

TC ABSTRACT

I. Basic Project Data

▪ Country/Region:	DOMINICAN REPUBLIC/CID - Isthmus & DR
▪ TC Name:	Support for the digitalization and integrated management of sanitation and solid waste services in the Dominican Republic.
▪ TC Number:	DR-T1242
▪ Team Leader/Members:	PEREZ MONFORTE, SERGIO (INE/WSA) Team Leader; VELASQUEZ RODRIGUEZ, MANUELA (INE/WSA) Alternate Team Leader; RIHM SILVA, JUAN ALFREDO (INE/WSA) Alternate Team Leader; CORREAL SARMIENTO, MAGDA CAROLINA (INE/WSA) Alternate Team Leader; LEFEVRE, BENOIT JEAN MARIE (CSD/CCS); RODRIGUEZ VERA, MARIA (INE/WSA); MARMOLEJOS, JENNIFFER ELENA (CID/CDR); KIRKAGACLI, ROMINA EMANUELA (VPC/FMP); SALABIE, DENISE ANN (VPC/FMP); JACQUET, BRUNO (CSD/RND); PALACIOS, AMALIA (INE/WSA); BARRAGAN CRESPO, ENRIQUE IGNACIO (LEG/SGO); STURZENEGGER, GERMAN (INE/WSA); CARLOS GUIZA (INE/WSA); GARCIA RODRIGUEZ, YOCAURIS DEL CARMEN (CID/CDR)
▪ Taxonomy:	Operational Support
▪ Number and name of operation supported by the TC:	Integral and Sustainable Solid Waste Management Program in the Great Santo Domingo - DR-L1156
▪ Date of TC Abstract:	23 Mar 2022
▪ Beneficiary:	Dominican Republic
▪ Executing Agency:	INTER-AMERICAN DEVELOPMENT BANK
▪ IDB funding requested:	US\$1,000,000.00
▪ Local counterpart funding:	US\$0.00
▪ Disbursement period:	36 months
▪ Types of consultants:	Individuals; Firms
▪ Prepared by Unit:	INE/WSA - Water & Sanitation
▪ Unit of Disbursement Responsibility:	CID/CDR - Country Off Dominican Republic
▪ TC included in Country Strategy (y/n):	Yes
▪ TC included in CPD (y/n):	Yes
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Social inclusion and equality ; Productivity and innovation ; Economic integration; Environmental sustainability; Gender equality

II. Objective and Justification

- 2.1 Support for the preparation of operations related to the integrated management of solid waste and sanitation through: 1) Implement digital tools that promote the optimization of water, sanitation and waste services in an inclusive manner, including a gender approach 2) Develop strategies, conceptual studies and final designs of infrastructure related to the improvement of sanitation and solid waste management 3) Support the development of innovative financial mechanisms aligned with the climate change agenda.
- 2.2 The Dominican Republic produces 1.08 kg/person/day of solid waste, above countries in the Latin America and Caribbean (LAC) region where the average stands at 0.99.

Dominican Republic has stood out as one of the countries that has grown the most economically in recent years in the region. In fact, between 2014 and 2018 it was the fastest growing economy in LAC. However, the country lags in indicators of proper solid waste management. It is estimated that in Mexico and Panama, countries such as the upper-middle income Dominican Republic, 74.5% and 57.7% of solid waste generated respectively is disposed in landfills, compared to 0% in the DR since there is no landfill. There are more than 300 open-air landfills in operation in the country, with the Duquesa site being the largest one. The Duquesa has been operating since 1990 and receives 4,000 tons/day (2019) of waste produced by the 3.7 million inhabitants of Greater the Santo Domingo area. The Duquesa, with a surface area of 123 ha, represents one of the largest environmental liabilities in the country due to the lack of treatment of the leachates generated, the emission of greenhouse gases due to the lack of biogas management, the pollution of the air with particles due to the lack of compaction and the lack of waste coverage, which translates into direct implications for the health and well-being of the neighboring populations. In addition, poor operation for more than 30 years has greatly diminished the space for waste disposal.

- 2.3 In the country solid waste management is a responsibility of the municipalities, which have limited technical capacities and insufficient budgets to provide adequate collection, transport and final disposal of urban solid waste. Municipalities have the authority to charge collection and transportation fees. However, the costs range between US\$17.10/ton and US\$20.43/ton transported, below the regional average of US\$34.22/ton. The most important gap is the US\$3/ton for final disposal, well below the LAC average of US\$20.4. The municipalities are also characterized by the lack of differentiated client and accounting systems, which limits the estimation of real costs of services, the calculation of tariffs or the loss of opportunities for cross-subsidization. There is also a lack of municipal ordinances regulating the storage and delivery of waste and little or no supervision of compliance with them when they exist, as well as little oversight of service provider contracts. Cleaning services are also limited; for example, in the country's capital they vary between 80% and 40% coverage. The lack of cleanliness in the streets is aggravated by the inadequate storage and delivery of waste by the population, which fails to comply with delivery schedules, with collection points being observed at numerous points in the city throughout the day.
- 2.4 This TC is aligned with the Water and Sanitation Sector Framework Document (SFD, GN-2781-8) approved by the Bank in December 2017. It is also aligned with the Bank's Vision 2025 in aspects related to the digitization of solid waste management services, the inclusion of women in the formalization and valorization of informal recycling, and the impact of climate change on the operation and closure of landfills.

III. Description of Activities and Outputs

- 3.1 **Component I: Institutional and financial sustainability.** The component will propose innovative schemes to promote solid waste management sustainability in the Great Santo Domingo. It will finance: (i) institutional and legal analysis of the solid waste sector; (ii) financial and regulatory analysis (i.e., tariffs, subsidies); (iii) analysis of the creation of a specialized utility (public, public and private); (iv) analysis of private sector participation; and (v) design and implementation of a digitalization strategy in solid waste management.
- 3.2 **Component II: Reduce, Reuse and Recycle.** The goal of this component is to support the preparation of tools to increase reduce, reuse and recycling at the household level in different cities across the country. As part of this component characterization of the solid waste will be developed. Behavioral change science will be used in the strategies regarding the goals of this component.
- 3.3 **Component III: Solid Waste and Sanitation studies in urban areas.** The component will support complementary social and environmental studies to facilitate

the preparation and execution of operation DR-L1156. It will also support the preparation of studies in other cities to be defined, preferably in the coastal and tourist areas designated by the Dominican government to develop sanitation projects with IDB financing of US\$200 million (DR-L1158). The preference will be based on the achievement of the greatest impact.

IV. Budget

Indicative Budget

Activity/Component	IDB/Fund Funding	Counterpart Funding	Total Funding
Institutional and financial sustainability	US\$190,000.00	US\$0.00	US\$190,000.00
Reduce, Reuse and Recycle	US\$270,000.00	US\$0.00	US\$270,000.00
Solid Waste and Sanitation studies in urban areas	US\$540,000.00	US\$0.00	US\$540,000.00
Total	US\$1,000,000.00	US\$0.00	US\$1,000,000.00

V. Executing Agency and Execution Structure

- 5.1 As per requested from the Ministry of Environment, the Bank will be the executing agency of this TC.
- 5.2 The decision of the government to have the IDB as the executor is based on the Bank's experience in executing projects of this nature, the Bank's extensive network of contacts and technically qualified experts for this purpose and specifically having into consideration the need to provide services to the approval of the Integrated solid waste management program in the Dominican Republic (DR-L1156).

VI. Project Risks and Issues

- 6.1 The main risks associated to this TC are: (i) low institutional capacity of the country in solid waste management; and (ii) low involvement of local governments in project implementation. To mitigate these risks a working group will be created to share the products and capacity building products will be developed.

VII. Environmental and Social Classification

- 7.1 The ESG classification for this operation is "undefined".