

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

DOMINICAN REPUBLIC

**PROGRAM TO SUPPORT MOBILITY, OVERLAND TRANSPORTATION, AND
ROAD SAFETY IN THE DOMINICAN REPUBLIC**

(DR-L1132)

LOAN PROPOSAL

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ABBREVIATIONS

AFD	Agence Française de Développement [French Development Agency]
BCRD	Banco Central de la República Dominicana [Central Bank of the Dominican Republic]
CODINTRANT	Consejo de Dirección del Instituto Nacional de Tránsito y Transporte Terrestre (INTRANT) [Governing Board of National Institute for Traffic and Overland Transportation]
DGII	Dirección General de Impuestos Internos [Internal Tax Bureau]
DIGESETT	Dirección General de Seguridad de Tránsito y Transporte Terrestre [Traffic and Overland Transportation Safety Bureau]
ENEVIAL	Escuela Nacional de la Educación Vial [National School for Road Safety Education]
GSD	Greater Santo Domingo
INTRANT	Instituto Nacional de Tránsito y Transporte Terrestre [National Institute for Traffic and Overland Transportation]
LIBOR	London Interbank Offered Rate
MOPC	Ministry of Public Works and Communications
OPSV	Observatorio Permanente de Seguridad Vial [Permanent Road Safety Observatory]
PBL	Policy-based loan
PBP	Programmatic policy-based loan
PENSV	Plan Estratégico Nacional de Seguridad Vial [National Strategic Plan for Road Safety]
PEMUS	Plan Estratégico de Movilidad Urbana Sostenible [Strategic Plan for Sustainable Urban Mobility]
WHO	World Health Organization

PROJECT SUMMARY

DOMINICAN REPUBLIC PROGRAM TO SUPPORT MOBILITY, OVERLAND TRANSPORTATION, AND ROAD SAFETY IN THE DOMINICAN REPUBLIC (DR-L1132)

Financial Terms and Conditions				
Borrower: Dominican Republic			Flexible Financing Facility^(a)	
			Amortization period:	20 years
Executing agency: Ministry of Finance			Disbursement period:	1 year
			Grace period:	5.5 years ^(b)
Source	Amount (US\$)	%	Interest rate:	LIBOR-based
IDB (Ordinary Capital):	US\$250 million	50%	Credit fee:	(c)
Cofinancing (AFD):^(d)	US\$250 million	50%	Inspection and supervision fee:	(c)
Total:	US\$500 million	50%	Weighted average life:	12.75 years
			Currency of approval:	United States dollars
Project at a Glance				
<p>Program objective/description: The program's general objective is to contribute to safer and more efficient overland transportation through reforms in three subsectors: (i) road safety; (ii) urban mobility; and (iii) road freight transportation. Its specific objectives are: (i) operational aspects of a robust, forward-looking policy framework as the foundation for sector planning; (ii) institutional strengthening of the relevant entities; and (iii) development of planning tools for the adoption of new technical standards in the sector.</p> <p>This loan operation is the first of two consecutive, single-tranche operations that are technically linked but financed separately under the programmatic policy-based loan modality.</p> <p>Special contractual conditions precedent to the first and only disbursement of the loan proceeds: (i) fulfillment of the policy reform conditions established in the Policy Matrix (see Annex II); (ii) entry into force of the loan contract between the French Development Agency (AFD) and the Dominican Republic, to ensure that the reforms can be fully instituted; and (iii) the other contractual conditions established in the Loan Contract (see paragraph 3.2).</p> <p>Exceptions to Bank policies: None.</p>				
Strategic Alignment				
Challenges:^(e)	SI <input type="checkbox"/>	PI <input checked="" type="checkbox"/>	EI <input type="checkbox"/>	
Crosscutting themes:^(f)	GD <input checked="" type="checkbox"/>	CC <input checked="" type="checkbox"/>	IC <input checked="" type="checkbox"/>	

(a) Under the terms of the Flexible Financing Facility (document FN-655-1), the borrower has the option of requesting changes to the amortization schedule as well as currency, interest rate, and commodity conversions. The Bank will take operational and risk management considerations into account when reviewing such requests.

(b) Under the flexible repayment options of the Flexible Financing Facility, changes to the grace period are permitted provided that they do not entail any extension of the original weighted average life of the loan or the last payment date as documented in the loan contract.

(c) The credit fee and the inspection and supervision fee will be established periodically by the Board of Executive Directors as part of its review of the Bank's lending charges, in accordance with relevant policies.

(d) The cofinancing will take the form a development policy loan from the French Development Agency (AFD) (see paragraph 1.39).

(e) SI (Social Inclusion and Equality); PI (Productivity and Innovation); and EI (Economic Integration).

(f) GD (Gender Equality and Diversity); CC (Climate Change and Environmental Sustainability); and IC (Institutional Capacity and Rule of Law).

I. DESCRIPTION AND RESULTS MONITORING

A. Background, problem to be addressed, and rationale

- 1.1 **Macroeconomic context in the Dominican Republic.** Over the last decade (2008-2017), the country recorded real annual economic growth of 4.9%,¹ above the 2.1% average for Latin America and the Caribbean. After closing 2017 with cumulative growth of 4.6%, below the official estimates of 5.5%, the economy recovered to grow 7% in 2018, driven by monetary easing² measures adopted in 2017, better fiscal execution, and higher external demand owing to solid economic performance in the United States, its main trading partner. Year-on-year inflation fell to 1.2%, below the target band,³ while the current account deficit rose to 1.4% of the gross domestic product (GDP), although it remains below the historical average (4% from 2010 to 2017). The growth rate is expected to come in at 5% for 2019 and keep that pace through 2022.⁴
- 1.2 Given the risks surrounding oil price trends and policy changes in the United States, productivity-enhancing reforms and continued efforts toward fiscal consolidation are needed to ensure macroeconomic stability and sustained growth. The Dominican government has made tax and customs administration improvements that lifted receipts above estimates for 2018 by 0.5% of GDP. Still, the consolidated public sector deficit held at 4.3% for 2018 and is projected to be 4.4% for 2019,⁵ and the consolidated public debt at the end of 2018 is estimated at 50.6% of GDP.⁶ To address productivity, a reform agenda was implemented in recent years to reduce the distortions that are hampering the country's growth and competitiveness.
- 1.3 The transportation and logistics sector⁷ has a major impact on the country's productivity and competitiveness indicators. High transportation costs and limited market competition significantly hinder logistics chain efficiency and exports⁸ (paragraph 1.27). In Latin America and the Caribbean, logistics costs average 18% to 35% of final product value, compared to an average of 8% for countries that are members of the Organisation for Economic Co-operation and Development. In the Dominican Republic, the average freight shipping cost for a 40-foot container is three times the average for Mesoamerica and the cost per ton-kilometer is the fourth highest in Latin America and the Caribbean (paragraph 1.29). Traffic accidents (paragraph 1.10) cost the country 2.2% of GDP⁹ per year in victim care and

¹ World Economic Outlook (October 2018).

² In 2017, the Central Bank of the Dominican Republic (BCRD) lowered the monetary policy rate by 50 basis points and the reserve requirement by 2.2 percentage points, thereby freeing up approximately US\$430 million to boost lending to the productive sector.

³ This drop is explained by the behavior of oil prices, which plummeted in the last quarter of 2018.

⁴ Ministry of Economy, Planning and Development, "Marco Macroeconómico 2018-2020" (September 2018).

⁵ International Monetary Fund estimate contained in the Article IV Consultation Staff Report of October 2018.

⁶ The main causes are the low tax ratio (estimated at 15% of GDP for 2019), high tax expenditures (5.1% of GDP for 2019), the power sector deficit (averaging 1.1% of GDP in 2000-2017), and the quasifiscal deficit of the BCRD (averaging 1.3% of GDP in 2010-2017).

⁷ The sector accounts for 9.3% of the country's GDP.

⁸ In terms of volume, 78.2% of exports and 99.5% of imports are transported by sea, with 50% coming from or going to the United States.

⁹ World Health Organization (WHO), 2015.

compensation,¹⁰ while the economic losses resulting from the effects of congestion in urban centers (paragraph 1.19) are estimated at US\$300 million per year.

- 1.4 **The transportation sector.**¹¹ As crosscutting elements of all social and economic activities, transportation and warehousing¹² account for a large share of production and employment in the country. According to World Bank data, the country's population was 10.77 million at the end of 2017,¹³ with a population density of 219 inhabitants per square kilometer. The country's demographic profile¹⁴ shows accelerated growth,¹⁵ as the population has grown by a factor of 4.2 since the 1950s, along with an urbanization process based on migratory flows and internal movement from country to city. In terms of production, the transportation sector accounts for 7.5% of the country's GDP, which is above the regional average of approximately 5.4%¹⁶ over the 2005-2015 period. Overland transportation in particular has a major impact on economic growth, as it is the linchpin of connectivity between the country's economic hubs and market access (paragraph 1.19).
- 1.5 The country's vehicle fleet has been growing at an average annual rate of 6%¹⁷ over the last 10 years. During this same period, the vehicle ownership rate doubled to more than 350 vehicles per 1,000 inhabitants. By 2017, its vehicle stock had risen to 4,097,338 vehicles, of which 54.6% were motorcycles, 21.1% automobiles, 10.2% jeeps, and the remaining 14.0% freight vehicles and buses. As of 2015, 53.4% of all registered vehicles were manufactured in 2000 or earlier. Most are located in the National District, Santo Domingo, and Santiago, which account for 24.6%, 16.4%, and 8.5% of registered vehicles, respectively.¹⁸ Overland transportation is therefore an important part of the CO₂ and particulate emissions matrix. It is the largest consumer of hydrocarbons, with 41% of the national total in 2005. The fuel consumption breakdown by type of vehicle is as follows: 41% for private vehicles, 31% for private motorcycles and *motoconchos*,¹⁹ 16% for freight vehicles, and 12% for jeeps.
- 1.6 **The regulatory and institutional frameworks for overland transportation in the Dominican Republic** have been key factors in its performance. Although the first regulatory framework (Law 241 of 1967) called for public transit and freight transport planning and laid out the initial institutional structure, it lacked flexibility and did not establish guidelines for a more orderly, proactive approach to addressing growth

¹⁰ Includes compensation, repair of physical damage, medical expenses, and other costs. Source: National Strategic Plan for Road Safety (PENSV), 2017-2020.

¹¹ See [optional link 3](#).

¹² This includes land and sea transportation services (both passenger and freight) as well as transport support activities (BCRD, 2007).

¹³ Of which, men account for 50.01% and women 49.99%.

¹⁴ [Informe Nacional sobre Vivienda y Desarrollo Urbano](#), 2016.

¹⁵ The metropolitan region including the capital city of Santo Domingo—Greater Santo Domingo (GSD)—is home to 34% of the population and 63% of all businesses.

¹⁶ Department of Economic and Market Studies, Executive Directorate of the National Commission for the Protection of Competition, 2017.

¹⁷ Dirección General de Impuestos Internos [Internal Tax Bureau] (DGII), 2018.

¹⁸ 2018 vehicle fleet, DGII.

¹⁹ Motorcycles used to provide public transportation, frequently used for short distances.

trends (paragraph 1.5). Until 2017, the sector was managed by multiple agencies with fragmented responsibilities, which led to inefficiencies in policy-making, sector regulation, and medium- and long-term planning, thereby hindering the progressive improvement of freight and passenger transportation services. All overland transportation services were regulated by multiple rules and agencies, including the Technical Land Transportation Office, the Metropolitan Transportation Authority, the Land Transportation Bureau, the Taxi Regulation and Administration Council, the Transportation Reorganization Office, the Transportation Development Fund, the Ministry of Tourism, and municipal governments.

- 1.7 **Law 63 on Mobility, Overland Transportation, Traffic, and Road Safety.** Passed in February 2017, this law was prompted by the realization that the sector's activities were one of the country's largest economic, social, and health problems (paragraphs 1.10 and 1.11, 1.19 and 1.20, and 1.27 and 1.29). The law builds a foundation for sector transformation through improvements in road safety, urban mobility, and road freight transport. The law reorganized the sector, eliminated agencies, and centralized regulatory and oversight powers and functions under the National Institute for Traffic and Overland Transportation (INTRANT)²⁰ as the regulatory authority and apex agency for freight transport, urban mobility, and road safety policy. Law 63-17 also created the Traffic and Overland Transportation Safety Bureau (DIGESETT),²¹ tasked with traffic monitoring and enforcement; the National School for Road Safety Education (ENEVIAL), which is responsible for driver education; and the Governing Board of INTRANT (CODINTRANT),²² which has the power to develop regulations and submit them to the Executive Branch ([optional link 5](#)).
- 1.8 Under the law's implementation framework, INTRANT's main functions include to: (i) plan and design an environment conducive to safe, efficient urban mobility; (ii) ensure free and fair competition in the overland transportation sector and market transparency; and (iii) establish the rules for urban mobility and overland freight services. The reform is based on the development of some 40 regulations²³ as well as plans and programs.
- 1.9 **Challenges in the country's transportation sector.** The Dominican Republic's 2030 National Development Strategy,²⁴ which is based on international evidence, emphasizes that a successful transformation of overland transportation requires the consolidation of public institutions, to make them more efficient, and the pursuit of reforms to their respective legal frameworks.²⁵ Implementation of Law 63-17 (paragraph 1.7) will entail addressing the gaps (paragraphs 1.10 to 1.33) that

²⁰ INTRANT has administrative, financial, and technical autonomy. It is attached to the Ministry of Public Works and Communications.

²¹ This agency has taken on the duties previously performed by the Metropolitan Transportation Authority.

²² The Board consists of five ministers, the Secretary General of the Dominican Municipal League, the Attorney General, and the director of INTRANT.

²³ The law prescribes 22 regulations that address the pillars of the National Strategic Plan for Road Safety (PENSV): institutions, mobility, education, enforcement, accident response, and information.

²⁴ Pillars 1, 3, and 4 of the 2030 strategy target road safety within their chief lines of action.

²⁵ Empirical evidence indicates that infrastructure development bottlenecks are partly attributable to the multiple simultaneous interactions between national and subnational agencies. (Tibocha, Olivera, and Nieto-Parra 2013, 42).

currently limit the: (i) updating of legal and regulatory frameworks, as the basis for any public policy change process; (ii) strengthening of the institutions tasked with monitoring and oversight of the new regulations; and (iii) availability of planning tools to facilitate sector reform. The Dominican government has therefore prioritized the three transportation subsectors with the greatest impact on safety, productivity, and quality of life, which will be addressed via this reform program: road safety, urban mobility, and road freight transport.

- 1.10 **Road safety. Issues and policy challenges.** The increase in the vehicle ownership rate²⁶ and an aging vehicle fleet have resulted in high-risk conditions and a deterioration in road safety indicators in the Dominican Republic. Official data from 2016 show a traffic mortality rate of 34.6 deaths per 100,000 inhabitants,²⁷ or 3,118 fatalities per year.²⁸ This figure far exceeds the rates for the world as a whole (18.2), Africa (26.6), southeast Asia (20.7), and the Americas overall (15.6), and, even more specifically, for the lowest-income countries in the hemisphere (18.3). Although the public policy measures taken by INTRANT have yielded improvements,²⁹ with a 10% reduction in traffic accidents in 2017, the country faces challenges such as weak enforcement of rules governing surveillance and enforcement and driver and pedestrian behavior, which limit the possibility of making the system and the roads safe for all.
- 1.11 Traffic accidents are one of the country's chief public health problems, as they hit the most productive age groups the hardest: 56% of fatalities involve young people aged 16 to 35. Most accidents involve the main vulnerable users, pedestrians (19.8%) and motorcyclists (62.9%). This problem can be attributed to a lack of citizen awareness,³⁰ weak regulations, and limited enforcement by the State³¹ (paragraph 1.6), among other factors. According to DIGESETT, in 2016, 57% of drivers had no driver's license and just 8,349 drivers had valid licenses for driving a motorcycle, in contrast with a motorcycle fleet of over 2 million. Two additional factors compound the problem: (i) according to the Attorney General's Office, only 7% of fines were collected due to a lack of enforcement; and (ii) according to the association of insurers, more than 40% of vehicles in circulation are uninsured, and just 300,000 of the nearly 2 million motorcyclists have insurance.
- 1.12 **Regulatory framework.** Before the regulatory framework (paragraph 1.6) put in place in 2017, the only requirement for a driver's license to be issued was an eye exam,³² with no consideration given to other psychological or physical abilities that are essential for safe driving. Law 241-67 (paragraph 1.6) did address such

²⁶ From 2004 to 2015, the population grew 12.7%, while the road vehicle fleet increased by more than 100%. The number of vehicles per 1,000 inhabitants climbed from 193.8 in 2004 to 362 in 2015. Source: WHO, 2016.

²⁷ "Transporte público y movilidad urbana en el GSD: desafíos de una política social para la inclusión y equidad." Social Policy and Development Observatory. Office of the Vice President (2016).

²⁸ Global Status Report on Road Safety. WHO, 2016.

²⁹ Official 2017 data from the Permanent Road Safety Observatory put the traffic mortality rate at 27.57 deaths per 100,000 inhabitants, or 2,804 fatalities a year.

³⁰ In 2012, traffic accidents were the number four cause of death in the Dominican Republic (10.5%), above homicide (8.6%) and respiratory diseases (4.3%).

³¹ National Strategic Plan for Road Safety, 2017.

³² INTRANT, 2018.

requirements, but institutional fragmentation hindered its proper implementation. Although the country now has a roadmap, laid out in the National Strategic Plan for Road Safety (PENSV) and reinforced by Law 63-17, progress must be made on regulations for issuing and/or revoking licenses, obtaining driver psychophysical certificates, authorizing schools that promote safe driving, and establishing a driver's license penalty point system.

- 1.13 The vehicle fleet is characterized by old age and a lack of controls, with a large share of used vehicles, most of which are imported from North America without any systematic inspection tailored to the characteristics of the fleet and to the need to encourage its periodic renewal. The country lacks a regulation that sets technical and energy efficiency standards for the operation of private and public transit vehicles, and the situation is exacerbated by the accelerated growth of *conchos*,³³ shared taxi services that use vehicles that are past their useful life (paragraph 1.5). The enforcement of such standards requires the accreditation of inspection centers and the authorization of repair shops that can keep cars in better running condition and serve as a source of information for assembling an official registry of vehicles in circulation.
- 1.14 The Dominican Republic does not yet have a regulation on the use of other motorized and nonmotorized modes of transportation, particularly those for which the highest accident rates are reported (paragraph 1.11). Legal instruments therefore need to be developed in order to establish the minimum general rules for circulation and standards for their use, e.g., the use of crash protection.
- 1.15 **Institutional framework.** Until 2017, different entities³⁴ reported accident and injury data in an uncoordinated way, leading to highly fragmented statistics with a low level of reporting, which made it difficult to conduct diagnostic studies of accident causes. Along with the creation of INTRANT, the Permanent Road Safety Observatory (OPSV) was set up to establish data collection protocols, analysis techniques, and monitoring mechanisms, as well as to consolidate³⁵ and standardize accident statistics. The success of these actions will depend on the OPSV's leadership, data handling, and partnerships with other institutions, including the Pan-American Health Organization and the Office of the Superintendent of Occupational Risks and Health.
- 1.16 It will also be vital to implement the OPSV and strengthen, with the help of DIGESSET and the Ministry of Public Works and Communications (paragraphs 1.6 and 1.7), its ability to analyze accident causes and its operational capacity to identify and address hot spots in the road system. DIGESETT will have to play a key role in investigating accident causes and collecting data on the ground.
- 1.17 **Planning tools.** The [2017-2020 National Strategic Plan for Road Safety \(PENSV\)](#) provides a roadmap at the national level with sector institutions for road safety, in coordination with such instruments as the 2030 National Development Strategy, the

³³ Low-capacity vehicles that do not meet road safety requirements. There are 16,627 such vehicles on the road, contributing substantially to traffic congestion in Greater Santo Domingo.

³⁴ Ministry of Public Health; National Institute of Forensic Sciences (INACIF); Metropolitan Transportation Authority (AMET); Casa del Conductor [Driver's House]; Centro del Automovilista [Center for Motorists]; trauma hospitals; and the Dominican Association of Insurers and Reinsurers (CADOAR).

³⁵ The National Emergency Response and Safety System (911) and the Ministry of Health provide data for the OPSV.

- National Citizen Security Strategy, and Law 63-17. Approved in January 2017, the plan lays out actions to prevent and lower the risk of travel-related death or personal injury, setting the target of a 30% reduction of traffic accidents by 2020, but will require a sound dissemination and implementation strategy. The main areas that need to be addressed to ensure its effectiveness include: (i) public information campaigns, consistent with World Health Organization (WHO) international practices, especially in relation to the priority areas under the new regulatory framework, such as drinking and driving,³⁶ and the use of child restraint systems; (ii) private sector engagement in road safety reform; and (iii) development of a comprehensive plan for the use of motorcycles and bicycles.
- 1.18 To ensure that road safety is integrated into all spheres of the sector, it will be essential to include the dimension of citizen education.³⁷ International experiences³⁸ highlight the positive impact of educating new generations about this issue. The new institutional framework (paragraph 1.7) offers an opportunity to develop a program, together with the Ministry of Education, to raise citizen awareness of one of the country's main public health problems.
- 1.19 **Urban mobility. Issues and policy challenges.** Most urban mobility issues in the Dominican Republic are concentrated in Greater Santo Domingo (GSD), the largest population center in the country and in all of the Caribbean. According to the most recent mobility study,³⁹ some 3,097,106 trips per day are made in this area, of which 40% are made in a private vehicle, 20% on foot, and the remaining 40% on public transit. Public transit vehicles in the GSD operate at average speeds of 8 to 10 kilometers per hour during rush hour, with travel times of close to 1 hour and 15 minutes between the main origins and destinations.⁴⁰ The public transit vehicle fleet,⁴¹ consisting primarily of *guagua* buses, *conchos*, taxis, and *motoconchos*, has an average age of 23 years,⁴² with high operation and maintenance costs, and rider safety standards.
- 1.20 Public transit is considered⁴³ highly unsafe, with more than 2,000 reported accidents per year⁴⁴ resulting from poor vehicle quality and condition. A 2016 public survey on mobility in GSD and Santiago⁴⁵ found that these cities' main traffic problems

³⁶ Articles 256 and 257 of Law 63-17 prohibit drunk driving and driving under the influence of drugs or controlled substances.

³⁷ Dragutinovic and Twisk (2006). The effectiveness of road safety education, a literature review.

³⁸ Raftery, Simon, and Lisa Wundersitz. (2011). The efficacy of road safety education in schools: A review of current approaches.

³⁹ Strategic Plan for Sustainable Urban Mobility (PEMUS) for GSD. SYSTRA 2018. AFD.

⁴⁰ The monthly cost of public transit represents about 35% of the monthly minimum wage (11,684 Dominican pesos), which is a high percentage compared to the average estimated by the Economic Commission for Latin America and the Caribbean for cities such as Bogota, La Paz, Santiago, and Mexico City, which lies between 16% and 20%. SYSTRA 2018.

⁴¹ This includes Uber and Uber Moto.

⁴² PEMUS 2017-2022. Ministry of the Presidency 2017.

⁴³ 2018 Dominican Republic road safety survey.

⁴⁴ Master Plan for Reorganization of Public Transportation for Santo Domingo.

⁴⁵ Information, Analysis, and Strategic Programming Department of the Office of the President.

- included: (i) driver recklessness and bad practices; (ii) lack of road safety education; (iii) failure to obey the law; and (iv) vehicle congestion on public roadways.
- 1.21 Urban public transit services are mostly provided by the private sector,⁴⁶ while the State provides: (i) urban mass transit via buses, which meets just a fraction of demand in the cities of Santo Domingo and Santiago;⁴⁷ (ii) rail transit via the Santo Domingo Metro, whose two lines are managed by the Transportation Reorganization Office; and (iii) the recently opened Santo Domingo Aerial Tram System,⁴⁸ which operates as an extension of the Metro. In terms of nonmotorized modes of transportation, the country does not yet have a consolidated network for pedestrian and bicycle traffic.
- 1.22 For other users with a special mobility need or disability, the Dominican Republic has a regulatory framework⁴⁹ that promotes universal mobility, but challenges remain for its implementation. According to the latest census,⁵⁰ 12.3% of the total population (1,160,847 people, of whom 53.6% are women) have some type of disability. In terms of gender, the Strategic Plan for Sustainable Urban Mobility (PEMUS) for GSD notes that women experience less mobility than men, yet the country has no specific regulations related to gender or disaggregated data in the transportation sector ([optional link 1](#)).
- 1.23 **Regulatory framework.** Law 63-17 states the need for a reorganization of the urban mobility system,⁵¹ supported by a regulation that addresses the problems surrounding public transportation. The regulation should include criteria for: (i) establishing a fare schedule based on affordability that ensures the financial sustainability of the public transportation system through an interoperability⁵² and intermodality approach; (ii) redefining the requirements and conditions for issuing operating licenses for the many private service providers who operate largely outside the formal system; (iii) registering all public transportation providers as a preliminary step toward formalizing their businesses; and (iv) setting new criteria for service quality and technical standards, as well as for energy efficiency and polluting gas emissions, for the fleet (paragraph 1.5). These elements will underpin the process of renewing and streamlining the fleet, and will be key to mitigating the externalities of greenhouse gas emissions (paragraph 1.5), caused partly by the 250,119-plus inventoried vehicular units that are more than 20 years old.
- 1.24 Initiatives in the region have underscored the importance of creating systems of financial incentives that, together with the fare system, facilitate fleet modernization.⁵³ Lastly, to ensure comprehensive reform, it is important to also

⁴⁶ Businesses, unions, associations, and individuals. Technical Land Transportation Office (OTTT).

⁴⁷ Through the Metropolitan Bus Services Office (OMSA).

⁴⁸ It began commercial operations in July 2018, with an estimated demand of 112,000 riders.

⁴⁹ Disability in the Dominican Republic Act, Official Gazette, issue 10049.

⁵⁰ Población y Vivienda, 2010.

⁵¹ See optional link 3.

⁵² Interoperability involves transfers from one mode of transportation to another: metro, aerial tram, public buses (OMSA), and privately operated buses.

⁵³ Article 20 of Law 63-17 calls for 25% of the RD\$2.00 per gallon tax on gasoline consumption (Article 20 of Law 253-12) to go to the public passenger and freight transport vehicle program.

consider regulations pertaining to school, tourism, and workplace transportation services.

- 1.25 **Institutional framework.** Beyond the creation of INTRANT and the entities that support it,⁵⁴ and in keeping with new global mobility trends, it is important to start interministerial discussions⁵⁵ relating to meeting the country's environmental commitments in the area of climate change mitigation ([optional link 4](#)). Incorporating concepts like [electromobility](#), and planning for their adoption, should be the basis for a strategy that anticipates the future penetration of new modes of transportation⁵⁶ and renewal of the current ones.
- 1.26 **Planning tools.** Law 63-17 stresses the importance of having a sustainable transportation model. Considering that the country has no development plans that provide guidelines for sector planning, it is recommended that strategies like the PEMUS for the GSD, which follows the international "Mobilise your City" methodology,⁵⁷ with emissions mitigation and accessibility objectives, serve as the benchmark for plans in other municipalities. In the specific case of the GSD, the plan includes structuring and implementation of the corridors that will make up the Integrated Public Transportation System, combined with reorganizations of nonmotorized modes.
- 1.27 **Road freight transport. Issues and policy challenges.** Road freight transport services are highly concentrated geographically,⁵⁸ with about 85% of the country's industrial areas distributed along 400 km of trunk roads connecting [Higüey, Santo Domingo, Santiago, and Puerto Plata](#). The average age of the vehicle fleet is 20.6 years, past the optimal replacement age (5 to 8 years for tractor-trailers and 8 to 13 years for trucks),⁵⁹ which drives up operating costs⁶⁰ and fuel consumption.
- 1.28 The industry has evolved to be fragmented and informal, with limited technological innovation. The sector consists mainly of individual truckers and small businesses serving ports and free zones. Access to the trucking market is not regulated nationally, and unions control about 80% of the truckable freight in the country. The requirements for market access are membership in and payment of dues to one of the 98 transport unions and ownership of five vehicular units per member. Among vehicle owners, 63.6% are individuals and 34.6% are legal entities.⁶¹

⁵⁴ Departments, DIGESSET, and ENEVIAL, among others.

⁵⁵ Ministry of Energy and Ministry of the Environment.

⁵⁶ Modes that rely on alternative energy sources.

⁵⁷ Led by INTRANT with support from AFD and the European Union.

⁵⁸ International trade has increased over the last 20 years. In 2011, the trade balance consisted of US\$8.536 billion in exports and US\$14.522 billion in imports.

⁵⁹ World Bank Highway Development and Management Model. Document 3759 of Colombia's National Council for Economic and Social Policy.

⁶⁰ In 2011, 100% of trucking trips involved deadheading as a result of the operating structure set by the National Dominican Transport Federation, under which member unions only provide transport services in their specific territory. In both seaborne export and overland freight, deadheading is the term for return trips with an empty vehicle because there is no freight to take back. This leads to high freight transport costs. National Freight Logistic Plan, 2015.

⁶¹ According to DGII figures.

- 1.29 This arrangement makes the country's freight costs up to three times higher than the average cost of transporting a metric ton one kilometer in the region,⁶² undermining its competitiveness. The average freight shipping cost for a 40-foot container (US\$4.75/km) is three times the average cost in Mesoamerica (US\$1.21-US\$1.85/km). The high transportation costs and low productivity of road freight transport are due to factors including: (i) limited market competition (paragraph 1.30); (ii) the high rate of empty trips; and (iii) the oversupply of vehicles, leading to low average annual kilometers per vehicle (km/unit/year), with transport unions reporting productivity of 5,000 to 35,000 km/unit/year,⁶³ below the regional average of 60,000 km/unit/year.
- 1.30 **Regulatory framework.**⁶⁴ The subsector operates in an environment conducive to generating market distortions. Unions have control over this service, restricting access to new operators (paragraph 1.28) and in some cases limiting the possibility of hauling goods with one's own fleet. Freight-generating businesses and government agencies hire transport services through the unions belonging to the National Dominican Transport Federation,⁶⁵ which have procedures for assigning service orders to their members based on set shifts. This situation makes institutional fragmentation the rule in the supply of logistics services, raising costs in the foreign trade value chain.
- 1.31 In this context, starting a technical dialogue with freight sector agents while developing a regulatory framework is the starting point for an incremental process of developing rules to address, among other issues: (i) the principles for determining reference transportation costs; and (ii) the requirements for business formalization,⁶⁶ which are essential for building a more efficient, competitive sector.
- 1.32 **Institutional framework.** To address the operational demands of road freight transport, INTRANT will have to consolidate its position as the regulatory authority, leading an ongoing dialogue with unions and establishing collaborative agreements with all stakeholders in the logistics chain,⁶⁷ which will entail working with actors involved in the operation of centers of production and consumption, trade facilitation processes, and connectivity of land transportation with ports and airport.
- 1.33 **Planning tools.** Experience in other countries of the region⁶⁸ has shown that road freight transport reforms are complex and require a great deal of time. To ensure

⁶² The Dominican Republic ranks fourth in terms of its freight costs per ton-kilometer (US\$0.14/t-km), behind Peru (US\$0.47/t-km), Haiti (US\$0.21/t-km), and Brazil (US\$0.19/t-km), which are above the average for Latin America and the Caribbean (US\$0.12/t-km). Freight Transport and Logistics Statistics Yearbook (IDB).

⁶³ El transporte automotor de carga en América Latina. RD: Diagnóstico y recomendaciones de política. IDB 2015.

⁶⁴ The government regulated trucking prices until 1990. Since then, the unions have been setting rates for freight transport routes independently.

⁶⁵ The federation comprises some 98 unions and 60,000 members, who account for 80% of freight trucking services.

⁶⁶ For example, registration and the prevalence of contracts governing economic relationships between freight agents.

⁶⁷ Current National Freight Logistics Plan (2020-2032), which is emerging as the logistics roadmap for the National Trade Facilitation Council.

⁶⁸ Colombia and Uruguay.

efficient, gradual adoption of new rules, working in parallel on pilot projects is key, as a way to identify risks early on and as a platform for determining, together with the unions, the steps for adopting new rules.

- 1.34 **Proposed intervention.** This program represents a milestone in the transformation of the transportation sector in the Dominican Republic, based on the development and implementation of the largest policy reform of recent years, seeking to improve the country's productivity and competitiveness indicators through sector transversality. Specifically, the program will address the critical situation in terms of traffic accidents and inefficiencies in public transportation and road freight transport, achieving the Dominican government's objectives for the sector as set out in its [2016-2020 Government Plan](#), the [2030 National Development Strategy](#), the PENSIV, and Law 63-17. The proposed program is aligned with the objective of developing a regulatory and institutional framework that ensures a safe, quality, competitive, resilient, low-carbon passenger and freight transportation system that operates under competitive conditions. It also complements other Bank efforts in the Dominican Republic that target rehabilitation of the primary and secondary road system and infrastructure resilience through technical assistance (paragraph 1.38).
- 1.35 **Summary of reforms.** The Government of the Dominican Republic requested the Bank's support in developing this program to complement its actions in the reform process, support compliance with sector policy, and close sector gaps in response to the identified needs. The program will: (i) for **road safety** (paragraphs 1.10 to 1.18), fully address the pillars of the PENSIV⁶⁹ (paragraph 1.17), which entails: (a) develop a new framework for obtaining a driver's license, along with the definition of standards and conditions for vehicle technical inspections; (b) integrate driver's education into the educational curriculum; (c) consolidate an organized and functional institutional structure that has the capacity to analyze, monitor, and notify the public of risks; and (d) develop operating plans that identify actions for mobility surveillance and enforcement; (ii) for **urban mobility** (paragraphs 1.19 to 1.26), (a) develop a regulatory framework that identifies the core components for reorganization and integration (fares, licenses, vehicle technical conditions, business formalization, and service standards) based on criteria of resilient, low-carbon urban mobility; (b) create financial mechanisms for vehicle fleet renewal that incentivize the adoption of clean technologies; and (c) regulate and structure a transportation system in GSD, starting with implementation of a pilot corridor designed on criteria of service quality and sustainability; and (iii) for **road freight transport** (paragraphs 1.27 to 1.33), (a) generate a regulatory framework that formalizes operator and vehicle fleet registration, establishing a transportation system on criteria of efficiency, safety, and economy, which optimizes operating costs and encourages free competition; (b) define a pilot program for the estimation of overland transportation costs as part of the logistics chain, addressing criteria of supply and demand.

⁶⁹ Aligned with the WHO's global road safety pillars: (i) road safety management; (ii) safe vehicles; (iii) safer mobility; (iv) safer road users; and (v) post-crash response.

- 1.36 **Effectiveness of sector policy reforms.** In the area of road safety, studies have shown⁷⁰ that having a single coordinating agency and a national strategy that includes ministries and civil society is critical for a sustainable response to road safety problems. In Spain and Argentina, strategic road safety plans and the creation of road safety observatories were key factors in bringing down traffic accident mortality rates.⁷¹ In the area of urban mobility, adjustments to the regulations governing public transit have resulted in an increase in travel speed for riders.⁷² For road freight transport, different analyses indicate that institutional reforms correlate positively with economic growth and with increased foreign direct investment.⁷³ A noteworthy case is Colombia, which, in 2007, in pursuing its National Logistics Policy, created financial mechanisms to implement a truck fleet renewal and replacement program that led to the removal of more than 7,000 vehicles from 2008 to 2013.⁷⁴
- 1.37 **Sector experience and lessons learned.** The Bank has supported 10 policy reform programs⁷⁵ in the transportation sector in the region, learning lessons that were implemented in this operation: (i) have up-to-date, sector-specific regulatory instruments; (ii) design integrated planning tools based on modern databases; (iii) provide Bank support in bringing together the different reform stakeholders; (iv) strengthen dialogue with the private sector as a reform sustainability factor; and (v) have a strong interagency lead for dialogue within the government and with other public and private actors. Despite its differences with respect to this program, the Support for Panama's Transport and Logistics Sector Reform Program (loan 4560/OC-PN) is a success story worth mentioning, as it has advanced economic growth through linkages between the logistics sector and the productive sectors.⁷⁶ Also worth noting are the reforms supported in Colombia with the program "Support for Implementation of the National Road Safety Policy" (loan 3078/OC-CO), under which the National Road Safety Agency and its observatory were created.

⁷⁰ World Bank. Tony Bliss–Breen Jeanne. Implementing the Recommendations of the World Report on Road Traffic Injury Prevention. Country Guidelines for the Conduct of Road Safety Management Capacity Reviews and the Specification of Lead Agency Reforms, Investment Strategies and Safe System Projects. June 2009.

⁷¹ In Spain, the number of deaths per 100,000 inhabitants fell 54% between 2003 and 2010, from 12.8 to 5.4. Argentina saw a 12% reduction in mortality between 2008 and 2011.

⁷² After decrees were issued calling for implementation of preferential lanes for public transit on Carrera 7 in Bogota, travel speeds increased by up to 5.39 km/hour. Source: GSD+, 2015. See [link](#).

⁷³ "Hard or Soft? Institutional Reforms and Infrastructure Spending as Determinants of Foreign Direct Investment in China," Japanese Economic Review (2005); and "The Economic Growth Effect of Logistics Industry Foreign Direct Investment Analysis," Wang & Wang.

⁷⁴ "La Evolución de la Política Nacional Logística de Colombia y el Apoyo del BID," 2016.

⁷⁵ Hybrid Program for Air Transport Reform (loan 1042/SF-GY); Air Transport Reform Program (loan 2682/OC-BH); Fiscal Stability Consolidation Program for the Economic and Social Development of the State of Alagoas (loan 3061/OC-BR); Program to Support the National Logistics Policy (loan 2540/OC-CO); Transportation Sector Policy Reform Program I and II, in Bolivia (loans 3181/BL-BO and 4292/BL-BO); Support for Colombia's Public-Private Partnership Program (loan 3697/OC-CO); Support for Panama's Transport and Logistics Sector Reform Program I and II (loans 3486/OC-PN and 3675/OC-PN); and the Honduras Transportation and Freight Logistics Sector Reform Program (loan 4625/BL-HO).

⁷⁶ [See macroeconomic impact evaluation for loan 4560/OC-PN](#), IDB (2018).

- 1.38 The Bank has supported the Government of the Dominican Republic through the following technical-cooperation operations for the transportation sector: (i) strengthening of the Ministry of Economy, Planning and Development in freight logistics and transport economics (ATN/MR-14163-DR); (ii) support for implementation of the National Road Safety Strategy (ATN/OC-14177-DR); (iii) support for mobility management in Santiago (ATN/OC-15674-DR); (iv) support for the Santo Domingo Strategic Plan for Mobility Transformation (ATN/OC-16791-DR); and (v) support for the development of climate change adaptable infrastructure (ATN/OC-16830-DR). The outputs of these technical-cooperation operations were key inputs in identifying the reforms proposed in this program: (i) early technical support in defining the scope and content of reforms; (ii) expanded public consultation processes, with support for INTRANT; (iii) standardization of mobility management plans, so they can serve as the standard for future planning; and (iv) prioritization of tangible diversity and inclusion actions and environmental sustainability criteria.
- 1.39 **Coordination with other donors.** This operation will be implemented in coordination with the French Development Agency (AFD),⁷⁷ which has agreed on the contents of the Policy Matrix, monitoring and evaluation plan, and Results Matrix. The cofinancing will be provided under the October 2018 framework agreement signed by the Bank and the AFD under the “parallel cofinancing without services” modality, which calls for signature of a specific cooperation agreement ([optional link 2](#)). This agreement will have the following operational implications: (i) coordinated design of a single policy matrix, setting out the conditions to be met; (ii) independent preparation of loan contracts between each financier and the Dominican Republic, but simultaneous submittal to the National Congress for approval; (iii) eligibility for disbursement based on entry into force of each cofinancier’s respective loan contract (paragraph 3.2); and (iv) joint monitoring and supervision of execution and fulfillment of the Results Matrix indicators. Through INTRANT, the Bank, the European Union, and the AFD are working on forming a donor group to channel sector dialogue, as well as additional technical-cooperation funding.
- 1.40 **Strategic alignment.** The program is consistent with the Update to the Institutional Strategy 2010-2020 (document AB-3008) and aligned with the development challenge of productivity and innovation with a focus on the delivery of safe, affordable public services. It is also aligned with the following crosscutting themes: (i) climate change and environmental sustainability, by promoting sector plans that address climate change mitigation (fleet renewal) and adaptation (dialogue on electromobility). Of the operation’s total resources, 33.33% are associated with policies to promote climate change mitigation and adaptation activities, according to the [joint methodology of the multilateral development banks for tracking climate finance](#) ([optional link 6](#)). These resources will contribute to the IDB Group target of increasing financing for climate-related projects to 30% of approvals by the end of 2020; (ii) gender equality and diversity, by incorporating technical criteria for universal accessibility into the main reforms; and (iii) institutional capacity and the rule of law, by promoting capacity-building for sector planning. Under the Bank’s

⁷⁷ The AFD loan was approved on 15 May 2019, and the increase of the amount to US\$250 million will be ratified at the AFD board meeting on 15 November 2019.

country strategy with the Dominican Republic (document GN-2908), the program is consistent with the objective of expanding productive opportunities, through the freight transport and urban transit reforms included in Law 63-17. It is consistent with the principles of the IDB Infrastructure Strategy (document GN-2710-5), by addressing the need for infrastructure management to improve the quality of services. It is also aligned with the Transportation Sector Framework Document (document GN-2740-7), which promotes sustainable urban mobility, and specifically the strategic areas of road safety, urban transportation, logistics, and intelligent transportation systems.

- 1.41 In terms of gender and diversity, this operation will seek to supplement the PEMUS data through a diagnostic assessment to identify differentiated mobility patterns, aligned with regional initiatives such as the Bank-supported [Transport Gender Lab](#), which seeks to create a network of cities to engage in technical dialogue on gender mainstreaming in public transportation systems (paragraphs 1.47 and 1.48).

B. Objectives, components, and cost

- 1.42 The program's general objective is to contribute to safer and more efficient overland transportation through reforms in three subsectors: (i) road safety; (ii) urban mobility; and (iii) road freight transportation. Its specific objectives are: (i) operational aspects of a robust, forward-looking policy framework as the foundation for sector planning; (ii) institutional strengthening of the relevant entities; and (iii) development of planning tools for the adoption of new technical standards in the sector.
- 1.43 **Components.** The Policy Matrix⁷⁸ (Annex II) sets out the sequence of commitments for the program, structured under the following components.
- 1.44 **Component I. Macroeconomic stability.** The macroeconomic framework must be stable and consistent with the objectives of the program and the Policy Letter.
- 1.45 **Component II. Road safety as a pillar of sector development.** The objective of this component is to prioritize road safety as a pillar of sector development in terms of its legal and regulatory framework, institutional framework, and planning tools (paragraphs 1.10 and 1.11). The component will support: (i) approval and entry into force of a vehicle technical inspection regulation; (ii) approval and entry into force of road safety regulations; (iii) CODINTRANT approval of the preliminary draft regulation on personal and transit use of motorcycles, bicycles, and other personal mobility vehicles; (iv) approval of the work plan to facilitate coordination between INTRANT and DIGESETT; (v) operation and strengthening of the Permanent Road Safety Observatory (OPSV); (vi) a policy framework establishing technical units to investigate traffic accidents, and at least five units in operation; (vii) dissemination of the National Strategic Plan for Road Safety (PENSV); (viii) INTRANT approval of the communication work plan for the PENSV; (ix) CODINTRANT approval of the preliminary draft regulation governing occupational and institutional road safety and mobility plans; (x) agreement with the Ministry of Education to integrate road safety education into public school curricula; and (xi) approval of the PENSV for motorcycles.

⁷⁸ Supplemented in the scope of the reform through the Means of Verification Matrix ([required link 2](#))

- 1.46 The second operation will include: (i) INTRANT issuance of at least three technical rules derived from the regulation on vehicle technical inspection; (ii) start of the concessioning process for vehicle technical inspection stations, as established in the regulation; (iii) INTRANT issuance of at least three road safety technical standards; (iv) progress on operation of at least two driver's license issuing centers; (v) authorization of at least one driving school; (vi) progress on implementation of the driver's license point system; (vii) progress on the approval process for the regulation on transit use of bicycles and motorcycles, with submittal to the Executive Branch; (viii) implementation of at least five actions from the surveillance and enforcement work plan coordinated between INTRANT and DIGESETT; (ix) strengthening of OPSV actions in terms of handling information; (x) strengthening of the OPSV in its advisory role; (xi) progress on implementation of the hot spot intervention action plan; (xii) delivery of traffic accident data for accident response by the investigation units; (xiii) implementation of at least 10 PENSIV actions; (xiv) progress on implementation of the communication work plan; (xv) progress on the approval process for the preliminary draft regulation governing occupational road safety plans of businesses; (xvi) preparation of at least two pilot occupational road safety plans; (xvii) implementation of actions for the integration of road safety education into public school curricula; and (xviii) implementation of at least five actions established in the PENSIV for motorcycles.
- 1.47 **Component III. Accessible, affordable, efficient urban mobility.** The objective of this component is to contribute to an efficient, safe, innovative urban mobility sector by improving the quality of urban and intercity transit services in terms of their legal and regulatory framework, institutional framework, and planning tools (paragraphs 1.19 to 1.22). The component will support: (i) public consultation on the preliminary draft omnibus regulation on organization of public transportation; (ii) approval of the special business formalization⁷⁹ procedure for public transit service providers; (iii) creation of resource management mechanisms for public transit fleet renewal, to incentivize fleets that employ low-carbon or clean technologies; (iv) CODINTRANT approval of the preliminary draft regulations on school, tourism, and occupational modes of transportation; (v) creation of the Sustainable Mobility, Passenger Transit, and Traffic and Roads departments at INTRANT; (vi) creation of an INTRANT/Ministry of Energy working group to develop an alternative energy roadmap consistent with the country's Nationally Determined Contribution commitments; (vii) development of Santo Domingo's Integrated Public Transportation System corridor under its 2017-2022 Strategic Plan for Sustainable Urban Mobility (PEMUS); (viii) approval of guidelines for developing local strategic mobility plans; (ix) approval of the PEMUS for Greater Santo Domingo; and (x) approval of the plan for pedestrians, establishing the integration of nonmotorized modes into the public transportation system; and (xi) preparation of a diagnostic assessment on gender-differentiated mobility patterns⁸⁰ as the foundation for a Mobility Observatory.
- 1.48 The second operation will include: (i) progress on the approval process for the omnibus regulation on organization of public transportation; (ii) progress on

⁷⁹ Incorporation as a business or other type of legal entity.

⁸⁰ The GSD mobility survey will make it possible to segment users and their characteristics or particular mobility needs by gender, age, physical condition, ability to pay, and other factors.

- development of a fare structuring methodology that includes scenarios of integration with other modes of transportation; (iii) development of a technical, commercial, and institutional interoperability model for public transportation in Greater Santo Domingo; (iv) progress on the process of issuing route operation permits to formalized entities; (v) progress on the process of passenger and freight vehicle renewal; (vi) progress on the approval process for the regulation of special transportation,⁸¹ with submittal to the Executive Branch; (vii) development of applicable procedures for issuing school transportation permits; (viii) operation of the Sustainable Mobility, Passenger Transit, and Traffic and Roads departments at INTRANT; (ix) development of rules on electromobility; (x) award of the contract to operate the first Integrated Public Transportation System corridor; (xi) development of at least two local strategic mobility plans; (xii) implementation of at least five actions established in the PEMUS for Greater Santo Domingo; (xiii) implementation of at least two priority actions established in the Safe Pedestrian Plan; (xiv) progress on integrating Santo Domingo into the Transport Gender Lab; and (xv) creation of a Sustainable Urban Mobility Observatory.
- 1.49 **Component IV. Efficient, sustainable road freight transport.** The objective of this component is to contribute to improved quality of freight trucking services by strengthening their legal and regulatory framework, institutional framework, and planning tools (paragraphs 1.27 to 1.29). The component includes: (i) CODINTRANT approval of the preliminary draft regulation on road freight transport;⁸² (ii) integration of the Overland Freight Transport department into INTRANT's organizational structure; (iii) progress on the design and execution of policies related to maritime, port, and overland transport by INTRANT and key operators in the logistics chain; and (iv) formulation of a pilot plan for efficient logistics corridors⁸³ and business formalization, contributing to the identification of a system of efficient costs for freight transport.
- 1.50 The second operation will include: (i) progress on the approval process for the road freight transport regulation; (ii) a baseline study to determine the reference cost structure for freight trucking, explaining and publicizing the findings; (iii) development of an electronic platform for calculating least costs between the country's main origins and destinations; (iv) operation of the Overland Freight Transport department; (v) progress on raising awareness of public policies related to intermodal transportation; and (vi) progress on implementation of a pilot plan for efficient logistics corridors and business formalization.
- 1.51 This first operation under the program strikes an important balance between developing policy reforms and implementing them through pilot projects (paragraph 1.35), thus making it possible to strengthen sector regulation while receiving feedback on how they are working. The second operation will focus on derivative rules and on finalizing and monitoring these projects.

⁸¹ School, tourism, and workplace transportation.

⁸² The regulatory approval process involves the following stages: (i) public consultation; (ii) adjustment of content; (iii) approval by CODINTRANT; (iv) submittal by CODINTRANT to the Executive Branch's Office of Legal Counsel; and (v) presidential review, approval, and publication in the Official Gazette.

⁸³ This pilot seeks to provide training to freight trucker unions on how to price their services based on the country's supply and demand conditions.

1.52 Moreover, the mobility and freight transportation challenges remaining after implementation of this program include finding additional mechanisms for managing demand to limit congestion and strategic planning of the Dominican Republic's National Logistics Plan to strengthen intermodality and quality of freight transportation services. The Bank will continue to support the Government of the Dominican Republic in consolidating sector reforms in the country through additional financial and technical assistance instruments.⁸⁴

C. Key results indicators

1.53 The accomplishment of program objectives will be measured against the indicators and targets in the Results Matrix ([Annex III](#)). The program's key expected impacts are a reduction in traffic accidents,⁸⁵ a reduction in polluting emissions resulting from changes in the vehicle fleet, increased use of public transportation, as well as an increase in trucking productivity.⁸⁶ Some of the main outcomes include: (i) an increase in the percentage of drivers with licenses issued under the new driver education system; (ii) an increase in the number of vehicles (public transit and freight trucking) that meet mechanical/technical inspection requirements; (iii) an improvement in perceptions regarding mobility conditions in the main urban centers among users, including those with disabilities; (iv) an increase in the number of transportation businesses (public transit and trucking) that make progress toward formalization; and (v) a gradual increase in the percentage of the vehicle fleet (public transit and trucking) that has been renewed.

1.54 **Beneficiaries.** The program will benefit society as a whole by promoting road safety policies. It will especially benefit public transit users, who will enjoy services geared toward their needs. The road freight component will benefit business and the Dominican economy by providing for more efficient transport of goods.

1.55 **Economic analysis.** Based on the recommendations of the Office of Evaluation and Oversight in its 2011 Evaluability Review of Bank Projects⁸⁷ and the results of the Review of Good Practice Standards for the Evaluation of Policy-based Lending, prepared by the Evaluation Cooperation Group (ECG) comprised of the independent evaluation offices of multilateral development banks,⁸⁸ as described in paragraph 1.3 of the Review of the Development Effectiveness Matrix for Sovereign Guaranteed and Non-Sovereign Guaranteed Operations (document GN-2489-5), indicating, inter alia, that there is no need to include an analysis of efficiency in the use of financial resources,⁸⁹ it was decided not to perform an economic analysis for loans of this

⁸⁴ Support for implementation of the Dominican Republic's National Logistics Plan (ATN/OC-17367-DR) and proposal of a port rehabilitation program.

⁸⁵ Deaths per 100,000 inhabitants, disaggregated by age and sex, and number of traffic-related injuries (nonfatal).

⁸⁶ Km/unit/year.

⁸⁷ Document RE-397-1: "Currently, economic analysis section is computed as the maximum between the CBA (cost benefit analysis) and the CEA (cost effectiveness analysis). Yet neither a CBA nor a CEA is applicable to PBLs and PBP's."

⁸⁸ Good Practice Standards for the Evaluation of Public Sector Operations. Evaluation Cooperation Group, Working Group on Public Sector Evaluation, 2012 Revised Edition. February 2012.

⁸⁹ The Evaluation Cooperation Group calls for policy-based loans to be evaluated for relevance, effectiveness, and sustainability. Efficiency was not included as a criterion because policy-based loans are sized according to the country's financing gap, independent of project benefits.

type, as reported to the Bank's Board of Executive Directors. Thus, this operation does not include an economic analysis and, consequently, the economic analysis is not considered for purposes of measuring the evaluability score in this program's Development Effectiveness Matrix (DEM).

II. FINANCING STRUCTURE AND MAIN RISKS

A. Financing instruments

- 2.1 This loan operation is the first of two consecutive single-tranche operations that are linked technically but will be financed separately under the programmatic policy-based loan modality, pursuant to paragraph 3.27(b) of the document "Policy-based Loans: Guidelines for Preparation and Implementation" (document CS-3633-2).
- 2.2 **Dimensioning.** The dimensioning of the financing was based on the country's fiscal resource needs, which are equivalent to 5.4% of GDP for 2019. The operation will be for US\$500 million, with a single disbursement to cover part of this financing, representing approximately 10% of total needs.⁹⁰
- 2.3 This modality is appropriate for promoting sector policy dialogue, given the complexity and time frames involved in developing, explaining and publicizing, and implementing reforms.

B. Environmental and social safeguard risks

- 2.4 Pursuant to Directive B.13 of the Bank's Environment and Safeguards Compliance Policy (document GN-2208-20 and Operational Policy OP-703), this operation does not require environmental classification. The proposed reforms may have an impact on the transportation sector labor market, as a result of business formalization. This is considered a "medium" risk. Mitigation measures include: (i) implementation of support and training activities⁹¹ planned by INTRANT as part of its social management plan for transformation of the transportation sector; (ii) an impact study focusing on vulnerable population groups; and (iii) actions to strengthen INTRANT using IDB and AFD technical-cooperation resources.

C. Fiduciary risks

- 2.5 The evaluation of the Dominican Republic's public finance management system⁹² and the 2016 Public Expenditure and Financial Accountability report⁹³ confirm that the public finance management system is aligned with international best practices. The country has a long track record in managing external credit resources, and no financial management risks are anticipated. The Ministry of Finance has experience carrying out reform processes and will provide support to INTRANT. The proposed policy-based loan will provide untied funds for budgetary support within a responsible fiscal policy framework.

⁹⁰ The operation will be cofinanced by the French Development Agency (AFD). See financial terms and conditions.

⁹¹ Training for work associated with the business of transportation operators: vehicle operation; vehicle maintenance; and others.

⁹² August 2017.

⁹³ October 2016.

D. Other key risks and issues

- 2.6 **Public management and governance.** The operation has a low overall risk level, as it is based on a necessary reform process for efficient overland transportation. Nevertheless, certain “medium” operational risks were identified: (i) delays in the process of submitting sector regulations to Executive Branch authorities. This risk will be mitigated with the advance development of preliminary draft regulations, funded through technical-cooperation operation ATN/OC-16791-DR; and (ii) inability to establish dialogue with the freight transport and transit unions, which will be addressed by forming working groups, lengthening the time frame for public consultation on the regulation, and structuring technical pilots.

III. IMPLEMENTATION AND MANAGEMENT PLAN

A. Summary of implementation arrangements

- 3.1 The borrower will be the Dominican Republic. The Ministry of Finance, as executing agency, will execute the program and utilize the loan proceeds on behalf of the borrower. The Ministry of Finance will coordinate fulfillment of the policy conditions with INTRANT, which is the agency so authorized by Law 63-17, as well as with other government agencies involved in the reform. The Ministry of Finance, as executing agency, will provide evidence to the Bank of fulfillment of contractual commitments and completion of the sector reform measures (see Annex II). The Ministry of Finance will: (i) drive actions associated with accomplishing the policy objectives; (ii) provide evidence of fulfillment of the agreed policy conditions; and (iii) compile and deliver to the Bank all information, indicators, and criteria for assessing whether the proposed results were achieved.
- 3.2 **Special contractual conditions precedent to the first and only disbursement of the loan proceeds:** (i) fulfillment of the policy reform conditions established in the Policy Matrix (Annex II); (ii) entry into force of the loan contract between the French Development Agency (AFD) and the Dominican Republic, to ensure that the reforms can be fully instituted; and (iii) the other contractual conditions established in the Loan Contract. The Bank may request external audits consistent with its policies.

B. Summary of arrangements for monitoring and evaluating results

- 3.3 The criteria laid out in the Policy Matrix, Means of Verification Matrix ([required link 2](#)), and Results Matrix ([Annex III](#)) will be used for supervision and evaluation of program results. The finance ministry’s coordination team, with INTRANT support, will see that the policy commitments are met. The IDB will monitor execution from its Country Office, in coordination with the AFD.
- 3.4 The purpose of program evaluation is to determine whether the planned outcomes and impacts have been achieved within the time frame established in the program monitoring and evaluation plan ([required link 3](#)). The borrower and the Bank have agreed to monitor program execution in coordination with the AFD via six-monthly monitoring meetings, guided by the indicators established in the Results Matrix ([Annex III](#)) during implementation. The project team will prepare a project completion report upon completion of the second operation, following current IDB guidelines, no more than six months after disbursement of the second operation.

IV. POLICY LETTER

- 4.1 **Policy Letter.** The Policy Letter ([required link 1](#)) sent by the borrower describes the macroeconomic and sector policies being pursued by the Government of the Dominican Republic, which are consistent with the policy measures to be supported by this program. The letter affirms the country's commitment to implementing the agreed conditions as described in the program Policy Matrix.

Development Effectiveness Matrix		
Summary		DR-L1132
I. Corporate and Country Priorities		
1. IDB Development Objectives		
Yes		
Development Challenges & Cross-cutting Themes	-Productivity and Innovation -Gender Equality and Diversity -Climate Change and Environmental Sustainability -Institutional Capacity and the Rule of Law	
Country Development Results Indicators	-Reduction of emissions with support of IDBG financing (annual million tons CO2 e)* -Government agencies benefited by projects that strengthen technological and managerial tools to improve public service delivery (#)*	
2. Country Development Objectives		
Yes		
Country Strategy Results Matrix	GN-2908	Improve productive infrastructure
Country Program Results Matrix	GN-2948-2	The intervention is included in the 2019 Operational Program.
Relevance of this project to country development challenges (If not aligned to country strategy or country program)		
II. Development Outcomes - Evaluability		
		Evaluable
3. Evidence-based Assessment & Solution		
3.1 Program Diagnosis		7.7
3.2 Proposed Interventions or Solutions		3.0
3.3 Results Matrix Quality		1.7
3.3 Results Matrix Quality		3.0
4. Ex ante Economic Analysis		
		N/A
5. Monitoring and Evaluation		
5.1 Monitoring Mechanisms		7.0
5.2 Evaluation Plan		2.5
5.2 Evaluation Plan		4.5
III. Risks & Mitigation Monitoring Matrix		
Overall risks rate = magnitude of risks*likelihood		Low
Identified risks have been rated for magnitude and likelihood		Yes
Mitigation measures have been identified for major risks		Yes
Mitigation measures have indicators for tracking their implementation		Yes
Environmental & social risk classification		B.13
IV. IDB's Role - Additionality		
The project relies on the use of country systems		
Fiduciary (VPC/FMP Criteria)	Yes	Financial Management: Budget, Treasury, Accounting and Reporting, External Control, Internal Audit. Procurement: Information System, Price Comparison, Contracting Individual Consultant, National Public Bidding.
Non-Fiduciary		
The IDB's involvement promotes additional improvements of the intended beneficiaries and/or public sector entity in the following dimensions:		
Additional (to project preparation) technical assistance was provided to the public sector entity prior to approval to increase the likelihood of success of the project	Yes	DR-T1172. Apoyando acciones normativas, institucionales y operativas del sector transporte en República Dominicana.

The Dominican Republic's transport sector is lagging. Official data tells us that mortality due to transit accidents amounts to 34.6 deaths per 100 thousand inhabitants, the highest in the region and one of the most concerning public health problems the country faces. Moreover, land transport – given the antiquity of the vehicle fleet which lacks systemized inspections – contributes an estimated 41% of the total CO2 emissions for the country. In the last decade alone, the country's vehicle fleet doubled with 350 cars per 1,000 inhabitants and it is estimated that only 43% of active drivers have a driver's license. This dire situation is attributable to weak norms, a lack of conscientization y a lack of control. Until recently, multiple entities were in charge of regulating the sector. In 2017 a law was approved which consolidates regulation and names INTRANT as the main regulating entity and in charge of enacting a reform substantiated in policies that when enacted will substantiate it. This program is a collaboration with the government to advance on these reforms and is the first operation under a PBP. The general objective of the program is to contribute to the consolidation of a safe terrestrial transport that is also efficient through reforms in road safety, urban mobility, and freight transport. The specific objectives for the first operation are: (i) the operationalization of a robust policy frame with a vision for the future fundamental for planning and sector reform; (ii) the institutional strengthening of competent entities for the reform's implementation; (iii) the development of planning tools with the objective of adopting new technical standards for the sector. The reforms aim to promote norms and standards to improve upon the existing situation and the outputs of the Results Matrix correspond to the initiatives highlighted in the Policy Matrix. Within the Results Matrix resulting benefits are captured such as: a decrease in transport-related mortality rate, the sector's contribution to emissions, the percent of vehicles that begin to comply with inspections as called for by law, the driver's licences that are emitted under the new scheme, and the identification of critical points within the national road networks for which an improvement plan is delineated; among many others. At closure, a before-and-after comparison of results indicators will be conducted.

POLICY MATRIX

Objective. The program's general objective is to contribute to safer and more efficient overland transportation through reforms in three subsectors: (i) road safety; (ii) urban mobility; and (iii) road freight transportation. Its specific objectives are: (i) operational aspects of a robust, forward-looking policy framework as the foundation for sector planning; (ii) institutional strengthening of the relevant entities; and (iii) development of planning tools for the adoption of new technical standards in the sector.

Components/ Policy objectives	Responsible agency	Policy reforms I	Fulfillment status of policy reforms I ¹	Triggers for policy reforms II
Component I. Macroeconomic stability				
1.1 Macroeconomic stability		1.1 The macroeconomic framework is stable and consistent with the objectives of the program and the Policy Letter.	Fulfilled.	1.1 The macroeconomic framework is stable and consistent with the objectives of the program and the Policy Letter.
Component II. Road safety as a pillar of sector development				
2.1 Prioritize road safety as a pillar of sector development: legal and regulatory framework.	National Institute for Traffic and Overland Transportation (INTRANT)	2.1.1 Pursuant to Law 63-17 on Mobility, Overland Transportation, Transit, and Road Safety, a technical inspection regulation for passenger and freight transport vehicles has been approved and has entered into force, updating the necessary standards (including energy efficiency standards), to ensure ongoing improvements in the makeup of the Dominican Republic's vehicle fleet, including: <ul style="list-style-type: none"> a. Regulation of vehicle technical inspection stations; b. Required vehicle condition for circulation; c. Protocol and instruments for conducting vehicle technical inspections; d. Rules for vehicle technical inspection of imported motor vehicles and used vehicles. 	Fulfilled, Q1 2019.	2.1.1.1 INTRANT has issued at least three technical rules derived from the regulation on vehicle technical inspection, that integrate energy efficiency standards across the board. 2.1.1.2 The concessioning process for vehicle technical inspection stations has started, as established in the vehicle technical inspection regulation.

¹ This information is merely indicative as of the date of this document. In accordance with document CS-3633-2 (Policy-based Loans: Guidelines for Preparation and Implementation), fulfillment of all the specified conditions for disbursement, including maintenance of an appropriate macroeconomic policy framework, will be verified by the Bank at the time the borrower requests the tranche release and will be promptly certified in the disbursement eligibility memorandum.

Components/ Policy objectives	Responsible agency	Policy reforms I	Fulfillment status of policy reforms I ¹	Triggers for policy reforms II
	INTRANT	<p>2.1.2. Pursuant to Law 63-17, the following road safety regulations have been approved and have entered into force, updating safe driving and other requirements:</p> <ul style="list-style-type: none"> a. Issuance of driver's licenses; b. Psychological and physical certificates for drivers, and medical centers authorized to issue them; c. The road safety training, instruction, and education program; d. Authorization of driving schools; e. A driver's license point system. 	Fulfilled, Q1 2019.	<p>2.1.2.1 INTRANT has issued at least three technical rules identified based on the respective regulations.</p> <p>2.1.2.2 Progress has been made on operation of at least two driver's license issuing centers, as established in the approved regulation.</p> <p>2.1.2.3 At least one driving school has been authorized pursuant to the applicable regulations.</p> <p>2.1.2.4 Progress has been made on implementation of the driver's license point system, as required by the approved regulation.</p>
		<p>2.1.3 The Governing Board of INTRANT (CODINTRANT) has approved the preliminary draft regulation on transit use of bicycles, motorcycles, and other personal mobility vehicles, establishing general traffic rules, use of these modes of transportation to provide services, minimum standards, use of helmets, etc.</p>	Fulfilled, Q3 2019.	<p>2.1.3 Progress has been made on the approval process for the regulation on personal and transit use of bicycles and motorcycles, with submittal to the Executive Branch.</p>
<p>2.2 Prioritize road safety as a pillar of sector development: institutional framework.</p>	<p>Traffic and Overland Transportation Safety Bureau (DIGESETT) INTRANT</p>	<p>2.2.1 The work plan to facilitate coordination between INTRANT and DIGESETT has been approved and identifies surveillance and enforcement actions for mobility management.</p>	Fulfilled, Q3 2019.	<p>2.2.1 At least five actions from the surveillance and enforcement work plan are being implemented, including at least those related to:</p> <ul style="list-style-type: none"> a. Speed limit enforcement; b. Seat belt use; c. Alcohol consumption limits;
	<p>INTRANT Ministry of Public Works and Communications (MOPC)</p>	<p>2.2.2 The Permanent Road Safety Observatory (OPSV) is operating, and its data collection and operational capabilities have been strengthened through:</p>	Fulfilled, Q3 2019.	<p>2.2.2.1 The OPSV's information gathering, data analysis, and public policy setting have been strengthened through an information sharing agreement between INTRANT/OPSV and the National Emergency System (911).</p>

Components/ Policy objectives	Responsible agency	Policy reforms I	Fulfillment status of policy reforms I ¹	Triggers for policy reforms II
	DIGESETT	<p>a. Allocation of a budget and staffing for its operation;</p> <p>b. Development of a methodology for compilation, analysis, and monitoring of accident data;</p> <p>c. Coordination of road hot spot interventions with the MOPC and DIGESETT.</p>		<p>2.2.2.2 The OPSV has been strengthened in its road safety policy advisory role for central and local government through:</p> <p>a. A protocol for compiling sector data;</p> <p>b. Monitoring and supervision indicators for the calculation of key road safety statistics;</p> <p>c. Official report on accidents in the year prior to disbursement;</p> <p>d. A methodology for estimating annual economic losses and the cost of traffic accidents for the national government;</p> <p>2.2.2.3 Progress has been made on implementation of the hot spot intervention action plan in an intercity corridor selected by INTRANT and the MOPC.</p>
	DIGESETT INTRANT	<p>2.2.3.1 A policy framework has been established for creating technical units under DIGESETT to investigate traffic accidents (in the field), with a mandate to:</p> <p>a. Conduct the relevant inquiries into traffic accidents;</p> <p>b. Compile data and gather evidence relating to the causes and circumstances of the accident;</p> <p>c. Draft reports explaining and describing the details of accidents;</p> <p>d. Record statistical data on traffic accidents: location, causes, material and human losses, and damage to private or public property.</p> <p>2.2.3.2 At least five accident investigation technical units are in operation with the mandate stated in the policy framework.</p>	Fulfilled, Q3 2019.	<p>2.2.3 The Accident Investigation Technical Units are operating in fulfillment of their mandate to deliver traffic accident data for accident response.</p>

Components/ Policy objectives	Responsible agency	Policy reforms I	Fulfillment status of policy reforms I ¹	Triggers for policy reforms II
2.3 Prioritize road safety as a pillar of sector development: planning tools.	INTRANT MOPC	2.3.1 The National Strategic Plan for Road Safety (PENSV) has been disseminated.	Fulfilled, Q3 2019.	2.3.1 At least 10 medium-term priority actions established in the PENSV have been implemented, including at least two actions contributing to reduced greenhouse gas emissions.
		2.3.2 INTRANT has approved a communication work plan, including education and road safety campaigns, guidance, and awareness-raising, with the following priorities: a. Drinking and driving; b. Child restraint systems; c. Speed limits; d. Motorcycle helmets.	Fulfilled, Q3 2019.	2.3.2 Progress has been made on implementation of the approved communication work plan.
		2.3.3 CODINTRANT has approved a preliminary draft regulation governing occupational road safety plans to be developed by businesses, public administrations, and other organizations.	Fulfilled, Q3 2019.	2.3.3.1 Progress has been made on the approval process for the preliminary draft regulation governing occupational road safety plans of businesses and other organizations, with submittal to the Executive Branch. 2.3.3.2 At least two pilot occupational road safety plans are being prepared.
		2.3.4 The Ministry of Education has agreed to incorporate road safety education into public school curricula, to strengthen citizen understanding of road safety at the primary and secondary school levels, and the education programs have been developed.	Fulfilled, Q3 2019.	2.3.4 Actions are being implemented under the framework cooperation agreement between INTRANT and the Ministry of Education through the integration of road safety education into public school curricula, starting with teacher training.
		2.3.5 The PENSV for motorcycles has been approved.	Fulfilled, Q3 2019.	2.3.5 At least five priority actions established in the PENSV for motorcycles have been implemented.

Components/ Policy objectives	Responsible agency	Policy reforms I	Fulfillment status of policy reforms I ¹	Triggers for policy reforms II
Component III. Accessible, affordable, efficient urban mobility				
3.1 Contribute to an efficient, safe, innovative urban mobility sector by improving the quality of urban and intercity transit services: legal and regulatory framework.	INTRANT	3.1.1. Public consultation has been sought on the preliminary draft omnibus regulation on organization of public transportation, establishing, inter alia: a. Fare-setting based on affordability and accessibility criteria; b. Conditions for issuing operating permits to transit operators; c. Service quality and performance standards, including energy efficiency, polluting emissions, and vehicle technical and mechanical standards required for the public transit fleet.	Fulfilled, Q3 2019.	3.1.1.1 Progress has been made on the approval process for the public transit regulation, with submittal to the Executive Branch for approval and entry into force. 3.1.1.2 Progress has been made on development of a fare structuring methodology for public transit that potentially includes systems for integration with other modes of transportation, based on the outcomes of a corridor pilot project. 3.1.1.3 A technical, commercial, and institutional interoperability model has been developed for public transportation in Greater Santo Domingo.
	INTRANT	3.1.2 A special procedure has been approved that enables currently operating public transit service providers to incorporate as a business or other type of legal entity pursuant to Law 63-17.	Fulfilled, Q3 2019.	3.1.2 Progress has been made on the process of issuing route operation permits for routes established under Law 63-17 to public transit service providers that have incorporated as a business or other type of legal entity, as evidence of implementation of the Social Management Plan.
		3.1.3 Mechanisms ² have been created for managing the resources to be allocated to passenger and freight transport fleet renewal under Law 63-17, which calls for incentives for clean, low-carbon technology vehicles.	Fulfilled, Q3 2019.	3.1.3 Progress is being made on the passenger and freight vehicle renewal process, with incentives for a clean, low-carbon technology fleet.

² E.g., a trust.

Components/ Policy objectives	Responsible agency	Policy reforms I	Fulfillment status of policy reforms I ¹	Triggers for policy reforms II
		3.1.4 Progress has been made on the regulation of special transportation with CODINTRANT's approval of the respective preliminary draft regulations on school, tourism, occupational and other modes of transportation.	Fulfilled, Q3 2019.	3.1.4.1 Progress has been made on the approval process for the regulation of special transportation, including school, tourism, and occupational modes of transportation, with submittal to the Executive Branch. 3.1.4.2 Applicable procedures have been developed for issuing school transportation permits.
3.2 Contribute to an efficient, safe, innovative urban mobility sector by improving the quality of urban and intercity transit services: institutional framework.		3.2.1 Sustainable Mobility, Passenger Transit, and Traffic and Roads departments have been created at INTRANT, to contribute to the improvement of urban and intercity transit services.	Fulfilled, Q3 2019.	3.2.1 The Sustainable Mobility, Passenger Transit, and Traffic and Roads departments are operating with the necessary budget and staffing.
		3.2.2 An INTRANT/Ministry of Energy working group has been created to develop an alternative energy roadmap for passenger and freight overland transportation systems.	Fulfilled, Q3 2019.	3.2.2 Rules on electromobility have been developed, to include incentives for alternative energy vehicles for public transportation, and have been explained and publicized in the INTRANT/Ministry of Energy working group.
3.3 Contribute to an efficient, safe, innovative urban mobility sector by improving the quality of urban and intercity transit services: planning tools.	INTRANT	3.3.1 The technical, legal, and financial structure is complete for a bus corridor in Santo Domingo's Integrated Public Transportation System, contributing to climate change mitigation pursuant to Law 63-17.	Fulfilled, Q3 2019.	3.3.1 The contract has been awarded to operate the corridor identified in the first operation.
	INTRANT Ministry of the Presidency	3.3.2 Guidelines have been approved for developing local strategic mobility plans based on the Mobilise your City ³ methodology, involving GHG emissions mitigation, universal accessibility (regardless of a person's technical,	Fulfilled, Q3 2019.	3.3.2 At least two local strategic mobility plans have been developed based on the approved guidelines.

³ Based on a participatory methodology.

Components/ Policy objectives	Responsible agency	Policy reforms I	Fulfillment status of policy reforms I ¹	Triggers for policy reforms II
	INTRANT	cognitive, or physical ability), and other objectives.		
	INTRANT	3.3.3 The Greater Santo Domingo Sustainable Urban Mobility Plan has been approved, including climate change mitigation considerations and identifying short-, medium-, and long-term actions for its implementation.	Fulfilled, Q3 2019.	3.3.3 At least five of the plan's priority actions have been implemented, including climate change mitigation objectives and promotion of active modes.
	INTRANT	3.3.4 The Safe Pedestrian Plan has been approved, calling for integration of nonmotorized modes into the public transportation system.	Fulfilled, Q3 2019.	3.3.4 At least two of the Safe Pedestrian Plan's medium-term priority actions have been implemented.
	INTRANT	3.3.5 Development of a diagnostic assessment of gender-differentiated mobility patterns has started, as the baseline for a mobility observatory.	Fulfilled, Q3 2019.	3.3.5.1 Progress has been made on integrating Santo Domingo into the Transport Gender Lab's regional benchmarking. 3.3.5.2 A Sustainable Urban Mobility Observatory has been established, to track and measure the implementation of urban mobility policies in the country's cities, including gender issues and reduction of greenhouse gas emissions.
Component IV. Efficient, sustainable road freight transport				
4.1 Contribute to improved quality of freight trucking services: legal and regulatory framework.	INTRANT	4.1 CODINTRANT has approved the preliminary draft regulation on road freight transport after the relevant public consultation, including as core components: a. National registry of freight transport vehicles; b. National registry of operators; c. National registry of freight transport logistics chain operators; d. Shipping documents; e. An efficient reference cost system for road freight transport.	Fulfilled, Q4 2019.	4.1.1 Progress has been made on the approval process for the road freight transport regulation, with submittal to the Executive Branch for approval. 4.1.2 A baseline study has been done to determine the reference cost structure for freight trucking, and its findings explained and publicized at an information session with unions and other sector entities. 4.1.3 An electronic platform has been developed for calculating minimum costs between the country's main origins and destinations.

Components/ Policy objectives	Responsible agency	Policy reforms I	Fulfillment status of policy reforms I ¹	Triggers for policy reforms II
4.2 Contribute to improved quality of freight trucking services: institutional framework.	INTRANT	4.2.1 The Overland Freight Transport Department have been created at INTRANT, to contribute to the improvement of overland freight transport services.	Fulfilled, Q1 2019.	4.2.1 The Overland Freight Transport Department is operating with the necessary budget and staffing.
	INTRANT	4.2.2 INTRANT, Pro-Competencia, the National Competitiveness Council, and the Port Authority have made progress on the design and execution of public policies related to maritime, port, and overland transportation, including a strategy to promote intermodal transport, a working group, and forums for dialogue with logistics chain operators.	Fulfilled, Q3 2019.	4.2.2 INTRANT has made progress on raising awareness of public policies related to maritime, port, and overland transportation with the interagency technical working group, including the proposal to develop the pilot plan for efficient logistics corridors.
4.3 Contribute to improved quality of freight trucking services: planning tools.	INTRANT	4.3 A pilot plan for efficient logistics corridors and business formalization has been formulated, contributing to the identification of a system of efficient costs for freight transport.	Fulfilled, Q3 2019.	4.3 Progress has been made on implementation of pilot plan for efficient logistics corridors and business formalization, with a focus on designing a reference information system for calculating road freight transport costs.

RESULTS MATRIX¹

Objective: The program's general objective is to contribute to safer and more efficient overland transportation through reforms in three subsectors: (i) road safety; (ii) urban mobility; and (iii) road freight transportation. Its specific objectives are: (i) operational aspects of a robust, forward-looking policy framework as the foundation for sector planning; (ii) institutional strengthening of the relevant entities; and (iii) development of planning tools for the adoption of new technical standards in the sector.

Expected impacts											
Indicators	Unit of measure	Baseline	Base year	2019	2020	2021	2022	Final target 2023	Means of verification	Comments	
Impact 1: Reduction in traffic accidents											
1	Number of traffic-related fatalities. Rate per 100,000 inhabitants	Rate	34.6	2018	32.87	31.14	29.41	27.68	25.95	Statistics on the total number of traffic-related fatalities in the Dominican Republic issued by the World Health Organization (WHO)	Dominican government's target: Reduce baseline by 20%-30% by 2020. The total traffic-related fatality rate will be calculated as data are collected. The baseline may be adjusted based on reports from the National Statistics Office. Results through 2023 will be monitored by the Permanent Road Safety Observatory.
2	Number of traffic-related injuries (non-fatal). Rate per 100,000 inhabitants	Rate	207.6	2018	197.22	186.84	176.46	166.08	155.7	Statistics on the total number of traffic-related injuries in the Dominican Republic, issued by WHO.	Dominican government's target: Reduce baseline by 20%-30% by 2020. Results through 2023 will be monitored by the Permanent Road Safety Observatory.
Impact 2: Reduction in emissions and increased use of public transportation											
3	Reduction in the percentage of total emissions attributable to transportation sector emissions due to changes in the vehicle fleet	% of emissions	TBD	2011	TBD-2%	-	TBD-7%	-	TBD-10%	Quantified by the National Institute for Traffic and Overland Transportation (INTRANT) using the methodology from the Sustainable Mobility Plan and Climate Change Council.	More than 250,119 inventoried vehicular units that are more than 20 years old contribute significantly to greenhouse gas emissions in the Dominican Republic.

¹ To be determined (TBD). Baseline values will be defined within 60 days of the date of eligibility.

Expected impacts											
	Indicators	Unit of measure	Baseline	Base year	2019	2020	2021	2022	Final target 2023	Means of verification	Comments
4	Percentage of trips using public transit over total number of trips	Percentage	9%	2018	-	13%	-	-	18%	Statistics reported by INTRANT based on Strategic Plan for Sustainable Urban Mobility (PEMUS) for Santo Domingo household surveys	Baseline estimated from the 2018 PEMUS for Santo Domingo household surveys and is slated to be updated for 2023. The Integrated Public Transportation System (SITP) includes the metro, the aerial tram system, metropolitan bus services (OMSA), and private operators.
Impact 3: Increase in freight transport productivity and efficiency											
5	Average annual kilometers per freight transport unit	(km/unit/year)	20,000	2014					40,000	Statistics reported by INTRANT based on its survey of major actors in road freight transportation.	Another indicator of the productivity and efficiency of road freight transportation is the annual kilometers per unit (km/unit/year), with transport unions reporting average productivity of 20,000 km/unit/year, ² far below the regional average of 60,000 km/unit/year.

** Targets with real data.

² El transporte automotor de carga en América Latina y el Caribe. República Dominicana: diagnóstico y recomendaciones de política. IDB 2015.

Expected outcomes											
	Indicators	Unit of measure	Baseline	Base year	2019	2020	2021	2022	Final target 2023	Means of verification	Comments
Component II. Road safety as a pillar of sector development											
Outcome: Improved road safety (quality of road safety standards)											
1	Number of vehicle inspection stations accredited by INTRANT and in operation for service delivery	Number of stations	0	2018	0	2	1	1	4	INTRANT report on the vehicle technical inspection system	Technical inspection regulation for passenger and freight transport vehicles updating, in accordance with Law 63-17, the necessary standards for vehicles in the Dominican Republic, including: (a) vehicle registration rules; (b) inspection frequency; (c) vehicle technical inspection station regulation; and (d) rules and procedures for the import of used vehicles.
2	Percentage of vehicles in circulation that meet the mechanical / technical inspection requirements established in Law 63-17	%	46	2018	52	58	64	70	75	INTRANT report on the vehicle technical inspection system	Law 241 authorizes the Land Transportation Bureau to conduct vehicle technical inspections of all motorized vehicles, including motorcycles, at least once per year. Data provided by the Land Transportation Bureau indicate that the most recent inspection under Law 241, which took place in 2014, only covered 738,000 vehicles (46% of the total vehicle fleet registered in the country). To date, these inspections have not included motorcycles. The percentage of vehicles that meet technical inspection requirements would be increased to 75%. The percentage is expected to be increased at 23 units.
Outcome: Improved road safety (quality of driving and licensing)											
3	Percentage of licenses issued under the new mechanism established by Law 63-17, relative to the total number of active licenses	%	0			10	15		25	INTRANT report on the new licensing mechanism	Law 63-17 supports the transition to a new regulatory framework for licensing in which drivers are required to obtain certificates of psychophysical skills necessary for safe driving in addition to taking eye exams. Since this process is in the implementation phase, the baseline is zero. According to estimates in the National Strategic Plan for Road Safety (PENSV), approximately 57% of drivers do not have a driver's license, and the percentage of licenses issued compared to valid licenses and annual renewal processes clearly indicates a downward trend. The PENSV target is to increase the percentage of drivers with driver's licenses to 90%.

Expected outcomes											
	Indicators	Unit of measure	Baseline	Base year	2019	2020	2021	2022	Final target 2023	Means of verification	Comments
Outcome: Improved road safety (INTRANT, DIGESETT work units)											
4	Positive perception of road safety among users in response to actions led by INTRANT, the Traffic and Overland Transportation Safety Bureau (DIGESETT), and the Ministry of Public Works and Communications (MOPC)	% of positive perception	TBD	2018	TBD +5%	TBD +7%	TBD +10%	TBD +5%	TBD +12%	INTRANT-DIGESETT survey on user perception	On the 2018 Dominican Road Safety Survey, perception is rated on a scale from 0 to 10, with 10 indicating an ideal level and values above 6 indicating a favorable perception. A 2018 public survey on mobility and traffic in Greater Santo Domingo and Santiago found that users felt that the five main traffic problems in the two cities were: (a) driver recklessness; (b) bad practices among public transit drivers; (c) lack of road safety education; (d) failure to obey the law; and (e) vehicle congestion on public roadways
5	Number of cases investigated by DIGESETT technical units to determine traffic accident causes	Number of cases	311	2018	311	350	420	470	500	INTRANT-DIGESETT report on investigation unit performance	DIGESETT investigates accidents upon special request by the Attorney General's Office. The strengthening of DIGESETT should result in a 12% increase in the number of cases investigated.
Outcome: Improved road safety (information systems and decision-making)											
6	Decrease in the under-reporting of road safety data on fatalities and injuries processed and compiled by the National Road Safety Observatory.	Level of under-reporting	TBD	2018	TBD -5%	TBD -7%	TBD -10%	TBD -12%	TBD -12%	National Road Safety Observatory report on information processing	Until 2017, different entities ³ reported nonstandardized fatality and injury data in an uncoordinated way, leading to highly fragmented statistics with a high level of under-reporting.

³ (i) Ministry of Public Health; (ii) National Institute of Forensic Sciences (INACIF); (iii) Metropolitan Transportation Authority (AMET); (iv) Casa del Conductor [Driver's House] and Centro del Automovilista [Center for Motorists]; (v) trauma hospitals; and (vi) the Dominican Association of Insurers and Reinsurers (CADOAR).

Expected outcomes											
	Indicators	Unit of measure	Baseline	Base year	2019	2020	2021	2022	Final target 2023	Means of verification	Comments
7	Road network hot spots, identified and for which an improvement plan has been developed	Number of cases	0	2018	0	15	30	40	50	INTRANT report with hot spots survey	Hot spots will be identified using a new methodology created by DIGESETT and INTRANT and usage rates for National Road Network corridors
Component III. Accessible, affordable, efficient urban mobility											
Outcome: Improved urban transit (fleet formalization)											
8	Number of operators whose businesses are formalized under Resolution 08/2018 ⁴	% of total urban transit operators	0	2018	0%	25%	50%	75%	100%	Number of certificates issued by INTRANT to operators	With Resolution 08/2018, INTRANT began a process of registering all formal and informal operators so as to create a registry that would be the starting point of a reorganization of service delivery. The sector currently lacks a database that accounts for the number of operation licenses, routes, and license expiration dates. In accordance with Law 63-17, a special procedure for the transformation of public service providers into businesses or other corporate entities will be approved. It includes the establishment of consortia or associations. INTRANT has established an 18-month deadline for completing the formalization process.
9	Number of vehicular units removed from circulation ⁵ once the business formalization process under Resolution 08/2018 has concluded.	Vehicular units	0 ⁶	2018	50	100	200	300	400	Number of certificates issued by INTRANT	Since the formalization process is new, the baseline is zero for 2018. INTRANT is conducting an analysis of demand by corridor to establish optimal supply volumes

⁴ Includes consortia, associations, and sole proprietorships.

⁵ Scrapped.

⁶ These figures are estimates and will be confirmed within 60 days of the date of eligibility.

Expected outcomes											
	Indicators	Unit of measure	Baseline	Base year	2019	2020	2021	2022	Final target 2023	Means of verification	Comments
10	Number of transit company employees trained as part of INTRANT's activities to support the business formalization process	Number of persons	TBD	2018	TBD +10		TBD +50		TBD +150	Records of training sessions conducted by INTRANT	This training will include: tools for strengthening businesses, business management, maintenance, and operational arrangements for transit. These actions are a key part of the mitigation plan for the business reform of the transport sector.
Outcome: Improved urban transit (fleet efficiency)											
11	Number of processes initiated ⁷ through the Mobility and Transportation Trust (FIMOVIT)	Number of processes	0 ⁸	2018	1		3		5	FIMOVIT report, processes initiated	Law 63-17 calls for the establishment of a trust to manage resources allocated to the renewal of the passenger transportation fleet.
Result 2: Improved urban transit (change in the mix of modes of transportation)											
12	Improved perceptions of experience with and quality of public transit services among users	%	TBD	2018	-	-	TBD+1 5%	-	TBD+2 0%	Public survey on mobility and traffic	In November 2016, the Information, Analysis, and Strategic Programming Department of the Office of the President conducted its most public recent survey on mobility and traffic in Greater Santo Domingo and Santiago. The survey sounded out users' opinions and found that five main traffic problems in these cities are: a) driver recklessness; (b) bad practices among public transit drivers; (c) lack of road safety education; (d) failure to obey the law; and (e) vehicle congestion on public roadways. On the current survey, perception is rated on a scale from 0 to 10, with 10 indicating an ideal level and values above 6 indicating a favorable perception.

⁷ Includes units removed from circulation and renovated units.

⁸ These figures are estimates and will be confirmed within 60 days of the date of eligibility.

Expected outcomes											
	Indicators	Unit of measure	Baseline	Base year	2019	2020	2021	2022	Final target 2023	Means of verification	Comments
13	Improved perceptions of experience with and quality of public transit services among users with disabilities	%	TBD		-	-	TBD+1 5%	-	TBD+2 5%	Public survey on mobility and traffic	In November 2016, the Information, Analysis, and Strategic Programming Department of the Office of the President conducted its most public recent survey on mobility and traffic in Greater Santo Domingo and Santiago. The survey sounded out users' opinions and found that five main traffic problems in these cities are: a) driver recklessness; (b) bad practices among public transit drivers; (c) lack of road safety education; (d) failure to obey the law; and (e) vehicle congestion on public roadways. On the current survey, perception is rated on a scale from 0 to 10, with 10 indicating an ideal level and values above 6 indicating a favorable perception.
14	Daily average of rush hour SITP passengers in the pilot corridor	Number of passengers	0	2018	1,085	1,104	1,123	1,141	1,160	Corridor demand report produced by INTRANT	INTRANT estimates of safe load in the corridor (passengers/hour/direction) were used to estimate paid demand per typical business day based on information on entries / exits in the corridor gathered by INTRANT and its correlation with safe load and demand along other corridors in similar cities. Annual growth was calculated based on projected population growth.
COMPONENT 3: FREIGHT TRANSPORT											
Result 1: Improved freight transport (fleet formalization)											
15	Number of operators whose businesses are formalized under Resolution 08/2018 ⁹	Total	0 ¹⁰	2018	1	3	3	5	7	INTRANT's consolidated freight transport information platform.	In accordance with Law 63-17, a special procedure for the transformation of public service providers into businesses or other corporate entities will be approved

⁹ Includes consortia, associations, and sole proprietorships.

¹⁰ These figures are estimates and will be confirmed within 60 days of the date of eligibility.

Expected outcomes											
	Indicators	Unit of measure	Baseline	Base year	2019	2020	2021	2022	Final target 2023	Means of verification	Comments
16	Number of freight transport company employees trained as part of INTRANT's activities to support the business formalization process	Number of persons	TBD	2018	TBD +10		TBD +50		TBD +150	Records of training sessions conducted by INTRANT	This training will include: tools for strengthening businesses, business management, maintenance, and operational arrangements for transit. These actions are a key part of the mitigation plan for the business reform of the transport sector.

Expected outputs							
	Output indicator	Unit	Baseline (2019)	Target (2020)	End-of-program target (2023)	Means of verification	Comments
ROAD SAFETY							
Legal and regulatory framework							
1	Regulation on the technical inspection of passenger and freight transport vehicles, approved and in force	Approved, in force regulation	0	1	1	Publication in the Official Gazette of Decree 5-19 approving the vehicle technical inspection regulation and its entry into force (Official Gazette 10927 dated 8 January 2019).	This regulation updates the necessary standards (including energy efficiency standards) to ensure ongoing improvements in the makeup of the Dominican vehicle fleet, including: <ul style="list-style-type: none"> a. Regulation of vehicle technical inspection stations; b. Required vehicle condition for circulation; c. Protocol and instruments for conducting vehicle technical inspections; d. Rules for vehicle technical inspection of imported motor vehicles and used vehicles.

Expected outputs							
	Output indicator	Unit	Baseline (2019)	Target (2020)	End-of-program target (2023)	Means of verification	Comments
2	Road safety regulations approved and in force	Approved, in force regulations	0	1	1	<p>Publication in the Official Gazette of the following decrees approving the corresponding regulations, and their entry into force:</p> <ul style="list-style-type: none"> - Decree 1-19 – Regulation on driving schools. - Decree 2-19 – Regulation on road safety education and training. - Decree 3-19 – Regulation on the psychophysical medical certificate for drivers and medical facilities authorized to issue the certificate. - Decree 4-19 – Regulation on the driver's license points system. - Decree 6-19 – Regulation on driver's licenses. <p>(Official Gazette 10927 dated 8 January 2019)</p>	<p>This regulation includes the following safe driving and other requirements:</p> <ul style="list-style-type: none"> a. Issuance of driver's licenses; b. Psychological and physical certificates for drivers, and medical centers authorized to issue them; c. The road safety training, instruction, and education program; d. Authorization of driving schools; e. A driver's license point system.
3	Preliminary draft regulation on the personal and transit use of motorcycles, bicycles, and other personal mobility vehicles approved by the Governing Board of the National Institute for Traffic and Overland Transportation (CODINTRANT)	Approved preliminary draft regulation	0	1	1	Certification issued by CODINTRANT approving the preliminary draft regulation.	The provisions of this regulation will include general traffic rules, use of these modes of transportation to provide services, minimum standards for the use of helmets.
Institutional framework							
4	Work plan to facilitate coordination between INTRANT and DIGESETT	Approved work plan	0	1	1	Certification issued by CODINTRANT approving the work plan. Joint DIGESETT-INTRANT report on actions implemented under the work plan.	The plan will identify surveillance and enforcement actions for mobility management..

Expected outputs							
	Output indicator	Unit	Baseline (2019)	Target (2020)	End-of-program target (2023)	Means of verification	Comments
5	Permanent Road Safety Observatory (OPSV) is operating, and its data collection and operational capabilities have been strengthened	OPSV, in operation and strengthened	0	1	1	<p>Current regulations governing INTRANT (Regulation 177-18 in Official Gazette 10910 dated 18 May 2018) that include the OPSV as a bureau.</p> <p>Report from the Executive Director of INTRANT on the activities implemented by the OPSV, its budget, and its staff.</p> <p>Agreements to strengthen data collection, data analysis, and public policy development, signed between INTRANT/OPSV and the following institutions:</p> <p>a. The Pan American Health Organization (PAHO).</p> <p>b. The Office of the Superintendent of Occupational Risks and Health.</p> <p>Publication of the official OPSV report including figures on traffic accidents as of 2017.</p> <p>INTRANT report including the diagnostic assessment of the traffic accident databases of other institutions and data analysis and consolidation procedure.</p> <p>INTRANT official memo approving the road network hot spot action plan.</p>	<p>The output indicator will be achieved through:</p> <p>a. Allocation of a budget and staffing for its operation;</p> <p>b. Development of a methodology for compilation, analysis, and monitoring of accident data;</p> <p>c. Coordination of road hot spot interventions with the MOPC and DIGESETT.</p>
6	<p>Regulatory framework that establishes technical units under DIGESETT to investigate traffic accidents (in the field)</p> <p>At least five accident investigation technical units in operation</p>	<p>Existing regulatory framework</p> <p>Accident investigation technical units</p>	0	1	1	<p>Law 63-17.</p> <p>DIGESETT reports on at least one case, per region, investigated by the technical investigation units.</p> <p>Report from the General Director of DIGESETT on the operations of at least five accident investigation technical units.</p>	<p>The accident technical investigation units will have a mandate to:</p> <p>a. Conduct the relevant inquiries into traffic accidents;</p> <p>b. Compile data and gather evidence relating to the causes and circumstances of the accident;</p> <p>c. Draft reports explaining and describing the details of accidents;</p> <p>d. Record statistical data on traffic accidents: location, causes, material and human losses, and damage to private or public property.</p>

Expected outputs							
	Output indicator	Unit	Baseline (2019)	Target (2020)	End-of-program target (2023)	Means of verification	Comments
Planning tools							
7	National Strategic Plan for Road Safety (PENSV) disseminated	Disseminated PENSV	0	1	1	September 2018 INTRANT memos disseminating the PENSV to public and private institutions (at both the national and district levels).	
8	Communication work plan approved by INTRANT	Approved communication work plan	0	1	1	INTRANT memo approving the road safety communication work plan under the terms mentioned in the provisions.	This plan will include education and road safety campaigns, guidance, and awareness-raising, with the following priorities: a. Drinking and driving; b. Child restraint systems; c. Speed limits; d. Motorcycle helmets.
9	Preliminary draft regulation governing occupational road safety and mobility plans developed by businesses, public administrations, and other organizations, approved by CODINTRANT	Approved preliminary draft regulation	0	1	1	CODINTRANT certification approving the preliminary draft regulation governing occupational road safety and mobility plans developed by businesses, government agencies, and other organizations.	
10	Agreement with the Ministry of Education to integrate road safety education into public school curricula, finalized	Finalized agreement to integrate road safety into school curricula	0	1	1	INTRANT-Ministry of Education framework agreement establishing the way road safety will be integrated into public school curricula. Official memo submitting to the Ministry of Education, for approval as part of the curriculum, the education programs developed by INTRANT and validated by its director.	The objective is to strengthen public road safety education for all ages and develop educational programs.
11	PENSV for motorcycles approved	Approved PENSV for motorcycles	0	1	1	INTRANT memo approving the PENSV for motorcycles	

Expected outputs							
	Output indicator	Unit	Baseline (2019)	Target (2020)	End-of-program target (2023)	Means of verification	Comments
URBAN TRANSIT							
Legal and regulatory framework							
12	Preliminary draft omnibus regulation on organization of public transportation, submitted to public consultation	Public consultation on the draft regulation	0	1	1	Public consultation matrix documenting the community information process and subsequent incorporation of changes and adjustments in the public transportation regulation.	The regulation will establish, inter alia: a. Fare-setting based on affordability and accessibility criteria; b. Conditions for issuing operating permits to transit operators; c. Service quality and performance standards, including energy efficiency, polluting emissions, and vehicle technical and mechanical standards required for the public transit fleet.
13	Special procedure that enables currently operating public transit service providers to incorporate as a business or other type of legal entity pursuant to Law 63-17, approved	Approved procedure	0	1	1	INTRANT Resolution 008-2018 from 29 May 2018 approving the special procedure that enables currently operating public transit service providers to incorporate as a business. INTRANT report on the principles of the Social Management Plan from the sector reform.	
14	Mechanisms ¹¹ for managing the resources to be allocated to passenger and freight fleet renewal	Mechanism created	0	1	1	Publication in the Official Gazette, of Decree 353-18 authorizing the creation of a trust, approved by the Executive Branch, and its entry into force (Official Gazette 10921 dated 19 October 2018). Contract signed with Fiduciario Reservas establishing the trust.	The mechanisms will be established in accordance with the provisions of Law 63-17 and will provide incentives for clean, low-carbon technology fleets.
15	Progress toward the approval of the regulation on special transportation, with CODINTRANT's consideration of the respective preliminary draft regulations on school, tourism, and occupational modes of transportation	Regulation	0	1	1	CODINTRANT certification indicating that the preliminary draft regulations on school, tourism, and occupational modes of transportation have been considered.	

¹¹ Such as a trust.

Expected outputs							
	Output indicator	Unit	Baseline (2019)	Target (2020)	End-of-program target (2023)	Means of verification	Comments
Institutional framework							
16	Sustainable Mobility, Passenger Transit, and Traffic and Roads departments, created at INTRANT	Office created	0	3	3	Publication in the Official Gazette of the regulation governing INTRANT 177-18, which includes the Sustainable Mobility, Passenger Transit, and Traffic and Roads departments in the institutional structure, and its entry in force (Official Gazette 10910 dated 18 May 2018).	
17	INTRANT/Ministry of Energy working group created	Working group created	0	1	1	Minutes of meetings of the working group on alternative energy in transit. Report on the proposal to develop incentives for the use of alternative energy in transit, including technical standards and a tariff reduction for alternative energy vehicles.	The working group develop an alternative energy roadmap for passenger and freight overland transportation systems.
Planning tools							
18	Technical, legal, and financial structure for an SITP bus corridor in Santo Domingo developed	Structured corridor	0	1	1	Published bidding specifications containing parameters based on the structuring.	This will contribute to climate change mitigation under the new framework pursuant to Law 63-17.
19	Guidelines for the development of local strategic mobility plans based on the “Mobilise Your City” methodology, ¹² approved	Approved guidelines	0	1	1	INTRANT memo approving the guidelines for the development of local strategic mobility plans.	The guidelines will address objectives for greenhouse gas emission mitigation universal accessibility (regardless of a person’s technical, cognitive, or physical ability), and other objectives.
20	PEMUS for Santo Domingo, approved	Approved plan	0	1	1	INTRANT memo approving the PEMUS for Santo Domingo.	The plan includes climate change mitigation considerations and identifies short-, medium-, and long-term actions for its implementation.
21	Safe Pedestrian Plan establishing the integration of nonmotorized modes into the public transportation system, approved	Approved plan	0	1	1	INTRANT memo approving the Safe Pedestrian Plan. Records from community information workshops on the actions included in the plan.	
22	Diagnostic assessment of differentiated mobility patterns launched, as the baseline for a Mobility Observatory	Launched diagnostic assessment	0	1	1	INTRANT report including a preliminary diagnostic assessment on gender and transportation for the purposes of including Santo Domingo as a member of the Transport Gender Lab initiative	

¹² Based on a participatory methodology.

Expected outputs							
	Output indicator	Unit	Baseline (2019)	Target (2020)	End-of-program target (2023)	Means of verification	Comments
FREIGHT TRANSPORT							
Legal and regulatory framework							
23	Preliminary draft regulation on road freight transport, approved	Approved preliminary draft regulation	0	1	1	CODINTRANT certification approving the proposed draft regulation and submitting it to the Executive Branch. Attach the certification of the proposed draft regulation including, at a minimum, the issues mentioned in the condition.	Key elements of the proposed draft regulation include: a. National registry of freight transport vehicles; b. National registry of operators; c. National registry of freight transport logistics chain operators; d. Shipping documents; e. An efficient reference cost system for road freight transport.
Institutional framework							
24	Overland Freight Transport department created within the INTRANT organizational structure	Office created	0	1	1	Publication in the Official Gazette of the regulation governing INTRANT 177-18 including the Overland Freight Transport department within the institution's structure and its entry into force (Official Gazette 10910 dated 18 May 2018).	
25	Design and execution of public policies related to maritime, port, and overland transport, coordinated	Coordination	0	1	1	Minutes of meetings of cross-sectoral working groups whose participants include the aforementioned entities and which operate under the framework of the Cooperation Agreement between INTRANT, ProCompetencia, the National Competitiveness Council, and the Port Authority.	This includes the development of a to promote intermodal transport and the establishment of a working group by INTRANT, ProCompetencia, the National Competitiveness Council, and the Dominican Port Authority.
26	Pilot plan for efficient logistics corridors and business formalization, formulated	Formulated pilot plan	0	1	1	INTRANT memo approving the pilot plan for efficient logistics corridors and business formalization.	

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

PROPOSED RESOLUTION DE-___/19

Dominican Republic. Loan ___/OC-DR to the Dominican Republic
Program to Support Mobility, Overland Transportation
and Road Safety in the Dominican Republic

The Board of Executive Directors

RESOLVES:

That the President of the Bank, or such representative as he shall designate, is authorized, in the name and on behalf of the Bank, to enter into such contract or contracts as may be necessary with the Dominican Republic, as borrower, for the purpose of granting it a financing to cooperate in the execution of the Program to Support Mobility, Overland Transportation and Road Safety in the Dominican Republic. Such financing will be for the amount of up to US\$250,000,000 from the resources of the Bank's Ordinary Capital, and will be subject to the Financial Terms and Conditions and the Special Contractual Conditions of the Project Summary of the Loan Proposal.

(Adopted on __ _____ 2019)