between the SIF and the program's network of social actors, as well as its interaction with communities; (iii) the rationale for investments made; (iv) the budget for the following year; and (v) the contracting of consulting firms. If the Bank/SIF review concludes that implementation progress is unsatisfactory, the SIF will prepare an action plan with

corrective measures within two months of being notified of the problems by the Bank.

**B. Evaluation**

- 6.4 This technical cooperation operation will be evaluated by measuring progress based on the indicators given in the logical framework. The SIF will also compile, store, and retain all information, indicators, and parameters—including annual work plans, midterm review, and final evaluation—necessary to prepare the project completion report, in accordance with the model of the Japanese funds.

**VII. BENEFITS AND RISKS**

**A. Benefits and beneficiaries**

- 7.1 This technical cooperation operation will provide the the Physical Infrastructure Secretariat (SIF) with the technical and legal tools for PVIE program execution. Its benefits include assisting the SIF in implementing better road and community management and giving the municipalities specific instruments for use within their jurisdictions. These institutions are therefore the direct beneficiaries of this technical cooperation operation.

**B. Risks**

- 7.2 This technical cooperation operation will support a very important program for Antioquia's transportation sector, which must contend with both an expanding economy and urgent needs arising from rural poverty, political violence, and physical isolation. It will provide the means to improve the program's design, monitor its progress, and make changes as necessary. The public and political response so far, as evidenced by the way mayors have organized and committed to program, well exemplify its relevance and the interest it has generated. The Government of Antioquia strongly supports the program as an integral part of the "Antioquia Alliance for Equity." It also has the support of the Colombian government.
- 7.3 In technical terms, the risk would be associated with a lack of experience among small consulting firms and local contractors in working with low-traffic, local gravel roads. This risk would be mitigated through preparation of technical and socioenvironmental manuals for the design and rehabilitation of such roads and specific training and instructional activities.

**VIII. ENVIRONMENTAL AND SOCIAL REVIEW**

- 8.1 This technical cooperation operation will have no economic or social impact. Rather, it will help prevent and mitigate adverse environmental and social impact

during program execution. It will help to develop a social and environmental framework for management of the secondary and tertiary road networks, including: terms of reference (TORs) for implementation of a strategic environmental assessment;<sup>1</sup> TORs for socioenvironmental manuals and guidelines for rehabilitation and maintenance works; specific clauses to be included in bidding documents; environmental specifications corresponding to works supervision activities, etc. Additionally, it will finance the SIF's and the municipalities' institutional strengthening plan with regard to technical, environmental, and social management of the local road network

- 8.2 The Committee on Environment and Social Impact (CESI) reviewed and approved the technical cooperation profile as presented at meeting 26-06 of 30 June 2006. No further revisions were required.

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<sup>1</sup> At its meeting on operation CO-L1016, CESI concluded that this instrument was unsuitable to the characteristics of the program, which therefore does not include a strategic environmental assessment. However, since SIF's management activities require it, the respective TORs will be prepared.

## **IX. CERTIFICATION**

- 9.1 The Chief of the Japan Special Fund hereby certifies that the Japan Special Fund (JSF) has sufficient resources (US\$480,000 equivalent), and that the Japan Trust Fund for Consultancy Services (JCF) has sufficient resources (US\$600,000 equivalent), available to finance the activities described and budgeted in this Plan of Operations for technical cooperation operation CO-T1034.

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Goro Mutsuura, RE2/FSS  
Japan Special Fund  
08/10/2006

**ROAD PROGRAM FOR TERRITORIAL INTEGRATION AND  
SOCIAL EQUITY OF THE DEPARTMENT OF ANTIOQUIA (PVIE)  
(CO-T1034)  
LOGICAL FRAMEWORK**

Objective	Indicators	Means of verification	Assumptions
<b>Goal (impact)</b>			
To build department road and transportation sector planning and management capacity.			
<b>Purpose (outcomes)</b>			
To provide Antioquia's Office of the Governor with technical assistance in developing and implementing the Road Program for Territorial Integration and Social Equity (PVIE).	<p>The Physical Infrastructure Secretariat (SIF) has the technical instruments to:</p> <ul style="list-style-type: none"> <li>• Build, rehabilitate, and maintain the road network in accordance with technical standards consistent with the nature and volume of demand;</li> <li>• Make extensive use of the private sector in road management;</li> <li>• Involve local authorities, the community, and civil society in public road management decision-making;</li> <li>• Cooperative actively with local governments in the management of physical accessibility within their jurisdiction.</li> </ul>	<p>SIF quarterly reports, containing:</p> <ul style="list-style-type: none"> <li>• Startup of the different PVIE program components in accordance with technical and legal developments</li> <li>• Management structure for municipal institutions, road maintenance microenterprises (RMMs), etc. in place by PVIE program year 2.</li> <li>• Periodic reports of the Bank's Country Office in Colombia and administrative missions.</li> </ul>	<ul style="list-style-type: none"> <li>• Political will persists to improve departmental road and transportation management and to continue to support local governments.</li> <li>• The financial, institutional, and technical counterpart contribution is available for management of the technical cooperation operation.</li> </ul>
<b>Components (outputs)</b>			
<b>Legal and regulatory framework</b>	<ul style="list-style-type: none"> <li>• Design technical standards and construction technical specifications for paved and gravel secondary and tertiary roads, including bridges and engineering works, and manuals for their implementation</li> <li>• Rules on right-of-way use and occupancy and mechanisms for monitoring and supervision.</li> <li>• Legal and institutional options for the municipal structure of road network and transportation management.</li> <li>• Legal options for the creation of routine road maintenance microenterprises (RMMs).</li> <li>• Legal agreements between the SIF and municipios for project cofinancing and joint management.</li> <li>• Program Operations Manual.</li> </ul>	<ul style="list-style-type: none"> <li>• Consultant reports approved by the executing agency and the Bank.</li> <li>• Administrative missions with support from the Bank's Country Office in Colombia.</li> </ul>	<ul style="list-style-type: none"> <li>• The SIF assigns sufficient professional staff and equipment for timely execution of the technical cooperation operation.</li> <li>• The PVIE program receives sufficient budgetary resources for its execution.</li> <li>• The work of the PVIE program, to be carried out in conjunction with local governments, has their support and enables tasks such as evaluation of short term impact, etc., to be performed.</li> </ul>

Objective	Indicators	Means of verification	Assumptions
<b>Institution-strengthening</b>	<ul style="list-style-type: none"> <li>• Training of SIF and participating municipio personnel to develop the technical, environmental, and social-sector skills for their road and transportation management responsibilities.</li> <li>• Training of SIF and participating municipio personnel on program fiduciary issues.</li> <li>• Analysis of municipios' fiscal leeway for rural transportation infrastructure and financial capacity to provide the required counterpart contribution and ongoing support for road maintenance.</li> <li>• Development of training through universities for small consulting firms and contractors, and of incentives for rural transportation research.</li> <li>• Development of mechanisms for community participation in program activities, particularly communities adjacent to the infrastructure to be rehabilitated.</li> </ul>		
<b>Components (outputs) (continued)</b>			
<b>Road planning and management</b>	<ul style="list-style-type: none"> <li>• Preparation of subregional participatory road plans with the involvement and active participation by communities and local governments.</li> <li>• Evaluation of current road maintenance practices.</li> <li>• Development of alternative contracting mechanisms for routine maintenance (both manual and mechanized) for secondary and tertiary roads, so as to make it more sustainable.</li> <li>• Procedures and manuals for the development, training and strengthening of RMMs, and identification of mechanisms and sources of financing.</li> <li>• Monitoring and evaluation of RMMs and their capacity, effectiveness, and efficiency in performing routine road maintenance on different types of roads; identification of mechanisms to support and build RMM capacity and supervise their activities.</li> <li>• Development of technical and environmental specifications for road rehabilitation works and the operation and maintenance of secondary and tertiary roads.</li> <li>• Modification of bidding and works supervision documents.</li> </ul>		

Objective	Indicators	Means of verification	Assumptions
<b>Evaluation, monitoring, and supervision</b>	<ul style="list-style-type: none"> <li>• Development of socioeconomic baseline.</li> <li>• Short-term impact assessment.</li> </ul>		
<b>Components (outputs) (continued)</b>			
<b>Inventory of the secondary road network and geographic information system</b>	<ul style="list-style-type: none"> <li>• Preparation of a comprehensive inventory of the paved secondary road network (900 km), including bridges and structures.</li> <li>• Preparation of a partial inventory of the unpaved road network (some 1,500 km of the the department's 3,900 km of unpaved roads), including bridges and structures.</li> <li>• Development of a geographic information system (GIS) to support the road inventory as prepared and updated periodically, as well as the socioeconomic and environmental baseline.</li> </ul>		
<b>Activities (outputs)</b>			
<b>Contracting of individuals and consulting firms</b>	<ul style="list-style-type: none"> <li>• Progress of work based on timetables set for the technical cooperation operation and PVIE program.</li> <li>• Achievement of expected outcomes</li> </ul>	<ul style="list-style-type: none"> <li>• Periodic progress reports delivered by the SIF.</li> <li>• Reports of the Bank's Country Office in Colombia.</li> </ul>	<ul style="list-style-type: none"> <li>• Availability of consultants with appropriate profiles.</li> <li>• Counterpart contribution is allocated to supervision of consulting services.</li> </ul>

**Road Program for Territorial Integration and Social Equity (PVIE) (CO-T1034)**

Japan Special Fund (JSF)

**Estimated budget (US\$)**

Component	Professional service costs (US\$)									
	1	2	3	4	5	6	7	8	9	Total
<b><i>Program organization and management</i></b>										
<i>Legal and regulatory framework</i>	1,400	9,280	3,360	1,680	18,000		2,250	5,000	3,600	44,570
Design technical standards and road construction technical specifications		6,400	1,680					3,000	800	11,880
Rules on right-of-way use and occupancy		1,600	1,400	1,400	4,000			500	400	9,300
Municipal road management structure options	700	640			6,000				400	7,740
Options for creation of road maintenance microenterprises (RMMs)					4,000				400	4,400
Development of SIF/municipio agreements	700				2,000				400	3,100
Program Operations Manual		640	280	280	2,000		2,250	1,500	1,200	8,150
<i>Institution-strengthening</i>	3,500	14,400	2,800	2,800	4,000	750	2,250	4,000	3,600	38,100
Technical, environmental, and social-sector training		8,000	2,800					1,500	1,200	13,500
Training on program fiduciary issues		3,200			4,000	750	2,250	1,500	1,200	12,900
Municipios' fiscal leeway and financial capacity	3,500								400	3,900
Development of community participation mechanisms		3,200		2,800				1,000	800	7,800
<i>Road planning and management</i>	8,400	22,400	10,640	8,400	4,800		1,350	13,500	5,600	75,090
Subregional participatory road plans	8,400	4,800	1,400	1,400				5,000	1,200	22,200
Evaluation of current road maintenance practices		4,800	1,400					2,500	1,200	9,900
Alternative contracting mechanisms for routine maintenance		3,200			2,800			1,000	800	7,800
Development of RMMs		1,600	1,400	4,200				1,000	800	9,000
Evaluation of RMMs and their capacity, effectiveness, and efficiency		1,600	1,400	2,800				1,000	400	7,200
Technical and environmental specifications for road rehabilitation		4,800	4,200					1,500	800	11,300
Modification of bidding and works supervision documents		1,600	840		2,000		1,350	1,500	400	7,690
<b>Costs subtotal (1)</b>	<b>13,300</b>	<b>46,080</b>	<b>16,800</b>	<b>12,880</b>	<b>26,800</b>	<b>750</b>	<b>5,850</b>	<b>22,500</b>	<b>12,800</b>	<b>157,760</b>

Component	Professional service costs (US\$)									
<i>Evaluation, monitoring, and supervision mechanisms</i>										
Socioeconomic baseline	12,250			8,400				3,000	1,200	24,850
Short-term impact assessment	12,250	3,200	1,400	8,400				3,000	1,200	29,450
<b>Costs subtotal (2)</b>	<b>24,500</b>	<b>3,200</b>	<b>1,400</b>	<b>16,800</b>				<b>6,000</b>	<b>2,400</b>	<b>54,300</b>

<b>Total Costs (3 = 1 + 2)</b>	<b>37,800</b>	<b>49,280</b>	<b>18,200</b>	<b>29,680</b>	<b>26,800</b>	<b>750</b>	<b>5,850</b>	<b>28,500</b>	<b>15,200</b>	<b>212,060</b>
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<b>Other costs</b>										US\$
Indirect costs (overhead costs, 100%)										<b>212,060</b>
Local travel	Travel	60		Cost (US\$/trip)	150					9,000
Per diem	Days	240		Per diem (US\$/day)	100					24,000
Contingencies (5%)										22,856
<b>Total Other costs (4)</b>										<b>267,916</b>

<b>Grand total</b>	<b>479,976</b>
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## 2.1 Local costs

Office support and other direct costs	20,000
Logistics, support services, equipment	25,000
Counterpart professional staff	60,000
Travel costs	15,000
<b>Grand total</b>	<b>120,000</b>

		Professional service costs (US\$)				
Component		1	2	3	4	total
Inventory of paved secondary road network		30,450	4,800	23,800	23,800	82,850
Inventory unpaved secondary road network		10,500	3,200	8,400	8,400	30,500
Road geographic information system (GIS)		3,500	28,800	5,600	5,600	43,500
Total Costs (1)		44,450	36,800	37,800	37,800	156,850
Other costs						US\$
Indirect expenses (overhead costs, 120%)						188,220
International travel	Trips	12	Cost (US\$/trip)		6,000	72,000
Local travel	Trips	15	Cost (US\$/trip)		150	2,250
Per diem	Days	200	Per diem (US\$/day)		150	30,000
Local technical supervisor (financed by JCF)	Days	80	Per diem (US\$/day)		400	32,000
Field studies: technical equipment rental						90,000
Contingencies (5%)						28,566
Total Other costs (2)						443,036
Grand total (3 = 1 + 2)						599,886

## 2.2 Local costs

Office support and other direct costs	30,000
Logistics, support services, equipment	45,000
Counterpart professional staff	60,000
Travel	15,000
<b>Grand total</b>	150,000

**ROAD PROGRAM FOR TERRITORIAL INTEGRATION AND  
SOCIAL EQUITY OF THE DEPARTMENT OF ANTIOQUIA  
(CO-T1034)**

**PROCUREMENT PLAN**

<b>Beneficiary:</b> Office of the Governor of Antioquia Department	<b>Project:</b> CO-T1034
<b>Executing agency:</b> Physical Infrastructure Secretariat (SIF)	<b>Date of General Procurement Notice:</b> October 2006
<b>Date approved:</b>	<b>Period covered by this plan:</b> October 2006 to December 2007

**1. General**

- 1.1 Program procurement will be conducted in accordance with the Policies for the Procurement of Works and Goods Financed by the Inter-American Development Bank (document GN-2349-6), the Policies for the Selection and Contracting of Consultants Financed by the Inter-American Development Bank (document GN-2350-6), both approved on 19 January 2005, and the terms and conditions of the grant agreement between the IDB and the beneficiary. This document establishes the different methods of procurement of goods and services and selection of consultants, prequalification needs, estimated costs, prior review requirements, and agreements made with the executing agency in the Procurement Plan. The initial Procurement Plan covers the first 15 months of execution of the technical cooperation operation and will be updated at least once each year or earlier if necessary to reflect implementation needs. The project team will approve the Procurement Plan submitted by the executing agency prior to the negotiation stage.
- 1.2 **Procurement of goods.** The following goods will be procured for the project: computers, computer supplies, software licenses, and vehicles for the executing agency. Goods will be procured by national competitive bidding (NCB), using standard project documents acceptable to the banks.
- 1.3 **Selection of consultants.** Consulting services will be required for technical and feasibility studies, institution-strengthening, studies and evaluations, and training and instructional activities. In selecting consulting firms, an appropriate method will be used to evaluate their bids from among the following: quality based selection (QBS), quality and cost based selection (QCBS), least cost based selection (LCBS), and selection under a fixed budget (FBS). Individual consultants will be selected based on their qualifications to perform the work required. International publicity will be mandatory for the selection and contracting of consulting services with an estimated cost of US\$200,000 or more.

Short lists of consultants for engagements with an estimated cost of less than US\$350,000 may comprise entirely national consultants.

- 1.4 **Prior review of procurement processes.** Contracts will be subject to prior review, in accordance with Appendix 1 to the aforementioned documents. However, consulting assignments with an estimated cost of US\$100,000 or less for consulting firms, and US\$50,000 or less for individual consultants, may be subject to post review by sampling of supporting documentation, provided that the prior review findings have been satisfactory and the Bank has given its no objection as to the control and record keeping systems. The rationale for the anticipated level of prior review is based on: (i) the SIF's cumulative procurement experience; (ii) the information and tracking system that can compare costs of similar projects; and (iii) the Bank, which will conduct periodic reviews, spot checks and onsite visits, and examine procurement documents.

## **2. Executing agency's project execution capacity**

- 2.1 The SIF will conduct the procurement procedures for all consulting engagements and goods required. The SIF has been using its own resources to commission the studies required for PVIE program preparation (engineering, financial feasibility, local government financial capacity, etc.). For program execution, the SIF has formed a team of experts with procurement experience and appointed an individual to manage them. Provision has also been made to train SIF personnel on IDB procurement procedures, including the standard documents for procurement of goods and services.
- 2.2 The Bank's assessment of the executing agency's capacity to administer procurements financed with technical cooperation resources rated the risk as moderate. Also noteworthy, the Colombian chapter of Transparency International has cited the SIF as a leader in transparency and public integrity of the technical and administrative processes under its responsibility.

## **3. Supervision**

- 3.1 In addition to the prior reviews to be done by the Bank—estimated at 50% of the procurement amounts in the first 15 months—at least one IDB supervisory mission will be conducted in accordance with the table below, for post review of a sample of contracts.

## **4. Goods and consulting services**

- 4.1 Procurement methods and the prior review thresholds are given below:

Cost category	Contracting method	Amount	Prior review
Goods	Shopping	Contract $\leq$ US\$50,000	All contracts
Consulting firms	QCBS	Contract $\geq$ US\$100,000	All contracts $\geq$ US\$200,000 (TOR; short list; technical evaluation report; draft contract)
	QCBS, FBBS, LCBS, QBS, direct contracting	Contract $<$ US\$100,000	Review of TOR (except works supervision and engineering studies) Direct award of contracts; post review; sample of contracts
Individual consultants	IC	Contracts $\geq$ US\$50,000	Contracts $\geq$ US\$50,000 (TOR, evaluation report; CVs; draft contract)
	IC	Contracts $<$ US\$50,000	Review of TOR (except works supervision and engineering studies); post review; sample of contracts
	Direct contracting	Any amount	All contracts (TOR and final draft contract)

ICB: International competitive bidding; NCB: National competitive bidding; QCBS: Quality and cost based selection; FBBS: Fixed budget based selection; LCBS: Least cost based selection; QBS: Quality based selection; IC: Individual consultant.

4.2 There will be no prequalification of bidders.

5. **Procurement Plan.** Below is the procurement plan for goods and consulting services for the next 15 months, indicating which procedures require IDB prior review. Given the nature of the goods to be procured, no prequalification of bidders will be required, and no national margin of preference will be used. These two columns have therefore been eliminated.

#### 5.1 Procurement plan for goods

Contract description	Estimated cost (US\$)	Procurement method	Prior review	Bid opening
Procurement of computer equipment	15,000	Shopping	Yes	
Procurement of software licenses	10,000		Yes	
TOTAL	25,000			

## 5.1 Procurement plan for consulting services

Contract description	Estimated cost (US\$)	Procurement method	Prior review	Bid opening
Design technical standards and road construction technical specifications	26,900	QCBS	Yes	
Rules on right-of-way use and occupancy	21,000	ICB	Yes	
Municipal road management structure options	17,500	ICB	Yes	
Options for creation of road maintenance microenterprises (RMMs)	10,000	ICB	Yes	
Development of SIF/municipio agreements	7,000	ICB	Yes	
Program Operations Manual	18,400	ICB	Yes	
Technical, environmental, and social-sector training	30,600	QCBS	Yes	
Training on program fiduciary issues	29,200	QCBS	Yes	
Municipios' fiscal leeway and financial capacity	8,800	ICB	Yes	
Development of community participation mechanisms	17,700	QCBS	Yes	
Subregional participatory road plans	50,200	QCBS	Yes	
Evaluation of current road maintenance practices	22,400	QCBS	Yes	
Alternative contracting mechanisms for routine maintenance	17,700	ICB	Yes	
Development of RMMs	20,400	ICB	Yes	
Evaluation of RMMs and their capacity, effectiveness, and efficiency	16,300	ICB	Yes	
Technical and environmental specifications for road rehabilitation	25,600	QCBS	Yes	
Modification of bidding and works supervision documents	17,400	ICB	Yes	
Socioeconomic baseline	56,200	QCBS	Yes	
Inventory of paved secondary road network	317,000	QCBS	Yes	
Inventory of unpaved secondary road network	117,000	QCBS	Yes	
Road geographic information system (GIS)	166,000	QCBS	Yes	
<b>TOTAL</b>	<b>1,013,300</b>			

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

PROPOSED RESOLUTION DE-\_\_\_\_/06

Colombia. Nonreimbursable Technical Cooperation ATN/JF-\_\_\_\_-CO and ATN/JC-\_\_\_\_-CO  
Antioquia Road Program for Territorial Integration and Social Equity

The Board of Executive Directors

RESOLVES:

1. That the President of the Inter-American Development Bank, or such representative as he shall designate, is authorized, in the name and on behalf of the Bank, as Administrator of the Japan Special Fund and the Japanese Trust Fund for Consultancy Services, to enter into such agreements as may be necessary with the “Departamento de Antioquia”, and to take such measures as may be pertinent for the execution of the plan of operations referred to in document AT-\_\_\_\_\_ with respect to nonreimbursable technical cooperation to Antioquia road program for territorial integration and social equity.
2. That up to the sums of US\$480,000 and US\$600,000 are authorized for the purposes of this resolution, chargeable to the resources of the Japan Special Fund and the Japanese Trust Fund for Consultancy Services, respectively.
3. That the above-mentioned sums are to be provided on a nonreimbursable basis.

LEGIII/CO-778860-06  
CO-T1034