

IEG ICR Review

Independent Evaluation Group

1. Project Data:		Date Posted: 06/26/2015	
Country:	Colombia		
Project ID:	P074726		
		Appraisal	Actual
Project Name:	Bogota Urban Services Project	Project Costs (US\$M):	272.67
			329.2
L/C Number:		Loan/Credit (US\$M):	100.0
			123.9
Sector Board:	Urban Development	Cofinancing (US\$M):	10.0
Cofinanciers:	IADB	Board Approval Date:	03/13/2003
		Closing Date:	10/31/2007
			09/30/2014
Sector(s):	Urban Transport (60%); Water supply (15%); Wastewater Collection and Transportation (10%); Sub-national government administration (10%); Other social services (5%)		
Theme(s):	Participation and civic engagement (25%); Urban services and housing for the poor (25%); Municipal governance and institution building (24%); Pollution management and environmental health (13%); Land administration and management (13%)		
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2. Project Objectives and Components:

a. Objectives:

The project development objective was "to improve the Borrower's urban living conditions by increasing access, coverage, quality, reliability and inter-agency coordination in the provision of public transportation, sanitation services and potable water (Loan Agreement dated June 4, 2003, Sch.2, p.24).

The statement of the objective in the Project Appraisal Document (PAD, p.3) is an expanded version specifying the Borrower as the Municipality of Bogota, the target population as residents in low-income areas, and include other related basic services, as follows: "to assist the Municipality of Bogota to implement a strategic portion of its three-year Development Plan (PD), consistent with the ten-year spatial plan (POT), aimed at improving urban livability by increasing access, coverage, quality, reliability and inter-agency coordination in the provision of transport, water, sanitation and related basic services, particularly for residents in low-income areas".

This ICR Review is based upon IEG's assessment of the achievement of the project objective as formulated in the legal document.

b. Were the project objectives/key associated outcome targets revised during implementation?

No

c. Components:

Component 1: Improved Mobility (appraisal cost US\$180.87 million, with IBRD financing at US\$60.4 million; additional financing (AF) of US\$40.8 million, with IBRD AF of US\$16.1 million; actual cost US\$215.12 million, with IBRD financing at US\$74.2 million) was designed to support expansion of the second phase of the *Transmilenio* system and included the following activities: (i) construction of busways in *Avenida Suba* from *Calle 80* to *Avenida*

Ciudad de Cali; (ii) upgrading and rehabilitation of feeder routes which connect neighborhoods to the *Transmilenio* system as part of an integrated system; (iii) construction of bicycle paths and sidewalks as part of non-motorized transport facilities; and (iv) measures for improving public transport, road safety and traffic administration in Bogota. As part of Additional Financing, technical advisory services were included to help develop the first line of a proposed metro transport system.

Component 2: Urban Upgrading: (appraisal cost US\$76.3 million, with IBRD financing at US\$28 million; actual cost US\$76.3 million, with IBRD financing at US\$28 million) was designed to support the activities of the Comprehensive Neighborhood Upgrading Program (*Programa de Mejoramiento Integral de Barrios- PMIB*), which is Bogota's urban upgrading program based the Development Plan (PD) and the Land Use Plan (POT). The infrastructure works included: (i) planning and legalization of neighborhoods (*barrios*); (ii) construction of storm water drainage systems, water and sewerage systems (iii) upgrading and rehabilitation of access roads; (iv) resettlement of population located in high risk areas, including flood plains; (v) construction and rehabilitation of public space and community services; (vi) improvement of environmental conditions; and (vii) technical assistance for home improvement and land titling activities. The social activities associated with the physical works included: (i) promoting citizen culture; (ii) strengthening social organizations; and (iii) assisting vulnerable population.

Component 3: Institutional Strengthening (appraisal cost US\$14.46 million, with IBRD financing at US\$10.6 million; additional financing (AF) of US\$21.8 million, with IBRD AF of US\$13.9 million; actual cost US\$27.1 million, with IBRD financing US\$20.8 million) aimed to improve performance of Bogota's institutions in delivering urban services. The activities included (i) equipment and consulting services to develop an information system for road infrastructure administration (Bogota Urban Development Institute- IDU); (ii) creation of mechanisms to improve the coordination among Bogota institutions, community organizations, NGOs and the private sector for the implementation of neighborhood improvement programs (Bogota Popular Housing Fund- CVP); (iii) environmental studies and equipment for improving air quality management and enforcement and recovering of land- degraded UPZs (Bogota Environment Secretariat-SDA, former DAMA); (iv) preparation of mobility, housing and regional policies which would provide input for the development of future policy measures in the city (Bogota Planning Department- DAPD); (v) studies and consulting services for strengthening fiscal management and increasing city's revenue (Bogota Finance Secretariat- SHD); and (vi) consulting services and equipment for the Project Coordinating Unit. As part of Additional Financing, new activities are added to support land tax valuation exercises, restructuring of the business model and institutional design of the SHD's Cadastre Unit, as well as support IDU in improving management of the city's road network system.

d. Comments on Project Cost, Financing, Borrower Contribution, and Dates:

Project cost: The actual project cost was US\$329.2 million at closure, which was about 20% higher than the appraisal estimate of US\$272.7 million as a result of additional activities.

Financing: The original IBRD loan was in the amount of US\$100 million to the Capital District of Bogota with the Guarantee of the Republic of Colombia. The amount was increased by US\$30 million through Additional Financing (AF) to scale up the project through additional technical assistance activities. The loan disbursed at US\$123.9 million. The project was co-financed at AF by a loan from the Inter-American Development Bank (IADB) in the amount US\$10 million to support the institutional set up for the integration of public transport system and project management capabilities for metro construction and operation.

Borrower contribution: The Borrower (the Capital District of Bogota) committed US\$172.67 million at appraisal, which increased by US\$22.6 million during AF. At project closure, the Borrower's total contribution amounted to US\$195.27 million.

Dates: The project was extended eight times by a total of 7 years from the original closing date of October 31, 2007 to September 30, 2014. The first two extensions were related to delays and to allow processing of Additional Financing. AF was approved on October 21, 2008 and signed on February 23, 2009 to scale up the project to include technical support in development of the first line of a proposed metro (added under Component 1), and institutional strengthening activities in fiscal management and cadastral processes for SHD and implementation of a road management system at IDU (added under Component 3). In conjunction with AF, the project closing date was extended to July 31, 2011. The subsequent five extensions between July 31, 2011 and September 30, 2014 were due to delay in delivering the AF metro studies as a result of the lengthy procurement process for consultancies.

3. Relevance of Objectives & Design:

a. Relevance of Objectives:

High.

The project development objectives were aligned with Bogota's Development Plans, which were consistent with the city's ten year Spatial Plan (*Plan de Ordenamiento Territorial, POT*) and focused on building an inclusive and equitable city and improving the quality of life of the urban population through improvements in public transport, road maintenance, inter-agency coordination, as well as addressing issues of affordable housing and informal and marginalized settlements. The project's component on urban upgrading specifically supported the activities of the *Programa de Mejoramiento Integral de Barrios (PMIB)*, which is Bogota's urban upgrading program based on the PD and POT. The objectives were also relevant to the World Bank Group's FY12-16 Country Strategy for Colombia, the key goals of which include inclusive growth and expansion of opportunities for shared prosperity and increased productivity through improvement of access to services in an environmentally sustainable manner. The objectives were also in line with the main priorities of the Bank country strategies at appraisal and during implementation, which aimed at expanding the coverage and quality of public services targeted to poor.

b. Relevance of Design:

Substantial.

The project objectives were to be achieved through investments in transport, water and sewerage infrastructure works, environmental improvements, community development activities, and land titles. The statement of the project development objective in the legal agreement was clear; it, however, did not capture the project's support in other related basic services, apart from transport, water and sanitation, as was done in the PAD's statement of the objectives.

This was a multi-sector project with a special focus on low-income neighborhoods. The urban upgrading component was expected to provide improved quality of life through increased access to basic services for about 600,000 of the poorest residents in Bogota, which corresponded to about 50% of the low income population (of Strata 1 and 2) living in illegal settlements and 36% of the residents living in poverty (levels 1 and 2 of the SISBEN composite indicator ranking households). 14 city's poorest boroughs (zoning planning units- UPZs) were prioritized for the investments in new water and sewerage connections, road works, community facilities, mitigation works in hazardous areas, and legalization of neighborhoods (barrios). The improved mobility component was designed to support the expansion of the second phase of the *Transmilenio* system and the construction of bicycle lanes to help improve accessibility, quality, and decrease travel time. The institutional strengthening component specifically encompassed targeted interventions in the agencies that were involved in city planning and the UPZs, both in terms of capacity building, and to set up systems and processes for improved inter- agency coordination. The ICR (p.12), however, notes that while the PAD identified the causal link between the outcome indicators and the project development objective, this link was not sufficiently explained in the document.

4. Achievement of Objectives (Efficacy):

To improve the Borrower's urban living conditions by increasing access, coverage, quality, reliability and inter-agency coordination in the provision of public transportation, sanitation services and potable water.*

* As the project investments were not limited to those in transport, water and sanitation, IEG adds part of the PAD's statement of the objective related to other public services in order to cover the full project scope in the assessment of its efficacy.

** Selected outcome indicators are reported for 2008, when the ex-post evaluation was carried out to process Additional Financing (80% of civil works were carried out by that time). The "*Cómo Vamos*" citizen survey covers the full period of project implementation.

(a) Increasing access, coverage, quality, reliability in the provision of public transportation . Substantial.

Outputs

- 10.2 km of the *Transmilenio* bus rapid transit (BRT) trunk line were constructed along the *Avenue Suba* corridor (from *Calle 80* to *Avenida Ciudad de Cali*) as targeted. The works were completed in 2008.
- 111 km of *Transmilenio* feeder roads were constructed (the appraised target was 265 km, and the target of 338 km was indicated in the AF Project Paper).
- 15 km of bikeways were constructed (target was 36 km).
- The Mobility Master Plan study for Bogota was completed in 2005 to guide the city's priorities in urban passenger and freight mobility. Based on the Master Mobility Plan study recommendations, as reported by the ICR (p.11), the Bogota Transport and Traffic Secretariat (STT) was transformed into the Bogota Mobility Secretariat (SDM) that expanded and reformulated its scope on mobility management and policy formulation. Other studies included

an assessment of alternatives for the implementation of Bogota's integrated public transport system (completed in 2011), urban road design and safety studies, which were complemented with road safety educational campaigns.

- Among five studies planned for the design of the First Metro Line, only one study was completed, i.e., an environmental assessment. Four studies were still under way at project closure, i.e., financial and legal structuring, social assessment, detailed engineering design.

Outcome

- About 294,000 daily passengers on average used the *Transmilenio's Avenue Suba* BRT corridor in 2008, exceeding the forecast of 221,000 at appraisal.
- Travel time decreased by 25% along the *Transmilenio's Avenue Suba* BRT corridor in 2008, exceeding the target 20%. In particular, the average passenger travel time reduced from 48 to 31 minutes due to the increased travel speed from 12.7 to 20.1 km per hour on average.
- According to the "Cómo Vamos" citizen survey carried out in Bogota continuously between 1998 and 2014, the *Transmilenio* usage among surveyed population increased from 14% in 2007 to 24% in 2009, with the introduction of the *Avenue Suba* corridor after 2006, along with the North Quito South Line (NQS) corridor (supported under another Bank project- P082466). At the same time, the usage of traditional public transport decreased from 47% in 2011 to 29% in 2014, and for private transport from 25% to 13% over the same period.
- A bike modal share of transport reached 4% of total daily trips in 2008, according to mobility surveys. The ICR (p.13) reports that in 2014 the bike share was nearly 6%, increasing from 3% in 2003 (target was 5%, PAD p.37). According to the data from the 2011 Bogota mobility survey, nearly 80% of bike trips are done by population of the three lowest socioeconomic groups, in the categorization of six income groups.
- The access to public transport improved for the targeted 1.2 million residents who live in the selected urban upgrading zones (UPZs) in 2008 (the increase in coverage is considered for population living 500 meters from stations). The access to the *Avenue Suba* BRT main trunk corridor correspond to 158,607 people. The ICR (Table 6, p.37) offers an incidence analysis of population groups by income showing that the percentage of the *Avenue Suba* BRT main trunk corridor beneficiaries in the lowest income strata was 7% in 2008 (11,441 out of 158,607), 61% for middle-income residents (96,461), and 32% were from a high-income group (50,705).
- There was no outcome indicator related to reliability that was clearly defined at appraisal. Neither was reported.

(b) Increasing access, coverage, quality, reliability in the provision of sanitation services and potable water . Substantial.

Outputs

- 30,350 new water connections were provided by 2008, almost double the target of 15,670.
- 119,850 new sewage connections were provided by 2008, exceeding the target of 83,220.

Outcome

- In 2007, water and sanitation coverage in the city of Bogota increased to 99% from 97% for water and 90% for sanitation at the time of appraisal.
- The access to water is estimated to have improved for about 100,000 residents and access to sanitation for about 380,000, according to the average household size in selected Bogota boroughs (UPZs).
- According to the "Cómo Vamos" citizen survey, the user satisfaction regarding the provision of water increased from 58% in 2004 to 68% in 2008 and for sanitation from 60% in 2004 to 62% in 2008.

(c) Increasing access, coverage, quality, reliability of the related basic services . Substantial.

Outputs

- 55 public works were carried out in 14 UPZs with community participation to improve public space. These included parks, pedestrian access (stairs, ramps, etc.), and pedestrian infrastructure with a participatory design process employing 100,450 people from local communities (ICR, p.37).
- 95 km of access roads were constructed.
- 1,995 housing units that were resettled away from high risk areas, exceeding that target of 1,641.
- 14 public information windows were established to assist residents with information on legal status and increase their voice and formal role in the city's community participation.
- Technical assistance was provided to 1,559 families in urban upgrading zones (enforcement of the housing structure and complementary measures), above the target of 1,066.
- 89 low-income neighborhoods were legalized, as targeted.
- 534 new residential titles were provided, exceeding the target of 440.
- Two environmental mitigation plans were produced through participatory process for low income settlements/areas, including *Ciudad Bolivar*, *Altos de la Estancia*, *Quebrada La Hoya del Ramo*, and two

hectares of degraded areas.

- A study was completed in 2008 to improve fiscal management and tax collection for the Bogota Finance Secretariat (SHD).
- For the SHD's Cadaster Unit (UAECD), a study was completed on the reform of the unit's structure. Three cadastral processes were updated as targeted. 2.3 million properties were updated with cadastral information, above the targeted 2 million. An aerial photography mapping of the city was carried out to update spatial infrastructure data for Bogota.

Outcome

- According to the "Cómo Vamos" citizen survey, between 2004 and 2007 the citizen perception on public space, including parks, streets, street lighting, sidewalks and paths showed ratings with the average scores of 76%, 70%, 80% and 78% (ICR p.42). After 2008, a flat trend was observed for parks and green areas. The satisfaction with the quality of neighborhoods increased from 41% in 2008/2009 to 53% in 2012, and with the city roads from 30% to 38% during the same period (ICR, p.42).
- A lag in updating the Cadaster Unit's property tax base reduced from 5 to about one year.
- As a result of the cadaster modernization, the city's property tax income base more than doubled from US\$416 million in 2009 to \$901 million in 2013, contributing to the city's financial sustainability.

(d) Increasing inter-agency coordination in the provision of public transportation , sanitation services and potable water, and related basic services. Modest.

Outputs

A number of institutional strengthening activities were carried out that included technical assistance and studies mentioned below. The ICR does not discuss specific activities (setting up systems or processes) that were to be undertaken to improve the inter-agency coordination.

- Studies were completed in 2008 on strategic directives for Bogota's resettlement policy, urban competitiveness, and regional integration for the Bogota Planning Department (DAPD).
- A study was completed in 2008 on the implementation of a monitoring system for Bogota's urban upgrading program (PMIB) for the Bogota Popular Housing Fund (CVP).
- A study was completed in 2008 on the Implementation of the City's Clean Air Strategy for the Bogota Environment Secretariat -SDA, former DAMA.
- For the Bogota Urban Development Institute (IDU), a study was completed for the implementation of a road network administrative system; an inventory and diagnostic was carried out for 60% of Bogota's arterial road network system as per target (from 30% baseline), including an inventory and diagnostic of Bogota's vehicle and pedestrian bridges, technical specifications, and erosion resistance tests for materials used as basis for hydraulic concrete pavement.

Outcome

- The outcome on inter-agency coordination was not defined at appraisal. The ICR (p.11) notes, after the project activities were carried out, it became difficult to ensure coordination to effectively implement multi-sectorial interventions in specific UPZs after 2006 when the new administration priorities were directed towards programs for new housing construction.

5. Efficiency:

Economic analysis

The ex-post economic internal rate of return (EIRR) was estimated for the first urban mobility component (*the Transmilenio's Avenue Suba* trunk corridor, feeder roads, and bike paths) at 14%, and a Net Present Value (NPV) of US\$21.14 million as compared with the ex-ante EIRR of 24.7% and an NPV of US\$122.3 million (PAD, Annex 4, p.55). A benefit/cost ratio was 1.12. The ex-post analysis was carried out in July 2008 when 80% of works were completed in order to process Additional Financing. The cost-benefit analysis followed the same methodology used at appraisal to estimate the following benefits: time savings, vehicle operating-cost savings, reduction in accidents, and environmental gains due to reduced gas emissions. The benefits of the BRT corridor were mainly from savings in the commuting time and operating costs of the bus fleet (ICR, p.33).

The ex-ante EIRRs were also estimated for the selected two UPZs from the second urban upgrading component (18.6% for Gran Yomasa and 59.9% for Ismael Perdomo), however the ex-post analysis for the urban upgrading works under this component was not done, as explained, due to insufficient available reliable data (ICR, p.30).

Cost effectiveness

The average cost per km of the *Transmilenio* BRT trunk corridor is US\$19 million (in 2006 dollar prices). The ICR

does not provide a comparative analysis of unit costs for similar works in other cities. The project team subsequently informed that the unit costs were in line with the BRT system unit costs in other cities of Colombia. As for the urban upgrading works, there were cost and time overruns but the ICR does not provide any details in this regard (ICR, p.7).

The project implementation period was more than 11 years. While the civil works were largely completed in 2008 (about 80%), the project closing date was extended to provide technical assistance, which was only partially completed at project closure (four out of five metro studies were still under way at project closure). Also, the volume of feeder road and bikeways works carried out by the project was half of the appraised targets.

Efficiency is assessed as **modest**.

a. If available, enter the Economic Rate of Return (ERR)/Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation :

	Rate Available?	Point Value	Coverage/Scope*
Appraisal	Yes	24.7%	70%
ICR estimate	Yes	14%	65%

* Refers to percent of total project cost for which ERR/FRR was calculated.

6. Outcome:

Relevance of objective is rated high, and that of design is substantial. The project substantially helped increase access, coverage, quality and reliability in improve the provision of the selected urban services, and only modestly improved an inter-agency coordination in the city. Efficiency is assessed as modest.

a. Outcome Rating: Moderately Satisfactory

7. Rationale for Risk to Development Outcome Rating:

The maintenance of urban mobility activities is managed by IDU, while operation of the modernized bus services is being managed by *Transmilenio S.A* as part of its mandate to plan, operate (by private concessions) and regulate the Integrated Public Transport System and the BRT. In the case of the urban upgrading activities, maintenance is provided by the corresponding sectoral agencies. As for the IDU's road asset management information system, issues remain to be addressed for its full functionality such as its operational procedures and the commitment of funds for its updates and operation. The city of Bogota, however, faces financial and institutional challenges to find ways to operate the current levels of urban services, while responding to the growing demand.

a. Risk to Development Outcome Rating : Moderate

8. Assessment of Bank Performance:

a. Quality at entry:

The project design was built on the lessons learned from the previous Bogota Urban Transport Project (P006872) and other projects in urban upgrading and transport. During preparation, several identification missions were conducted, comprising specialists in urban transport, economics, water, urban planning, financial management, and social and environmental areas. The project team leveraged the Japanese Trust Fund for the preparation of the urban upgrading component.

Policy and coordination risks and mitigation measures were identified. However, political risks and risks associated with weak institutional capacity and capability in the executing agencies were not given sufficient attention. Another risk area that was not identified was the scope, schedule and cost deviation risks for the urban upgrading program on a city scale in light of the limited local experience in design and implementation of the urban upgrading activities (ICR, p.7).

The M&E design had shortcomings. The outcome indicators were not specific and measurable, for example, improved inter-agency coordination in the city (see section 10 below).

Quality-at-Entry Rating: Moderately Satisfactory

b. Quality of supervision:

There were 24 missions carried out during an 11-year project implementation period, with relevant technical expertise. The field staff provided continued support to the project throughout implementation. The project team deployed international specialists in cadastre, social, road asset management, urban mobility, urban upgrading, and also leveraged funding from other sources (e.g., PPIAF grant) to support the implementation of the project. The Bank provided constant support to the implementing agencies in capacity building in the safeguards and fiduciary areas. The latter period of the project implementation after AF is however characterized by extensive supervision resources that seem beyond those expected from supervision of mainly technical assistance services (ICR, p.40).

The Borrower commented that more clarity in the formulation of the output indicators would have been useful (the ICR p.ix reports that the Borrower worked against different targets for the construction of feeder roads and bikeways), including a better articulation of the World Bank Group procurement rules and procedures (p.45). While the M&E framework was modified during implementation, its weaknesses were not fully addressed. Also, delays in the procurement process were partially attributed to delays in Bank's approval process, i.e., the issuance of no-objection letters.

Quality of Supervision Rating : Moderately Satisfactory

Overall Bank Performance Rating : Moderately Satisfactory

9. Assessment of Borrower Performance:

a. Government Performance:

The Government of Colombia provided a financial guarantee for the project and the Capital District of Bogota was the Borrower. The project maintained high level of relevance in the political agenda through the *Transmilenio* BRT flagship project and urban upgrading activities for Bogota's residents. The project, as described by the ICR (p.7), was well supported by the Capital District of Bogota. High level city officials were involved in monitoring of the project, with occasional participation of the Mayor in supervision missions. The government ownership and commitment to the project was strong, and local counterpart resources were adequate throughout project implementation. The ICR (p.8) notes, however, that the transition period between the incumbent and elected mayors contributed to delays in procurement.

Government Performance Rating Satisfactory

b. Implementing Agency Performance:

The Project Coordinating Unit, created in Bogota's Finance Secretariat (*Secretaría de Hacienda Distrital*-SHD) under the previous Bank's urban transport project (P006872), was responsible for the coordination among the city's implementing agencies involved in the project, project administration, financial and procurement guidance, as well as M&E. SHD developed the operational procedures for the loan for all implementing agencies in the early stages of the operation and provided constant oversight from the outset to ensure their active participation.

As for the other six implementing agencies (listed below), the ICR does not discuss their performance separately. It (p.22) notes that the implementing agencies generally complied with the output indicators agreed for measuring project development objectives during preparation but did not coordinate in a timely and effective manner with the Bank to resolve the M&E framework. The environmental and social management of project works was satisfactory. The initial challenges to internalize Bank safeguard policies were overcome with Bank support in developing specialized procurement, environmental and social units. There were, however, mixed results on the fiduciary capacity due to staff turnover and not fully dedicated staff to financial management and procurement. Other delays in execution were the result of design refinements/completion and land acquisition processes (ICR, p.8).

1. Bogota Urban Development Institute (*Instituto de Desarrollo Urbano*-IDU)
2. Bogota Mobility Secretariat (*Secretaria Distrital de Movilidad*-SDM, former STT)

3. Bogota Popular Housing Fund (*Caja de Vivienda Popular-CVP*)
4. Bogota Environment Secretariat (*Secretaría Distrital de Ambiente-SDA*, former DAMA)
5. Bogota Planning Secretariat (*Secretaría Distrital de Planeación-SDP*, former DAPD)
6. Bogota Cadaster Unit (*Unidad Administrativa Especial de Catastro Distrital-UAECD*)

Implementing Agency Performance Rating : Moderately Satisfactory

Overall Borrower Performance Rating : Moderately Satisfactory

10. M&E Design, Implementation, & Utilization:

a. M&E Design:

The M&E design was complex. There were five outcome indicators, which were not clearly defined and measurable, except for one (i.e., decreased average travel time and cost). These were improved quality of life, improved inter-agency coordination in city; improved administrative, operational, and planning capabilities of the participating institutions; and improved ability to manage supply and demand in sector (PAD, Annex 1). As pointed out by the ICR (p.6), these outcome indicators did not have methodologies to monitor them. Among these, some indicators could have been considered outcome indicators, such as the increase in use of bike paths from 3 to 5% (PAD, p.37). Most of the multiple intermediate performance indicators had baseline data, targets, and expected implementation milestones set at appraisal (PAD, pp.37-39). There was however controversy on the final output targets in the number of km. The Borrower commented that it worked against the target of 111 km for the construction of feeder lines (265 km as per PAD) and 15 km for bike paths (36 km as per PAD) (ICR, p.24). While the ICR (p.ix) notes that the target for bike paths was revised with the AF, the AF Project Paper (p.14-15) indicates the target of 36 km and that 84% of bike pathways were complete against this target in 2008.

The SHD's Project Coordinating Unit was responsible for implementation of M&E with collaboration of the implementing agencies.

b. M&E Implementation:

The indicators were regularly monitored by the PCU in coordination with the implementing agencies, which developed its own monitoring system consistent with the project objective and the intermediate outcome indicators. As per ICR (p.9), the Implementation Status Reports monitored outputs but did not totally consistently follow the results framework that had been set up in the PAD. According to the ICR, the indicators were first modified at mid-term review in 2006 and officially processed through AF restructuring in 2008. The M&E was reduced to a shorter list of intermediate performance indicators and eliminate those that were not feasible to be measured.

The ICR (p.9) reports that no further monitoring was done for the investment activities after 2008 when the majority of works (80%) were completed. A comprehensive ex-post evaluation of the original project was contracted in 2008 to an external consulting firm by SHD but no ex-post evaluation was done for the urban upgrading activities, as explained by the ICR (p.16), for insufficient available reliable data for baseline and the implemented project. At the same time, the ICR (p.18) reports that census and baseline socio-economic studies were conducted and updated continuously to serve as inputs to the monitoring of social impacts and sectorial social analysis to achieve investment targets. In terms of outcomes, no direct monitoring was conducted during the project and the only relevant quantitative information available was produced during the ex-post evaluation in 2008.

c. M&E Utilization:

The results of the ex-post analysis of 2008 and the implementation status reports monitoring were used in the assessment of the project development outcomes for the project's completion report (ICR, p.9).

M&E Quality Rating: Modest

11. Other Issues

a. Safeguards:

This was a Category “B” project that triggered two safeguards policies - OP4.01 Environmental Assessment, and OP 4.12 Involuntary Resettlement.

Environmental Assessment and Management. The ICR (p.9) reports that the Environmental Management Plans (EMPs) were implemented in a satisfactory manner throughout project implementation. A full Environmental Impact Assessment (EIA) was carried out before the initiation of bidding process for the construction of BRT segregated busways and feeder roads. The EIA defined EMPs to properly handle waste, noise, movement of materials, water management, campgrounds, pedestrian safety, visual disturbance, equipment and machinery risks, access to housing and commerce, and industrial and occupational health. The design and content of the EMPs followed the guidelines utilized by IDU, which were developed under the advice of the Bank, and consistent with the Bank’s Environmental and Social Safeguards. The ICR reports that the contractors implemented the EMPs satisfactorily and their cost was reimbursed according to compliance with the EMP activities.

Involuntary Resettlement:

The resettlement under the urban mobility component was executed by the Bogota Popular Housing Fund (*Caja de Vivienda Popular-CVP*) with own resources and under the Colombian procurement law (ICR, p.31). CVP was in charge of coordinating the infrastructure works and social activities undertaken by IDU, EAAB, UAEC and DAPD in the UPZs. The resettlement process under this component involved 1,280 families and was officially concluded in December 2004. According to the ICR (p.9), each resettlement action was adequately documented and all claims were addressed. The IDU put in place an experienced resettlement team that worked full-time between 2002 and 2004, and continued to monitor specific vulnerable cases until project completion. There was a request for inspection received in October 2007 related to eight households who claimed to have been adversely affected by the construction of transport- related works in the area of *Avenida Suba*. Bank Management responded to the Inspection Panel on December 3, 2007. The Panel decided not to proceed with the investigation. IDA closely monitored these cases, and as reported by the ICR (p.9), resolved them successfully.

Under the urban upgrading component, a Resettlement Policy Framework was prepared and disclosed under the project. A continuous multi-level stakeholder consultation strategy was prepared. Social teams worked continuously in field offices in every UPZ - particularly with the Community Committees (*Juntas Administradoras Locales*) - to identify, select, plan and implement community projects. Public consultation and participation during sub-projects design and construction were satisfactory implemented (ICR, p.9).

b. Fiduciary Compliance:

Financial Management: Financial management of the project was administered in accordance with the arrangements agreed upon in the loan agreements for the original Loan and AF. Under the original Loan, the Financial Management Reports (FMRs) were due on a quarterly basis and required the Bogota Comptroller’s Office (*Contraloría Distrital*) to conduct special audits. As per ICR (p.10), there were challenges in providing quarterly FMRs to the Bank as the PCU had to coordinate inputs from, and provide quality control and assurance to, six separate implementing agencies that had different accounting systems. For the AF Loan, a financial management scheme of reimbursable eligible expenses was agreed upon with the Bank in an effort to simplify audits and accounting. The opinions of external audit of the project carried out on an annual basis were clean (ICR, p.10). There were some delays in achieving the agreed deadlines for submission of audit reports. The final external audit for the project was due to the Bank by March 31, 2015.

Procurement. Procurement processes were lengthy under both the original Loan and AF. The reasons for lengthy procurement bidding process for civil works and consulting services included delays by the implementing agency to comply with the Bank’s procurement recommendations, a request by the National Government Controller’s Office (*Contraloría General de la República*) to temporarily suspend the procurement process to allow investigations on the cost and scope of the metro detailed engineering design studies, as well as delays in Bank approval time (response to the requests for ‘no objections’) for the metro studies consulting services under AF. All the procurement process took 27 months between the IDU’s submission of the report with the evaluation of technical proposals and the Bank’s provision of ‘no-objection’ for the contract award. The ICR (p.10) reports that the Bank’s Integrity Vice Presidency (INT) was informed of several potential cases that could merit investigation, but after careful analysis, INT did not proceed with full investigation.

c. Unintended Impacts (positive or negative):

d. Other:

12. Ratings:	ICR	IEG Review	Reason for Disagreement /Comments
Outcome:	Satisfactory	Moderately Satisfactory	Efficiency is assessed as modest.
Risk to Development Outcome:	Negligible to Low	Moderate	The city of Bogota faces financial and institutional challenges to find ways to operate the current level of urban services, while responding to the fast growing demand.
Bank Performance:	Moderately Satisfactory	Moderately Satisfactory	
Borrower Performance:	Satisfactory	Moderately Satisfactory	IEG agrees with the ICR's moderately satisfactory rating for Implementing Agency Performance. According to the OPCS/IEG harmonized guidelines, the overall Borrower Performance rating becomes Moderately Satisfactory.
Quality of ICR:		Satisfactory	

NOTES:

- When insufficient information is provided by the Bank for IEG to arrive at a clear rating, IEG will downgrade the relevant ratings as warranted beginning July 1, 2006.
- The "Reason for Disagreement/Comments" column could cross-reference other sections of the ICR Review, as appropriate.

13. Lessons:

The following lessons are selected by IEG from the ICR, with some adaption of language:

- **A comprehensive nature of urban transport project goes beyond the implementation of infrastructure and requires institutional and regulatory interventions** . The BRT systems, such as *Transmilenio*, involve construction of the BRT corridor, feeder routes, bike lanes, complementary local roads, and involve restructuring of the existing para-transit routes that require regulation and enforcement policies. Legal, institutional and technical aspects are to be considered that include infrastructure engineering, bus operations contracting, negotiation, compensation and regulation of the infrastructure construction, bus operator contracting and phasing out of para-transit.
- **Public consultations and participatory planning foster community ownership that is essential for sustainability of the investments** . Under this project, the *Juntas Administradoras Locales* proved to be a very useful tool in reaching out to affected households, helping them get involved in community projects and thus increasing their participation in the decision-making process for designing and prioritizing solutions that were better tailored to the actual needs and expectations of the communities.
- **Inter-agency coordination in the provision of urban services requires continued political support** . Priorities vary across political administrations as well as sectoral implementing agencies and their willingness to work in a coordinated fashion and allocate their staff and necessary resources. Support from the top City decision makers is important.
- **Bank's large projects with multiple implementing agencies should avoid small sub -components that are not financed by the Bank** . Activities that are small in size and funded with local counterpart still entail Bank reporting and procedural requirements. While such an arrangement may help inter-agency coordination, it effects efficiency.

14. Assessment Recommended? Yes No

Why? This project, along with the other completed Colombia- Integrated Mass Transit Systems Project (P082466),

is recommended for field assessment, as they would provide useful lessons from a continuous WBG engagement and support of the *Transmilenio* BRT system in Bogota and also validate the ratings. Another related project is scheduled to close on November 30, 2016, i.e., the Support of the National Urban Transport Program (NUTP) Project (P117947).

15. Comments on Quality of ICR:

The ICR is informative in addressing the important aspects of the project implementation experience. Lessons are based on the project experience. The ICR is however repetitive, and often uses unsupported- by- evidence statements both in the efficacy section and throughout the report. While some effort was done to present the evidence from Bogota's citizen survey '*Como Vamos*', the data were sporadic and selective. For example, the data trends on satisfaction with travel times, cleanliness, safety and security of the *Transmilenio* transit system stop at 2007, and the rest of the data beyond 2007 discusses the usage (ICR's Annex 5). Such statement like "no specific beneficiary survey was conducted, mainly due to this document not being elaborated as Intensive Learning ICR" is not valid (ICR, p.19). Beneficiary surveys are an important tool to gather evidence for a project that involves large-scale infrastructure investments, in particular if no ex-post evaluation is conducted. The ICR should have assessed the performance of each of the six of implementing agencies, in addition to the SHD's PMU.

A number of omissions in the ICR are as follows: (i) Annex 1 Table (a) should have indicated the total actual component cost (for all types of financing, not only the Bank's); (ii) IADB is not shown as a co-financier in Table (b) in Annex 1; (iii) the project closing date was extended eight times, and should have been included under restructurings in ICR's data sheet (the ICR's data sheet indicates that there was only one restructuring during AF in 2008). There is a typo on p.19 in para 59 that does not correspond to data in Annex 5, i.e., on the quality of neighborhood and city roads.

a. Quality of ICR Rating: Satisfactory