



48 Bolivia

Patacamaya-Tambo Quemado Road Improvement Project

Contributing to the securing of export and import trade routes in landlocked Bolivia

Loan Amount/Disbursed Amount 3.955 billion yen/3.813 billion yen
Loan Agreement October 1992
Terms & Conditions Interest rate 3.0%,
 Repayment period 30 year (grace period 10 years), General untied
Final Disbursement Date February 2001
Executing Agency The National Road Service of Bolivia (<http://www.snc.gov.bo>)



Project Objectives

The objective of this project was to upgrade the road in Bolivia to the Port of Arica in neighboring Chile, thereby securing a trade route and contributing to the economic and social vitalization of the country.

Effectiveness & Impact

Rating **a**

Before project implementation, the ease of travel was poor as the road was an unpaved dirt and gravel road. In addition, for about 180 days per year during the rainy season the road would become intermittently impassable. At project completion this road was completely paved, transit problems had been solved, and a large reduction of travel time, as well as a reduction of travel costs, had been achieved. The implementation of this project increased traffic volume and increased international trade with Chile, with export amount increased by 112% between 1992 and 1998, and the annual average by 2004 had increased approximately 120%. Although the total value of imports for the same period is small, it dramatically increased after project implementation. Therefore, this project has largely achieved its objectives, and effectiveness is highly satisfactory.

Relevance

Rating **a**

This project has been highly relevant with the Bolivia's national policy both at the time of the appraisal and at the time of the ex-post evaluation. At the time of ex-post evaluation, the ratio of paved trunk roads in Bolivia was still low at 36% in 2005, and the development of trunk roads was being raised as a priority issue for the country. Compared to the other roads, there are more export goods transported via Route 4, including the sections covered by

this project, and roads covered by this project remain important as the shortest route to the Port of Arica in neighboring Chile.

Efficiency

Rating **b**

The project costs were below planned amounts (82% of planned costs), the project period greatly exceeded the planned period (348% of planned period), and therefore, the evaluation for efficiency is moderate. The main causes of project delays included the time required for contractor selection, the start of construction, and procurement procedures for spare parts, as well as the additional construction that occurred.

Sustainability

Rating **a**

No major problem has been observed for capacity of the executing agency nor the operation nor its maintenance system, therefore, sustainability of this project is high.

Conclusion, Lessons Learned, Recommendation

In light of the above, this project is evaluated to be highly satisfactory. Both understanding the purpose of target roads usage, and the efforts made during the planning stage of this project to inspect and be aware of data (such a traffic volume) in advance allowed for the achievement of high effectiveness. At the time of ex-post evaluation, maintenance duties for roads covered by this project were scheduled to be transferred to the road authorities of each province. However, the transfer process has been observed to be taking some time due to the effects organizational changes resulting from decentralization. It is hoped monitoring of the transfer situation will occur at appropriate intervals.



The old road (near Samaja) that was in use before project implementation.

Third-Party Opinion

Developing a paved road reaching the Pacific Ocean has been an important national goal of landlocked Bolivia for the past half-century. This project, which connects rural areas with a modern port, is of great importance. In addition, there are no problems with its maintenance system and others.

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