



1. Project Data:		Date Posted : 04/04/2003	
PROJ ID: P044651		Appraisal	Actual
Project Name: Road Engr. Credit	Project Costs (US\$M)	7.2	6.73
Country: Eritrea	Loan/Credit (US\$M)	6.32	5.72
Sector(s): Board: TR - Vocational training (35%), Central government administration (34%), Roads and highways (31%)	Cofinancing (US\$M)	0	0
L/C Number: C2945			
	Board Approval (FY)		97
Partners involved :	Closing Date	12/31/2000	06/30/2002
Prepared by :	Reviewed by :	Group Manager :	Group:
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2. Project Objectives and Components

a. Objectives

The objectives of the project were to:

- provide the economic and design analysis for the improvement of the road infrastructure which will improve market linkages, promote economic growth and thereby alleviate poverty, as well as facilitate access to public health and education services;
- establish contract administration capacity within the Road Transport Construction Department (RTCD) to facilitate private sector involvement in road and bridge works; and
- improve the efficiency of RTCD's force account maintenance and construction capacity.

b. Components

The project included the following two components:

- 1. Infrastructure Strengthening Studies.** (i) a feasibility and environmental impact assessment to determine appropriate design and construction standards for the rehabilitation of the existing Keren-Barentu-Tessenei road (265 km) and upgrading of the Barentu-Mendefera road/track (195 km); to be followed by detailed engineering designs for the agreed civil works; and (ii) a national bridge condition and structural strength survey to develop a prioritized program of bridge works to remedy the damage and deterioration of the previous thirty years.
- 2. Institutional Strengthening.** (i) technical assistance and training for RTCD personnel in procurement and contract administration organization, systems and procedures; (ii) hands-on training to upgrade mechanics skills, including procurement of spare parts for equipment repairs and training program; (iii) training for trainers (both in-house and overseas); and (iv) construction of a small training facility and workshop within the RTCD compound, including basic workshop equipment and training aides.

c. Comments on Project Cost, Financing and Dates

The actual cost of the project is US\$6.73 million compared to an appraisal estimate of US\$7.2 million. About US\$5.72 million of the credit was disbursed at project closing. The credit was extended by a total of 18 months (three extension of six months each) due to implementation delays and to allow MoPW-ID to complete the planned training.

3. Achievement of Relevant Objectives:

The project achieved its stated objectives.

- Feasibility studies, environmental impact assessment and engineering design for the Keren-Tessenei and Barentu-Mendefera roads were completed. The bridge inventory/visual conditions survey and strength testing was also completed.
- The capacity of RTCD staff in procurement, contract administration, stores management, financial analysis, and

accounting systems has been strengthened through intensive training and development of manuals and procedures. RTCD staff is using the accounting software which was installed in the accounting section.

- The capacity of MoPW-ID to carry out its mandate has been strengthened, particularly in areas of contract management, planning and monitoring. The project assisted in redefining the functional responsibility of MoPW-ID and developed MoPW-ID staff training program.
- Training was provided in mechanical, electrical and equipment operation to workshop mechanics, electricians, and equipment operators. 34 pieces of equipment have been rehabilitated. Course material for mechanical and electrical courses was developed.

4. Significant Outcomes/Impacts:

- Development of contract administration and procedures manual and establishment of contract monitoring procedures. The manuals and procedures are being used in preparation of bidding documents for road construction and maintenance works and hiring of consultants.
- Integration of MoPW-ID training program with the University of Asmara "students practical training" requirement.
- Efficient use of training and technical assistance by RTCD staff. RTCD continued rehabilitation using in-house staff (who were trained under the project) even after the conclusion of the project.

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

The project was implemented during a period of conflict with Ethiopia. The conflict led to significant delays in mobilization of consultants and preparation of feasibility and detailed engineering reports as well as credit amendments.

6. Ratings:	ICR	OED Review	Reason for Disagreement /Comments
Outcome:	Satisfactory	Satisfactory	
Institutional Dev .:	Substantial	Substantial	
Sustainability:	Likely	Likely	
Bank Performance:	Satisfactory	Satisfactory	
Borrower Perf .:	Satisfactory	Satisfactory	
Quality of ICR:		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:

The ICR identifies the following lessons of broad applicability:

- Policy reforms and capacity building interventions should be accompanied by investment operations to ensure continued leverage in long-term application of the reform agenda.
- Bank staff during supervision must be flexible enough to consider alternative options for achieving project objectives.
- International procurement should be limited to specific tasks/goods for which local capacity is not available. Project experience shows that procurement of proprietary spare parts and new management systems from domestic providers was more effective than what was obtained through the international market.

The borrower identified the following important lesson - for countries with critical shortage of professional staff, Bank involvement in overseeing the hiring consultants and reviewing and commenting on consultants reports (e.g. feasibility studies, detailed design studies, etc.) in a timely manner is essential to avoid implementation delays.

8. Assessment Recommended? ● Yes ○ No

Why? To feed into OED's post conflict update study.

9. Comments on Quality of ICR:

The quality of the ICR is satisfactory.