



Combined Project Information Documents / Integrated Safeguards Datasheet (PID/ISDS)

Appraisal Stage | Date Prepared/Updated: 12-Sep-2019 | Report No: PIDISDSA27711



BASIC INFORMATION

A. Basic Project Data

Country Bolivia	Project ID P165861	Project Name Bolivia Urban Resilience	Parent Project ID (if any)
Region LATIN AMERICA AND CARIBBEAN	Estimated Appraisal Date 19-Aug-2019	Estimated Board Date 30-Oct-2019	Practice Area (Lead) Urban, Resilience and Land
Financing Instrument Investment Project Financing	Borrower(s) Plurinational State of Bolivia	Implementing Agency Municipality of Santa Cruz, Municipality of La Paz	

Proposed Development Objective(s)

To reduce vulnerability to hydrometeorological hazards and improve living conditions in selected low-income areas in participating municipalities.

Components

Resilient Infrastructure and Urban Upgrading in Santa Cruz
Resilient Infrastructure, Slope Stabilization and Urban Upgrading in La Paz
Project Management

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	70.00
Total Financing	70.00
of which IBRD/IDA	70.00
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Bank for Reconstruction and Development (IBRD)	20.00
International Development Association (IDA)	50.00



IDA Credit	50.00
Environmental Assessment Category	
B-Partial Assessment	
Decision	
The review did authorize the team to appraise and negotiate	

B. Introduction and Context

Bolivia made remarkable economic and social progress during the last commodity boom.

Boosted by gas and mining exports and public investment, economic growth averaged 4.9 percent between 2004 and 2014. Strong economic growth and prudent macroeconomic management allowed for significant fiscal and current account surpluses that contributed to accumulating sizable macroeconomic buffers: international reserves and public savings at the Central Bank increased from 13 to 46 percent of GDP and from 8.6 to 24 percent respectively over this period. This improvement was especially pronounced for the bottom 40 percent of the population as higher commodity prices and growing domestic demand favored rural economic activities and non-tradeable sectors. As a result, Bolivia experienced one of the largest reductions in poverty and inequality in the Latin American and Caribbean region. Between 2002 and 2014, the national poverty rate declined from 63 percent to 39 percent, extreme poverty fell from 39 percent to 17 percent, and the Gini coefficient dropped from 0.60 to 0.49.

Although the authorities have managed to cushion the effect of lower commodity prices on economic growth, the new normal has resulted in sizable macroeconomic imbalances and a slowdown of poverty reduction.

A less favorable external context and declining gas exports have reduced GDP growth from a peak of 6.8 percent in 2013 to an estimate of 4.2 percent in 2018; however, the Government of Bolivia (GOB) has cushioned the slowdown through high public expenditure and accommodative monetary and credit policies. This policy stance has caused sizable current account and fiscal deficits, 4.8 and 8.1 percent of GDP respectively in 2018, which have been financed by external debt, Central Bank direct loans to the public sector – mainly State-Owned Enterprises – and the reduction of public deposits at the Central Bank. Public debt increased from 38 percent of GDP in 2014 to 54 percent in 2018, international reserves fell to 22 percent, and public savings at the Central Bank declined to 13 percent. In this context, poverty declined slightly from 39 to 35 percent between 2013 and 2018 as labor income in sectors that employ the poor (agriculture, mining, and construction) experienced little or no growth.

Bolivia is highly vulnerable to the impacts of climate change and natural disasters. The retreat of glaciers, more frequent and intense extreme weather events,¹ such as floods in the lowlands in

¹ Between 2002 and 2012, the country faced 10,503 natural disasters (including 3,967 floods and 1,472 droughts)



2013, and the drought in 2016 across the country, have severe impacts on the welfare of Bolivia's population and its economy. Climate change models predict increased intra-annual variability in precipitation and an increase by approximately 12 days in the maximum number of consecutive dry days, increasing the risk of drought.² More than 20 percent of Bolivia's population lives in areas at risk to three or more hazards, and 21 percent of its GDP is generated in such areas, making Bolivia the country with the 32nd highest economic risk exposure to multiple hazards in the world.³ According to the World Bank (2017),⁴ extreme flood events can lead to a per capita annual loss that represents a 4% drop in income for the average household, and of nearly 20% for the poorest households. The analysis confirms that exposure to natural hazards can undermine sustained economic growth and social progress, especially for the poor who have fewer means to cope with the impacts of disaster events.

Although its urbanization process started relatively late, Bolivia has been rapidly approaching the urbanization levels of other Latin American countries. Between 1950 and 2012, its urban population grew at an annual rate of 3.7%, almost five times as fast as population growth in rural areas. While in 1990 just over half of Bolivians lived in urban areas, by 2018, this figure was around 7.9 million people –roughly 70% of the total population.⁵ According to United Nations' estimates, nearly 75% of the population will be urban by 2025 (UN, 2012). In terms of population growth, the four largest cities (La Paz, El Alto, Cochabamba and Santa Cruz), each with populations of over 500,000 inhabitants, are growing steadily in size: between 2001 and 2012, the population in these cities increased by more than 600,000 and accounted for 41% of the total increase in population in urban areas. This rapid growth often exacerbates common challenges and externalities such as the expansion of informal settlements, exposure to natural hazards, urban mobility, access to basic services, including water and sanitation, health and education, among others.

The municipalities of La Paz and Santa Cruz are Bolivia's main demographic, institutional and economic powerhouses. The municipality of La Paz is home to 757,000 people. Due to geographic and topographic limitations, La Paz is not experiencing significant population growth, except for informal settlements expanding along the steep slopes surrounding the city. La Paz is Bolivia's second largest economic hub, contributing 13% of its national GDP. As the seat of national government, its economy is dominated by the service sector, with modest industrial activity, when compared to other large cities and regional capitals. The city's GDP is dominated by public administration services (30%), real estate (13%), financial services (12%), and manufactures (12%). The municipality of Santa Cruz lies in the tropical flatlands and is Bolivia's largest city, home to 1.4 million people. Between 1992 and 2012, its population more than doubled through an average growth of 5.4%, mainly driven by economic migration from across the country. Santa Cruz is

affecting more than 1.1 million households.

² Climate and Disaster Risk Screening Report for Rural Water and Energy Access Project in Bolivia.

³ World Bank. 2005. "Natural Disaster Hotspots: A Global Risk Analysis (Table 7.2)." Disaster Risk Management Series No.5. Washington, DC: World Bank.

⁴ World Bank, 2017. "Quantitative Analysis of the Impact of Floods in Bolivia". Washington, DC: World Bank.

⁵ World Bank, 2018. Open Data: Bolivia (<https://data.worldbank.org/country/bolivia>)



Bolivia's main economic powerhouse (accounting for 22% of national GDP) and a prominent trade hub connecting the country with Mercosur countries.

La Paz and Santa Cruz host many low-income households, and given Bolivia's rapid urbanization, low living standards of many households in these municipalities are reflected in non-monetary dimensions of poverty. Poverty estimates from household and census data⁶ suggest that around 32 percent of the aggregate population in these municipalities are poor amounting to over 900,000 poor people⁷. Given the lack of affordable housing, the majority live in informal settlements. Low-density, often informal settlements challenge the capacities of municipal authorities, resulting in lack of basic services and precarious living conditions. To cope with the increased demand for mobility, the government has focused on extending the capacity of the road network, which prioritizes private vehicles, while the lack of public and non-motorized transport options on which the low-income population depends, has not been fully addressed. In addition, the extension of road infrastructure in cities often comes at the expense of public space. For example, La Paz has only 2.6m² of public space per inhabitant, and GAMSC 7.2 m² per capita while the World Health Organization recommends a minimum of 9m² per capita. Urban mobility, access to public space, and access to affordable housing are areas of unmet needs that require additional investment.⁸

In parallel, disaster risks and climate change are causing increasing negative impacts on infrastructure and service delivery, especially for vulnerable populations living in La Paz and Santa Cruz. In 2016, the GOB declared a state of emergency due to the worst drought the country had experienced in the last 25 years, affecting 7 of the largest cities – including La Paz. In 2017 and 2018, alternating heavy rainfall caused landslides, particularly affecting informal settlements on the steep slopes in La Paz. Another recent landslide occurred in La Paz in April 2019, causing the municipality to declare a state of emergency; a total of 64 residential buildings collapsed, leaving 251 households affected. In addition, the Cotahuma River flow was blocked, spilling water into the adjacent road. Santa Cruz is also affected on a regular basis by pluvial flooding; in January 2018, areas of the city were inundated due to rainfall of over 7 inches in a 24-hour period. These adverse natural events present a growing challenge for the national and municipal governments, as future Projections point to an increase in the number of disaster events, while the urban population and its exposure to natural hazards will continue to rise.

Cities must adopt an integrated approach to building resilience to support sustainable urban growth and to reduce natural hazard risks. Urban resilience can be defined as the ability of a city system, including its inhabitants, infrastructure, firms, and services, to adapt to a variety of changing conditions and to withstand shocks and maintain essential functions.⁹ Natural disasters and other extreme events can reduce local governments' abilities to respond and require scarce resources to be re-programmed for reconstruction rather than service delivery or infrastructure

⁶ National census, 2012.

⁷ In these municipalities, the extreme poverty rates are 9 percent in La Paz and 5 percent in Santa Cruz.

⁸ World Bank, 2016. *Ciudades Intermedias en Bolivia*.

⁹ World Bank, 2016. *Investing in Urban Resilience: Protecting and Promoting Development in a Changing World*.



improvements. A key factor to building urban resilience in Bolivia will be strengthening local government capacity for improved municipal management and investment planning, disaster risk management, and infrastructure operations and maintenance.

Frequent impacts of disasters negatively impact living conditions in Bolivia's cities and often hit the poor the hardest. Low income families are most affected by disasters as they tend to have fewer assets and safety nets available to recover in the event of an emergency. Impacts include the destruction of houses and the loss of health and education services. Increases in illnesses and malnutrition due to stagnant and contaminated water resulting from floods are impacting people's livelihoods and ability to work or attend school. The urban poor also tend to live in more exposed areas where land is cheaper (such as steep slopes and floodplains). In addition, household survey data from around 250,000 households in poor peri-urban areas shows that around 9 percent suffered from a natural disaster in the previous 12 months to the survey and around half suffered material losses due to the shock. Investments aimed at reducing exposure to natural hazards are likely to benefit low-income families the most, and support the achievement of the Sustainable Development Goals, by strengthening resilience in low income areas.¹⁰

While the needs for investment are high, the municipalities of La Paz and Santa Cruz have identified strategic activities in each city that require urgent support. These areas have been selected as they experience recurrent floods and landslides with varying levels of intensity. They are also characterized as primarily low-income neighborhoods, with limited access to infrastructure, public space, mobility and other urban services. Below is a summary of key issues faced by each city:

- In **La Paz**, the neighborhoods located in the macrodistrict of La Portada on the ridge between El Alto and La Paz, as well as the nearby Irpavi and Orkojahuirra river valleys, are subject to rapid, informal urbanization. These neighborhoods are primarily low income and require improved access to basic services, such as sanitation, streetlighting, public space, and mobility; in terms of mobility, improved sidewalks and staircases are essential, as almost 40% of daily trips of residents in this area are by foot. These areas are also exposed to flooding and landslide risk; in 2016 and 2017, flooding occurred in the Irpavi basin and caused damage to 1,358 households. Infrastructure improvements to reduce vulnerability to floods and landslides are urgently needed in these areas. On April 30, 2019, a severe landslide blocked the flow of the Cotahuma River. Around 64 houses collapsed and approximately 380 people were left homeless after the event. Prior to the event, local authorities were in the process of identifying houses in the area that were deemed unsafe, although the imminent danger was not apparent. This landslide came at the end of a heavy rainy season, in which over 30 people died and over 47,000 households affected nationwide.
- In **Santa Cruz**, the city's layout is characterized by a system of eight concentric ring roads lined by drainage channels, with the Pirai River forming the western boundary. The city is exposed to recurring flooding; there is an ecological flood buffer area along the river that absorbs flood water during the rainy season, which is under pressure from development and informal settlements. The city center is also flood-prone and becomes inundated on a regular basis as a result of heavy

¹⁰ Sustainable Development Goal 11 is related to ensure adequate housing, infrastructure to support growing populations and confront environmental impact of urban sprawl and to reduce vulnerability to disasters.



rainfall, causing traffic disruptions and damage to housing and infrastructure. Urban drainage and mobility masterplans have been prepared by the city, and investment is required in target areas in terms of: (a) drainage in the southwest part of the city along the 8th ring road, where primarily low income families live, (b) non-motorized transport and urban upgrading, (c) protection of the ecologic flood buffer zone along the Pirai River, and (d) upgrading the city's flood early warning system.

The World Bank has been supporting the Government of Bolivia in tackling the challenges of urbanization and reducing disaster risks over the past ten years through lending and technical assistance. In terms of lending, the Bank has supported the Government in the amount of US\$54 million on urban infrastructure in the municipalities of La Paz, Santa Cruz and El Alto since 2007 (Urban Infrastructure Project, P083979), which resulted in 5,548 new household sanitary connections in La Paz, 5,220 households that obtained property rights and 1,600m² of new recreational area built. The lessons learned from this Project indicate that it is crucial to involve the community in Project development and to strengthen capacity at the local government level for implementation. The Bank also financed a Disaster Risk Management Development Policy Operation (DPO) (P150751) in the amount of US\$200 million to promote changes to the national DRM Policy Framework. The main policy actions supported by the DRM DPO included: (i) strengthening disaster risk reduction and adaptation to climate change; (ii) strengthening institutional coordination for emergency response and management, and (iii) reducing the fiscal impact and improving the country's capacity to respond financially to natural disasters. The Bank has also supported several technical assistance programs and studies on urbanization and disaster risk management in Bolivia.

C. Proposed Development Objective(s)

To reduce vulnerability to hydrometeorological hazards and improve living conditions in selected low-income areas in participating municipalities.



The Project will achieve this objective by: (i) financing strategic resilient infrastructure investments in La Paz and Santa Cruz that reduce exposure to floods, landslides and drought; (ii) upgrading of urban infrastructure and services in low income areas, such as mobility, drainage, and public space, and (iii) improving municipal governments' capacity to design and manage their infrastructure assets in a resilient manner. The achievement of the above objective would support the Government's efforts to demonstrate visible improvements at the city level, in line with the goals of its national urban strategy under development.

PDO Level Indicators

- a) Reduce vulnerability to natural disasters:
 - Number of households benefiting from infrastructure to protect from flood events of a 10-year return period in Project areas
- b) Improve living conditions in low income urban areas:
 - Number of people provided with improved urban living conditions in Project areas (men/women)¹¹ (corporate results indicator)
 - Increased access to improved green space in Project areas (m² per inhabitant)

D. Project Description

Component 1. Resilient Infrastructure and Urban Upgrading in Santa Cruz (US\$47.6 million IDA)

Sub-component 1.1. Development of resilient infrastructure and improvement of public space (US\$34.3 million IDA): This component will: (a) implement 6.4 km of improvements and construction of the drainage system, capturing rainwater from upstream municipalities to reduce urban flooding and, as part of its resilient design, the space around the canal will be designed as a public green space for non-motorized transportation, such as walkways, pedestrian crossings and bicycle lanes, which will also serve as a flood buffer area to protect the public space from informal settlements; (b) construct and upgrade, based on community consultations, 4.2 km of the Pirai Metropolitan River Park (*Parque Ecológico Metropolitano Pirai*) including, *inter alia*, playgrounds, recreational areas, pedestrian crossings and bike paths, and nature viewing points to maintain the space as a permeable flood buffer zone for the city; and (c) develop an Integral Management Plan for the Pirai Metropolitan River Park, the upgrading of the city's flood early warning system, and capacity building for operations and maintenance of public infrastructure.

Sub-component 1.2. Upgrading of urban neighborhoods and improvement of mobility (US\$13.3 million IDA): This subcomponent will: (a) Upgrade certain areas in the Historic City Center selected in accordance with the criteria set forth in the Operational Manual through, *inter alia*, upgrading and construction of bicycle lanes, public space landscaping, pedestrian crossings, and street lights, (b) construct approximately 74.5 km of bicycle lanes to connect the Park to the historic and commercial center, and (c) develop a city masterplan for non-motorized transport, including, *inter alia*, social campaigns to promote cycling and road safety.

¹¹ To be measured by population benefitting from urban upgrading, access to improved mobility, and public space.



Component 2. Resilient Infrastructure, Slope Stabilization and Urban Upgrading in La Paz (US\$19.3 million IBRD)

Sub-component 2.1. Development of resilient infrastructure, slope stabilization and improvement of public space (US\$11.3 million IBRD): This subcomponent will: (a) finance 870 m of river channeling infrastructure along the *Irpavi* and *Orkojahuirra* rivers to stabilize the river banks and reclaim available public space. The activity will generate green areas to improve living conditions along areas of the rivers, function as a buffer zone to protect areas of the city from future flooding, and limit future risky informal settlements along the banks of the river; and (b) carry out slope stabilization works in the *San Jorge – Kantutani* area affected by the April 2019 landslide and build approximately 550 meters of channeling infrastructure along the *Cotahuma* river at the base of where the April 2019 landslide occurred to maintain the river course, prevent future erosion and reduce further landslide risk.

Sub-component 2.2. Upgrading of urban neighborhoods and improvement of mobility (US\$8.0 million IBRD): The Project will finance the upgrading of 9 low-income and underserved residential areas¹² with street improvements, access to basic services, street lightning, recreational parks, community centers, and resilient infrastructure, such as slope stabilization, to strengthen the area's resilience to natural hazards. Neighborhoods will be prioritized for interventions based on their gaps in public services, risk profiles, community engagement, and poverty levels, as well as their proximity to investments financed under sub-component 2.1.

Component 3. Project Management (US\$3.1 million – US\$2.4 million IDA Santa Cruz and US\$700,000 IBRD La Paz): This component will finance the establishment and staffing of two Project Implementation Units (PIUs): (a) in the amount of US\$2.4 million to establish the PIU in Santa Cruz, and (b) in the amount of US\$700,000 to establish the PIU in La Paz. These units will be responsible for procurement, financial management, social and environmental safeguards activities and monitoring the results of the Project. Activities eligible for financing under this sub-component include, inter alia:

- Consulting services and goods (including specialized personnel or equipment required to implement the Project)
- Citizen engagement, communication and dissemination activities
- Project audits (including the preparation of financial reports)
- Monitoring and evaluation (such as the collection of socioeconomic data and support for the monitoring of environmental and social safeguards and Project indicators)
- Operating costs (e.g., furniture, and information and communication technology)

E. Implementation

¹² Barrio 3 De Mayo, Barrio Alto Delicias D-2, Barrio Alto Rosasani Sector A, Barrio Alto Tejar Koa Koa, Barrio Chapuma, Barrio Pokeni, Barrio Norte, Villa Copacabana Pacasa, Barrio San Jose Condorini y Barrio San Juan Lazareto.



Project implementation will be carried out by the Autonomous Governments of the Municipalities of La Paz (GAMLP) and Santa Cruz (GAMSC). Both GAMs have adequate capacity to prepare and initiate the Project, including establishing their respective PIUs, upon Project effectiveness. For the implementation of the Project, the GAMLP will establish a PIU in the Pluvial Drainage Program (PDP) Unit of the Municipal Secretariat of Integrated Risk Management (SMGIR). The GAMSC will establish a PIU in the Planning Directorate of the Municipal Secretariat of the Administration and Finance (SMAF). The PIUs will have Project management responsibility, coordinating overall Project implementation, ensuring the timely availability of fund transfer to contractors, implementing the relevant safeguards instruments (e.g., Environment and Social Management Frameworks, Resettlement Policy Framework, Environment Assessments and Environmental Management Plans, Resettlement Action Plans) and ensuring continuous community outreach and consultation, maintaining Project accounts and producing financial reports, monitoring and evaluating program implementation and impacts, developing and implementing a grievance redress mechanism (GRM) and reporting the results to key stakeholders. The PIUs will have financial, management, technical and legal autonomy. In each municipality, the PIUs will have close coordination with the different technical units of the municipal government that will contribute to the Project. Both municipalities will provide dedicated staff for their respective PIUs,¹³ which will be responsible to staff for key positions in the PIUs throughout Project implementation.

F. Project location and Salient physical characteristics relevant to the safeguard analysis (if known)

The Project will be implemented within the cities of La Paz and Santa Cruz, each of them with different physical and environmental characteristics. The city of La Paz has a complex topography of mostly steep slopes with small creeks and larger rivers forming a complex maze of natural uneven terrain and human-made structures. It has a water basin from 4,000 meters above sea level (m.a.s.l.) to 3,000 m.a.s.l. The city center lays in the central portion where the slopes are mild. The urban area of the city has grown out and upwards, climbing up the hill of mostly stable terrain, including the western slope where Project interventions are located. The city of Santa Cruz lays on the flat portions of the foothills of the Eastern Andes mountain chain over a large area below 400 m.a.s.l. The topography of the city is mostly flat over a tropical environment with several man-made and natural drainage waterways running across where water flows and also sinks to recharge large aquifers underneath. The Piraí River, in Santa Cruz, runs right next to the city and carries large quantities of water during the rainy season. Due to geographic limitations, the municipality of La Paz is not experiencing significant population growth, except for informal settlements expanding into the steep slopes surrounding the city. In contrast, Santa Cruz - which is the country's commercial center, the largest city of Bolivia, and home to 1.4 million inhabitants – is growing. Among the two metropolitan areas, the population density of La Paz city is 75.43 inhabitants per hectare and that of Santa Cruz is 32.99 inhabitants per hectare.

¹³ Staff will include the positions of Project coordinator, social and environmental safeguards, procurement and financial management.



G. Environmental and Social Safeguards Specialists on the Team

Ximena Rosio Herbas Ramirez, Environmental Specialist

Angela Maria Caballero Espinoza, Social Specialist

Prem Jai Vidaurre De La Riva, Environmental Specialist

SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	<p>The Environmental Assessment Policy is triggered because civil works from the subprojects of Components 1 and 2 may create negative environmental effects. Therefore the activities of these components are expected to be medium to small works with known environmental impacts that can be readily mitigated with standard construction and environmental mitigation measures, occupational health and safety prevention measures and monitoring procedures.</p> <p>For the 8th ring drainage canal sub-project (Proyecto Canal Octavo Anillo Santa Cruz), where the scope of investments to be financed under the Project are fully defined, a subproject specific Environmental Impact Assessment (EIA) including an Environmental Management Plan (EMP) has been prepared in accordance with World Bank (WB) and national policies and standards and has also been consulted with stakeholders, including but not limited to affected communities, user groups and beneficiaries. Given that the scope of investments that will be undertaken by GAML P and some of the urban upgrading and mobility activities that will be undertaken by GAMSC through the Project are not yet fully defined, a framework approach has been adopted to provide guidelines and procedures to these cities for environmental management of these future subprojects. Two separate Environmental Management Frameworks (EMFs) have been prepared based on: (i) environmental screening of the existing conditions and initial assessment of</p>



potential environmental impacts and required mitigation measures; (ii) a review of applicable national policies and regulations as well as WB Safeguards Policies and their requirements for the Project; (iii) feedback from government officials at the central and municipal levels; and (iv) assessment of institutional capacity and implementation arrangements for the Project. The EMFs outline the requirements, the type of specific EIAs and EMPs to be carried out once the scope of work is fully defined for the subprojects, as well as the processes, responsibilities, institutional arrangements and budget to comply with applicable national legislation and WB safeguards policies. For the Cotahuma area in La Paz, there is a report from GAMLP's Environmental Secretary including a risk management report that will be taken into account for the design of the relevant subproject.

The proposed investments' design and construction will follow environmental guidelines as established in national legislation and in the General WBG Environmental Health and Safety (EHS) guidelines and the specific guidelines for the water and sanitation sector, and relevant sections of the EHS Guidelines for Toll Roads. Finally, both EMFs and the EIA for the 8th ring drainage canal in Santa Cruz have been published on the websites of the municipalities and the WB.

Performance Standards for Private Sector Activities OP/BP 4.03	No	The operation doesn't apply to private sector activities.
Natural Habitats OP/BP 4.04	Yes	No impacts on natural habitats are expected and no significant conversion or degradation of critical or natural habitats will occur. Nonetheless, as there are interventions in the Protective Ecological Forest of the Pirai River (Bosque Ecologico de Proteccion del Rio Pirai) in Santa Cruz, the policy has been triggered. The specific EIA for the 8th ring drainage canal and the EMF incorporate specific management plans for adequately carrying out the interventions in this Protective Ecological Forest.
Forests OP/BP 4.36	Yes	The projects will not have impacts on the health and quality of forests. Nonetheless, as there are interventions in the Protective Ecological Forest of the Pirai River (Bosque Ecologico de Protección del



		<p>Rio Pirai) the policy was triggered. The specific Environmental Assessment for the 8th ring drainage channel and the EMF incorporate specific management plans for adequately carrying out the interventions in this Protective Ecological Forest.</p>
Pest Management OP 4.09	Yes	<p>The Project is not expected to support the procurement of pesticides, nonetheless the pest management policy is triggered, as pesticides may be required for pest control (such as rodents) in the drainage works of the 8th ring canal in Santa Cruz and other infrastructure investments and urban upgrading activities. The specific EIA for the 8th ring drainage canal and the EMF incorporate specific management plans for adequately managing the handling and disposal of pesticides.</p>
Physical Cultural Resources OP/BP 4.11	Yes	<p>The Project does not expect to find physical cultural resources, but given the nature of civil works, including excavation, this policy is triggered on a precautionary basis. The EMFs include clear procedures for assessing locations for physical cultural resources aspects and how to manage chance finds in accordance with WB policy and national legislation.</p>
Indigenous Peoples OP/BP 4.10	No	<p>The Social Assessments (SAs) prepared by GAML P and GAMSC show that the Project beneficiaries in GAML P and GAMSC do not qualify as Indigenous Peoples as defined in the OP/BP 4.10 Indigenous Peoples, because: (i) beneficiaries do not appeal to ethnic self-identification as a marker of pertinence to a particular group in the proposed Project area; (ii) they do not have collective attachment to ancestral territories and there are no evidences of traditional customs linked to land and territory where the proposed Project will be implemented; (iii) they do not have other specific economic, political, social, and cultural organizational traits, as opposed to those that belong to the regional society, and (iv) even though in domestic contexts in the cities of La Paz and Santa Cruz, people still use indigenous languages, it is not used as an element of group cohesion. Therefore, consistent with this analysis, the OP/BP 4.10 has not been triggered for the beneficiaries of the Project.</p>



The SAs for each city are included in the Social Management Frameworks (SMFs) of La Paz and Santa Cruz respectively. The SMFs include recommendations to undertake consultation processes during subprojects preparation and ensure the beneficiaries' contributions to the projects' design considering gender and generational bases. The SMFs also identify strategies of citizen engagement and GRM to be implemented during the project cycle.

This safeguard policy is triggered to ensure proper care is taken to avoid, minimize or mitigate involuntary resettlements. In compliance with the OP/BP 4.12 and consistent with Bolivian law, GAMSC has developed one Resettlement Action Plan (RAP) for Santa Cruz for the 8th drainage canal project. Public consultations were undertaken with affected people and local authorities in the selected area during October 2018, with the participation of 22 representatives of neighborhoods of the Project area. Also, GAML and GAMSC have prepared a Resettlement Policy Framework (RPF) for each city to encompass procedures and requirements to develop RAPs for subprojects for which detailed designs have yet to be finalized. The RPFs include specific measures to mitigate and compensate work site limited physical affectation such as: temporary interruption of access to schools, health centers, and homes; temporary interruption of motorized and pedestrian traffic; temporary economic displacement of informal merchants on the streets and/or avenues. For the landslide project located in La Paz, it has been verified that the area to be stabilized as part of Project financing will not require new resettlement, nor will affect current resettlement programs underway to support families affected by the landslide. The stabilized area will not be used for housing in the future. The risk of informal settlement in this area has been considered in the RPF prepared by the Municipality of La Paz. Mitigation measures to manage this risk include the Municipal Law No 233 "Ley de Fiscalizacion y Control Territorial" and its specific regulations. GAML and GAMSC will be in charge of implementing the RAPs and RPF. Cash compensation and land acquisition will not be needed as part of the Project

Involuntary Resettlement OP/BP 4.12

Yes



		compensation measures. The RAP and the RPFs were published before Appraisal was completed.
Safety of Dams OP/BP 4.37	No	This policy is not triggered given the project will not support the construction or rehabilitation of dams nor will it support other investments which rely on the services of existing dams.
Projects on International Waterways OP/BP 7.50	Yes	OP 7.50 on International Waterways has been triggered because the project involves the Pirai, Irpavi, Cotahuma and Orkojahuirra rivers, which are tributaries to bodies of water that are considered international waterways under the policy, as these rivers discharge into the Mamore River, which forms part of the Amazonian River Basin. According to initial assessments for the Pirai River, the maximum and average estimated additional inflow levels generated by the drainage canal to be financed by the Project are below the range of a half percent increase on the average flow of the Mamore River that flows into the neighboring country of Brazil, and therefore considered not to be significant. As for La Paz, the project will finance civil works for slope stabilization and improvements in the margins of the Irpavi, Cotahuma and Orkojahuirra rivers to mitigate landslide and flood risks. Hence, as per the foregoing, these works will not adversely change the quality or quantity of water flows to the other riparians, nor will they be adversely affected by the other riparians' possible water use. Therefore, an exception to the notification requirement has been processed and approved.
Projects in Disputed Areas OP/BP 7.60	No	This policy is not triggered as project activities will not be conducted in disputed areas.

KEY SAFEGUARD POLICY ISSUES AND THEIR MANAGEMENT

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:

No large scale, significant or irreversible impacts are foreseen under the Project. Given the works will require a variable number of workers during different periods of time, according to the dimension of each subproject's area of intervention, the proposed Project will incorporate a comprehensive array of measures to mitigate negative impacts of labor influx, particularly for vulnerable groups (e.g., young women) through its institutional arrangements and contractual obligations. The key mitigation measures include: (i) requirements for the Contractor and Supervision



Consultant to have adequate staff in charge of social issues, which will include provisions related to gender based violence prevention under Law 348 “Ley integral para garantizar a las mujeres una vida libre de violencia,” and (ii) monitoring and enforcement of the Contractor’s observance of the Code of Conduct by the Supervision Consultant.

Regarding environmental safeguards aspects, Project activities are aimed at upgrading of urban infrastructure and services in low income areas, and investing in strategic resilient infrastructure in the municipalities of La Paz and Santa Cruz. For the 8th ring drainage canal subproject in Santa Cruz, where the scope of investments to be financed under the Project is fully defined, the specific EIA including an EMP and an Abbreviated Resettlement Plan (ARP) have been prepared in accordance with World Bank and national policies and standards. During the construction phase of this subproject, concerns such as construction safety of the workers and residents, air and noise impacts, impacts on utilities and traffic movement etc. are expected. The required mitigation measures have been adequately described in the documents.

Given that the scope of investments in La Paz and Santa Cruz to be undertaken by the Project are not yet fully defined, an ESMF for each city has been designed to provide a framework for identifying potential impacts of subprojects, carrying out appropriate environmental and social assessments and integrating mitigation measures in compliance with the operational policies of the World Bank. For the Cotahuma area in La Paz, a report from the Autonomous Municipal Government of La Paz’s (GAMLP) Environmental Secretary and a Risk Management report have been prepared and will be taken into account for the design of the subproject.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area: The proposed Project is envisaged to have positive environmental and social impacts. Access to secure urban areas will improve the quality of life of all beneficiaries, especially the approximately 52% of the beneficiary population which are women. Also women’s participation in the proposed Project activities during the full project cycle, and particularly during the subprojects design, will allow for increased ownership and sustainability of the infrastructure and public space created under the Project, as well as their long term utility to the beneficiary population.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts. The 8th ring drainage canal subproject in Santa Cruz will be implemented in an already paved central strip of the 8th and 9th ring roads. This drainage canal will collect and transport the rainwater of the South - West zone of the city. No alternative analysis was necessary as the drainage canal will be located in a wide enough area of the center of the ring to minimize impacts. In addition, this drainage canal forms part of a city-wide drainage master plan that assessed the best options and strategies to improve drainage.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.

The Autonomous Municipal Government of La Paz (GAMLP) and the Autonomous Municipal Government of Santa Cruz (GAMSC) prepared social management frameworks (SMFs) for each city. Also a resettlement action plan (RAP) and two resettlement policy frameworks (RPFs) were prepared; GAMLP is familiar with World Bank social safeguards policies and is capable of establishing adequate procedures to mitigate risks and implement O.P. 4.12. Regarding GAMSC, close supervision and technical support will be given by the Bank during the project cycle to ensure the institutional technical capacities in social safeguards meet acceptable standards of performance. Key to implementation will be the incorporation into the Operations Manual of: (i) required social staff and clear roles and responsibilities of that staff; and (ii) model contracts for works contractors.



Regarding environmental safeguards instruments, the GAML and GAMSC have prepared two environmental management frameworks (EMFs) that provide frameworks for identifying potential impacts of subprojects, carrying out appropriate environmental assessments and integrating mitigation measures in compliance with the operational policies of the Bank. For the 8th ring drainage canal subproject in Santa Cruz, a subproject specific environmental impact assessment (EIA) that includes an environmental management plan (EMP), has been prepared in accordance with Bank and national policies and standards; thus, with the preparation of these instruments, GAML and GAMSC are taking measures to address the safeguards requirements. The environmental management of the Project is also described in the Project Operations Manuals for each Project Implementation Unit (PIU) and the works bidding contracts will incorporate all the environmental requirements for the contractors to ensure a complete oversight and implementation of the required environmental safeguards measures.

Even though the Borrower has worked with other international financial institutions implementing their environmental safeguards policies, the implementation of this Project will be challenging due to the number of actors in the two municipalities, and the number of subprojects. To mitigate these risks, the roles and responsibilities for environmental safeguards implementation are clearly defined; Project implementation staff will be trained in social and environmental safeguards policies and will have access to additional consultant support as needed.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

Direct beneficiaries are the families living in areas of influence of the Project investments, along with the municipal governments, since the investments will be operated and maintained by them. During the preparation of the social safeguards instruments, beneficiaries were consulted and broad community support to the proposed Project was given.

The 8th ring drainage canal subproject has also been consulted with stakeholders, including but not limited to affected communities, user groups and beneficiaries. Further, the social and environmental safeguards frameworks prepared outline requirements associated with doing consultations during the preparation of subprojects.

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other

Date of receipt by the Bank	Date of submission for disclosure	For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors
28-Aug-2019	02-Sep-2019	

"In country" Disclosure

Bolivia
30-Aug-2019
Comments



Resettlement Action Plan/Framework/Policy Process

Date of receipt by the Bank

28-Aug-2019

Date of submission for disclosure

02-Sep-2019

"In country" Disclosure

Bolivia

30-Aug-2019

Comments

Pest Management Plan

Was the document disclosed prior to appraisal?

NA

Date of receipt by the Bank

Date of submission for disclosure

"In country" Disclosure

If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.

If in-country disclosure of any of the above documents is not expected, please explain why:

N/A

C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting)

OP/BP/GP 4.01 - Environment Assessment

Does the project require a stand-alone EA (including EMP) report?

Yes

If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?

Yes

Are the cost and the accountabilities for the EMP incorporated in the credit/loan?



Yes

OP/BP 4.04 - Natural Habitats

Would the project result in any significant conversion or degradation of critical natural habitats?

No

If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank?

NA

OP 4.09 - Pest Management

Does the EA adequately address the pest management issues?

Yes

Is a separate PMP required?

No

If yes, has the PMP been reviewed and approved by a safeguards specialist or PM? Are PMP requirements included in project design? If yes, does the project team include a Pest Management Specialist?

NA

OP/BP 4.11 - Physical Cultural Resources

Does the EA include adequate measures related to cultural property?

Yes

Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?

NA

OP/BP 4.12 - Involuntary Resettlement

Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?

Yes

If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?

Yes

OP/BP 4.36 - Forests

Has the sector-wide analysis of policy and institutional issues and constraints been carried out?

NA

Does the project design include satisfactory measures to overcome these constraints?

NA

Does the project finance commercial harvesting, and if so, does it include provisions for certification system?

NA



OP 7.50 - Projects on International Waterways

Have the other riparians been notified of the project?

No

If the project falls under one of the exceptions to the notification requirement, has this been cleared with the Legal Department, and the memo to the RVP prepared and sent?

Yes

Has the RVP approved such an exception?

Yes

The World Bank Policy on Disclosure of Information

Have relevant safeguard policies documents been sent to the World Bank for disclosure?

Yes

Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?

Yes

All Safeguard Policies

Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?

Yes

Have costs related to safeguard policy measures been included in the project cost?

Yes

Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?

Yes

Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?

Yes

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APPROVAL

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Approved By

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