



Rural and Urban Access Improvement Project (P160359)

LATIN AMERICA AND CARIBBEAN | Nicaragua | Transport Global Practice |
IBRD/IDA | Investment Project Financing | FY 2017 | Seq No: 9 | ARCHIVED on 23-Dec-2020 | ISR45162 |

Implementing Agencies: Republic of Nicaragua, Ministerio de Transporte e Infraestructura (Ministry of Transport and Infrastructure), Road Maintenance Fund (FOMAV)

Key Dates**Key Project Dates**

Bank Approval Date: 06-Mar-2017

Effectiveness Date: 17-May-2017

Planned Mid Term Review Date: 27-Dec-2019

Actual Mid-Term Review Date: 11-Nov-2019

Original Closing Date: 30-Jun-2022

Revised Closing Date: 30-Jun-2022

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The objectives of the Project are to: (a) improve safe and sustainable access to markets and services in targeted rural and urban areas of the Recipient; and (b) in the event of an Eligible Emergency, provide immediate and effective response to said Eligible Emergency.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

Components Table

Name

Component 1: Road Infrastructure Improvement:(Cost \$120.11 M)

Component 2: Road Safety:(Cost \$8.10 M)

Component 3: Institutional Strengthening and Implementation Support:(Cost \$3.37 M)

Component 4: Immediate Response Mechanism

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	<input type="checkbox"/> Satisfactory	<input type="checkbox"/> Satisfactory
Overall Implementation Progress (IP)	<input type="checkbox"/> Satisfactory	<input type="checkbox"/> Satisfactory
Overall Risk Rating	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial

Implementation Status and Key Decisions

The total amount of the original project is US\$96.9 million, with US\$78.51 million disbursed. An Additional Financing in the amount of US\$35 million was approved in March 2018 and became effective in June of that same year, with disbursement to date of US\$7.97 million.

Urban Roads Improvements. Civil works for the urban access roads finance under the original credit are near completion. Specifically, works in La Garita-Tipitapa road section concluded in February 2020, with the works closing report expected to be received shortly by the Bank. As of the end of March 2020, works in Ciudad Sandino – Mateare road section counted with a 92% and a 97% of physical and financial progress respectively. To conclude the pending works, amendments were issued to both works and supervision contracts.

Rural Roads (Adoquines Roads) Rehabilitation. Works on three of the five sections under the parent project have been completed (Granada - Malacatoya Phase II, Morgan Point - Long Bay - Queen Hill in Corn Island, Cárdenas-Colón Phase II). By the end of March, the remaining two



sections (Macuelizo - Santa María Phase I, La Libertad-San Pedro de Lóvago) were in final stage of execution, with a few pending miscellaneous tasks to be carried out. As works have been concluding, supervision firms have developed road maintenance strategies and plans, which have been assessed by the Road Maintenance Fund (FOMAV[KS2]) and have thereafter begun being implemented through microenterprises/cooperatives. Works under the additional financing have commenced and are progressing satisfactorily. Works on The Granada – Malacatoya Phase III section began on February 2020 with an expected 12-month duration. As of March, works counted with a 1.92% physical progress. Works on the Macuelizo – Santa María Phase II section initiated in March 2020 with an expected 18-month duration. As of the end of March, the works counted with a 0.48% physical progress. Works on the Cárdenas – Colón Phase III section started in February 2020, with an expected 12-month duration. By the end of March, the works counted with a 0.48% physical progress. For this last section, the supervision is being carried out by the same firm responsible for the supervision of Phase II, financed under the parent project. Hence, the client prepared an addendum to the supervision contract to extend its duration until the end of Phase III.

Road Assets Maintenance. The periodic maintenance works on the San Lorenzo-Muhan road section are completed. The results-based maintenance works on 200.81 km of adoquines road sections were contracted in June 2018 and are ongoing. This program continues to prove successful, as the average service index has reached 94% compared to the 85% required.

Building Resilience to Climate Change in the Road Sector. The engineering designs to address the planned 7 vulnerable points to climate change impacts have been finalized, and MTI is developing the required documents to launch the procurement process. An 8th highly vulnerable point has been identified and will be procured separately, as technical studies need to be prepared, hence an amendment for the design and supervision consultant's contract is being prepared.

Road Safety. The technical studies to address accident black spots has been finalized. Procurement process for the works is expected to be launched in May. Following the agreement made during the Midterm Review to reallocate the funds earmarked for the National Council for Road Safety and Education's institutional strengthening, it was decided that these funds be used to complement the road safety works required for the Ciudad Sandino-Mateare road section.

Institutional Strengthening. Several of the activities included in MTI's Institutional Strengthening Plan are in procurement stage or under implementation. It is worthy of noting the following activities that have been finalized: (i) baseline for the Project's Impact Evaluation; and (ii) the beneficiary satisfaction survey to promote citizen engagement. It is worthy of noting that during the April virtual mission, MTI informed the Bank team that it was in the process of preparing a new version / proposal of its institutional strengthening plan, considering movement restrictions and possible realignments of priorities due to the COVID-19 Pandemic.

Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	☐ Moderate	☐ Moderate	☐ Moderate
Macroeconomic	☐ Moderate	☐ Moderate	☐ Moderate
Sector Strategies and Policies	☐ Low	☐ Low	☐ Low
Technical Design of Project or Program	☐ Moderate	☐ Moderate	☐ Moderate
Institutional Capacity for Implementation and Sustainability	☐ Substantial	☐ Substantial	☐ Substantial
Fiduciary	☐ Moderate	☐ Moderate	☐ Moderate
Environment and Social	☐ High	☐ Substantial	☐ Substantial
Stakeholders	☐ Moderate	☐ Moderate	☐ Moderate
Other	--	--	--
Overall	☐ Moderate	☐ Substantial	☐ Substantial



Results

PDO Indicators by Objectives / Outcomes

Improve safe and sustainable access to markets and services in targeted rural and urban areas				
▶ Total travel time to access markets and services in targeted urban and rural Project areas (% reduction) (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	17.30	17.30	33.00
Date	01-Jun-2017	22-May-2020	22-May-2020	30-Jun-2022
□ Total travel time to access markets and services in targeted rural Project areas during rainy season (% reduction) (Percentage, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	24.20	24.20	44.00
▶ Share of rural population with access to an all-season road (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	35.63	37.90	37.90	39.00
Date	01-Jun-2017	22-May-2020	22-May-2020	30-Jun-2022
Comments:	During the MTR, since rural population is difficult to define, it was agreed that this indicator will be revised as "Percentage of population that has access to a paved road" to count in the total population, regardless of rural or non-rural. Accordingly, the sub-indicator will also be revised as "Number of population that has access to a paved road". For this reason, the baseline and the target was revised accordingly. The current value of the indicator "Number of population that has access to a paved road" is lower than the previous value, because the methodology to measure was refined/updated during the MTR. The previous number had been overestimated.			
□ Number of rural people with access to an all-season road (Number, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	951,778.00	1,026,977.00	1,026,977.00	1,100,188.00
▶ Road traffic fatalities on selected non-rural road sections (% reduction) (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	45.00
Date	01-Jun-2017	22-May-2020	22-May-2020	30-Jun-2022
Comments:	The monitor frequency of this indicator is annually from 3rd year of the proposed Project, currently not yet due.			



► Adoption of measures as recommended by the FOMAV Sustainability Study and as agreed with the WB (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	01-Jun-2017	11-Nov-2019	11-Nov-2019	30-Jun-2022
Comments:	The monitor frequency of this indicator is annually from 3rd year of the proposed Project, currently not yet due. It was understood from the MTR mission that the government of Nicaragua is no longer pursuing the adoption of measures as recommended by the FOMAV Sustainability Study and that this indicator as drafted will not be met. However, it had also been agreed during the MTR mission that while this indicator may accurately reflect the aspirations of the both the Bank team and the client for adoption of long-term measures at the time of project appraisal, as worded it does not adequately reflect the "sustainable" aspect of the access to markets and services in targeted rural and urban areas referred to in the PDO. Consequently, the team is proposing two new indicators to be tracked through the end of the project that are believed to better demonstrate this attainment.			
► Creation of a maintenance program for the roads intervened under the project, through maintenance contracts for service levels, for a period of at least 4 years. (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	18-Apr-2018	29-Nov-2019	29-Nov-2019	30-Jun-2021
Comments:	New indicator proposed to be tracked and targeted in order to better demonstrate sustainability of access to markets and services in targeted rural and urban areas, in this case, referring to provision of maintenance services for intervened roads for a reasonable period beyond the life of the project.			
► Level of Service maintained on roads intervened by the project through closing (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	80.00
Date	14-Apr-2017	29-Nov-2019	29-Nov-2019	30-Jun-2021
Comments:	Measurement of the "sustainability" portion of the PDO. Ensuring that the required levels of service are sustained throughout the project's life-cycle, by the use of current practices led by FOMAV, such as microenterprises and cooperatives, for which a minimum of 85% average service index is required.			

Intermediate Results Indicators by Components

Component 1: Road Infrastructure Improvement				
► Roads constructed, Rural (Kilometers, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	46.20	46.20	87.27



Date	01-Jun-2017	22-May-2020	22-May-2020	30-Jun-2022
► Roads rehabilitated, Non-rural (Kilometers, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	57.87	57.87	49.81
Date	01-Jun-2017	22-May-2020	22-May-2020	30-Jun-2022
► Rural roads paved with adoquines under performance-based routine maintenance (Kilometers, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	200.81	200.81	200.00
Date	01-Jun-2017	22-May-2020	22-May-2020	30-Jun-2022
► Short-term employment through participation in rural road construction works, disaggregated by gender (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	1,653.00	1,653.00	850.00
Date	01-Jun-2017	22-May-2020	22-May-2020	30-Jun-2022
Comments:	The percentage of women's participation in rural road construction works decreased a bit due to increased hire of total employment and lower participation of women.			
□ Share of women employed in short-term MCA rural road construction works (Percentage, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	29.95	29.95	30.00
► Medium and long-term employment through participation in cooperatives for performance-based maintenance, disaggregated by gender (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	114.00	114.00	50.00
Date	01-Jun-2017	22-May-2020	22-May-2020	30-Jun-2022
Comments:	For the indicator of "Share of women employed in long-term cooperatives for performance-based maintenance", we have discussed this with the client, the reason was that due to increased total employment of the maintenance and low interest of women participate in the longer-term jobs, the current value of the indicator was poorly presented. Per Bank's request, FOMAV (the maintenance agency) conducted a survey to assess the gender composition in these communities and why women have low interest in participating. Based on the conclusions of the survey, it was agreed that the target value of the sub-indicator will be decreased.			
□ Share of women employed in long-term cooperatives for performance-based maintenance. (Percentage, Custom Supplement)				



	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	14.00	14.00	30.00
► Direct Project beneficiaries (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	466,661.00	466,661.00	484,028.00
Date	01-Jun-2017	22-May-2020	22-May-2020	30-Jun-2022
□ Female beneficiaries (Percentage, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	51.00	51.00	51.00
► Number of vulnerable spots on the road network with implemented countermeasures for climate resilience (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	7.00
Date	01-Jun-2017	22-May-2020	22-May-2020	30-Jun-2022
Comments:	The sub-component is currently ongoing.			
► Carbon emissions avoided annually (Metric ton, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	4,149.00
Date	01-Jun-2017	22-May-2020	22-May-2020	30-Jun-2022
Comments:	This indicator is proposed to be deleted as discussed during the mission in Apr.2020. This decision was made based on the lack of reliable and robust data available, as well as the difficulty to measure the attribution from the project.			
► Percentage of population in Project areas who can access the nearest city of 30,000 population within 60 minutes (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	92.00	92.60	92.60	94.00
Date	30-Jun-2017	22-May-2020	22-May-2020	30-Jun-2022
Comments:	With Macuelizo - Santa Maria Phase I finished, the indicator is updated.			
► Percentage of population in Project areas who can access to nearest major hospital within 30 minutes (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target



Value	66.00	66.00	66.00	69.00
Date	30-Jun-2017	22-May-2020	22-May-2020	30-Jun-2020
Comments:	All the road sections with access to urban area (where the major hospitals are) are under construction, therefore the accessibility to the nearest hospital has not been changed yet.			

Component 2: Road Safety

► Accident black spots removed on most vulnerable sections of the road network (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	12.00
Date	01-Jun-2017	22-May-2020	22-May-2020	30-Jun-2022

► Net change in road related fatalities along intervened rural roads (Component 1.2) per year (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	0.00
Date	31-Jan-2017	22-May-2020	22-May-2020	30-Jun-2022

Comments:

As the project will upgrade rural roads with improved pavement, increased speed will be an inevitable result. Thus, the project included implementation of road safety measurement to avoid more accidents happening due to the upgrade of the roads. The target was set in a conservative way to not increase the number of accidents compare to the situation without the project.

Component 3: Institutional Strengthening and Implementation Support

► Number of road safety professionals members of CONASEV trained (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	20.00
Date	01-Jun-2017	22-May-2020	22-May-2020	30-Jun-2022

Comments:

This indicator will be changed since the establishment of CONASEV did not materialized.

► Number of MTI and FOMAV staff receiving training under the capacity building initiatives (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	25.00
Date	01-Jun-2017	22-May-2020	22-May-2020	30-Jun-2022



□ Number of MTI and FOMAV staff trained, which are female (Number, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	10.00
Date	01-Jun-2017	22-May-2020	22-May-2020	30-Jun-2022
▶ Share of project beneficiaries surveyed and satisfied (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	79.01	79.01	75.00
Date	01-Jun-2017	22-May-2020	22-May-2020	30-Jun-2022
Comments:	The beneficiary report completed in late 2019 completed the survey the provided the numbers of this indicator.			

Component 4: Immediate Response Mechanism				
▶ Time taken to disburse funds requested by the Government for an eligible emergency (Weeks, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	4.00
Date	01-Jun-2017	22-May-2020	22-May-2020	30-Jun-2022

Performance-Based Conditions

Data on Financial Performance

Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P160359	IDA-59630	Effective	USD	46.80	46.80	0.00	31.21	15.59	67%
P160359	IDA-59640	Effective	USD	50.00	50.00	0.00	49.80	0.20	100%
P160359	IDA-62010	Effective	USD	35.00	35.00	0.00	15.16	19.84	43%

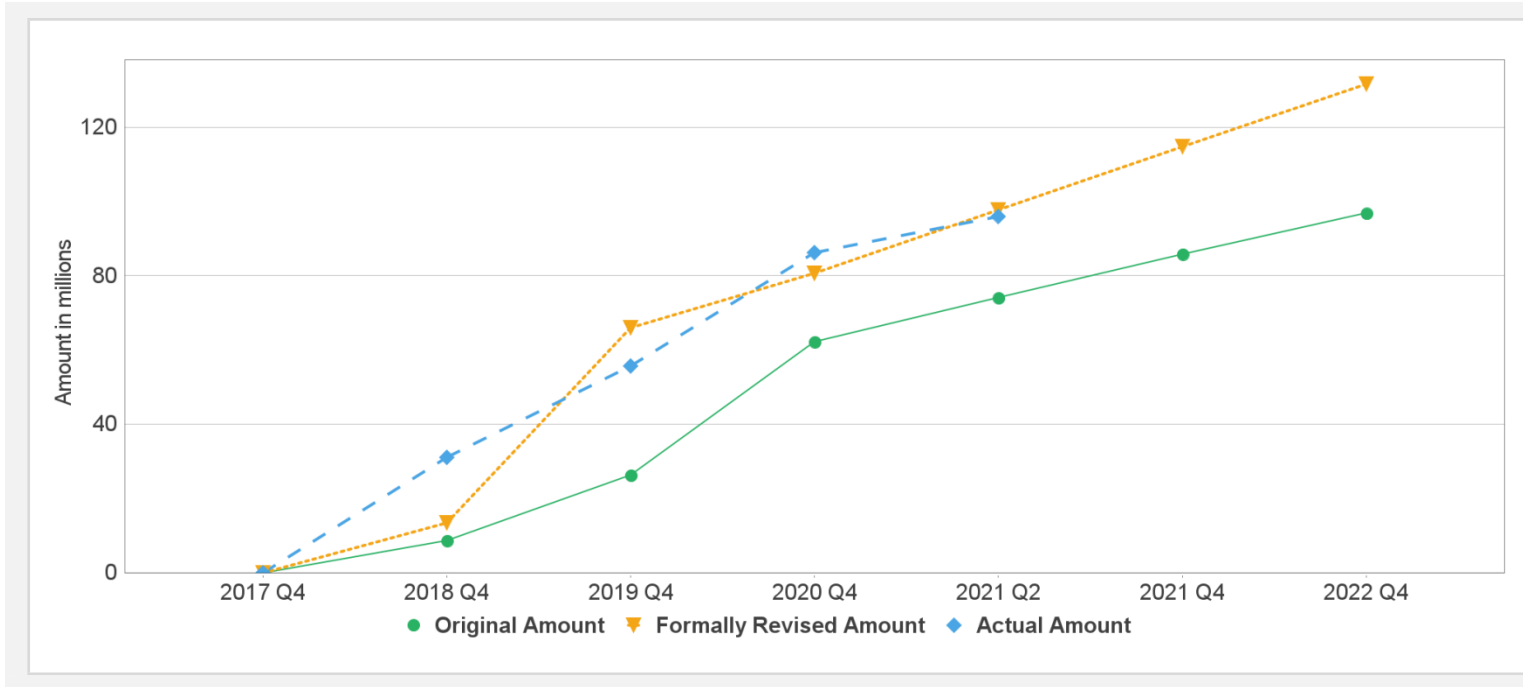
Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P160359	IDA-59630	Effective	06-Mar-2017	10-Mar-2017	17-May-2017	30-Jun-2022	30-Jun-2022



P160359	IDA-59640	Effective	06-Mar-2017	10-Mar-2017	17-May-2017	30-Jun-2022	30-Jun-2022
P160359	IDA-62010	Effective	15-Mar-2018	02-Apr-2018	29-Jun-2018	30-Jun-2022	30-Jun-2022

Cumulative Disbursements



PBC Disbursement

PBC ID	PBC Type	Description	Coc	PBC Amount	Achievement Status	Disbursed amount in Coc	Disbursement % for PBC
--------	----------	-------------	-----	------------	--------------------	-------------------------	------------------------

Restructuring History

There has been no restructuring to date.

Related Project(s)

P165467-Rural and Urban Access Improvement Project Additional Financing