

CLIMATE INVESTMENT FUNDS

October 6, 2015

Approval by mail: Bolivia: Multipurpose Drinking water and irrigation program for the municipalities of Batallas, Pucarani and El Alto (IDB) PPCR

IDB Response to US Comments

October 6, 2015

Approval by mail: Bolivia: Multipurpose Drinking water and irrigation program for the municipalities of Batallas, Pucarani and El Alto (IDB) PPCR– IDB Response to US Comments

US comments	IDB response
<p>What are the physical resettlement and grievance mechanism plans for the 13 households requiring resettlement? Is there a Resettlement Action Plan available? Are there any indications of resentment or coercion among the population needing resettlement?</p>	<p>First, we should clarify: there is no physical resettlement on the project. The 13 households affected are all situations involving economic displacement (temporary loss of agricultural or grazing land during construction, primarily along the <i>tuberia</i>); economic displacement is considered a form of resettlement by the IDB and thus has triggered our Involuntary Resettlement Policy, even though there is no actual physical resettlement. These are all described in the Resettlement Plan (<i>Plan de Gestion y Compensaciones – Management and Compensations Plan</i>). There is indeed a grievance mechanism which has been in place for about 2 years now (no major grievances yet). There have been no signs or indications of any resentment among the population nor any coercion of the affected parties.</p>
<p>Specifically, has a dam safety panel (other than the mentioned hazards assessment) been convened to assess the two dams to be built by the project?</p>	<p>No, there has been no dam safety panel convened as the two dams are small dams on existing reservoirs and the hazards assessment was conducted revealing low risk. Additionally, downstream communities are located above the potential flood area, probably because there are two existing reservoirs at the dam sites. In addition, during project design, two international experts have been hired to dedicate special emphasis on the safety of these dams.</p>
<p>Who conducted or reviewed the critical habitats analysis?</p>	<p>First, the Environmental and Social Safeguard Unit of the Bank (ESG) determined the bofedales to be Natural Habitat, not Critical Natural Habitat, as they are not designated as a protected area, such as a RAMSAR site, IBA, SNAP or national park. The impact to Natural Habitat was considered by ESG to be a significant conversion of natural habitat, requiring a cost-benefit analysis. Secondly, the cost-benefit analysis to justify the significant conversion of natural habitat is being conducted by a Bolivian economist specializing in agricultural</p>

	services who has a good deal of experience with cost-benefit analyses. In addition to the CBA, the Bank required the MIC, including the <i>bofedal</i> creation and <i>bofedal</i> restoration as an offset for the loss of Natural Habitat.
There is concern with the loss of an approximate 70 ha. of bofedales. How are No Net Losses being evaluated?	The Integrated Watershed Management Plan (MIC) describes, and the Project has funding for, the restoration of 70 Ha of bofedal habitat in several different areas surrounding the reservoirs (see map of bofedal restoration areas in ESMR / IGAS). Additionally, the MIC will restore many more hectares of currently degraded bofedal habitat in the downstream environments below the two dams. As the communities are the owners of these communal lands, a community engagement process has already started to identify which areas to be restored, and when. Pilot programs to restore small areas of degraded bofedal have already occurred to show community members how the process will occur and demonstrate the benefits, first-hand, of bofedal restoration and management. The creation and restoration of bofedales has a 10 yr monitoring plan to monitor its success.