



<b>1. Project Data:</b>		<b>Date Posted :</b> 03/28/2002	
<b>PROJ ID:</b> P044383		<b>Appraisal</b>	<b>Actual</b>
<b>Project Name:</b> Urban Transport Reform and Capacity Building (TA)	<b>Project Costs (US\$M)</b>	8.7	6.10
<b>Country:</b> Senegal	<b>Loan/Credit (US\$M)</b>	6.6	5.7
<b>Sector(s):</b> Board: TR - General transportation sector (55%), Central government administration (25%), Law and justice (20%)	<b>Cofinancing (US\$M)</b>	0	0
<b>L/C Number:</b> CN024; CQ032			
	<b>Board Approval (FY)</b>		97
<b>Partners involved :</b>	<b>Closing Date</b>	12/31/2000	06/30/2001
<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 objective of the project was to assist in the provision of more affordable, reliable and safer public transport services in the Dakar metropolitan area. The objective would be achieved through:

- (i) strengthening of the institutional and regulatory framework and developing the institutional coordination among national ministries, local government, operators, and the sector industry;
- (ii) privatization of the public transport company (SOTRAC);
- (iii) involving stakeholders' in the decision-making and financing of the sector;
- (iv) developing road safety action plans and traffic management measures; and
- (v) pilot investments targeted at the promotion of public transport services.

**b. Components**

To achieve these objects, the project comprised the following two components:

1. Institutional development: technical assistance, training, and awareness for following activities: (i) establishment and management of a coordinating body *Conseil Executif des Transports Urbains de Dakar* (CETUD); (ii) privatization of SOTRAC, including assistance for the development of a leasing scheme for urban transport operators and revision of the regulatory framework for the provision of urban transport services; (iii) establishment of a sustainable financing mechanism, Fonds de Developpement des Transports Urbains (FDTU); and (iv) implementation of a traffic management scheme and a road safety action plan with users' participation.
2. Minor civil works component: rehabilitation of bus stops, bus lane arrangements, and fitting of encroachments.

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

At project closing, US\$5.7 million was disbursed. Disbursements throughout project implementation were slow, with a lag of 18 months. The project closed six months after the original closing date.

**3. Achievement of Relevant Objectives:**

1. The objective of strengthening the institutional and regulatory framework and developing institutional coordination among key stakeholders was achieved. *Conseil Executif des Transports Urbains de Dakar* (CETUD), a coordinating body for urban transport was established in 1997 with members from the government, the municipalities and the private sector. CETUD developed the regulatory framework for privatization of SOTRAC.
2. The objective of privatizing the public transport company (SOTRAC) was not achieved.
3. The objective of improving the financing of the sector was not achieved. A fund (Fonds de Developpement des

Transports Urbains) was setup in 1997, but only the government paid its share while the other partners did not contribute to it.

4. The objective of improving the safety of public transport services was marginally achieved. The project assisted in development and implementation of a road safety action, provided training to about 6,000 bus drivers; and created road safety awareness through media campaigns. Minor adjustments were made to the six most dangerous intersections in Dakar metropolitan area.
5. Minor investments targeted at the promotion of public transport services were completed. Bus stations were improved, red lights were installed and minor adjustments were made to the six most dangerous intersections in Dakar metropolitan area.

Due to the lack of privatization of SOTRAC and the inability to improve the financing of the sector, the project had a limited impact on improving the affordability, reliability and safety of public transport services in the Dakar metropolitan. The affordability of urban transport services has improved marginally as the competition among mini-buses has resulted in the reduction of basic fares. The reliability of public transport services has not improved, the public transport fleet is old and prone to frequent breakdowns. Safety has improved to a limited extent, accident data shows a minor reduction in the number of accidents.

#### 4. Significant Outcomes/Impacts:

The project assisted in setting up the institutional framework to address urban transport issues among all stakeholders in a comprehensive way.

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

- Privatization of SOTRAC experienced substantial delays under the previous Government and suffered a major setback after the elections. The new Government derailed the privatization program by creating a publicly-owned bus company, Dakar Dem Dikk (DDD). The Government holds 90 percent of DDK shares.
- The funding for urban transport did not improve due to lack of local government and private sector contribution to FDTU. The project did not develop a clear mechanism identifying each stakeholders' share. It was unrealistic to expect that local governments and private sector would make voluntary contributions to the Fund without an objective criteria.

6. Ratings:	ICR	OED Review	Reason for Disagreement /Comments
<b>Outcome:</b>	Satisfactory	Moderately Satisfactory	There is no disagreement on this rating. The ICR gives a "marginally satisfactory" rating on page 3 for outcome, but a "satisfactory" rating in the main ratings on page 1 because of the non-existence of the "marginally satisfactory" category in the ICR's main rating scale. Based on OEDs six point rating scale, the outcome of the project is rated moderately satisfactory for the following reasons: <ul style="list-style-type: none"> <li>● The project had limited impact on improving the affordability of urban transport.</li> <li>● Reliability of public transport services has not improved.</li> <li>● The project was not successful in privatizing the public transport company (SOTRAC).</li> <li>● The objective of involving stakeholders in improving the financing of the sector was not achieved.</li> </ul>
<b>Institutional Dev .:</b>	Substantial	Substantial	
<b>Sustainability:</b>	Likely	Likely	
<b>Bank Performance:</b>	Satisfactory	Satisfactory	

<b>Borrower Perf .:</b>	Satisfactory	Satisfactory	
<b>Quality of ICR :</b>		Satisfactory	

**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. Public transport reform entails continued political support and participation from major stakeholders.
2. Successful private sector participation in public transport reform requires economic tariffs and an effective regulatory framework.
3. Mini-bus competition is beneficial in keeping the tariffs low. However, inappropriate regulatory framework can cause safety problems and over supply of services.
4. It is important to provide timely investment to the sector while improving the institutional framework.

**8. Assessment Recommended?**  Yes  No

**Why?** Senegal's experience in developing the institutional framework for addressing the urban transport issues and the difficulty in privatizing the public bus company are very relevant to other developing countries which are planning urban transport reforms.

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

The quality of ICR is satisfactory. It covers all the relevant issues relating to the implementation experience and the outcome of the project.