

## PROJECT PROFILE (PP)

### BELIZE

#### I. BASIC DATA

<b>Project name:</b>	George Price Highway Rehabilitation		
<b>Project number:</b>	BL-L1019		
<b>Project team:</b>	Leopoldo Montañez (INE/TSP), Team Leader; Raúl Rodríguez Molina (INE/TSP), Alternate Team Leader; María Romero Pons (INE/TSP); Isabel Granada (TSP/CCO); Brian McNish (TSP/CPN); Cassandra Rogers (RND/CBA); Venetia Eck-Salazar (CID/CBL); Hisakhana Corbin (VPS/ESG); Andrés Consuegra (LEG/SGO); Paula Louis-Grant (FMP/CBA); and Jorge Luis González (FMP/CCR)		
<b>Borrower:</b>	Government of Belize (GoBL)		
<b>Executing agency:</b>	Ministry of Works and Transport (MoWT)		
<b>Financial plan:</b>	IDB (OC):	US\$20,000,000	
	Total:	US\$20,000,000	
<b>Safeguards:</b>	Policies triggered:	OP-704; OP-102; (B.02); (B.03); (B.04); (B.05); (B.06); (B.07); (B.11); and (B.17)	
	Classification:	B	

#### II. BACKGROUND AND JUSTIFICATION

##### A. Background

- 2.1 Belize is a small tropical country with a lightly spread population of 340,786. The country and its infrastructure, especially in the low lying coastal areas, are critically vulnerable to frequent tropical storms and hurricanes, flood damage and rising sea levels. Belize's economy depends significantly on tourism and agriculture<sup>1</sup>. Poor quality transport infrastructure raises transport costs<sup>2</sup>, constrains growth in imports and exports, prevents cultivation of available land due to poor access, and limits tourist travel to prominent cultural and ecological sites around the country. Thus the Bank identifies the quantity and quality of transport infrastructure as a binding constraint to Belize's economic growth<sup>3</sup>.
- 2.2 Belize's road network consists of 3,281 km of roads, of which 573 km are primary roads or highways, 765 km are secondary roads and 1,943 km are rural roads. Only 20% of the road network is paved, the lowest in Latin American and the Caribbean (LAC)<sup>4</sup>. The existing network of roads and bridges is severely

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<sup>1</sup> According to the Central Bank of Belize, in 2012, tourism accounted for 40% of exports of goods and services and agriculture accounted for 28% of exports of goods and services. Both shares have risen in 2013 as a result of declining oil exports but 2012 is the last full year with available data.

<sup>2</sup> IDB Belize Transport Sector Policy Note 2013. Transport Sector Costs (average freight price for a 40 ft. container US\$/km): Belize: 2.6; Nicaragua: 1.21; El Salvador: 1.34; Mexico: 1.42; Costa Rica: 1.6; Panama: 1.85; Colombia: 2.9; Honduras: 3.3; and Dominican Republic: 4.75.

<sup>3</sup> [IDB Technical Note, Rekindling Economic Growth in Belize. Dougal Martin 2013.](#)

<sup>4</sup> IDB Belize Transport Sector Policy Note 2013 based on the information provided by the MoWT (% of paved roads), Belize: 20 (2010); LAC: 22.45 (2010); Surinam: 26 (2000); El Salvador: 46.9 (2006); Dominican Republic: 49.4 (2005); Jamaica: 73.3 (2005); Guyana: 7.4 (2001); Haiti: 24.3 (2001); Mexico: 35.3 (2008); Guatemala: 59.1% (2010).

impacted by recurrent flooding. During the last decades tropical storms and hurricanes have affected the country recurrently<sup>5</sup>. Impacts are likely to worsen due to increased rainfalls and sea level rise associated with climate variability and climate change<sup>6</sup>. Insufficient maintenance coupled with under designed road alignments are contributing to both high internal freight costs<sup>7</sup> and to one of the highest road fatality rate among the Latin American region<sup>8</sup>.

## **B. The Problem**

- 2.3 The George Price Highway (GPH), formerly known as the Western Highway, connects: (i) Belize City, the economic center; (ii) Belmopan, the national capital; (iii) San Ignacio and Santa Elena, the second largest urban area in the country; and (iv) Benque Viejo on the Guatemalan Border. The GPH is a two-lane, 79.4 mile highway originally built in the 1930s and last rehabilitated in the mid-1980s. Since then, the roadway's pavement has deteriorated significantly, in particular between Belmopan (mile 47.9) and the Guatemalan Border at Benque Viejo (mile 79.4) due to: (i) insufficient drainage; (ii) the steep increase in truck traffic from the expansion of, primarily, the petroleum sector and, to a lesser extent, the agriculture and tourism sectors; and (iii) limited maintenance. The pavement's poor conditions together with the absence of paved shoulders, unsafe road alignments, lack of pedestrian facilities in urban areas, and limited marking and signing add to Belize's high incidence of road fatalities.
- 2.4 Flooding greatly restricts mobility along the road and makes evident infrastructure vulnerabilities during extreme weather events. This is significant as the highway is a primary evacuation route for coastal areas including Belize City<sup>9</sup>. Of particular concern is the Roaring Creek Bridge (mile 48), located near Belmopan, which has been submerged at least twice in the last ten years and frequently has water straining its superstructure, possibly undermining its structural integrity. Loss of access to the bridge cuts off a critical evacuation route during severe storm events in the short-term and severely damages trade with Guatemala and tourism to important sites in Western Belize in the long-term.
- 2.5 As a consequence, the GPH suffers from a decreasing level-of-service<sup>10</sup> providing a major constraint for Belize's economic and social development and integration with Central America and compromising the use of this corridor as a primary evacuation route. To address these problems the GoBL has requested support

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<sup>5</sup> Tropical depressions, tropical storms, or hurricanes have been recorded in 1931, 1955, 1961, 1971, 1974, 1978, 2000, 2001 and 2007, by the US National Weather Service.

<sup>6</sup> Climate change projections predict increased hurricane/storm activity and intensity. The likely effect of this trend is anticipated by the US\$136 billion in losses from 165 storm events between 1990 and 2008 for 14 Caribbean countries according to the Economic Commission for Latin America and the Caribbean.

<sup>7</sup> See footnote 3.

<sup>8</sup> Traffic fatalities per 100,000 people in the region (IDB): Belize: 28.9; El Salvador: 21.5; Honduras: 17.8; Nicaragua: 12; Guatemala: 12; Costa Rica: 12.6; Dominican Republic: 25.3; Suriname: 19.7; Bahamas: 19.2; Guyana: 19.1; Trinidad & Tobago: 15.5; Barbados: 12.8; and Jamaica: 12.7.

<sup>9</sup> The GPH is the designated national evacuation route to San Ignacio and Santa Elena for citizens of Belize City and northern communities in case of natural hazard and natural disaster.

<sup>10</sup> A qualitative measure that describes traffic conditions in terms of speed, freedom to maneuver, comfort, convenience, traffic interruptions and safety, according to Highway Capacity Manual.

from the Bank<sup>11</sup> to finance the two priority elements of intervention (the project): (i) the rehabilitation of the GPH between Belmopan and the Guatemalan Border at Benque Viejo; and (ii) the Roaring Creek Bridge.

### **C. Link to National Policies and Related Projects**

2.6 The GoBL has made the GPH Rehabilitation Project one of Belize's highest priorities<sup>12</sup>. The project aligns with Belize's Country Medium-Term Development Strategy (2010-2013), by stressing the importance of an efficient transport service for economic development. Other active projects within the GPH corridor are a by-pass and new bridge around San Ignacio and Santa Elena municipalities (US\$40 million) and a road safety program (US\$10 million) on the GPH between Belize City and Belmopan both funded by the Caribbean Development Bank. Both projects will contribute to the project objective.

### **D. Strategic Alignments**

2.7 The GPH rehabilitation meets the Bank's transport priorities detailed in the 2013-2017<sup>13</sup> Country Strategy with Belize by improving a primary highway significant for trade with Central America and providing greater access to cultural heritage and ecological destinations in the Belizean interior. The project is also aligned with three of the five Bank's institutional priorities of the Ninth General Increase in Resources Report (GCI-9) (AB-2764): (i) "supporting development in small and vulnerable countries"; (ii) "climate change, renewable energy and environmental sustainability" as the proposed rehabilitation will contribute to the infrastructure adaptation to the more often climate-related disasters; and (iii) "supporting regional cooperation and integration." The project is aligned with Sector Strategy to Support Competitive Global and Regional Integration (GN-2565-4) as the GPH corridor is part of the Red Internacional de Carreteras Mesoamericanas (RICAM), that prioritizes the most relevant road links to foster the commercial dynamic in the region and with the rest of the world (regional additionality).

## **III. OBJECTIVE AND PROJECT DESCRIPTION**

### **A. Objective**

3.1 The project objective is to substantially improve the road connectivity within Belize's main districts and with Central America by upgrading/rehabilitating the road infrastructure to national standards, improving road safety, and ensuring better climate change resilience of the corridor<sup>14</sup>. To meet this objective the following components must be completed.

### **B. Components**

3.2 **Component 1. Rehabilitation of the George Price Highway.** Under this component the Bank will finance the rehabilitation of the GPH from mile 47.9 to

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<sup>11</sup> [Official request letter from the GoBL.](#)

<sup>12</sup> As stated by the MoWT officials during the Bank's special mission in September 2013.

<sup>13</sup> The 2013-2017 Country Strategy for Belize is expected to be approved by December 2013.

<sup>14</sup> As agreed with the GoBL during the Bank's special mission in September 2013, see [Aide Memoir.](#)

- 79.4 to meet the GoBL design standards<sup>15</sup> for highways, provide resilience to flooding and other climate change effects, and improve road safety. This rehabilitation will include: (i) vertical and horizontal alignment improvements; (ii) improvements to the drainage system; (iii) pavement reconstruction; (iv) roadway widening; (v) construction of pedestrian and bicycle facilities in urban areas; and (vi) adequate signing, and marking of the roadway.
- 3.3 **Component 2. Rehabilitation or Replacement of the Roaring Creek Bridge.** This component will finance either the rehabilitation or replacement of the Roaring Creek Bridge depending on the outcome of the feasibility study. The rehabilitated/new bridge will be resilient to flooding, providing a safe and reliable connection between Belize City with the western half of the country.
- 3.4 **Component 3. Institutional Strengthening.** This component will finance the hiring of an independent construction supervision firm and the strengthening of the institutional framework required to adequately plan, execute and monitor all project activities. A Project Execution Unit (PEU), to be created under this component, will be organized inside the MoWT<sup>16</sup> and will be trained in the following areas among others: (i) structuring of performance-based contracts for maintenance; (ii) environmental safeguards application in accordance to the Bank policies; (iii) application of Bank's procurement policies (GN-2349-9 and GN-2350-9); and (iv) utilization of AASHTO<sup>17</sup> highway design and testing codes by staff.
- 3.5 The final scope of Components 1 and 2 will be determined by the feasibility studies under the technical cooperation BL-T1063<sup>18</sup> (ATN/OC-1458-BL).

### **C. Project Execution**

- 3.6 The PEU, described in Component 3 of this project, will be responsible for project implementation and the administration of all components of the loan, including supervision, disbursements, and all reporting to the Bank.

## **IV. TECHNICAL ISSUES AND SECTOR KNOWLEDGE**

- 4.1 **Technical Issues.** The GoBL estimated the total cost of the project in US\$27 million (US\$7 million for the Roaring Creek Bridge and US\$20 million for all remaining components)<sup>19</sup>. The GoBL has officially requested US\$20 million from the Bank<sup>20</sup> which will work together with GoBL to pursue co-financing for the additional funding requirements<sup>21</sup>. Based on the feasibility studies' results, a component prioritization will be agreed upon with the GoBL.

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<sup>15</sup> Feasibility studies will identify, in agreement with the MoWT, the standards to be met during the road and bridge designs. International standards like AASHTO from the US among others, will be considered.

<sup>16</sup> Staff under this PEU will include: highway, geotechnical and environmental engineers, specialist in topography, social specialist, procurement officer, finance officer, site supervisors.

<sup>17</sup> American Association of State Highway and Transportation Officials.

<sup>18</sup> The technical cooperation BL-T1063 is eligible to be funding by the Infracred and it is expected to be approved by December 2013.

<sup>19</sup> As agreed with the GoBL during the Bank's special mission in September 2013, see [Aide Memoir](#).

<sup>20</sup> [Official request letter from the GoBL](#).

<sup>21</sup> The Bank is exploring potential interest in supporting this project with other development agencies and organizations as the European Union.

- 4.2 **Sector Knowledge.** Recent studies and operations looked at Belize's road network and produced infrastructure improvement recommendations. These studies include: (i) global study to propose specific interventions to reduce the Belizean road network vulnerability to flooding (Tyspa, 2010); (ii) a flood mitigation infrastructure project financed by the Bank (BL-L1013, 2566/OC-BL); and (iii) road maintenance strategy for Belize (MoWT, 2013). The design of this project takes into account the recommendations set forth in these studies, and seeks to increase the knowledge base for future interventions.

## V. SAFEGUARD AND FIDUCIARY SCREENING

- 5.1 In accordance with the guidelines of the Policy Environment and Safeguards Compliance Policy (OP-703), the proposed operation is currently classified as category "B" by the project team as it is estimated that the program will not generate significant negative environmental and/or social impacts. If any alterations to the road alignment are necessary, additional land acquisition may affect housing estates, public buildings and small (formal and informal) businesses; in that case resettlement or compensation for losses will proceed in conformity with the requirements of the Bank's Policy OP-710. The potential for impacts to cultural heritage/archaeological sites and to the Guanacaste National Park will require sensitive handling in accordance with the Bank's safeguard policies.
- 5.2 A project classification of "B" requires an Environment and Social Strategy (ESS) that should include three components: (i) environmental analysis, which should include the identification of existing critical environmental and social liabilities and corrective/migratory measures; (ii) development and utilization of appropriate social and environmental procedures for implementation and supervision of the works; and (iii) training for contractors and supervisors in social and environmental safeguards that are relevant to the application of such procedures in the context of transport planning and road maintenance.
- 5.3 Considering that part of the loan will be allocated to institutional strengthening, as described in Component 3, it is expected that the executing agency will be adequately competent for effective and efficient execution of the project. The MOWT has an appropriate organizational structure and will be supported by the PEU.

## VI. RESOURCES AND TIMETABLE

- 6.1 Annex V presents the timetable and costs for preparing the loan, including the milestones: to distribute the Proposal for Operations Development to Quality and Risk Review in November 2014. As described in Annex VI, a technical cooperation (BL-T1063) to be approved by December 2013 will support the project preparation by financing both the feasibility studies and the environmental and social assessment. An estimated allocation of US\$600,000<sup>22</sup> from administrative funds could be required to complete the engineering designs.

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<sup>22</sup> The estimated amount has been provided by the GoBL during the Bank's special mission in September 2013. The final cost of the engineering design will be determined by the feasibility studies.

CONFIDENTIAL

<sup>1</sup> The information contained in this Annex is confidential and will not be disclosed. This is in accordance with the "Deliberative Information" exception referred to in paragraph 4.1 (g) of the Access to Information Policy (GN-1831-28) at the Inter-American Development Bank.

### SAFEGUARD POLICY FILTER REPORT

PROJECT DETAILS		
<b>IDB Sector</b>	TRANSPORT	
<b>Type of Operation</b>	Other Lending or Financing Instrument	
<b>Additional Operation Details</b>		
<b>Investment Checklist</b>	Generic Checklist	
<b>Team Leader</b>	Montanez Cruz, Leopoldo (LEOPOLDOM@iadb.org)	
<b>Project Title</b>	George Price Highway Rehabilitation	
<b>Project Number</b>	BL-L1019	
<b>Safeguard Screening Assessor(s)</b>	Corbin, Hisakhana Pahoona (HISAKHANAC@iadb.org)	
<b>Assessment Date</b>	2013-10-16	
SAFEGUARD POLICY FILTER RESULTS		
<b>Type of Operation</b>	Loan Operation	
<b>Safeguard Policy Items Identified (Yes)</b>	Activities to be financed by the project are in a geographical area and sector exposed to natural hazards* (Type 1 Disaster Risk Scenario).	(B.01) Disaster Risk Management Policy–OP-704
	The operation itself has a potential to exacerbate hazard risk* to human life, property, the environment or the operation itself (Type 2 Disaster Risk Scenario).	(B.01) Disaster Risk Management Policy–OP-704
	The Bank will make available to the public the relevant Project documents.	(B.01) Access to Information Policy–OP-102
	The operation is in compliance with environmental, specific women’s rights, gender, and indigenous laws and regulations of the country where the operation is being implemented (including national obligations established under ratified Multilateral Environmental Agreements).	(B.02)
	The operation (including associated facilities) is screened and classified according to their potential environmental impacts.	(B.03)
	The Borrower/Executing Agency exhibits weak institutional capacity for managing environmental and social issues.	(B.04)
	An Environmental Assessment is required.	(B.05)
	Consultations with affected parties will be performed equitably and inclusively with the views of all stakeholders taken into account, including in particular: (a) equal participation of women and men; (b) socio-culturally	(B.06)

	appropriate participation of indigenous peoples; and (c) mechanisms for equitable participation by vulnerable groups.	
	The Bank will monitor the executing agency/borrower's compliance with all safeguard requirements stipulated in the loan agreement and project operating or credit regulations.	(B.07)
	The operation has the potential to pollute the environment (e.g. air, soil, water, greenhouse gases...).	(B.11)
	Suitable safeguard provisions for procurement of goods and services in Bank financed projects may be incorporated into project-specific loan agreements, operating regulations and bidding documents, as appropriate, to ensure environmentally responsible procurement.	(B.17)
<b>Potential Safeguard Policy Items(?)</b>	Potential disruption to people's livelihoods living in the project's area of influence (not limited to involuntary displacement, also see Resettlement Policy.)	(B.01) Resettlement Policy– OP-710
	Environmental or culturally sensitive areas, defined in the Policy as critical natural habitats or critical cultural sites in project area of influence (please refer to the <a href="#">Decision Support System</a> for more information).	(B.09)
<b>Recommended Action:</b>	<p>Operation has triggered 1 or more Policy Directives; please refer to appropriate Directive(s). Complete Project Classification Tool. Submit Safeguard Policy Filter Report, PP (or equivalent) and Safeguard Screening Form to ESR.</p> <p>The project triggered the Disaster Risk Management policy (OP-704). A Disaster Risk Assessment (DRA) may be required (see Directive A-2 of the DRM Policy OP-704) in case of high risk, a limited DRA in case of moderate risk. Next, please complete a Disaster Risk Classification along with Impact Classification.</p>	
<b>Additional Comments:</b>		

ASSESSOR DETAILS	
<b>Name of person who completed screening:</b>	Corbin, Hisakhana Pahoona (HISAKHANAC@iadb.org)
<b>Title:</b>	
<b>Date:</b>	2013-10-16



### SAFEGUARD SCREENING FORM

PROJECT DETAILS	
<b>IDB Sector</b>	TRANSPORT
<b>Type of Operation</b>	Other Lending or Financing Instrument
<b>Additional Operation Details</b>	
<b>Country</b>	BELIZE
<b>Project Status</b>	
<b>Investment Checklist</b>	Generic Checklist
<b>Team Leader</b>	Montanez Cruz, Leopoldo (LEOPOLDOM@iadb.org)
<b>Project Title</b>	George Price Highway Rehabilitation
<b>Project Number</b>	BL-L1019
<b>Safeguard Screening Assessor(s)</b>	Corbin, Hisakhana Pahoona (HISAKHANAC@iadb.org)
<b>Assessment Date</b>	2013-10-16

PROJECT CLASSIFICATION SUMMARY		
<b>Project Category:</b> B	<b>Override Rating:</b>	<b>Override Justification:</b>
		<b>Comments:</b>
<b>Conditions/ Recommendations</b>	<input type="checkbox"/> Category "B" operations require an environmental analysis (see Environment Policy Guideline: Directive B.5 for Environmental Analysis requirements).  <input type="checkbox"/> The Project Team must send to ESR the PP (or equivalent) containing the Environmental and Social Strategy (the requirements for an ESS are described in the Environment Policy Guideline: Directive B.3) as well as the Safeguard Policy Filter and Safeguard Screening Form Reports.  <input type="checkbox"/> These operations will normally require an environmental and/or social impact analysis, according to, and focusing on, the specific issues identified in the screening process, and an environmental and social management plan (ESMP). However, these operations should also establish safeguard, or monitoring requirements to address environmental and other risks (social, disaster, cultural, health and safety etc.) where necessary.	

SUMMARY OF IMPACTS/RISKS AND POTENTIAL SOLUTIONS	
<b>Identified Impacts/Risks</b>	<b>Potential Solutions</b>
The project will or may require involuntary resettlement and/or economic displacement of a minor to moderate nature (i.e. it is a direct impact of the project) and does not affect indigenous peoples or other vulnerable land based groups.	<b>Develop Resettlement Plan (RP):</b> The borrower should be required to develop a simple RP that could be part of the ESMP and demonstrates the following attributes: (a) successful engagement with affected parties via a process of Community Participation; (b) mechanisms for delivery of compensation in a timely and efficient fashion; (c) budgeting and internal capacity (within borrower's organization) to monitor and manage resettlement activities as necessary over the course of the project; and (d) if needed, a grievance mechanism for resettled people. Depending on the financial product, the RP should be referenced in legal documentation (covenants, conditions of disbursement, project completion tests etc.), require regular (bi-annual or annual) reporting and independent review of implementation.

<b>DISASTER RISK SUMMARY</b>	
<b>Disaster Risk Category:</b> Moderate	
<b>Disaster/ Recommendations</b>	<ul style="list-style-type: none"> <li>• The reports of the safeguards policy filter (SPF) and the safeguard classification, i.e. the safeguard screening form (SSF) constitute the Disaster Risk Profile to be included in the Environmental and Social Strategy (ESS). Project Team must send to the ESR the PP (or equivalent) containing the ESS.</li> <li>• Moderate disaster risk operations do not require a full Disaster Risk Assessment (DRA) (see Directive A-2 of the DRM Policy OP-704). On the basis of pertinent information, a Disaster Risk Management Summary is prepared by the borrower, concentrating comprehensive information on the specific moderate disaster risks associated with the project and the risk management measures proposed by the Borrower. The Project Team arranges for addressing risk reduction proposals in the engineering and insurance review (if applicable) during project analysis or due diligence by the sector expert or the independent engineer. The potentially exacerbated risks for the environment and population and the risk preparedness measures are included in the Environmental and Social Management Report (ESMR), and reviewed by the ESG expert or the environmental consultant. The results of these analyses are reflected in the general risk analysis for the project. Regarding project implementation, monitoring and evaluation, the project team identifies and supervises the approaches which the project executing agency applies to DRM.</li> <li>• The disaster risk management specialists in INE/RNE may be consulted in the process, in particular for country and other disaster risk related information and standards. Climate change adaptation specialists in INE/CCS may be consulted for influence of climate change on existing and new natural hazard risks. If the project needs to be modified to increase resilience to climate change, consider the: (i) possibility of classification as adaptation project; and (ii) additional financing options. Please consult the INE/CCS adaptation group for guidance.</li> </ul>

<b>SUMMARY OF DISASTER IMPACTS/RISKS AND POTENTIAL SOLUTIONS</b>	
<b>Identified Impacts/Risks</b>	<b>Potential Solutions</b>
Tropical Storms are prevalent and the likely severity of impacts is moderate.	When moderate storm loss risks for the project during execution and operation, and potential exacerbated risks for people and the environment are confirmed in the (limited) DR assessment taking into account the modifying influence of climate change, the appropriate measures to reduce the risks (predominantly engineering), to prepare for impact (predominantly environmental and social safeguards) and to include financial protection are examined, proposed and reviewed.

<b>ASSESSOR DETAILS</b>	
<b>Name of person who completed screening:</b>	Corbin, Hisakhana Pahoona (HISAKHANAC@iadb.org)
<b>Title:</b>	
<b>Date:</b>	2013-10-16

## ENVIRONMENTAL AND SOCIAL STRATEGY (ESS)

### I. BACKGROUND

- 1.1 The George Price Highway (GPH), formerly known as the Western Highway, connects Belize City, the economic center, with Belmopan, the national capital; San Ignacio and Santa Elena, the second largest urban area in the country; and Benque Viejo on the Guatemalan Border. The GPH is a two-lane highway that was originally built in the 1930s. The road was last rehabilitated in the mid-1980s. Since then, the roadway has deteriorated significantly due to limited maintenance, insufficient drainage, and the steep increase in traffic levels emanating from the expansion in the agriculture, oil and tourism sectors. The GPH between Belmopan (mile 47.9) and the Guatemalan Border at Benque Viejo (mile 79.4) is now in need of urgent rehabilitation.
- 1.2 Flooding greatly restricts mobility along the road and makes evident infrastructure vulnerabilities during the extreme weather events common during the hurricane season from June until November. This is significant as the highway is a primary evacuation route for coastal areas including Belize City. Of particular concern is the Roaring Creek Bridge, which has been inundated twice in the last ten years, possibly undermining its structural integrity, and cutting access between coastal and western Belize. Increased precipitation and extreme weather events as a result of climate change, give great urgency to the need to protect infrastructural assets that are indispensable for two of the country's biggest GDP contributors, agriculture and tourism taking into account, not only historical data but also future projections<sup>1</sup>.
- 1.3 The rehabilitation works are consistent with the Bank's strategic transport objective as outlined in the 2013-2017 Country Strategy for Belize to "improve road infrastructure to facilitate trade and integration and access to emerging tourist destinations." The rehabilitation is expected improve road safety standards reducing what is currently Latin America's highest traffic fatality rate; raise the road level above the frequent flooding that often renders the road impassable; improve the primary evacuation route from Belize City, and make the GPH corridor more resilient to the effects of climate change.

### II. PROJECT DESCRIPTION

- 2.1 The Government of Belize (GoBL) has approached the Bank to partially finance (co-finance) a loan of US\$20,000,000 for the rehabilitation of the GPH between Belmopan and the Guatemalan border at Benque Viejo del Carmen. The estimated total cost of the Project is US\$27,000,000, with an estimated US\$7,000,000 being the cost to rehabilitate or replace the Roaring Creek Bridge and US\$20,000,000 being the estimated cost of all other components of the projects as detailed in the section on project components. At present, the GoBL is uncertain whether the

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<sup>1</sup> Belize Second National Communication to the UNFCCC, 2011. Chapter 3 states "The assessment report of 1999 stated that approximately 60% of coastal areas were permanently inundated. With a projected 30-50 cm increase in mean sea level over the next 50 years, areas that are presently a few centimeters above sea level will convert to wetland and current wetlands will convert to shallow lagoons."

Roaring Creek Bridge, which connects the western and eastern sections of the GPH, will be rehabilitated or reconstructed.

- 2.2 The project will support the GoBL to rehabilitate the GPH between the Hummingbird Highway junction in Belmopan (mile 47.9) and the Guatemalan border at Benque Viejo (mile 79.4) and rehabilitate or replace the Roaring Creek Bridge (mile 48). The project outcome will be improved road connectivity with the rest of Belize and with Central American and Mexico, a road that meets current national highway standards, increased road user safety, and greater resilience to climate change. To meet this objective the following components must be completed:
- 2.3 **Component 1. Rehabilitation of the George Price Highway (miles 47.9-79.4).** Under this component the Bank will finance the rehabilitation of the GPH (miles 47.9-79.4) in order to meet the GoBL design standards for highways, provide resilience to flooding and other climate change effects and improve road safety. This rehabilitation will include but is not limited to: (i) vertical and horizontal alignment improvements; (ii) improvements to the drainage system; (iii) pavement reconstruction; (iv) roadway widening; (v) construction of pedestrian and bicycle facilities in urban areas; and (vi) adequate signing and marking of the roadway. The exact scope of the rehabilitation will be determined by the feasibility studies and engineering designs.
- 2.4 **Component 2. Rehabilitation or replacement of the Roaring Creek Bridge.** This component will finance either the rehabilitation or replacement of the Roaring Creek Bridge depending on the outcome of the feasibility study. The current bridge is subject to flooding, cutting off a critical evacuation route for Belize during severe storm events in the short-term and severely damaging trade with Guatemala and tourism at significant sites in Western Belize in the long-term. The rehabilitated/new bridge will provide a safe and reliable connection between Belize City with the western half of the country.
- 2.5 **Component 3. Institutional Strengthening.** This component will finance the hiring of an independent construction supervision firm and the strengthening of the institutional framework required to adequately plan, execute and monitor all project activities. A Project Execution Unit (PEU), to be created under this component, will be organized inside the Ministry of Works and Transport (MoWT)<sup>2</sup> and will be trained in the following areas among others: (i) structuring of performance-based contracts for maintenance; (ii) environmental safeguards application in accordance to the Bank policies; (iii) application of Bank's procurement policies (GN-2349-9 and GN-2350-9); and (iv) utilization of AASHTO highway design and testing codes by staff.
- 2.6 **Project schedule.** Execution of the project is expected in 2015 following possible approval by the end of 2014. The construction of temporary facilities to support the project; including administrative and engineering offices, worker rest, storage and eating areas, is also expected.

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<sup>2</sup> Staff under this PEU will include: Highway, geotechnical and environmental engineers, specialist in topography, social specialist, procurement officer, finance officer, site supervisors.

- 2.7 The final scope of Components 1 and 2 will be determined by the feasibility studies under the Technical Cooperation (TC) BL-T1063<sup>3</sup> (ATN/OC-1458-BL).
- 2.8 **Project alternative analysis.** At present, a project alternative analysis has not been undertaken. This is expected to be dealt with in the Feasibility Studies. In these studies, alternatives could be evaluated for the following criteria: (i) land acquisition; (ii) roadway realignment; (iii) environmental impact; (iv) cost; and (v) the options of rehabilitating or reconstructing the Roaring Creek Bridge. The project is justified by the GPH being the main evacuation route from Belize City during periods of natural disasters and the primary artery for the major economic sectors of tourism and agriculture.

### III. INSTITUTIONAL AND REGULATORY CONTEXT

- 3.1 The MoWT of Belize will be the executing agency for the rehabilitation of the GPH. A new PEU will be formed for the execution of this project. Capacity building will be necessary for efficient and effective execution of the project. The composition of the PEU will include:
- (i) A project manager/team leader who is a civil engineer that has strong management skills and experience shall be responsible for administration of the project;
  - (ii) A financial specialist;
  - (iii) A procurement officer;
  - (iv) A technical specialist who is a professional or chartered civil engineer in good standing with an accredited organization and has at least 10 years of experience in road construction /supervision;
  - (v) A specialist in topography;
  - (vi) Three site supervisors, one for each of the three sections proposed for rehabilitation under the project. They will assist the technical specialist with daily on-site monitoring and inspection for each of the three sections proposed; and
  - (vii) The MoWT indicated that an environmental specialist from the Ministry of Environment will lend support to addressing environmental issues throughout the project. However, it is not clear whether a social specialist will be sourced from another public ministry or will be contracted as a consultant to address social issues.
- 3.2 There are no recent environmental and/or social studies on the condition and usage of the GPH between Belmopan and Benque Viejo at the Guatemalan border. The GoBL formally requested non-reimbursable resources (TC BL-T1063) from the Bank, for the execution of the following: (i) feasibility Study (US\$350,000); and (iii) social and environmental assessment (US\$150,000). It is agreed that the GoBL through the MoWT will be the executing agency for the proposed TC.

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<sup>3</sup> The technical cooperation BL-T1063 is eligible to be funding by the Infracund and it is expected to be approved by December 2013.

- 3.3 The project will comply with the Bank's Environmental and Social Safeguard Policies. At present, the project triggers the following safeguard policies: OP-704; OP-102; (B.02); (B.03); (B.04); (B.05); (B.06); (B.07); (B.11); and (B.17).
- 3.4 Depending on the alignment of the highway and bridge to be rehabilitated, the project may trigger OP-710 as some private properties and/or businesses may be affected. The same applies for the OP-765 and (B.01).
- 3.5 Given that the works involve the rehabilitation of an existing highway, local environmental laws do not require a full Environmental Impact Assessment, but rather a Rapid Ecological Assessment, which normally takes one to two months to for approval. The Ministry of Environment stated that the Rapid Ecological Assessment considers Environmental Social Issues and is a simplified Environmental Assessment. Should the works involve a reconstruction of a new bridge, then a full Environmental Impact Assessment will be required for the bridge. The EIA normally take four to six months to be approved by Ministry of Environment. Considering the risks associated with flooding, which normally renders the Roaring Creek Bridge impassable to vehicular traffic, a disaster (flood) risk assessment is also necessary and will be conducted as part of the EIA.

#### **IV. ENVIRONMENTAL AND SOCIAL SETTING AND CONTEXT**

- 4.1 The GPH is one of four main highways in Belize. It originates in Belize City, runs west through Hattieville, Belize Zoological Park, the capital of Belmopan (northern outskirts), San Ignacio and Santa Elena, San José Succotz (across the river from Xunantunich archaeological site) and terminates at the Guatemalan border at Benque Viejo. The highway bisects the country and connects the eastern and western parts of Belize. The GPH is also in close proximity to the Guanacaste National Park at the intersection with the Hummingbird Highway. At this moment, very limited information is available on the environmental and social settings of the areas of influence of the project. It is expected therefore, that this information will be captured during the pre-investment studies.

#### **V. POTENTIAL ENVIRONMENTAL AND SOCIAL IMPACTS AND RISKS**

- 5.1 The negative environmental and social impacts of this project are not expected to be significant i.e. they will be mostly localized area along the GPH and, are not expected to endanger cultural properties or natural habitats. However, this should be confirmed in the environmental and social assessment. The sections that follow detail standard expected environmental and social impacts and outline standard preventative and/or migratory measures, which are expected to be verified during the due diligence analysis.

##### **A. Environmental**

- 5.2 **Potential environmental impacts.** The project (involving rehabilitation and maintenance road works) does not include high risk activities that could have potential significant and irreversible adverse impacts on the environment and/or affected people.

- 5.3 The main environmental impacts associated with project activities are related to: (i) rehabilitation works of roads and bridges; (ii) operation of camp sites; (iii) asphalt plants and quarries; (iv) generation of some hazardous waste (used oils, air emissions); (v) disturbance to local people due to noise, dust, presence of contractors for several years in small rural communities, and health and safety issues; and (vi) some level of soil degradation and pollution of waterways and (vii) risks associated with flooding, which could render the Roaring Creek Bridge impassable to vehicular traffic. The positive impacts include: (i) benefits to the overall economy and transport needs in the country; (ii) implementation of road safety measures; and (iii) construction of walkways, parallel local roads, road signing, road lighting.
- 5.4 **Mitigation and prevention measures to reduce potential environmental impacts.** Standard measures to prevent and/or mitigate potential environmental impacts include: (i) avoiding impacts on protected areas, fragile ecosystems and native vegetation; (ii) preventing cutting of native forest species and if it is necessary the MoWT will need to obtain the required permit from the requisite agency; (iii) selecting appropriate sites to place camp sites and asphalt plants avoiding places near towns and schools in order to reduce negative effects due to noise, air emissions; (iv) using sediment control measures to reduce pollution of water bodies; (v) reducing soil disturbances and if possible protect the organic soil layer and/or soil from the A horizon of the soil profile for restoration works; (vi) ensuring occupational health and safety measures to ensure workers safety (personal protection equipment, ensure designation of an internal coordinator to supervise internal health and safety measures, provision of potable water and sanitation facilities, and definition of emergency plans as required); (vii) making appropriate waste management rules to handle domestic and hazardous wastes (oil wastes from camp sites); (viii) avoiding construction works at night and if necessary placing road signals and lights as required; (ix) applying water to reduce dust wherever necessary; (x) placing staff to control road traffic and install traffic and prevention signs along the road; (x) ensuring that the PEU has adequate capacity in order to respond efficiently and effectively to the requirement of the Bank's safeguard policies including that on disaster risk management; and (xi) measures to prevent/reduce the risks associated with flooding/natural disasters.

## **B. Social**

- 5.5 **Potential social impacts.** The potential adverse social impacts of the project are assessed to be low to moderate as rehabilitation and maintenance works are expected to take place mostly in the right of way areas. At this point, the adverse social impacts related to construction activities of the project are deemed to be low. Potential adverse impacts during construction may include: (i) noise, dust and traffic issues; (ii) conflicts or disputes between construction workers and local communities; and (iii) increased risk of accidents and safety hazards in the sections of roads under construction/rehabilitation, particularly in urban areas.
- 5.6 The GPH, is the country's main evacuation route from Belize City during periods of natural disasters. It cuts through urban centers (although these sections are usually the responsibility of the municipality) and may cause the following social impacts:

(i) deterioration of municipal roads; (ii) increased traffic; (iii) road safety risks; and (iv) disruption of local social patterns. Given the nature of the intended works and the GPH's importance to most sectors of the economy, principally tourism and agriculture, there may be temporary disruptions in the re-scheduling of traffic schedules.

- 5.7 Impacts related to land acquisition are expected to be minor. As a general rule, the civil works to rehabilitate or maintain roads take place within existing right of ways and, therefore, do not require the acquisition of additional land or cause significant physical or economic displacement. However, certain contracts for road rehabilitation and maintenance occasionally include "new works" at specific locations that can require modifications in the road alignment (for example, to rectify curves or to build new bridges). These modifications can affect strips of private land adjacent to the road. Depending on the alignment of the highway to be rehabilitated, land acquisition may be required as housing estates, public buildings and, small formal and informal businesses may be affected. Cultural heritage/archaeological sites along the highway may also be affected. If land acquisition is required, it is uncertain if lands owned or claimed by indigenous populations will be affected.
- 5.8 **Mitigation and prevention measures to prevent/mitigate potential social impacts.** Standard measures to prevent and/or mitigate potential environmental impacts include: (i) avoiding negative impacts to archeological/cultural heritage sites; (ii) avoiding the need for resettlement and/or economic displacements; (iii) avoiding negative impacts on indigenous communities; (iv) preventing social conflicts and violence against local communities.

## VI. STRATEGY FOR ENVIRONMENTAL AND SOCIAL DUE DILIGENCE

- 6.1 The project is classified as Category B according to its potential environmental and social impacts and risks.
- 6.2 In September 2013, the Bank conducted an orientation mission, which included a site visit, to have a firsthand account of the current characteristics of the GPH and Roaring Creek Bridge to be rehabilitated. The Bank's due diligence will deepen the analysis of current environmental and social management practices that are related to the rehabilitation works. The principal ESDD aspects to be assessed by the Bank with the assistance of an independent environmental and social consulting firm include the following:
- a. Assessment of project compliance status with: international, national, provincial, municipal and local environmental, social, and health and safety regulatory requirements (e.g., laws, regulations, standards, permits, land acquisition legislation, regulation regarding protection of archeological/cultural heritage site etc.);
  - b. Evaluation of the Rapid Ecological Assessment prepared for the project and any other document, report, or assessment to ensure that: (i) the Rapid Ecological Assessment has been prepared in accordance with the Bank's Environmental Impact and Social Assessment Guidelines; (ii) the proposed



environmental and social mitigation measures and monitoring are adequate and well defined in terms of their completeness, sufficiency of detail, feasibility of implementation, cost, assignment of responsibility, schedule, and quality control; (iii) all direct impacts have been identified and assessed, specially the impacts on biodiversity, endangered species, induced erosion, archeological and natural hazards; (iv) the project area of influence has been reviewed and defined if necessary to ensure impacts and risks are considered adequately; (v) that all indirect impacts and/or cumulative effects including air quality, impacts on protected areas (Guanacaste National Park), increased urban pressure in the form of development density, traffic, and the demand for infrastructure have been adequately identified for both the construction and operational phases of the project; and (vi) special emphasis is placed on the assessment of expected noise and air emissions impacts, including a detailed review of the models, meteorological baseline information, expected traffic volume, type and movement, land acquisition depending on the alignment the right-away and, the proposed mitigation and/or compensation measures if required;

- c. Confirmation that the disaster risk assessment and management plan are consistent with the requirements of the IDB's Disaster Risk Management Policy. Particular attention should be given to matters related to the Roaring Creek Bridge, which almost becomes impassable due to incidences of extreme flooding;
- d. Assess the capacity of the relevant national institutions to enforce proper design and construction standards for proper maintenance of physical assets commensurate with the foreseen risk to flooding as will be detailed in the disaster risk assessment;
- e. Confirmation of the adequacy of the GPH's environmental and social management plans (environmental and social management plan, health and safety plan and, emergency preparedness and response plan) being used for the construction of the project. Adequacy should be assessed in terms of completeness, sufficiency of detail, feasibility, budget, definition of responsibility, timing, and degree of quality control;
- f. Confirmation that potential environmental and social liabilities from the GPH have been properly identified and evaluated, including health and safety liabilities and existing levels of noise;
- g. Evaluation of aviation safety issues in order to identify areas of safety risk and ensure that the GPH and the project once operational, comply with national traffic standards and propose mitigation measures, in particular, management and control of wildlife/human hazards etc.;
- h. Evaluation of the current environmental and social plans and procedures used for the operation of the GPH (environmental and social management plan, health and safety plan, emergency preparedness and response plan, noise management plan, drainage management plan, waste management plan, etc.) and the enhancements required to documents and its implementation to

confirm an integrated managements system consistent with sector practices, including sufficiency of detail, feasibility, budget, definition of responsibility, timing, and degree of quality control;

- i. Confirmation of the completeness of the emergency preparedness and response plan in terms the procedures to deal with accidents, fires, explosions, floods and, that adequate resources, such as fire suppression systems (extinguishers, firefighting trucks, etc.), trained personnel and coordination with agencies and organizations are sufficient and are in place and/or identify any potential gaps, including the need to conduct more specific studies in certain areas (e.g. flooding, hurricanes etc.);
- j. Consideration of the socio-political context of the project that includes: (i) an evaluation of activities to date such as public information disclosure and consultation; (ii) evaluation of the adequacy, consistency and scheduling of engagement plans for future including public disclosure and consultation; (iii) additional stakeholder analysis to identify gaps and potential claims against the project; (iv) a grievance mechanism; and (v) estimation as to the likelihood and magnitude of claims against the project;
- k. Evaluation, and further development as necessary, of project monitoring/supervision procedures to ensure proper implementation of environmental, social, and health and safety actions and requirements;
- l. Depending on the project's feasibility study and the environmental and social assessments, appropriate measures are needed to be put in place for the management of the right-away. Confirm that relevant authorities of all municipalities must be adequately informed of the works so that all necessary planning arrangements could be made;
- m. Should private properties and/or small businesses be affected based on the alignment of the highway, confirmation is necessary that resettlement or compensation for losses proceed in conformity with the requirements of the Bank's Policy OP-710;
- n. Should cultural and or heritage/archaeological sites be affected, confirmation is necessary that measures be put in place prevent/mitigate impacts in accordance with Bank's Policy;
- o. Measure should be put in place to prevent the social conflicts and violence among workers and community members in areas where temporary camp may be constructed;
- p. Confirmation is necessary to ensure that measures should also be put in place to prevent conflicts and violence in areas where temporary camps may be constructed;
- q. In Belize there is only a legal requirement under the Building Control Act of 2003 (revised 2005) that requires a minimum setback of 4 feet from private property boundary in urban areas and in rural areas this setback should be 6 feet, although preferably 8 feet whenever possible. This Act is administered

by the Central Building Authority (CBA) in the villages and Local Building Authority in the Municipalities. The Lands Department under the Ministry of Natural Resources and Agriculture also provides a Buffer, which is a setback of 15 to 20 feet along sections of Belizean highways. This should be explored in more detail as it relates to land acquisition.

- r. Verify whether land claimed or titled to indigenous populations including their lands will be affected. If it is verified that that such lands will be affected, then OP-765 should be applied as stipulated.
- 6.3 Following completion of the Environmental and Social Due-Diligence, the project team will prepare an Environmental and Social Management Report (ESMR) which summarize the key impacts and risks and will provide a final assessment of the project's compliance with the Bank's safeguard requirements. The ESMR will indicate how the environmental and social management measures are expected to be covered by borrower commitments in the loan agreement and other contractual documents, and how the Bank will supervise their implementation.

### EXISTING AND PROPOSED SECTOR & TECHNICAL STUDIES

Topic	Description	Date (completed or expected)	References or links
Sector notes, baselines and results from previous interventions	<ul style="list-style-type: none"> <li>• Traffic counting and road quality assessments</li> <li>• Belize Sector Note</li> <li>• Belize Country Strategy 2013-2017</li> <li>• Road Maintenance Strategy for Belize: Produced by the Ministry of Works and Transport</li> </ul>	<ul style="list-style-type: none"> <li>• 2014</li> <li>• Completed 2013</li> <li>• Completed 2013</li> <li>• Pending for approval</li> <li>• Completed 2013</li> </ul>	Pending <a href="#">Link</a> <a href="#">Link</a> <a href="#">Link</a>
Technical studies, design options and economic analysis	<ul style="list-style-type: none"> <li>• Economic analysis for the intervention</li> <li>• Feasibility studies</li> <li>• Environmental Impact Assessment</li> <li>• Final engineering designs</li> <li>• Technical annex on the contribution of the rehabilitation to the regional integration dynamics of Belize</li> </ul>	<ul style="list-style-type: none"> <li>• September, 2014</li> <li>• September, 2014</li> <li>• September, 2014</li> <li>• Depending on the results of the feasibility studies<sup>1</sup></li> <li>• June 2014</li> </ul>	All information will be included in the POD as technical annexes
Environmental and Social Aspects	<ul style="list-style-type: none"> <li>• Environmental and Social Impact Assessment (ESIA), Environmental and Social Management Plan and Resettlement Plan</li> </ul>	<ul style="list-style-type: none"> <li>• September, 2014</li> </ul>	To be included in the POD
Fiduciary and institutional aspects	<ul style="list-style-type: none"> <li>• Fiduciary and Institutional capacity analysis</li> <li>• Design of institutional framework for project execution</li> </ul>	<ul style="list-style-type: none"> <li>• June, 2014</li> </ul>	To be included in the POD To be included in the POD

<sup>1</sup> Feasibility studies to be financed by the technical cooperation BL-T1063 (ATN/OC-1458-BL), will help to determine the best mechanism to execute the project. Taking this into consideration a design and build scheme could be decided in which case, detailed engineering studies would be included under the civil works contract. Otherwise, detailed engineering studies would have to be prepared from the end of 2014 and along 2015.

CONFIDENTIAL

<sup>1</sup> The information contained in this Annex is confidential and will not be disclosed. This is in accordance with the "Deliberative Information" exception referred to in paragraph 4.1 (g) of the Access to Information Policy (GN-1831-28) at the Inter-American Development Bank.

## TC Annex

Country: Belize

Program name and number: Project Preparation Studies for George Price Highway (BL-T1063)<sup>1</sup>

<b>Date</b>	October 2, 2013
<b>Relationship to loan</b>	This Technical Cooperation (TC) provides the studies and data collection required to execute the Rehabilitation of the George Price Highway (BL-L1019)
<b>Project team</b>	Raúl Rodríguez, Team Leader (INE/TSP); Leopoldo Montañez, Isabel Granada, María Romero (INE/TSP); Brian Mc Nish (TSP/CPN); Hisakhana Corbin (VPS/ESG); and Andrés Consuegra (LEG/SGO)
<b>Responsible division</b>	INE/TSP
<b>Executing agency</b>	Ministry of Works and Transport
<b>Unit of disbursement responsibility</b>	CID/CBL
<b>Objective</b>	The project objective is to rehabilitate the George Price Highway (GPH) between Belmopan and the Guatemalan Border at Benque Viejo to facilitate trade and integration and access to emerging tourist destinations, improve road safety standards, and make the GPH corridor more resilient to the effects of climate change.
<b>Description</b>	
<b>Activities</b>	<p>The TC will finance the following activities</p> <p><b>1. Activity 1:</b> Technical and Economic Feasibility Study The study will provide: analysis of existing information, traffic and road safety studies; preliminary geometric study and design; pavement structure analysis, critical structure identification; road signing and marking analysis; assessment of the Roaring Creek Bridge's condition; and study of alternatives for its rehabilitation, including the assessment of costs and benefits expected.</p> <p><b>2. Activity 2:</b> Social and Environmental Assessments This activity will characterize the area of study in terms of social and environmental issues. It will also identify and assess direct, indirect and cumulative social and environmental impacts of the project, as well as its material sources. Areas of ecological fragility and protected areas among others will be determined.</p> <p><b>3. Activity 3:</b> Supervision Supervision of the studies execution will be provided by both the consultants and the Ministry of Works and Transport</p>

<sup>1</sup> As of October 10th 2013 the Eligibility and Strategic Committee of the InfraFund (IPF) declared the TC BL-T1063 eligible to funds. The TC has been approved on December 2<sup>nd</sup>, 2013 ([Approval Document BL-T1063](#)).

<b>Expected outputs</b>	1. Technical and Economic feasibility study 2. Social and Environmental Assessments											
<b>Expected outcome</b>	The Government of Belize will have the tools for the execution of the rehabilitation of the George Price Highway											
<b>Timeline</b>	Execution: 6 months. Disbursement: 10 months											
<b>Estimated administrative budget of execution by year of the execution</b>	1 trip by 5 team members/consultants at US\$4,000 per one week trip is US\$20,000											
<b>Budget</b>	<table border="1"> <thead> <tr> <th>Activity</th> <th>Amount (US\$)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>350,000</td> </tr> <tr> <td>2</td> <td>150,000</td> </tr> <tr> <td>3</td> <td>40,000</td> </tr> <tr> <td><b>Total</b></td> <td><b>540,000</b></td> </tr> </tbody> </table>		Activity	Amount (US\$)	1	350,000	2	150,000	3	40,000	<b>Total</b>	<b>540,000</b>
Activity	Amount (US\$)											
1	350,000											
2	150,000											
3	40,000											
<b>Total</b>	<b>540,000</b>											
<b>Procurement/contracting plan</b>	The selection and contracting of consultancy services will follow Bank Policy Guidelines on the Selection and Contracting of Consultants, GN-2350-9. INE/TSP and CID/CBL will oversee the quality of the products.											
<b>Conditions for disbursements</b>	None											
<b>Revolving fund</b>	Based on the tool provided by the Bank’s New Supervisory Framework (NSF), established in the “Financial management Operational Guidelines for the IDB financed projects” and in the “Financial management Policy and Operational Guidelines” (OP-273-1 and OP 274-1), the disbursements corresponding to Bank’s contribution will be made via periodic advances. These advances will be calculated based on the semi-annual cash flow program allocated for the program, and on investment categories, products and/or activities to be executed during the period. The disbursements’ review will be performed on an ex-post modality, except when the Bank determines that it is not convenient based on the risk analysis made by the auditing firm. The Executor has to maintain the resources for this operation in special account specific to this program											
<b>Evaluation</b>	Not planned											
<b>Reports</b>	According to the terms of reference of the proposed activities											
<b>Audits</b>	No											
<b>Terms of reference</b>	Included in the TC Document under QRR Review of <a href="#">BL-T1063</a>											