TC Document

I. Basic Information for TC

▪ Country/Region:	REGIONAL
▪ TC Name:	Support to the Public Policy Laboratory in the Transport Sector
▪ TC Number:	RG-T3854
▪ Team Leader/Members:	Montes Calero, Laureen Elieth (INE/TSP) Team Leader; Cortes Forero, Rene Alejandro (INE/TSP) Alternate Team Leader; Rendon Rodriguez, Jose Rodrigo (INE/TSP) Alternate Team Leader; Abad, Julieta (INE/TSP); Bertossi, Fanny (INE/TSP); Capristan Miranda, Rafael (INE/TSP); Cruz Moreno, Paula (INE/TSP); Mitnik, Oscar Alberto (SPD/SDV); Molina Vintimilla, Maria Emilia (INE/TSP); Taddia, Alejandro Pablo (INE/TSP); Vila Saint-Etienne, Sara (LEG/SGO) Mitnik, Oscar Alberto (SPD/SDV); Taddia, Alejandro Pablo (INE/TSP); Vila Saint-Etienne, Sara (LEG/SGO)
▪ Taxonomy:	Client Support
▪ Operation Supported by the TC:	
▪ Date of TC Abstract authorization:	01 Mar 2021
▪ Beneficiary:	Governments of Colombia and El Salvador
▪ Executing Agency and contact name:	Inter-American Development Bank
▪ Donors providing funding:	OC Strategic Development Program for Infrastructure(INF)
▪ IDB Funding Requested:	US$400,000.00
▪ Local counterpart funding, if any:	US$0
▪ Disbursement period (which includes Execution period):	36 months
▪ Required start date:	November 2021
▪ Types of consultants:	Firms and Individual consultants
▪ Prepared by Unit:	INE/TSP-Transport
▪ Unit of Disbursement Responsibility:	INE/TSP-Transport
▪ TC included in Country Strategy (y/n):	No
▪ TC included in CPD (y/n):	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Environmental sustainability; Gender equality; Institutional capacity and rule of law; Social inclusion and equality

II. Objectives and justification of the TC

2.1 Urban transport systems play a fundamental role in cities articulating economic and social interactions, as they connect people with the opportunities provided in a territory such as jobs, health, and education. In fact, conventional transport considers travel as a derived demand, which implies that the demand for transport services occurs because of the demand from another economic sector. For instance, work-related activities that involve commuting between the workplace and the residence, or shopping activities that result in trips to a store. Following this argument, the literature has traditionally focused on evaluating the benefits derived from gains in travel times and costs. Similarly, extensive literature highlights the relevance of complementarity and substitution within urban transport modes, and how transport supply and demand determine travel costs and times.

2.2 There is still little evidence on the impacts of the operation of urban transport in economic and social dimensions that transcend time and cost gains[1]. Few studies have focused on assessing the impacts of improvements in the quality and accessibility of transport services in Latin American cities. These impacts can be derived from different interventions, such as: fare integration, targeted subsidies, security programs and citizen culture in the use of public transport systems, dynamic management of transport demand, on demand services, adjustments in the infrastructure based on universal accessibility principles, among others. When considering these interventions, some studies have suggested the relationship of urban transport with less direct outcomes related with labor markets (i.e., participation in labor force), education (i.e., educational skills attainment), health (i.e., access to health benefits). Additionally, the impacts may vary based on the demographic and socioeconomic background of users (older adults, children attending primary education, female heads of household, migrant community, LGTBI population, among others).

2.3 In this scenario, generating rigorous evidence on the effectiveness of urban transport interventions is essential for prioritizing investments in the sector under an evidence-based policymaking approach. Rigorous evidence can contribute to improve existent transport interventions, scale the interventions that are working and fulfilling the expected outcomes, while also can contribute to redirect funds away from consistently ineffective interventions[2]. Therefore, analyzing these impacts, together with the lessons learned, constitute a highly valuable guide for all cities in the region that oversee improving urban mobility systems. As stated by international organisms such as the Organization for Economic Cooperation and Development (OECD), international cooperation and case studies in key policies areas, are fundamental for feeding high-quality evidence into policy making.

2.4 Given this context, the Public Policy Lab for Urban Transport (The Lab) was conceived in 2020 as an initiative focused on generating and providing evidence for the design of interventions that maximize the social and economic impacts of the development and operation of urban transport systems. At first, four countries were interested in developing this type of assessment: Colombia, Argentina, Peru, and El Salvador. These countries were identified in a virtual webinar with policy makers discussing the need for more evidence on the socioeconomic impacts of transport interventions. In fact, a first study was already conducted to assess, based on administrative data, the impact of three physical interventions in the Metro system of Medellin as well as the impacts of the subsidy program for covering the expenses on school transport. The Lab also derives from previous regional initiatives such as Transport Gender Lab (TGL), which promotes actions to increase the evidence on gender and transport. The Lab will initially focus on two cities, Bogota, and San Salvador, providing data and analysis in two contexts that can be applicable to different cities of the region.

2.5 Bogota is a megacity of 7.7 million inhabitants, that register more than 13.3 million trips daily[3], 37% in mass and collective public transport, 24% walking, 20% in private modes (cars and motorcycle), 7% by bike and 8% in other modes such as taxis and special services of transport[4]. The number of daily trips in Bogota has increased by

[1] Impact Evaluation of Transport Interventions. A review of the evidence, (ADB,2019).
[2] Principles of Evidence-Based Policymaking, (Evidence-Based Policy Making Collaborative, 2016).
[3] Encuesta de Movilidad 2019 (Secretaría de Movilidad, 2019).
[4] Ibid.

15% since 2011 and the average duration of trips went from 49.6 minutes in 2011 to 60.2 minutes in 2019. Indeed, Bogota is one of the four Latin American capital cities in the Top 10 cities with highest levels of congestion worldwide. To respond to the growing demand for mobility in the city, Bogota has been developing mass transit systems during the past 20 years, with the implementation of the BRT system TransMilenio, and the Integrated Public Transport System (SITP). Additionally, several mass transit projects are under construction, such as the First Line of the Bogota Metro and Regiotram de Occidente, and more regional projects are currently in planning stages. The city is also prioritizing non-motorized transport systems to solve mobility issues, especially with the promotion of biking. Bogota has implemented more than 550km of permanent bike lanes. The city has been a pioneer in the past decades to test and implement new mobility solutions such as TransMilenio, the "Ciclovía" program and temporary bike lanes during the COVID-19 pandemic, that have been replicated in many cities worldwide. In addition to the investments in urban transport infrastructure, Bogota is also structuring a new fare scheme for public transport services, including a review of the demand-side transport subsidies that are currently in place.

2.6 The Metropolitan Area of San Salvador (MASS) is made up of 14 municipalities, with a population of 1.8 million inhabitants. There are approximately 2.5 million trips in motorized systems, 84% of which are made by cars and motorcycles, 7% in public transport, and 9% in other modes[5]. Like Bogota, the city has registered concerning trends toward increasing motorization rates and ever-higher levels of congestion. The vehicle fleet has been growing at a rate of 8% in recent years, both in the country and in San Salvador. IDB analysis estimates that vehicles' average speed is below 20 km/h in 25% of the road network. In addition, the country faces important challenges related to road safety. El Salvador has one of the highest mortality rates due to road accidents: 21.1 for every 100,000 inhabitants, compared to an average rate of 19.2 in LAC countries.

2.7 The objectives of this TC are: (i) to encourage evidence-based policymaking in the transport sector through the promotion of the analysis and generation of rigorous evidence on the effectiveness of transport interventions for competitiveness and social welfare; and (ii) to generate knowledge and provide information on specific transport interventions in multiple countries to support the design and implementation of transport policies that consider the heterogeneities of the region. More specifically, knowledge and information will be generated on the social, economic, and environmental impacts of cycling infrastructures and programs and fare policies, with a gender perspective. By doing so, this TC will contribute to maximize the social, environmental, and economic impacts of urban mobility interventions and prioritize investments.

2.8 **Strategic Alignment.** This TC will participate in strengthening the IDBG's work on the cross-cutting issues of the of the Update to the Institutional Strategy of the Inter-American Development Bank Group 2020-2023 (AB-3190-2): (i) promoting Gender Equality, Diversity and Inclusion, by incorporating specific gender based evaluations among the programs of the cooperation, such as the impact of temporary bike lanes on women ridership, as well as evaluations based on demographic and socioeconomics data, such as targeted program of fare-free public transit, and by

[5] Nueva generación de modelos de transporte a través del uso de Big data: Caso San Salvador (BID, 2020).

promoting evidence-based mobility policies aimed at improving accessibility and quality of urban systems of mobility; (ii) addressing climate change and environmental sustainability, by promoting evidence-based mobility policies aimed at improving the sustainability of systems of transport; and (iii) enhancing Institutional Capacity and the Rule of Law, as it will finance capacity building programs for public institutions on impact evaluations. Likewise, the TC will contribute to the following indicators of the IDB Group Corporate Results Framework 2020-2023 (GN-2727-12): Social Progress Index; Global Gender Gap Index; CO2 emissions from fuel combustion; Government effectiveness, by analyzing and enhancing measures for bike promotion and public transport accessibility with a social inclusion and gender perspective. The TC is also aligned with the Transport Sectoral Framework Document (SFD) (GN-2740-12) with the lines of action: (i) Promote efficient, inclusive, sustainable, and quality mobility for urban and interurban passengers, by promoting evidence-based mobility policies; and (ii) Increase the availability of sector information and knowledge, by generating data and evidence on the social, economic, and environmental impact of mobility programs. In addition, this TC is aligned with the objectives of the Ordinary Capital Strategic Development Program for Infrastructure (INF) (GN-2819-1), with the objectives of: (i) improving the quality of infrastructure projects in LAC; (ii) improving the design and monitoring of public policies and the transmission of lessons learned in the infrastructure sector; and (iii) generating and deepen sector knowledge on good infrastructure practices, through the promotion of improved transport infrastructures and services based on evidence, and the generation of evidence on specific transport solutions that will be references for other cities and countries. Finally, it is aligned with the Bank's Strategy (EBP) with Colombia 2019-2022 (GN-2972), in the strategic objectives of: (i) raising the quality of infrastructure and urban development, by promoting better transport policies based on evidence; and (ii) continue to reduce poverty, and with the Bank's Strategy (EBP) with El Salvador 2021-2024 (GN-3046-1) with the priority area of reducing social vulnerability, by generating evidence on the social and economic impact of mobility programs.

III. Description of activities/components and budget

3.1 **Component 1: Experimental design and implementation of impact evaluation for urban transport interventions (US$240,000.00).** This component aims to promote the use of administrative data[6] to support the development of an impact evaluation agenda in LAC cities. The component will assess interventions that have been already completed when existing data allows it, as well as interventions that are planned to be implemented in the short term. This component will finance impact assessment (including the experimental design, elaboration of theory of change, and implementation of the evaluation) for the following urban transport interventions: (i) temporary bike lanes; (ii) free transport services for disadvantaged populations that face high vulnerability to social exclusion; and (iii) experiments based on behavioral sciences to improve road safety and increase the number of female bicycle users.

3.2 **Component 2. Regional virtual conference focused on impact evaluations for urban transport interventions (US$50,000.00).** This component aims to promote collaboration among researchers, public officials, and practitioners of the transport sector, to develop together rigorous evidence of the socioeconomic impacts of urban

[6] This will include for instance Origin-Destination surveys, travel cards data, time use survey, household surveys, CDRs database, social networks database, geo-referenced data on distribution/availability of education and health services, as well as job's location, among others.

transport interventions. This component will finance: (i) organization of a call for papers focused on data analytics for assessing transport interventions, which will focus on the use of big data and data mining to conduct the research; and (ii) organization of a regional virtual conference to disseminate the papers selected in the call for papers.

3.3 **Component 3. Knowledge dissemination and capacity building (US$110,000.00).** This component aims to disseminate good practices in the transport sector, derived from the impact evaluations conducted in Component 1. This component will finance: (i) layout and professional editing of IDB publications as well as preparation of video capsules and / or podcasts to disseminate the results of the studies financed by this TC; and (ii) structuring a training program on design and implementation of impact evaluations for public sector officials of the transport sector. The training will be delivered in person or virtually depending on the advances in the return to office strategy of the IDB in El Salvador. Considering the experience of the IDB Office of Strategic Planning and Development Effectiveness (SPD) developing impact evaluations, consultations with SPD will be held during the preparation of the training.

Indicative Budget

Activity/Component	Description	IDB/Fund Funding	Total Funding
Component 1. Experimental design and implementation of impact evaluation for urban transport interventions.	Impact assessment of temporal bike lanes.	US$80,000	US$80,000
	Impact assessment of free transport services for disadvantaged populations.	US$80,000	US$80,000
	Impact assessment of an experiment based on behavioral sciences to improve road safety and increase the number of female bicycle users.	US$80,000	US$80,000
Component 2. Regional virtual conference focused on impact evaluations for urban transport interventions.	Organization of a call for papers: Data analytics for assessing transport interventions.	US$20,000	US$20,000
	Organization of a regional virtual conference to disseminate the papers selected in the call for papers.	US$30,000	US$30,000
Component 3. Knowledge dissemination and capacity building.	Professional editing and layout of IDB publications, as well as preparation of media material for dissemination in social networks.	US$50,000	US$50,000
	Training program on design and implementation of impact evaluations for public sector officials.	US$60,000	US$60,000
TOTAL:		US$400,000	US$400,000

IV. Executing agency and execution structure

4.1 In accordance with the request of the beneficiary countries (See Annex I), the Bank will be the executing agency. In alignment with appendix 2 of the Procedures for the Processing of Technical Cooperation Operations and Related Matters" (OP-619-4), this request is justified by the Bank's experience in preparing and developing operational and technical instruments proposed for this type of regional operations and with the goal of improving independence during the TC execution process. IDB activities will be led by the Transport Division (TSP). The foregoing will consist of: (i) conducting the financial administration of the TC; (ii) coordinating the preparation of Terms of Reference, organizing the selection process, and contracting the consulting services required following IDB standards, policies, and procedures; (iii) preparing annual reports on the progress of the TC as well as the final report assessing the outcomes and products achieved with this TC; and (iv) preparing and updating the Procurement Plan. During the execution of the TC, and considering the available resources, it will be explored the possibility of increasing the number of beneficiary countries based on the request from the corresponding official Bank country liaison. To access the resources of this TC, the transport agency must provide access to administrative data that allows the generation of a mobility baseline that can be crossed with indicators from other sectors such as the health sector, education, among others.

4.2 **Supervision and monitoring.** The Transport Division will be responsible for the supervision of the TC. The Team Leader will be responsible for the supervision of the TC with the support of the alternate team leader and members of the project team. Transport specialists from the IDB country offices in Colombia and El Salvador are also part of the team, which will facilitate the supervision of project execution and avoid specific costs related to execution, as well as ensure continuous contact with local counterparts. As specified above, the TL will be in charge of preparing the Annual Donor Reporting Exercise in Convergence and the final report on the execution and achievement of the objectives of the TC.

4.3 **Procurement and financial management**. The activities to be carried out under this operation have been included in the Procurement Plan (Annex IV) and will be executed following the Bank's established procurement methods, namely: (i) hiring individual consultants, as established in AM-650 standards; (ii) contracting of consulting firms for services of an intellectual nature according to (GN-2765-4) and its associated operational guides (OP-1155-4); and (iii) contracting of logistics and other services other than consulting, in accordance with policy (GN-2303-28). This TC does not present fiduciary management risks as it will be executed by the IDB. For this reason, no financial audit is required.

4.4 **Major issues.** A risk is identified associated with heterogeneity in the characteristics and priorities of the transport systems of the participating cities and, consequently, in the priorities they may have. As a mitigation measure, the beneficiaries have requested that the Bank execute the TC as an impartial intermediary, which ensures the search for consensus on priorities for the entire region. Additionally, risks related to the impact of the COVID-19 pandemic and the consequent mobility restrictions implemented in the cities benefiting from the TC are identified, which may delay the schedule of activities that require field work, such as surveys and interviews to users of urban transport. To mitigate this risk, activities and communications will be implemented virtually whenever possible to ensure the continuity of activities and the

team will ensure the compliance of strict biosecurity measures for in person meetings and fieldworks.

V. Exceptions to Bank policy

5.1 No exceptions to Bank policies have been identified.

5.2 All knowledge products derived from this Technical Cooperation will be the Bank's intellectual property.

VI. Environmental and social strategy

6.1 The ESG classification for this operation is "C".

Required Annexes:

Request from the Client - RG-T3854
Results Matrix - RG-T3854
Terms of Reference - RG-T3854
Procurement Plan - RG-T3854