



<b>1. Project Data:</b>		<b>Date Posted :</b> 06/30/2003	
<b>PROJ ID:</b> P002875		<b>Appraisal</b>	<b>Actual</b>
<b>Project Name:</b> Tg Road Transport	<b>Project Costs (US\$M)</b>	54.8	37.3
<b>Country:</b> Togo	<b>Loan/Credit (US\$M)</b>	50.0	30.5
<b>Sector(s):</b> Board: TR - Roads and highways (93%), Central government administration (7%)	<b>Cofinancing (US\$M)</b>	0	5.1
<b>L/C Number:</b> C2989; CQ049			
	<b>Board Approval (FY)</b>		98
<b>Partners involved :</b> Organization of the Petroleum Exporting Countries (OPEC)	<b>Closing Date</b>	09/30/2002	09/30/2002
<b>Prepared by :</b>	<b>Reviewed by :</b>	<b>Group Manager :</b>	<b>Group:</b>
Lourdes N. Pagaran	Alice C. Galenson	Alain A. Barbu	OEDST

**2. Project Objectives and Components**

**a. Objectives**  
Per Staff Appraisal Report (SAR), the main objective of the project was to address the most important priorities of the six-year Road Sector Investment Program (RSIP) and to complement and reinforce the Bank's ongoing assistance to support Togo's economic recovery and growth . The project's specific objectives were to :

- 1) Rehabilitate and maintain both national and rural roads .
- 2) Provide regular and stable road maintenance financing from local resources .
- 3) Encourage private sector involvement in subsector development .
- 4) Improve road safety.
- 5) Revitalize and strengthen the management capacity of transport sector institutions .

**b. Components**  
The project had four components :

- 1) **National road network rehabilitation and maintenance** (US\$48.6 million or 88.0 percent of total project cost). Includes: (i) remedial maintenance works and rehabilitation for paved road networks of approximately 105 km of the North-South axis; (ii) rehabilitation of national unpaved roads (916 km); and periodic maintenance (regravelling) of 517 km of the national earth road network; (iii) construction and management of 3 toll booths; and (iv) consultancy services and engineering design for subcomponents (i) and (ii).
- 2) **Institutional Strengthening** (US\$3.6 million or 7.0 percent of total project cost). Training and technical assistance (TA) to improve the management and technical capacities of public sector transport and public works institutions, including the General Directorate of Public Works (DGTP), Road Maintenance Fund (RMF), General Directorate of Transport (DGT) and Road Transport Division (DTR) .
  - Support for DGTP: TA in organizational and personnel management; road maintenance planning, programming, and monitoring; Road Maintenance Fund (RMF) management, and several studies including road counts and RSIP updating.
  - Support for DGTP and RMF: feasibility studies on establishment of toll roads and TA for contracting out toll booth management and toll both construction .
  - Support for DGT: TA to establish an operational system for data collection and processing of transport statistics, statistical analysis, studies and sector investment planning; training for local truckers and passenger carriers in transport management techniques .
  - Support for DTR: TA for computerization of procedures and installation of basic data management software and hardware, and training for small and medium enterprises (SMEs) in various fields such as accounting management.
- 3) **Road safety improvements** (US\$1.0 million or 2.0 percent of total project cost): (i) establishing and equipping a Vehicle Inspection Center (VIC) in Lome, including relevant technical studies and works supervision; and (ii) TA and support for studies related to improvements in transport safety and conditions; collection and analysis of data on traffic accidents; road safety campaigns; training for driving school instructors and driver's license examiners; and

support for the newly established Office of Road Safety .

4) **Feeder road management** (US\$1.6 million or 3.0 percent of total project cost) to pilot operation in three zones in feeder road management, establish an effective maintenance system, and eliminate critical spots of approximately 300 km of rural roads; mobilize local communities to define local maintenance needs and provide manual routine maintenance on community-selected roads; and government to finance periodic maintenance on these roads .

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

Total project cost was \$ 37.3 million compared to the appraised estimate of \$ 54.8 million (including contingencies). The Bank provided an IDA credit of \$ 30.5 million compared to the appraised estimates of \$ 50.0 million. The government provided counterpart financing of \$ 1.7 million compared to the appraised estimate of \$ 4.8 million. Co-financing of \$ 5.1 million was secured from OPEC after the project was appraised . \$ 15.4 million from IDA credit was cancelled on September 2002.

Actual project cost was lower than the appraised estimate primarily due to shortfalls in government counterpart funding and three suspensions of IDA credit disbursements due to the government's accumulation of arrears to IDA .

**3. Achievement of Relevant Objectives:**

1) **Rehabilitate and maintain both national and rural roads** . *This objective was achieved with major shortcomings* . Per Annex 1 of the ICR, targets for maintenance and rehabilitation of paved road networks (target: 105 km vs. actual: 136 km) , and routine and periodic maintenance of rural roads (target: 300 km vs. 500 km) were exceeded. However, rehabilitation of national unpaved roads was only 50 percent completed. Although a system of programming community maintenance and of mobilizing financing from road users was put in place, it was not functioning because of limited resources in the pilot communities .

2) **Provide regular and stable road maintenance financing from local resources** . *This objective was achieved* . The Road Maintenance Fund (RMF) was established with its own board and collected about \$ 30 million directly from oil companies and was used for road maintenance and covered some administrative costs of the sector to supplement shortfalls in the government's budget. RMF has been funded for 6 years.

3) **Encourage private sector involvement in subsector development** . *This objective was achieved with minor shortcomings*.. Routine maintenance was contracted out to SMEs, in place of force account as was done in the past, and as a result employed 50-100 SMEs and generated jobs for about 1,000 to 1,500 persons. Initially, maintenance works done by SMEs were of poor quality but remedial measures were provided to improve their subsequent works . 3 of the 5 toll booths recommended for construction under the toll systems study have been funded by the government under the RFM, after the Bank suspended its IDA disbursements .

4) **Improve road safety** . *This objective was not achieved*. The Office of Road Safety was established, and the construction of the VIC or what is now called Center for Automotive Technical Control (CCTA) headquarters was completed, but both offices have not been operational because of budgetary constraints . TA and training on transport safety and data collection have not been undertaken .

5) **Revitalize and strengthen the management capacity of transport sector institutions** . *This objective was achieved with major shortcomings*. DGTP and DGT received training in procurement, contract management, road maintenance, planning and project supervision . Training for road works contractors and consulting firms was also provided. However, the installation of an operational system for data collection and processing of transport statistics; computerization of procedures and installation of basic data management software and hardware; and training for local contractors was not undertaken because of the IDA loan suspension .

**4. Significant Outcomes/Impacts:**

- Rural road commissions comprising the local population, transporters, drivers, merchants, NGOs, and religious organizations were established under the Village Development Committees or Village Road Committees and were involved in disseminating information, sensitizing rural communities, organizing and training and managing pilot community road maintenance program .
- Communities in the three pilot zones were empowered to manage infrastructure .

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

- Difficult macroeconomic and fiscal situation severely affected the project's funding . Counterpart funds were chronically delayed and severely curtailed, and as the macroeconomic and fiscal situation got worse, disbursements of IDA credit were suspended three times when the government's arrears to IDA exceeded the 60-day statutory limit.
- Poor quality of works by SME contractors due to lack of experience, and confusion of roles between RMF and DGTP. Remedial measures were provided accordingly, including review of technical specifications and seminars for contractors and supervisors; and review and clarifications of manual of procedures for RMF and DGTP .

6. Ratings:	ICR	OED Review	Reason for Disagreement /Comments
Outcome:	Satisfactory	Moderately Satisfactory	[the ICR's 4-point scale does not allow a "moderately sat." rating]. Although some of the targets for the physical

			subcomponents of the project were exceeded per Annex 1 of the ICR, other physical subcomponents were only partially achieved (rehabilitation of national unpaved roads)(see section 3.1). At the project's closing, only 65 percent of the project's original allocation for the physical component, which accounts for 88 percent of the project cost, were disbursed.
<b>Institutional Dev .:</b>	Substantial	Substantial	
<b>Sustainability :</b>	Likely	Unlikely	Although the RMF has been functioning so far, continued unfavorable macroeconomic and political conditions are likely to adversely affect the fund's operations in the long run, and thus, the overall sustainability of the project .
<b>Bank Performance :</b>	Satisfactory	Satisfactory	
<b>Borrower Perf .:</b>	Unsatisfactory	Unsatisfactory	
<b>Quality of ICR :</b>		Unsatisfactory	

**NOTE:** ICR rating values flagged with '\*' don't comply with OP/BP 13.55, but are listed for completeness.

### 7. Lessons of Broad Applicability:

- 1) Road maintenance funds are critical in enabling road agencies to undertake essential maintenance work especially under conditions of persistent macroeconomic and fiscal stress, and in the absence of sustained donor support.
- 2) Roles and responsibilities should be clearly spelled out when different units are in charge of Road Funds administration and execution to minimize conflict and disagreements in the use of funds and contracts execution .
- 3) Training, before and during implementation, should be provided to the private sector involved in road maintenance works, including technical specifications and procedures, to ensure quality work and timely completion .
- 4) Mobilizing local community participation for rural roads maintenance initially requires high transaction costs because of limited capacity and resources of the community, and these high costs should be factored in the design process.

**8. Assessment Recommended?**  Yes  No

### 9. Comments on Quality of ICR:

The quality of the ICR is rated as unsatisfactory, albeit marginally so, on account of the following weaknesses :

- The project objectives in the ICR were not the same as in the SAR and in the Memorandum of the President .
- Incomplete accounting for the project's financing sources . The information on the co-financing source and amount (\$5.1 million) was not provided in section 5.4 of the ICR (Costs and Financing) but in a footnote in Annex 2.
- Confusing information on the number of roads (road segments and number of kilometers) rehabilitated and maintained, compared to SAR targets .
- Issue of attribution . The ICR accounted for roads financed by other donors but did not clearly indicate whether they were part of the co-financing, as noted in Annex 2 of the ICR.
- ICR financing tables in Annex 2 show different totals for actual costs .