



Short Procedure

Expires: 20 September 2006

AT-1351
13 September 2006
Original: Spanish

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

Basic Information: Executing agency Departamento de Antioquia, through the Secretaría de Infraestructura Física para la Integración y Desarrollo
Amount up to US\$490,000
Source Korean Poverty Reduction Fund

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Remarks: This operation is not included in the nonreimbursable technical-cooperation program for 2006, approved by the Board of Executive Directors (document GN-2408-1).

The Executive Directors are requested to inform the Secretary, in writing, not later than **20 September 2006**, if they wish to interrupt this procedure. If no such communication is received by that date, the resolution will be considered adopted by the Board of Executive Directors, and a record to that effect will be made in the minutes of a forthcoming meeting.

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

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

(CO-T1040)

PLAN OF OPERATIONS

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Proposed resolution

[Terms of reference: Preparation of socioeconomic studies.](#)

[Terms of reference: Preparation of for pack trail improvement manual.](#)

[Terms of reference: Preparation of tertiary road rehabilitation studies.](#)

[Terms of reference: Technical assistance for the formulation of nonmotorized road improvement subprojects .](#)

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
KPRF	Korea Poverty Reduction Fund
PVIE	Road Program for Territorial Integration and Social Equity
RMM	Road maintenance microenterprise
SIF	Physical Infrastructure Secretariat for the Integration and Development of Antioquia
TOR	Terms of reference

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

(CO-T1040)

I. EXECUTIVE SUMMARY

Executing agency:	Department of Antioquia, through its Physical Infrastructure Secretariat for the Integration and Development of Antioquia (SIF).		
Beneficiaries:	Office of the Governor of Antioquia Department, municipal governments, and rural communities.		
Financing:	IDB (Korea Poverty Reduction Fund, KPRF):	US\$490,000	
	Local:	US\$260,000	
	Total:	US\$750,000	
Objectives:	This technical-cooperation operation will provide Antioquia’s Office of the Governor with technical assistance in developing and implementing the technical, economic, environmental, social, and institutional framework necessary to execute a nonmotorized rural transportation program and expand the local road activities (tertiary network) of the Physical Infrastructure Secretariat (SIF), as part of the Road Program for Territorial Integration and Social Equity (PVIE). This infrastructure serves a highly dispersed population that includes the department’s lowest-income residents.		
Terms:	Execution period:	24 months	
	Disbursement period	30 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 27-06 of 7 July 2006. No further revisions were required.		
Coordination with other donors:	The IDB is the only development finance institution operating in the Department of Antioquia’s transportation sector. This technical-cooperation operation and CO-T1034 comprise the PVIE program’s support framework.		

II. FRAME OF REFERENCE AND RATIONALE

- 2.1 Antioquia, one of Colombia largest departments, 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 Many communities in Antioquia's high mountain areas depend exclusively on nonmotorized transportation over pack trails—narrow, dangerous foot and animal paths—to reach the closest village to access basic social services, such as health care and education, and to bring their products to market. Peque, one of Antioquia's poorest municipios most affected by political and social violence, is an example of how inaccessibility drags down the incomes and quality of life of the poor. Of Peque's 11,000 inhabitants, 9,500 live in rural areas and grow 1,600 tons of coffee, 800 tons of organic beans, and other produce. Transporting this to the capital of the municipio represents an 8 to 10 hour trip by mule. To travel outside their villages, the population of Peque depends on 220 km of pack trails, 12 km of local tertiary roads, and 60 km of gravel secondary roads in poor condition.
- 2.3 According to research by the International Food Policy Research Institute (IFPRI) in Asia and Africa, investments in rural roads have a very real impact on poverty reduction, comparable to that of agricultural research and development and rural education. This shows that rural accessibility plays a major part in raising living conditions of the rural poor, while providing a viable platform for sustainable economic development (see Box 1).

- 2.4 This is also the case in Latin America. Well-documented experiences show the positive correlation between improvements

Box 1 Economic activity	Impact on poverty reduction			
	China	India	Vietnam	Uganda
Agricultural R&D	2	2	3	1
Irrigation	6	7	4	
Education	1	3	1	3
Roads	3	1	2	2
Telecommunications	5			
Electricity	4	8		
Health		6		4
Soil/water conservation		5		
Anti-poverty programs	7	4		
Scale of 1 to 8 from most to least important economic activity in terms of poverty reduction in the country.				

in economic infrastructure and more and better economic opportunities. When the infrastructure impact is broken down, investments in rural transportation are among the most efficient. The Bank's extensive experience in the region supports these findings. For example, the rural roads program in Peru shows that investments in

rural transportation infrastructure have had immediate impact on the rural poor (see Box 2).

Box 2: Impact assessments clearly show the poverty reduction outcomes of the rural roads program in Peru: (i) travel time to villages and markets shortened by 61%; (ii) cost of freight and passenger transportation services lowered by 10% and 13% respectively; (iii) 67% of the beneficiary families have better access to education services, and 44% reported an up to 35% reduction in travel time to schools; (iv) visits to health centers increased by 20% on average; (v) gradual diversification of the income-generation structure (50% of the beneficiary households' income comes from wage-earning activities, compared with less than 20% observed in nonbeneficiary households in similar villages); and (vi) 6,000 permanent unskilled jobs generated by road maintenance works.

- 2.5 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 in ensuring such financing through IDB loan CO-L1016, to be presented to the Bank's Board of Executive Directors in November 2006. The activities under this technical-cooperation operation are essential to support development of the PVIE program and so improve the quality of road management, adapted to the specific conditions of the highly isolated rural population, with the consequent impact on their living conditions.
- 2.6 **The Bank's country strategy.** 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 and governance efforts, promoting social equity in a department where political and social violence have been prevalent in recent times.
- 2.7 The Bank's strategy in the transportation sector 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.

- 2.8 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.
- 2.9 **Coordination with other donors.** The IDB is the only development finance organization operating in the Department of Antioquia's transportation sector. In addition to this technical-cooperation operation, the Finance and Basic Infrastructure Division 3 (FI3/RE3) is now preparing an operation (CO-T1034) with the Japanese Fund (Japan Special Fund (JSF) and the Japan Trust Fund for Consultancy Services (JCF)), whose scope complements the framework for development of an efficient road management system in Antioquia. It addresses the legal, institutional, financial, technical, and socioenvironmental framework for the gravel and paved secondary and tertiary road networks, while this technical-cooperation operation addresses a similar framework for pack trails (foot or animal paths). Operation CO-T1034 will also finance the development of a socioeconomic baseline and a short-term impact evaluation of the secondary and tertiary road networks.

III. THE PROGRAM

A. Objectives and description

- 3.1 This technical-cooperation operation will provide technical assistance to Antioquia's Office of the Governor, through its Physical Infrastructure Secretariat (SIF), in developing and implementing the technical, economic, environmental, social, and institutional framework necessary to execute a nonmotorized rural transportation program (pack trails) and expand the SIF's local road activities (tertiary network), as part of the Road Program for Territorial Integration and Social Equity (PVIE). This infrastructure serves a highly dispersed rural population that includes the department's poorest residents most affected by political and social insecurity.
- 3.2 These local roads link sparsely populated villages to connector roads that provide access to service and consumption centers. These unpaved, single-lane roads four to four-and-a-half meters wide are used by 15 to 20 vehicles at most on market days and holidays. The technical-cooperation operation will provide financing for the technical studies and socioenvironmental evaluation for the projects to rehabilitate these local roads, with works to be financed under the PVIE program.
- 3.3 Pack trails connect isolated villages and are used for nonmotorized passenger and freight transportation. This technical-cooperation operation will finance development of the methods, instruments, and procedures for a pack trail management model,¹ implementation of which will require active participation by a

¹ Under the management model, the PVIE will cofinance the local contractor costs of pack trail rehabilitation works. The local government and beneficiary communities will contribute the remainder of the cost in the form of unskilled labor. Technical and socioeconomic studies will be commissioned from NGOs or local

number of different stakeholders: the SIF, municipal governments, beneficiary communities, NGOs, and local small businesses. The PVIE program, in turn, will cofinance execution of a pilot plan for approximately 100 km of pack trails, under the framework to be established by this technical-cooperation operation.

B. Components

3.4 Component 1. Pack-trail network management framework (US\$305,000). This component will provide technical assistance to:

- a. Design the nonmotorized road network management model;
- b. Develop local, institutional, and management mechanisms to formalize relationships between the SIF, municipios, NGOs, and communities, including cofinancing agreements; establish road committees and assign responsibilities for rehabilitation and maintenance works execution and supervision activities;
- c. Develop technical, social, and environmental manuals for pack trail rehabilitation works and their subsequent routine maintenance;
- d. Prepare institutional strengthening plans for the SIF, NGOs, small consulting firms, local contractors, and participating municipios and communities for training in pack trail management;
- e. Analyze mechanisms and conduct the participatory process, in order to strengthen local governments and communities so that they can participate directly in pilot plan rehabilitation works and pack trail maintenance; develop community and local government participation manuals;
- f. Conduct technical and socioenvironmental studies for the PVIE program's pilot pack trails;
- g. Develop the socioeconomic baseline and short-term socioeconomic impact evaluation, including indicators of: (i) access by the rural population to road infrastructure and the transportation services provided via such infrastructure; (ii) access to social, public, and economic services, and to markets and employment opportunities; (iii) changes in output; etc. The short-term impact evaluation will be done in the framework of technical-cooperation operation CO-T1034.

3.5 Component 2. Technical designs and socioenvironmental evaluations for local tertiary roads (US\$405,000). This component will finance the final engineering designs and socioenvironmental evaluations necessary to rehabilitate, as part of the

small businesses which will have responsibility for works management and supervision. A road management committee, comprising community representatives, will be responsible for maintenance.

PVIE program, the portion of the tertiary road network under municipio responsibility.

- 3.6 **Component 3. Colombia-Korea exchange of rural transportation experiences (US\$40,000).** To be provided as a technical workshop attended by Korean experts and Antioquia transportation sector authorities, together with local experts and representatives of local governments and communities benefited by this technical-cooperation operation and the works to be executed with its assistance.

IV. COST AND FINANCING

- 4.1 The estimated cost of this technical-cooperation operation is US\$750,000. Of that amount, US\$490,000 in nonreimbursable resources will be provided by the Korea Poverty Reduction Fund (KPRF). The remaining US\$260,000 will be provided by the Physical Infrastructure Secretariat (SIF) with a portion in kind.

Component		Months	KPRF	Local	Total
1	Pack trail management framework	24	240,000	65,000	305,000
1.1	Management model	2	20,000	10,000	30,000
1.2	Legal, technical, and social framework	6	62,000	35,000	97,000
1.3	Training	2	15,000	10,000	25,000
1.3	Technical and environmental designs	12	115,000	5,000	120,000
1.4	Baseline	2	28,000	5,000	33,000
2	Tertiary road technical designs	24	210,000	195,000	405,000
3	Exchange of rural transportation experiences	3	40,000	-	40,000
Grand total			490,000	260,000	750,000
			65%	35%	100%

V. PROGRAM EXECUTION

A. Executing agency

- 5.1 The Department of Antioquia will execute this technical-cooperation operation, acting through the Physical Infrastructure Secretariat for the Integration and Development of Antioquia (SIF) of Antioquia's Office of the Governor. 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 the transparency and public integrity of the administrative and technical 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, moving decisively towards 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) preserving Antioquia's transportation infrastructure; (ii) supporting social and physical integration by ensuring the continuity and sustainability of the road and transportation network under its responsibility; (iii) expanding the department's transportation network; (iv) providing institutional and technical assistance to local governments for road management; and (v) ensuring that the department's population has ongoing access to social, economic, and public services and activities.
- 5.4 This technical-cooperation operation will help to develop and strengthen the SIF's capacity to plan, manage, monitor, and evaluate its activities in remote rural areas, as well as its capacity to execute the PVIE program's rural accessibility component (local accessibility). Under that component, it will support local governments in strengthening their capacity to manage the local transportation network, of which rural roads and pack trails are an essential part. The SIF's extensive experience of working with local governments will facilitate such training.

B. Project execution and management

- 5.5 Given the close relationship of this technical cooperation operation to the PVIE program, the Country Office will have technical, administrative, and financial responsibility for its execution. The project team will participate actively in the operation's execution, however, in view of the innovative nature of the activities 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 the consulting services.
- 5.6 **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

- 5.7 The execution period for this technical-cooperation operation will be 24 months, a length of time keyed to program execution and the achievement of initial short-term outcomes. The SIF will submit quarterly progress reports. The disbursement period will be 30 months.

D. Procurement

- 5.8 The SIF will procure goods and 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 expected procurements (under US\$50,000), the shopping method of procurement will be used.
- 5.9 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 contracted using the quality- and cost-based selection method. Contracts under US\$100,000 may use the selection method based on the consultants' qualifications.
- 5.10 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: (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.
- 5.11 Given the nature of the planned activities, most contracts to be financed with KPRF resources will be with local individual consultants, small consulting firms, and NGOs.

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. By November 30 each year, the SIF will also submit the annual work plan for the following year, including activities to be financed and estimated budget.

- 6.2 Two supervision and evaluation missions will be conducted each year for this technical-cooperation operation 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

- 6.3 The 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.

VII. PROGRAM BENEFITS AND RISKS

A. Benefits and beneficiaries

- 7.1 This technical-cooperation operation will provide the Physical Infrastructure Secretariat (SIF) with the technical and legal tools for execution of the PVIE nonmotorized transportation program, promoting strengthened SIF road and community management and giving the municipios specific instruments for use in the department's poorest and most remote areas. These institutions and the communities are the direct beneficiaries of this operation.

B. Risks

- 7.2 The institutional sustainability of this technical cooperation operation is ensured by the SIF's leadership, demonstrated by the steps already taken during preparation of the PVIE program and this technical-cooperation operation. Its political sustainability is ensured by the support shown by the governor's office, through its highest authorities, and 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.
- 7.3 In technical terms, one potential risk would be associated with a lack of experience among NGOs, small consulting firms, and local contractors in working with low-traffic pack trails and local gravel roads. This risk will 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 The PVIE program works are not expected to have major adverse impacts, as they consist of rehabilitation and maintenance of existing roads. The physical work will be small to medium-scale, routine from an engineering standpoint, and executed within existing rights-of-way. Therefore, no resettlement or interventions in socially or environmentally sensitive areas will be required. This technical-cooperation operation will finance technical assistance to design measures to prevent and/or mitigate potential adverse social and environmental impacts from execution of the PVIE program. It will help to develop a social and environmental framework for management of the nonmotorized transportation network, including manuals for its rehabilitation and maintenance, and will support the framework for community organization and the training of entities involved and the local population in the project target area. Tertiary road projects will include preparation of specific environmental management plans.
- 8.2 The Committee on Environment and Social Impact (CESI) reviewed and approved the technical-cooperation profile at meeting 27-06 of 7 July 2006. No further revisions were required.

**SUPPORT FOR THE ROAD PROGRAM FOR TERRITORIAL INTEGRATION
AND SOCIAL EQUITY OF THE DEPARTMENT OF ANTIOQUIA (PVIE)
(CO-T1040)**

LOGICAL FRAMEWORK

Objective	Indicators	Means of verification	Assumptions
Goal (impact)			
To build department planning and management capacity for nonmotorized transportation and the physical network supporting it.			
Purpose (outcomes)			
To provide Antioquia's Office of the Governor with technical assistance in developing and implementing the nonmotorized transportation program and the physical network supporting it, and to promote tertiary network improvement.	<p>The Physical Infrastructure Secretariat (SIF) has the technical, social, and legal instruments to:</p> <ul style="list-style-type: none"> • Build, rehabilitate, and maintain the nonmotorized transportation network in accordance with technical standards consistent with the nature and volume of demand; • Involve local authorities and the community in public road management decision-making; • Cooperate actively with local governments in the management of physical accessibility within their jurisdiction. 	<p>SIF quarterly reports, containing:</p> <ul style="list-style-type: none"> • Startup of the different PVIE program components in accordance with technical and legal developments. • Management structure for municipal institutions, road maintenance microenterprises (RMMs), etc., in place by PVIE program year 2. • Periodic reports of the Bank's Country Office in Colombia and administrative missions. 	<ul style="list-style-type: none"> • Political will persists to improve department road and transportation sector planning and management and to continue supporting local governments. • The financial, institutional, and technical counterpart contribution is available for management of the technical-cooperation operation.

Components (outputs)			
Legal and regulatory framework	<p>The SIF, participating municipios, and communities have:</p> <ul style="list-style-type: none"> • Concluded operating agreements for pack trail rehabilitation; • Developed technical, social, and environmental manuals and guidelines for rehabilitation works and their subsequent maintenance; • Held two training courses: (i) one technical course for the SIF, municipios, small businesses, and NGOs on specifications for the design and rehabilitation of low-traffic gravel roads; and (ii) one course for participating communities to provide training on pack trail management, including community organization; • Formed four local road management committees to participate in works and maintenance; • A program Operations Manual addressing all pack trail-related matters. 	<ul style="list-style-type: none"> • Consultant reports approved by the executing agency and the Bank. • Administrative missions with support from the Bank's Country Office in Colombia. 	<ul style="list-style-type: none"> • The SIF assigns sufficient professional staff and equipment for timely execution of the technical-cooperation operation. • The PVIE program receives sufficient budgetary resources for its execution. • The work of the PVIE program, to be done in conjunction with local governments, has their support so that tasks such as evaluation of short-term impact, etc., can be performed.
Technical designs for tertiary roads	<p>The SIF has the final engineering designs and environmental evaluations for 80 km of local roads.</p>		
Colombia-Korea exchange of rural transportation experiences	<p>A technical workshop has been held, attended by Korean experts and Antioquia transportation sector authorities, together with local experts and representatives of local governments and communities benefited by this technical-cooperation operation and the works to be executed with its assistance.</p>		

COLOMBIA
SUPPORT FOR THE ROAD PROGRAM FOR TERRITORIAL INTEGRATION
AND SOCIAL EQUITY OF THE DEPARTMENT OF ANTIOQUIA
(CO-T1040)

Budget (US\$)*

	Expert days	Daily rate (US\$)¹	Total cost (US\$)
A. Korea Poverty Reduction Fund			
Component 1 – Pack trail network management framework			
Design of pack trail management model			18,000
Road engineer	25	300	7,500
Environmental specialist	10	250	2,500
Economist	10	300	3,000
Sociologist	20	250	5,000
Operating agreements between the SIF, municipios, and communities			17,500
Attorney	30	350	10,500
Road engineer	15	300	4,500
Sociologist	10	250	2,500
Community and local government participation manual			15,000
Economist	10	300	3,000
Sociologist	30	250	7,500
Road engineer	15	300	4,500
Technical and environmental manuals for pack trail rehabilitation and maintenance			24,500
Road engineer	40	300	12,000
Environmental specialist	30	250	7,500
Sociologist	20	250	5,000
Training courses (includes design and holding of two courses)			15,000
Road engineer	25	300	7,500
Environmental specialist	15	250	3,750
Sociologist	15	250	3,750

* This tentative budget will be adjusted based on the final proposals submitted by the consultants.

¹ Daily rates include overhead costs.

	Expert days	Daily rate (US\$) ¹	Total cost (US\$)
Technical, environmental, and economic studies			<i>110,000</i>
Road engineer	120	300	36,000
Environmental specialist	120	250	30,000
Economist	80	300	24,000
Sociologist	80	250	20,000
Baseline			<i>22,000</i>
Sociologist	45	250	11,250
Economist	15	300	4,500
Agronomist	25	250	6,250
Subtotal, Component 1 human resources			222,000

	Expert days	Daily rate (US\$) ¹	Total cost (US\$)
Component 2 – Technical designs and socioenvironmental evaluations for local tertiary roads			
Road/hydraulic/geological/geotechnical engineer(s)	425	300	127,500
Environmental specialist	160	250	40,000
Economist	50	300	15,000
Sociologist	110	250	27,500
Subtotal, Component 2 human resources			210,000
Component 3 – Exchange of rural transportation experiences			
2 Korean international experts	12	1000	12,000
3 Latin American international experts	12	500	6,000
2 local experts	10	500	5,000
Subtotal, Component 3 human resources			23,000
Other costs			
International travel			
2 trips Korea-Antioquia-Korea			10,000
3 trips from within Latin America to Medellín			4,000
Local travel			5,000
Printing of manuals			5,000
Per diem			7,000
Other costs			4,000
Subtotal			35,000
TOTAL A			490,000
B. Local contribution			
Environmental			
Office support and other direct administrative costs	Unit		20,000
Logistics, support services, equipment	Unit		10,000
Counterpart professional staff	Total		35,000
Subtotal			65,000
Technical designs and socioenvironmental evaluations for local tertiary roads			
Road/hydraulic/geological/geotechnical engineer(s)	350	300	105,000
Environmental specialist	160	250	40,000
Economist	50	300	15,000
Sociologist	120	250	30,000
Subtotal			190,000

¹ Daily rates include overhead costs.

Local travel		1,000
Per diem		1,500
Other costs		2,500
	Subtotal	5,000
	TOTAL B	260,000

TOTAL ESTIMATED BUDGET (A+B)		750,000
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**SUPPORT FOR THE ROAD PROGRAM FOR TERRITORIAL INTEGRATION
AND SOCIAL EQUITY OF THE DEPARTMENT OF ANTIOQUIA**

(CO-T1040)

PROCUREMENT PLAN

Beneficiary: Office of the Governor of Antioquia Department	Program: CO-T1040
Executing agency: Physical Infrastructure Secretariat (SIF)	Date of General Procurement Notice: October 2006
Date approved:	Period covered by this plan: 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 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.** No procurement of goods is planned.
- 1.3 **Selection of consultants.** Consulting services will be required for legal, institutional, financial, technical, social, and environmental studies, 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 the prior review findings have been satisfactory and the Bank has given its no objection as to the control and record keeping system. 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 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.
- 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 the 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 Consulting services

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

Cost category	Contracting method	Amount	Prior review
Consulting firms	QCBS	Contract \geq US\$100,000	All contracts \geq US\$200,000 (TOR; short list; technical evaluation report; draft contract)
	QCBS, FBS, LCBS, QBC, direct contracting (DC)	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; FBS: Selection under a fixed budget; 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 consulting services for the next 15 months, indicating which procedures will require IDB prior review.

Procurement plan for consulting services

Contract description	Estimated cost (US\$)	Procurement method	Prior review	Bid opening
Design of pack trail management model	18,000	IC	Yes	
Legal and administrative instruments (agreements between SIF and municipios, communities, and NGOs)	17,500	IC	Yes	
Pack trail technical design and construction specifications	24,500	IC	Yes	
Options for social organization and community participation in pack trail management	15,000	IC	Yes	
Training on pack trail technical, social, and environmental issues	15,000	IC	Yes	
Socioeconomic baseline	22,000	IC	Yes	
Technical engineering studies and socioenvironmental evaluations for pack trails	15,000 per pack trail study	DC	No	
Technical engineering studies and socioenvironmental evaluations for local roads	US\$120,000 per study of road group	LCBS	No	
Seminar attendance		DC	No	

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

PROPOSED RESOLUTION DE-___/06

Colombia. Nonreimbursable Technical Cooperation ATN/KP-___-CO
Support to the 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 Korea Poverty Reduction Fund, 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 support the Antioquia road program for territorial integration and social equity.
2. That up to the sum of US\$490,000 is authorized for the purposes of this resolution, chargeable to the resources of the Korea Poverty Reduction Fund.
3. That the above-mentioned sum is to be provided on a nonreimbursable basis.

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