

TECHNICAL COOPERATION DOCUMENT
Support for Institutional Strengthening
HA-T1204

I. BASIC INFORMATION

▪ Country/Region:	Haiti
▪ TC Name:	Support for Institutional Strengthening
▪ TC Number:	HA-T1204
▪ Team Leader/Members:	Carlos Mojica (INE/TSP), Team Leader; Olivia Désinor (TSP/CHA), Alternate Team Leader; Reinaldo Fioravanti, Elkin Bello and Giovanna Mahfouz (INE/TSP); Luis-François Chretien (LEG/SGO)
▪ Indicate if: Operational Support, Client Support, or Research & Dissemination.	Operational Support.
▪ If Operational Support TC, give number and name of Operation Supported by the TC:	HA-L1099 "INSTITUTIONAL STRENGTHENING AND REFORM OF THE TRANSPORT SECTOR II"
▪ Reference to Request: (IDB docs #)	CPD
▪ Date of TC Abstract:	August, 2014
▪ Beneficiary:	Haiti
▪ Executing Agency and contact name:	INE/TSP
▪ IDB Funding Requested:	US\$ 500,000
▪ Local counterpart funding, if any:	-
▪ Disbursement period:	24 months
▪ Required start date:	February 2015
▪ Types of consultants (firm or individual consultants):	Firms and Individuals
▪ Prepared by Unit:	INE/TSP
▪ Unit of Disbursement Responsibility:	INE/TSP
▪ Included in Country Strategy (y/n);	Yes
▪ TC included in CPD (y/n):	Yes
▪ GCI-9 Sector Priority:	(i) reducing poverty and inequality (ii) address the special needs of the less developed and smaller countries

II. OBJECTIVE AND JUSTIFICATION

2.1 Justification and objectives. Transport infrastructure in Haiti endures a series of critical limitations in terms of quality and coverage reflected in high transportation cost and travel time for both individual users and firms, most of those limitations stem from the dual impact of historic low levels of investment in the sector and the chronic weakness

of its institutions and legal frameworks. In addition, Haiti has endured numerous natural disasters through the years that have damaged key infrastructures, and thus rendered progress in the sector furthermore onerous.

- 2.2 Despite the challenges, Haiti has improved significantly the quality of its road infrastructure in the past years with financing from the Bank and others donors. Immediately after the earthquake in January 2010 it was estimated that only 9% of the total road network was in good condition. Moreover, only 10% of the roads received continuous maintenance. In the past four years, more than 100 km of primary network and 250 km of secondary and tertiary roads have been rehabilitated and estimates by the Government of Haiti (GoH) indicate that currently about 15% of the total road networks and 64% of the primary network are in good condition. Since 2010, through the Program of the Transportation Sector Development 2010-2015 (PTSD II), IADB approved a total of US\$ 350 million for the sector in the form of investment grants, supporting an extensive program of road rehabilitation and focused institutional strengthening.
- 2.3 To continue the effort and guarantee the sustainability of investments in transport sector in Haiti, the Bank is supporting the government in undertaking a multi-year strengthening plan for the *Ministère de Travaux Publics, Transport et Communications* (MTPTC) supported by IDB through multiple operations (HA-L1058, HA-L1079, HA-L1088). The key functions to be reinforced are: i) road maintenance, ii) road planning, iii) road safety and iv) project execution. For the maritime sector, a policy based program was approved in 2014 to support the institutional and legal reform of the maritime sector and the modernization of the port institutions (HA-L1088), as part of this effort, the government recently prepared and published a policy for ports, including the overall guidelines for regulatory and institutional aspects, the policy paper will be the basis for the new law for ports. The Bank will prepare the second and third phase of the PBG in 2015 and 2016 respectively.
- 2.4 Finally, in the urban area, mainly in Port-Au-Prince, capital and Haiti's biggest city, there is a lack of urban transportation planning and infrastructure: traffic is chaotic (average speed in main streets is 11 km/h for direct origin-to-destination trips), streets were not properly designed and drivable street spaces are very limited since pedestrians use them to walk (merchants occupy sidewalks). Around of 80% of motorized transport is privately owned and operated low cost collective taxis. They are moderately regulated, with the prices they charge decided by the government (without sufficient studies), and the routes they serve are loosely defined. Portion of the population is too poor to benefit from this system, and cannot afford motorized transport.
- 2.5 The objective of this TC is to supplement the Bank's efforts in the country's institutional strengthening by providing technical support for the modernization and functional optimization of the road and maritime sectors. This modernization stands as the main objective of operation HA-L1099 "INSTITUTIONAL STRENGTHENING AND REFORM OF THE TRANSPORT SECTOR II".

III. DESCRIPTION OF ACTIVITIES

- 3.1 This TC will finance the following activities:

- 3.2 **Component 1: Road Standard (US\$ 100M).** This component aims to develop and update key regulation documents to improve the functions of MTPTC. The activities are: (i) to inventory and carry out technical analysis of MTPTC administrative and normative documents (ii) to collect information about practices of road authorities in other countries; (iii) to study the contracts between MTPTC and its partners; (iv) to develop a standardization process, adapted to the Haitian context, with a broad participation of stakeholders.
- 3.3 **Component 2: Support for the Institutional Strengthening and Reform of the Transport Sector (US\$ 400M).** This component will contribute to the institutional strengthening of the transport sector, focusing in the Port Reform (legal and regulatory framework for ports management and operation) and in the improvement of the capacity of the MTPTEC to carry out its activities.

IV. BUDGET

Category	IADB	TOTAL
1. Component 1: Road Standard	100,000	100,000
3. Component 2: Support for the Institutional Strengthening and Reform of the Transport Sector	400,000	400,000
TOTAL	500,000	500,000

V. EXECUTION

- 5.1 The beneficiary of this technical cooperation will be the MTPTC. The Central Execution Unit (UCE) will be the executing agency. UCE will be in charge of procurement process, administrative and monitoring activities. In coordination with the Project Team, they will perform the administration of the TC and will be in charge of accounting and financial records. The selection of consultants and firms financed by the IADB will follow the "Policies for the Selection and Contracting of Consultants financed by the Inter-American Development Bank (GN-2350-9)", March 2011.

VI. PROJECT RISKS AND ISSUES

- 6.1 The main risks are associated to the capacity of the MTPTC to execute the components of this TC among other priorities, to mitigate this risk, the recommendation is that the execution to be performed by the Bank, through the local office with continuous support from HQ. Non objection from MTPTC will be requested for all contracts.

VII. ENVIRONMENTAL AND SOCIAL CLASSIFICATION

- 7.1 This technical cooperation has no environmental or social implications since the products are studies. These studies take into account the expected benefits and possible negative impacts related with the implementation of road projects and aim to design mitigation measures to tackle the negative impacts. Given the nature of technical cooperation, this operation is classified as "C".