

TC ABSTRACT

I. Basic Project Data

▪ Country/Region:	PERU/CAN - Andean Group
▪ TC Name:	Support to the Preparation of PROREGION Program
▪ TC Number:	PE-T1425
▪ Team Leader/Members:	CAPRISTAN MIRANDA, RAFAEL (INE/TSP) Team Leader; MOREANO MARQUEZ, WENDY LIDIA (INE/TSP); GUADEAMUS PESCORAN, PAMELA DENISSE (CAN/CPE); ROSA DA SILVA CRUVINEL, RODRIGO (INE/TSP); GALARZA MOLINA, DIANA CAROLINA (INE/TSP); MCTIGUE, KEVIN (LEG/SGO)
▪ Taxonomy:	Operational Support
▪ Number and name of operation supported by the TC:	Proregión Program - PE-L1252
▪ Date of TC Abstract:	28 Feb 2020
▪ Beneficiary:	Ministerio de Transporte y Comunicaciones
▪ Executing Agency:	INTER-AMERICAN DEVELOPMENT BANK
▪ IDB funding requested:	US\$350,000.00
▪ Local counterpart funding:	US\$0.00
▪ Disbursement period:	24 months
▪ Types of consultants:	Firms; Individuals
▪ Prepared by Unit:	INE/TSP - Transport
▪ Unit of Disbursement Responsibility:	CAN/CPE - Country Office Peru
▪ TC included in Country Strategy (y/n):	No
▪ TC included in CPD (y/n):	Yes
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Productivity and innovation ; Environmental sustainability; Gender equality

II. Objective and Justification

- 2.1 The objective is to support the preparation and execution of the PROREGION Program (PE-L1252) by financing complementary studies of environmental and social impact, the framework of environmental and social management, evaluation and monitoring programs, economic evaluation, gender activities, among others.
- 2.2 The Government of Peru is preparing the PROREGION Program, which consists of interventions in the departmental road network, which include actions for rehabilitation, improvement, conservation, as well as strengthening the capacities of regional authorities in transport issues. Therefore, the project will require the presentation, by the beneficiary, of a set of studies, such as the feasibility of the program, the socio-environmental management frameworks, resettlement and the that are required for compliance with the policies of environmental and social safeguards, among others. Several of these studies will be financed by this TC, especially those related to socio-environmental aspects. Likewise, the TC will finance studies on cross-cutting themes such as gender, adaptation to climate change, among others.

III. Description of Activities and Outputs

- 3.1 **Component I: Support for the preparation, execution and supervision of the PROREGION Program.** Includes : (i) financing of the program operation manual; (ii) preparation of complementary socio-environmental studies; (iii) preparation of

economic evaluation of the Program; and (iv) design of adaptation activities to climate change, among others.

- 3.2 **Component II: Inclusive agricultural logistics chain study.** . The studies to be financed are: (i) diagnosis of the agricultural and engineering chains considered by the PE-L1252 program, including gender issues and inclusion of people with disabilities; (ii) design a strategy to promote the inclusion of gender and diversity issues, and (iii) Considering the impacts that COVID has on the sector, studies will also be financed to identify and strengthen supply chains for agricultural products, contributing to the sustainability of the country's supply.
- 3.3 **Component III: Dissemination and Knowledge.** The following activities will be financed: (i) dissemination activities of results and experiences obtained when structuring the loan; and (ii) intraregional events and exchange of experiences with experts on the topics addressed by the PE-L1252 Program.

IV. Budget

Indicative Budget

Activity/Component	IDB/Fund Funding	Counterpart Funding	Total Funding
Support for the preparation, execution and supervision of the PROREGION Program	US\$270,000.00	US\$0.00	US\$270,000.00
Inclusive agricultural logistics chain study.	US\$50,000.00	US\$0.00	US\$50,000.00
Dissemination and Knowledge	US\$30,000.00	US\$0.00	US\$30,000.00
Total	US\$350,000.00	US\$0.00	US\$350,000.00

V. Executing Agency and Execution Structure

- 5.1 The Bank will be the executing agency. The activities will be coordinated by TSP/CPE, in collaboration with Infrastructure and Energy Sector (INE/INE) and Environmental and Safeguard Unit (VPS/ESG). CAN/CPE will act as the Basic Responsibility Unit (URB) of these contracts.
- 5.2 At the request of the beneficiary, the Bank will be the executor of this TC. This execution is justified by the Bank's experience with the preparation and development of the operational and technical instruments proposed and for the necessity to coordinate with other activities under development for PE-L1252 project preparation.
- 5.3 The TC will be executed by the Bank through the hiring of consultants to carry out each study. In this sense, the Bank will be responsible for: (i) identifying the studies and technical work necessary to structure the project; (ii) select and hire consultants to provide the necessary services; and (iii) manage the execution and delivery of consulting services. The activities will be carried out in coordination with the Beneficiary.
- 5.4 The Bank will hire consultants or companies in accordance with the Policy for the selection and contracting of consulting firms for the operational work carried out by the Bank (document GN-2765-1), the Complementary Policy for the workforce (AM-650) and the Institutional Procurement Policy (document GN-2303-20). It will also follow the Policies for the selection and contracting of consulting firms (GN-2350-9), Policies for the selection and contracting of consulting firms or works executed by the IDB (GN-2765-1 and OP1155-4). CAN/CPE will act as the Basic Responsibility Unit (URB) of these contracts.

VI. Project Risks and Issues

- 6.1 A risk in the preparation of the project are delays caused by the current conjuncture with COVID19, where it has led to the temporary closure of the activities of the Peruvian government agencies. To mitigate that risk, the team involved in the preparation of the loan is holding close dialogues with the government and with the representation of Peru, to identify and mitigate possible bottlenecks and develop strategies to reduce possible negative impacts on the project schedule.
- 6.2 There are other activities that cannot be carried out in the coming months due to the conjuncture of social isolation required. For example, it is not possible to carry out field visits to projects, and it is not feasible to carry out public consultations, which is a requirement of the Bank's socio-environmental safeguards.

VII. Environmental and Social Classification

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