

Technical Cooperation (TC) Document

I. Basic Information for TC

▪ Country/Region:	EL SALVADOR
▪ TC Name:	Support to the Urban Mobility Strategy of the San Salvador Metropolitan Area
▪ TC Number:	ES-T1314
▪ Team Leader/Members:	Rendon Rodriguez, Jose Rodrigo (INE/TSP) Team Leader; Rodriguez Porcel, Manuel (INE/TSP) Alternate Team Leader; Alonso Martin, Tania (INE/TSP); Aoki, Issei (INE/ENE); Baladi Rodriguez, Aziz (INE/TSP); Cabrera, Ana Elsy (CID/CES); Hollnagel, Julia Anna (INE/TSP); Landazuri-Levey, Maria C. (LEG/SGO); Pinto Ayala, Ana Maria (INE/TSP); Taveras Marte, Alba (INE/TSP); Vellutini Pimentel, Juliana (INE/TSP)
▪ Taxonomy:	Client Support
▪ Operation Supported by the TC:	N/A
▪ Date of TC Abstract authorization:	03 Mar 2020
▪ Beneficiary:	Ministry of Public Works and Transport (MOPT)
▪ Executing Agency and contact name:	Inter-American Development Bank
▪ Donors providing funding:	Japan Special Fund(JSF)
▪ IDB Funding Requested:	US\$750,000.00
▪ Local counterpart funding, if any:	US\$0
▪ Disbursement period (which includes Execution period):	36 months
▪ Required start date:	June 2020
▪ Types of consultants:	Individual consultants and consulting firms
▪ Prepared by Unit:	INE/TSP-Transport
▪ Unit of Disbursement Responsibility:	CID/CES-Country Office El Salvador
▪ TC included in Country Strategy:	Yes
▪ TC included in CPD:	Yes
▪ Alignment to the Second Update to the Institutional Strategy 2020-2023:	Productivity and innovation; Environmental sustainability; Gender equality

II. Objectives and Justification of the TC

- 2.1 **Objective.** The objective is to contribute to improving the quality of urban transit services of the San Salvador Metropolitan Area (AMSS) in order to provide the population with equal access to a safe, efficient, clean and inclusive transit system to fulfil their mobility needs. This TC will finance technical studies and capacity building activities targeting the development and implementation of a sustainable urban mobility strategy in the priority areas identified with the Ministry of Public Works and Transport (MOPT) and Vice Ministry of Transport (VMT). Those priority areas could include: a rail-based transit line along the east-west corridor of the city as the backbone of an integrated urban mobility system, a sustainable urban mobility plan that will contribute to achieve long term policy goals related to accessibility and quality of life, considering men and women's differentiated uses and needs of public transport, as well as economic, social and environmental sustainability, the promotion of active transit modes, and an automated fare collection system in connection with fare integration.

- 2.2 **Context and challenge.** The Metropolitan Area of San Salvador (AMSS) is formed by the conurbation of 14 municipalities, where 70% of public and private investment in El Salvador is carried out and 55% of the national GDP is concentrated (OPAMSS 2010). The area extends across 610 km² and hosts a population of 1.76 million inhabitants, representing 27% of the country's total. Among the main urban challenges in the AMSS are the recovery of area's economic dynamics and the optimization of metropolitan mobility conditions, which have worsened as a result of the city's growth pattern, the lack of urban planning and the absence of high-quality mass transit. The most recent reports indicate that to date 2.50 million motorized trips are made daily, of which 1.63 million are made on public transport (65%). However, dividing the road space, 70% of it is destined for private vehicles and only 30% for public transport. In 2019, the public transport system consisted of 200 bus routes and 3,861 buses and minibuses operating. In this system, only a stretch of 6.4 km (BRT corridor) has the potential to provide the service of mass transit when operated adequately. The national total number of private vehicles in mid-2019 was approximately 1.2 million. Additionally, the problem of mobility in the AMSS manifests itself through (i) high vehicular congestion, with travel times exceeding 90 minutes per route, and low traffic speeds, with a general average of 39 km/h at the morning rush hour, 56% of the network below this average, and 25% of the network with speeds below 20 km/h, (ii) low-quality standards and disorganised conventional public transportation resulting in negative user perception, (iii) physical and functional disarticulation between routes, where 44% of users make at least two transfers and 14% between three and six transfers, (iv) the high influence of transport on air pollution, and (v) due to the use of cash in public transport, the state encounters a problem of tax collection and the control of financial flows. Another relevant issue is road safety in the country, which is affected by disorder and lack of enforcement and low-quality standards in public transport: El Salvador has the highest rate of fatalities amongst 10 Latin American countries (22.2 fatalities in traffic accidents per 100,000 inhabitants in 2016).
- 2.3 **Response to Climate Change and associated disasters.** The TC includes conducting studies which will lead to stimulate climate change mitigation efforts by promoting clean transit options, through the support to a sustainable urban mobility plan, and solutions like an electric rail-based transit line and the promotion of active modes. The proposal also creates opportunities for climate change adaptation by facilitating the inclusion of standards to protect against impacts of climate change events and disaster in the sustainable urban mobility plan, the technical design of non-motorized modes interventions and specific technical capacity building for stakeholders and counterparts as part of Component 3.
- 2.4 **Institutionality.** The regulation, management and planning of the transport sector under the jurisdiction of the MOPT, the VMT and its attached units. The latter is primarily responsible for applying the Land Transportation, Traffic and Road Safety Law, as well as for executing programs and actions related to transportation (environmental pollution, signalling, among others). It has four attached General Directorates: Land Transportation, Transit, Transportation Planning and Policies and General Inspection. Improvement of the public transport system is one of the key points within the area of urban mobility in the AMSS to generate a positive impact in the short, medium and long term. However, currently neither MOPT nor VMT count with sufficient knowledge, tools and the institutional setup to manage the execution and operation of an integrated urban mobility system. The priority areas mentioned in the objectives of this TC come with a need for information collection and analysis,

studies of technical, operational and legal issues. They also request highly skilled and well-prepared technical personnel involved to manage the issues and ensure continuation after completing this TC.

- 2.5 **Sector work.** Since 2011, the Bank has been supporting the Government of El Salvador in the implementation of an efficient urban transport system for San Salvador and its Metropolitan Area. The Bank has financed the development of a state-of-the-art transport model for the AMSS, which was delivered in September 2019. This model will help to visualize and evaluate the impact of changes in infrastructure and operations, based on the public and private transport situation. Thus, the model is a valuable tool for planning and evaluating projects and make informed decisions for the improvement of the transport system in the AMSS.
- 2.6 **Strategic Alignment.** This TC is consistent and aligned with the Second Update to the Institutional Strategy of the Inter-American Development Bank Group 2020-2023 (AB-3190-2) and is aligned with the IDB's vision to respond to the challenges identified in the: (i) area of Strengthening the IDB Group's Work on the Cross-cutting Issues of the Update to the Institutional Strategy (UIS), and the action: "promoting Gender Equality, Diversity and Inclusion", with the objective of providing inclusive infrastructure and infrastructure services in urban areas, as well as improving institutional capacity and rule of law, by promoting adequate knowledge and innovation ecosystems; and with the cross-cutting theme of gender equality, by incorporating a gender perspective in the components, which will ensure that the needs of female users are addressed, and collaborating with the Transport Gender Lab (TGL); and (ii) area of promoting technology and innovation, and the action: "promoting state-of-the-art technology and innovation applications across all sectors of activity, where appropriate", particularly to support innovative transport technologies that allow cities to improve the provision of their services.
- 2.7 It is also consistent with: (i) Country Strategy 2015-2019 (GN-2828) in his strategic objective of improving the connectivity of the development poles through the strengthening of the infrastructure and the transport services"; and (ii) Transport Sector Framework (GN-2740-7) through: (a) contributing to the second dimension of success, focused on supporting the region towards consolidating transport systems to provide accessible, efficient and safe urban transport, and the fifth dimension of success, consisting in supporting the region with the implementation of new technologies and innovation in the transport sector in an efficient and timely manner; (b) the Sustainability Principle where says about the transport interventions will be consistent with a path leading to climate-resilient development and low greenhouse gas emissions; and the (c) the Sustainable Infrastructure Strategy for Competitiveness and Inclusive Growth (GN-2710-5) by promoting governance through the support to normative and regulatory frameworks, addressing the growing demand for higher-quality public services, by supporting public transport and promoting solutions to support climate change mitigation.
- 2.8 On March 11, the World Health Organization (WHO) declared COVID-19 a global pandemic. Public transportation is severely affected by the slump in passenger numbers and reduced travel demand due to travel bans and individual concerns about avoiding public crowds. Additionally, work-from-home options have been implemented for employees, which can be considered the world's largest experiment in managing transportation demand. Those changes could last throughout a prolonged period and cause operational, financial and technical challenges for the transport sector. Based on the premises, it is necessary to support the transport sector to explore and adopt

solutions in response to those new challenges. This TC will take the development and necessities in relation to COVID-19 crisis into account throughout its components in order to strengthen the public transport system in the AMSS.

III. Description of activities/components and budget

- 3.1 Component 1. Support to the formulation of a sustainable, accessible, and inclusive transport system for the Metropolitan Area of San Salvador (US\$540,000).** The component is focused on complementing the counterpart's studies for the rail-based transit line along the east-west corridor and includes the following activities: (i) the formulation of an institutional design and schemes of the transport authority and regulatory entities, which facilitate policies for the planning, implementation and operation of a mass transit system, taking into consideration potential adjustments in the attention of a health crisis like a Covid-19 or others similar; (ii) studies of regulatory and juridical aspects for the planning, implementation and operation of a mass transit system; (iii) technical, legal and financial studies supporting the MOPT and Salvadorian Fund for Pre-investment Studies (FOSEP) in the preparation of the rail-based transit line in San Salvador; (iv) technical design of interventions for non-motorized modes with a universal accessibility and gender perspective; and (v) support to the design and implementation of the Sustainable Urban Mobility Plan (SUMP) following a user-focused design that acknowledges gender differences in travel patterns and address the risk of sexual harassment, especially for female users, in the public transport.
- 3.2 Component 2. Fare collection system, fare integration and user information system (US\$160,000).** This component focuses on supporting the upgrading of the current, cash-based system and creating a base for seamless integration of new transit projects, avoiding potential health risks related to handling cash and the generation of mobility data. The component will support the following activities: (i) technical, legal and financial studies for the implementation of a fare collection system, (ii) support for the definition of gender sensitive fare integration policies that improve urban accessibility to services and employment; and (iii) support for the design of a user information system in public transport.
- 3.3 Component 3. Knowledge, strengthening of technical capacities and dissemination of results (US\$50,000).** This component will support the capacity building of public officials of the MOPT and VMT, as well as the socialization and dissemination of the results obtained from Components 1 and 2 through publications, workshops and seminars with the main stakeholders of the Government and related public and private entities. This includes: (i) training of the MOPT/VMT staff on key urban mobility aspects and (ii) the elaboration of knowledge products.
- 3.4** The budget of the TC will be US\$750,000. The distribution of costs is presented in the following table: which will be financed by the Japan Special Fund (JSF) (Japan Quality Infrastructure Initiative [JQI]).

Indicative Budget (US\$)

Activity / Component	Description	IDB / Fund Funding	Total Funding
Component 1. Pre-investment studies	Formulation of institutional design and scheme for a mass transit system	230,000	230,000
	Studies of regulatory and juridical aspects for a mass transit system	130,000	130,000
	Studies supporting the technical, financial and legal studies for the rail-based transit line	100,000	100,000
	Technical design of interventions for non-motorized modes	50,000	50,000
	Support for the design and implementation of the Sustainable Urban Mobility Plan (SUMP)	30,000	30,000
Component 2. Innovation and Technology	Technical, legal and financial studies for the implementation of a fare collection system	70,000	70,000
	Support for the definition of fare integration policies	60,000	60,000
	Support for the design of a user information system in public transport	30,000	30,000
Component 3. Knowledge, capacity building and dissemination	Training of the MOPT/VMT staff on key urban mobility aspects	42,000	42,000
	Support to elaboration of knowledge products	8,000	8,000
TOTAL		750,000	750,000

IV. Executing agency and execution structure

- 4.1 In response to the request of Government of El Salvador, the execution of the TC will be provided by the Bank through the Transport Division (INE/TSP) and will be executed, supervised and monitored by the IDB's El Salvador Representation with the support of personnel of other office locations. This execution is justified by the knowledge of the IDB's Transport Division in the areas of urban mobility and technology solutions for mobility issues. The Bank's previous experience will allow establishing logical and robust guidelines for the preparation of complementary studies for a new mass transport solution in the Metropolitan Area of San Salvador.

- 4.2 INE/TSP will be in charge of the acquisition processes, which will allow the contracting within the framework of the TC to be carried out in a timely and foreseen manner at the time of execution (GN-2629-1).
- 4.3 The sector specialist who will be in charge of the project, will be responsible for supervising and controlling the execution of the TC and will be in charge of the selection, contracting and supervision of external consultants, as well as the acquisition of other services in accordance with the applicable procedures. The contracting will be carried out in accordance with the policies: GN-2765-4 and its operational guide (OP-1155-4), for contracting consulting firms; Section AM-650 of the Bank's Administrative Manual "Complementary Work Force" for individual consultants. The acquisition processes for small contracts of the consulting services for Component 3 will be conducted under the Single Source Selection process, as they will be based on the results of the previous components and do not require a high level of technical specialization.
- 4.4 The time required for disbursements and execution of the TC is estimated at 36 months.
- 4.5 The TC does not present fiduciary management risks since it will be executed by the Bank. For this same reason, no financial audit is required.

V. Major issues

- 5.1 Due to the nature and activities outlined in this TC, no major risks are identified. The risks identified for this TC are minor and do not represent an important deterrent to the development of this project. One of the risks derived from the nature of this technical cooperation is the possible lack of communication and appropriation of the public sector counterparts. A second risk identified for the TC's execution is the collaboration of various governmental institutions with the contracted consultants being essential in order to provide the necessary information for the proper development of the proposed studies.
- 5.2 To mitigate the first risk mentioned, the Component 3 is focusing on the communication and dissemination of knowledge products internally and externally. It includes workshops, which should ensure the engagement and appropriation of the public sector counterparts in this TC.
- 5.3 Furthermore, relating to the second risk, the TC includes mandatory communication activities in the TORs of the firms and individuals contracted under the Components 1 and 2. Those activities should ensure the active engagement of public sector counterparts in information sharing and analytical activities developed with this TC.

VI. Exceptions to Bank policy

- 6. No exceptions to Bank policy have been identified.

VII. Environmental and Social Strategy

- 7.1 This TC has no environmental or social implications because it is the contracting of consulting services for the preparation of studies. Considering the Environment and Safeguards Compliance Policy (OP-703), the nature and objectives of the TC, and its environmental and socio-cultural impacts and risks, the classification of this TC as Category "C" is recommended (see safeguards filters [Safeguard Screening Form](#) and [Safeguard Policy Filter](#)).

Required Annexes:

[Request from the Client_49064.pdf](#)

[Results Matrix_61350.pdf](#)

[Terms of Reference_86054.pdf](#)

[Procurement Plan_75517.pdf](#)