



<b>1. Project Data :</b>		<b>Date Posted :</b> 06/29/2000	
<b>PROJ ID:</b> P035599 <b>OEDID:</b> C2703		<b>Appraisal</b>	<b>Actual</b>
<b>Project Name :</b> Transport Sector Technical Assistance Project	<b>Project Costs (US\$M)</b>	23.9	22.5
<b>Country:</b> Cameroon	<b>Loan/Credit (US\$M)</b>	10.2	8.84
<b>Sector, Major Sect .:</b> Transportation Adjustment, Transportation	<b>Cofinancing (US\$M)</b>	10.0	10.0
<b>L/C Number:</b> C2703; CP861; LP152			
	<b>Board Approval (FY)</b>		95
<b>Partners involved :</b> EU, FAC, BMZ	<b>Closing Date</b>	06/30/1998	06/30/1999
<b>Prepared by :</b>	<b>Reviewed by :</b>	<b>Group Manager :</b>	<b>Group:</b>
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**2. Project Objectives and Components**

**a. Objectives**

The main objectives of the project were to support government efforts to :

1. **launch the transport sector reform program,** which would result in the:
  - creation of a new private civil aviation company,
  - private operation of rail services,
  - liquidation of the urban bus company,
  - sale of public shares in the Cameroon Shipping Lines (CAMSHIP) and in the Cameroon Container Transport and Freight Forwarder Company (CAMTAINER),
  - restructuring of the Ministry of Transport (MOT), and
  - reform of the regulatory framework for the air, urban, and maritime transport .
2. **continue preparation of the subsequent phases** which would result in the:
  - restructuring of the Ministry of Public Works (MOPW) -- contract out most of the road maintenance work program; and implement pluri-annual programming system, as well as a sustainable financing mechanism for road maintenance;
  - restructuring and downsizing of the port authority -- implement an efficiency-driven organization for dredging; and
  - improved customs' institutional framework -- overhaul the custom's computerized information system; implement a new international transit system .

**b. Components**

To achieve these objectives the project provided consultant services for

1. preliminary analysis for the privatization, sale or concessioning of the airline, railway company, shipping company, CAMSHIP and CAMTAINER, and for liquidation of the urban bus company;
2. study to prepare the restructuring of MOT;
3. revision of regulatory framework for urban, air, and maritime transport; and
4. preparation of the subsequent phases of the transport sector reform program .

**c. Comments on Project Cost, Financing and Dates**

The project was approved on December 19, 1995 and closed on June 30, 1999 a year later than originally scheduled. US\$0.85 million was canceled at closing.

**3. Achievement of Relevant Objectives :**

**The project achieved most of its objectives :**

- Railway activities are being devolved to private operators under a concessioning arrangement . The public enterprise operator, REGIFERCAM is in the process of liquidation . The efforts are expected to be finalized under the follow-on Railway Concessioning project.
- The liberalization of urban transport and liquidation of SOTUC, the urban public bus company, were achieved .
- The privatization of CAMSHIP and CAMTAINER was achieved .

- Restructuring of MOT and MOPW was slow and is continuing as part of the Transport Sector Project and the Third Structural Adjustment Credit.
- With respect to road maintenance, the project established a framework for sustainable financing, adequate road management, and private execution of maintenance .
- The reform of the port sector has not been fully achieved . Efforts at restructuring the port sector are continuing under the SAC III project.
- The privatization/liquidation of the civil aviation company was not achieved .
- Improvement of the international transit system was only partially achieved .

#### 4. Significant Outcomes /Impacts :

The project had a positive impact on transport sector restructuring, management and operations, private sector development, public expenditure, and the environment

#### 5. Significant Shortcomings (including non-compliance with safeguard policies ):

The project had the following shortcomings :

- failure to take account during appraisal the social issues associated with redundancies resulting from the privatization and restructuring of transport agencies and operators .
- difficulties in procurement process .
- Deficient financial management of the project . Discrepancies in the management of the Special Account led to the suspension of its replenishment for close to a year .

6. Ratings :	ICR	OED Review	Reason for Disagreement /Comments
<b>Outcome :</b>	Satisfactory	Satisfactory	
<b>Institutional Dev .:</b>	Partial	Substantial	The achievements in sector restructuring and privatization/liquidation warrants a "substantial" rating.
<b>Sustainability :</b>	Likely	Likely	
<b>Bank Performance :</b>	Satisfactory	Satisfactory	
<b>Borrower Perf .:</b>	Satisfactory	Satisfactory	
<b>Quality of ICR :</b>		Satisfactory	

#### 7. Lessons of Broad Applicability :

The following lessons with broad applicability emerge from the project :

1. The budgetary and social impact of privatization, including severance payments, should be addressed during project preparation.
2. Involvement of senior management (from the Bank and the government) in the process of reform implementation is crucial.
3. Continuity in Bank support strategy through successive projects is essential for supporting the different phases of reforms and for consolidating those achieved under the project .

#### 8. Audit Recommended? Yes No

**Why?** To assess and draw lessons from the reforms undertake to promote private sector participation in the transport sector.

#### 9. Comments on Quality of ICR :

The ICR is satisfactory . Actual total cost by component is not provided in Table 8A.