

REPORT No. 180810-BO

THE INSPECTION PANEL

**REPORT AND RECOMMENDATION
ON A REQUEST FOR INSPECTION**

BOLIVIA

**SANTA CRUZ ROAD CORRIDOR CONNECTOR
PROJECT (SAN IGNACIO - SAN JOSÉ)
(P152281)**

MARCH 17, 2023

**The Inspection Panel Report and Recommendation
on a
Request for Inspection**

Bolivia: Santa Cruz Road Corridor Connector Project (San Ignacio - San José) (P152281)

A. Introduction

1. On December 19, 2022, the Inspection Panel (the “Panel”) received a Request for Inspection (the “Request”) concerning the Bolivia: Santa Cruz Road Corridor Connector Project (San Ignacio - San José) (P152281) (the “Project”) from indigenous people’s leaders of four “Centrales Chiquitanos” (organizations of Chiquitano indigenous people) in the Chiquitania region in the lowlands of eastern Bolivia (the “Requesters”). They authorized two local civil society organizations to represent them and authorized the Bank Information Center (BIC) – a US-based, nongovernmental organization (NGO) – to provide them with support and advice during the Panel process. The Requesters and their representatives asked the Panel to keep their identities confidential.

2. The Requesters claim Project activities threaten their land and livelihoods, as the road creates opportunities for illegal activities and for settlers to move into their area. The Requesters allege that the original Indigenous People’s Plan (IPP) neither mitigated adverse impacts nor granted them access to Project benefits. According to the Requesters, they have been discussing these issues with the Bank team and the implementing agency since 2018, but it has taken three years of engagement for their inputs to be included in the updated IPP which was agreed to in December 2021. While the Requesters consider the updated IPP “*relatively strong*” and “*much improved*” compared to the original IPP, they complain about its remaining shortcomings and its ineffective implementation. They raise concerns about inadequate social and economic benefits and measures intended to avoid, minimize, or compensate for the Project’s adverse impacts. They allege a lack of meaningful consultation on the Project. They also allege Project workers engaged in sexual exploitation, abuse, and harassment (SEA/H) of indigenous women and girls. They say the Project contractor’s hiring conditions do not guarantee the labor rights of the Chiquitanos working at Project sites.

3. The Panel registered the Request on January 13, 2023, and Management submitted its response (the “Management Response” or the “Response”) to the Request on February 15, 2023. A Panel Team (the “Team”) visited Bolivia March 4-12, 2023, to inform its report and recommendation to the Board of Executive Directors (the “Board”) as to whether an investigation into the matters alleged in the Request is warranted.

4. Based on its assessment below, the Panel recommends conducting an investigation into the alleged issues of harm and related non-compliance with the applicable World Bank policies, focusing on Environmental Assessment (OP/BP 4.01), Indigenous Peoples (OP 4.10), and Involuntary Resettlement (OP/BP 4.12).

B. Description of the Project

5. The Project was approved on January 11, 2017, for a total cost of US\$ 230.05 million. An International Bank for Reconstruction and Development Loan is financing US\$ 200 million, an International Development Association Credit is financing US\$ 30 million equivalent, and the Borrower – the Plurinational State of Bolivia – is providing US\$ 50,000. The Project's closing date at the time of approval was December 31, 2021, and the current expected closing date is November 30, 2023.¹

6. The Project development objective is “*to improve transport accessibility along the road corridor between San Ignacio de Velasco and San Jose de Chiquitos.*”² According to the Project Appraisal Document (PAD), the Project has two components. Component A upgrades a 208-kilometer-long road – connecting the towns of San Ignacio de Velasco and San José de Chiquitos in the Department of Santa Cruz – from gravel to asphalt concrete.³ The PAD describes the terrain as mostly flat to gently rolling hills, and the work will follow the existing road alignment and remain mostly within the established right-of-way (ROW). Construction includes three bypasses in populated areas, straightening the alignment by San Diablo hill, three small bridges, and replacement and construction of approximately 300 culverts.⁴ Component A will also support the implementation and supervision of the safeguard instruments and documents, including the Environmental Impact Assessment (EIA)/Environmental Management Plan, the Resettlement Policy Framework (RPF), the Resettlement Action Plan (RAP), and the IPP.⁵ Component B finances technical studies and project management, linking with the main investment by financing preparatory activities for upgrading the roughly 300-kilometer-long San Matias-San Ignacio de Velasco bi-oceanic road corridor connecting to Brazil (northern corridor).⁶ The issues raised in the Request relate to Component A.

7. It is a Category B project that has triggered safeguard policies on Environmental Assessment (OP/BP 4.01), Natural Habitats (OP/BP 4.04), Indigenous Peoples (OP/BP 4.10), Physical Cultural Resources (OP/BP 4.11), and Involuntary Resettlement (OP/BP 4.12). The Project was 32.67 percent disbursed as of the Panel’s receipt of the Request. The Implementing Agency is the Administradora Boliviana de Carreteras (ABC) – the Bolivian Road Administration.

C. Summary of the Request

8. The section below summarizes the issues raised in the Request, and the full Request is attached to this Report as Annex 1.

¹ The World Bank, [Restructuring Paper on a Proposed Project Restructuring of Santa Cruz Road Corridor Connector Project \(San Ignacio - San Jose\) Approved on January 11, 2017 to Ministerio de Planificación del Desarrollo](#), December 21, 2021.

² The World Bank, [Project Appraisal Document on a Proposed Loan in the Amount of US\\$ 200 million and a Proposed Credit in the Amount of US\\$ 30 million to the Plurinational State of Bolivia for a Santa Cruz Road Corridor Connector Project \(San Ignacio - San Jose\)](#) (PAD), December 13, 2016, p. 5, para. 18.

³ PAD, p. 4, para. 14; p. 6, para. 23.

⁴ PAD, p. 6, para. 23; Annex 2, p. 26, para. 3.

⁵ PAD, pp. 6 and 7, para. 23.

⁶ PAD, pp. 5 and 6, paras. 22-24.

9. The Request alleges harm to indigenous communities in the Chiquitania area due to the World Bank’s “failures and omissions” in the design and implementation of the Project.

10. **Chiquitano Land, Livelihoods, and Identity.** The Request states the Chiquitania region is affected by agricultural expansion, increasing deforestation, and land degradation; its land is heavily contested by different interest groups seeking access and disputing ownership. According to the Request, tensions in the region were high prior to the Project and it “*was clear from the time of project design that the construction would happen in a very risky context.*” The Request explains that the Chiquitanos understood early on the threats posed to their land and livelihoods as the road creates “*new opportunities*” for illegal activities – such as agribusiness and logging – as well as for settlers to “*invade*” their territories. The Requesters allege that the road upgrade has accelerated illegal occupation and confiscation of indigenous lands and has threatened the indigenous land titling efforts that are underway or planned. They claim that increasing rates of wildfires, which are exacerbated by these activities, also endanger their land and livelihoods.

11. **Indigenous Peoples Plan (IPP).** According to the Request, the Chiquitanos claim they were neither meaningfully consulted during the development of the original IPP nor informed about the negative impacts, risks, and benefits of the Project during the initial consultation. The Requesters claim that since 2018, they have repeatedly informed Bank Management about the shortcomings and the need to improve the original IPP. They allege it insufficiently identified – and therefore did not include – appropriate mitigation of the Project impacts and did not guarantee access to Project benefits.

12. The Requesters state that, following three years of dialogue and negotiations with the Bank team and the ABC, their inputs were included in the updated IPP approved in January 2022. They consider that the document is “*relatively strong*” and “*much improved*” compared to the original version; for example, it increased the funds – from US\$ 3.6 million to US\$ 9.3 million – going directly to the *Centrales* for their institutional strengthening, capacity building, and infrastructure, and included funds for the Chiquitanos “*to protect their territories.*” However, the Requesters allege that the updated IPP still lacks mitigation measures to address “*land insecurity and settler invasion.*” The Requesters complain that the updated IPP “*exists only on paper and has not been implemented [which] makes it worthless in preventing harm resulting to the community from the project.*” They allege that although road construction started in 2019, most of the measures intended to avoid, minimize, mitigate, or compensate for adverse impacts and provide social and economic benefits to the indigenous peoples have yet to be implemented four years later. They believe the Bank Policy on Indigenous Peoples is being “*violated.*”

13. **Sexual Exploitation, Abuse, and Harassment (SEA/H).** The Requesters allege workers hired by the contractor and the sub-contractors for Project activities have committed SEA/H of indigenous women and girls. The Requesters claim several measures developed to prevent and respond to “*child SEA/H*” have not been implemented. Furthermore, they say they are not fully informed about actions that have been implemented, despite their inquiries.

14. **Labor and Working Conditions.** The Requesters also complain that the contractor’s hiring conditions do not guarantee the labor rights of the Chiquitanos working at Project sites, including timely payments to them.

D. Summary of the Management Response

15. The section below summarizes the Management Response, and the document is attached to this Report as Annex 2.

16. The Response describes the Request, the Project and its background, agricultural expansion and agrarian land law and policy in Bolivia, and Management's response to the Requesters' allegations. Included as annexes are a table presenting Management's detailed response to each claim, maps, tables, and descriptions of the deforestation process, wildfires, and road network in the Chiquitania region. Management states the Project area encompasses 24 established communities according to the information available to it.⁷

17. **Chiquitano Land, Livelihoods, and Identity.** Management understands the concerns of the Requesters regarding the economic and demographic changes that are occurring in the Chiquitania region, but argues that the impact on land, land titling, and livelihoods resulting from expanding agribusiness, logging, and wildfires cannot be attributed to the Project. Management notes that the works began in September 2019 and progress currently stands at 37 percent.⁸ Management is of the "*firm view*"⁹ that the Project is not the cause of the alleged harm and notes that the issues raised relate to long-standing agrarian policies, plans and legislation that are unrelated to the Project. According to Management, these are part of a broader national effort to increase agricultural development that has facilitated migration to the Chiquitania region. The Management Response adds that the Santa Cruz region has some of the country's most productive farmlands.¹⁰

18. Management believes the influx of non-local population to the Chiquitania region is a result of national policies, plans, and laws to "*support agricultural expansion, encourage land clearing and provide incentives for agricultural production.*"¹¹ According to Management, these laws and policies are unrelated to the Project and there is "*no evidence*"¹² that the road upgrading has increased population influx. Management adds that these developments also relate to ongoing land regularization and distribution processes. Furthermore, the Response notes that before the Project access to the region was already well developed through the existing regional road network.¹³

19. Management notes logging and land conversion processes in the Chiquitania region began in the late 1970s and livestock, agriculture, and forestry activities increased along with population growth in what subsequently became the Project area. Management claims these developments pre-date the Project and occur irrespective of the Project.¹⁴ Management adds that available data do not suggest that road access is the main driver for land conversion.¹⁵

⁷ Management Response, p. 16, para. 50.

⁸ Management Response, p. 11, para. 31.

⁹ Management Response, p. 11, para. 30.

¹⁰ Management Response, p. 9, para. 22.

¹¹ Management Response, p. 13, para. 37.

¹² Management Response, p. 13, para. 37.

¹³ Management Response, p. 13, para. 39.

¹⁴ Management Response, p. 13, para. 40.

¹⁵ Management Response, p. 14, para. 41.

20. The Response notes that wildfires are mainly a consequence of burning practices to clear land for agriculture and livestock. Management also states that these can get out of control, exacerbated by seasonal droughts that have been intensified by climate change.¹⁶ According to Management, available data do not suggest that deforestation in the four Project municipalities has notably increased more than in other areas since Project construction started.¹⁷

21. Management argues that the EIA identified Project-related impacts for all Project phases, including “*induced future*.” While Management found the EIA of “*acceptable quality*,”¹⁸ it noted that it lacked in-depth analysis of the broader economic and demographic developments in the Project area and Chiquitania region. However, Management noted that any potential, future impacts from road upgrading on these developments would be “*minor*.”¹⁹ According to Management, the EIA concluded that mitigating these impacts falls outside the scope of the Project, which Management finds “*reasonable*” considering that this required national level policy and legislative action.²⁰ Management notes that the Bank recognizes the significant potential impacts of these developments, but that its analytical work, beyond this Project, focuses on forest governance, ecosystem services, and sustainable land management in the Chiquitania region.²¹

22. Regarding the land titling process, Management says it is not aware of land being confiscated in the Project area and/or being re-distributed to other population groups, or titling being otherwise related to the Project. Management understands that 174 Chiquitano communities are seeking land titles, but notes that these are in the wider Chiquitania region; only one Chiquitano community with a pending land title is in the Project area.²² Management claims the Project has no part in – or impact on – land titling processes, and that these processes are led by INRA (*Instituto Nacional de Reforma Agraria*/National Institute for Agrarian Reform), a separate government agency, which has no relationship with the Project.²³ Management acknowledges that while it is supporting capacity strengthening of indigenous people in the updated IPP,²⁴ it is beyond the Project’s scope to assist Indigenous Peoples (IPs) with land titling through its IPP.²⁵

23. **Indigenous Peoples Plan (IPP).** Management says the original IPP was “*fully consistent*”²⁶ with all requirements set out in OP 4.10. Management claims it was “*the result of a process of free, prior, and informed consultation*”²⁷ with the four *Centrales Chiquitanas*, set out the measures through which the IPs would receive culturally appropriate, social and economic benefits, and described how potential adverse impacts on IPs would be avoided, minimized, mitigated, or compensated.²⁸ Management explains that the consultation process resulted in broad

¹⁶ Management Response, p. 15, para. 42.

¹⁷ Management Response, p. 15, para. 43.

¹⁸ Management Response, p. 15, para. 45.

¹⁹ Management Response, p. 15, para. 46.

²⁰ Management Response, p. 16, para. 47.

²¹ Management Response, p. 16, para. 48.

²² Management Response, p. 16, para. 50.

²³ Management Response, p. 17, para. 51.

²⁴ The Management Response also refers to this IPP as the “revised IPP.”

²⁵ Management Response, p. 17, para. 52.

²⁶ Management Response, p. 17, para. 54.

²⁷ Management Response, p. 17, para. 54.

²⁸ Management Response, p. 17, para. 53.

community support for the Project and that the IPP included actions to enhance opportunities for IPs. Management states the original IPP identified priorities during consultation, and sought to enhance indigenous community access to Project benefits (such as strengthened livelihoods, participation in economic opportunities, etc.)²⁹

24. Management states that, in 2018, at the request of the indigenous communities, a process to update the IPP began. Management explains this was necessary in part due to changes in the leadership of the Chiquitano organizations. The Response describes the consultation process as “*meaningful*”³⁰ and that, in December 2021, the updated IPP was agreed upon. However, Management acknowledges there was confusion as to whether the IPP could cover population migration, expansion of agricultural areas, logging, and land titling – all of which Management considers outside the scope of the IPP. Management states the IPP provided a series of programs and activities to help address potential negative impacts of these changes on the indigenous communities, and it includes measures to strengthen institutional capacity of indigenous communities, which they could use to support their processes to advocate for their rights.³¹ According to Management, the updated IPP includes two groups of activities, one of which includes organizational strengthening projects to promote spaces for participation, deliberation, and decision-making of the Chiquitano indigenous organizations. The other group of activities are local economic development projects intended to revalue the identity of IPs.³² The Management Response notes that the IPP does not contain measures to help regulate or intervene in the land titling process, as this is “*beyond the remit of the Project.*”³³

25. The Response acknowledges that the updated IPP was delayed by several factors, including the recruitment of the supervision firm responsible for updating the Social Assessment needed for the IPP; wildfires, civil unrest, and the Covid pandemic; ABC staff turnover; a lengthy participation process; divisions among Chiquitano leadership, and delays in the civil works.³⁴ Management says no measures directly relevant to mitigating road construction impacts have been delayed. Nevertheless, Management claims IPP implementation started in October 2022, has “*proceeded rapidly,*”³⁵ and is expected to conclude in December 2023. Management adds that division among indigenous peoples’ organizations has emerged and has become more complex in the context of IPP implementation.

26. **Consultation and Participation.** Management describes the consultation process for preparing the IPP and considers participation to have been inclusive and robust. Management says all communities were represented, that consultation took place first on the Social Assessment, then on measures to be included in the IPP, and that participants expressed their support for the Project. Management notes that although the IPPs and the activities proposed were extensively discussed, the issues raised in the Request (settlement, logging, agribusiness, etc.) were not raised.

²⁹ Management Response, p. 17, para. 55.

³⁰ Management Response, p. 18, para. 56.

³¹ Management Response, pp. 28 and 42.

³² Management Response, p. 18, para. 59.

³³ Management Response, p. 19, para. 61.

³⁴ Management Response, p. 19, para. 63.

³⁵ Management Response, p. 19, para. 62.

27. **Sexual Exploitation and Abuse, and Harassment (SEA/H).** Management says that, given the high prevalence of gender-based violence (GBV) in Bolivia, it recognized the need to address SEA/H³⁶ issues in the Project from its early stages, which prompted it to include targeted measures in Project documents to help prevent and respond to SEA/H incidents.³⁷ Management claims such measures reflected good practice and lessons learned from Bank-financed road projects in Uganda and Democratic Republic of Congo (DRC).³⁸ In 2019, the Bank retrofitted GBV components on all ongoing infrastructure projects; in the case of the Project, retrofitted activities included strengthening the grievance redress mechanism (GRM), information sessions on the Code of Conduct for workers, and training on safeguards and GBV issues. The Response notes that the Bank conducted 11 missions between 2018 and 2022, which included training and confirming that essential SEA/H measures were in place.³⁹ Management explains that in April 2021, the Bank engaged a local NGO (*Proceso-Servicios Educativos* or *Proceso*) with the support of the Bank’s Human Rights, Inclusion, and Empowerment Trust Fund to work with four municipalities’ *Promotoras Comunitarias* – community-nominated women or *promotoras* – who assist GBV prevention, monitoring, and reporting efforts in coordination with the Municipal Integrated Legal Services (*Servicios Legales Integrales Municipales*, SLIMs) and the Defenders of Children and Adolescents (*Defensoría del Niño, Niña y Adolescente*, DNNAs).

28. Management says in 2021 it became aware of a Project-related SEA/H incident, and that it responded immediately and ensured that measures were in place to offer services to survivors, strengthen codes of conduct, report on GRM, and sensitize workers.⁴⁰ According to Management, in response to another allegation of SEA/H in 2022, the Bank and ABC agreed on a GBV Action Plan, which received inputs from BIC and Child Protection in Crisis, and which is being implemented and “*progressing well.*”⁴¹ Management also states that BIC informed it of alleged cases of SEA/SH, including those involving minors, in September 2022 and that in January 2023, SLIM and DNNA told the supervision firm about two cases of SEA/H.⁴²

29. **Labor and Working Conditions.** Management claims all contracts contain all standard clauses and requirements related to labor, as required by Bank policy. Management acknowledges delays in payment of workers and other labor issues and has brought these concerns to the attention of the contractor and ABC. Management says some of these issues have already been resolved, and it has asked ABC to ensure that outstanding labor issues are resolved. Furthermore, Management has requested a labor and Occupational Health and Safety (OHS) audit for Project works, which should be completed by April 15, 2023.

30. **Conclusion.** Management states that the Bank has correctly applied its policies and procedures applicable to the Project. It is Management’s view that the Bank has followed the policies and procedures applicable to the issues raised in the Request. Management believes the Requesters’ rights or interests have not been, nor will they be, directly or adversely affected by the alleged failure of the Bank to implement its policies and procedures.

³⁶ Management uses Sexual Exploitation and Abuse, and Sexual Harassment (SEA/SH) in its Response.

³⁷ Management Response, p. 12, para 33.

³⁸ Management Response, p. 22, para. 74.

³⁹ Management Response, p. 22, para. 75.

⁴⁰ Management Response, p. 23, para. 79.

⁴¹ Management Response, p. 22, para. 73.

⁴² Management Response, pp. 35 and 36.

E. Panel’s Eligibility Assessment, Observations, and Review

31. The Panel’s review is based on information presented in the Request, the Management Response, other documentary evidence, information gathered through conversations with different stakeholders, and the Panel Team’s visit to Bolivia.

32. Panel Chairperson Ramanie Kunanayagam, Panel Member Ibrahim Pam, Senior Investigations Officer Birgit Kuba, and Investigations Officer Ayako Kubodera visited Bolivia March 4-12, 2023, to inform the Panel’s eligibility assessment. During its visit, the Team met with World Bank staff (in hybrid format) and officials of the Ministry of Economy and Public Finance in La Paz, as well as officials of the environmental and social team at ABC in La Paz and Santa Cruz. The Team also met with the Requesters, their representatives, and other affected community members in San Ignacio de Velasco, San Miguel de Velasco, San Rafael, and San José de Chiquitos. The Team spent three days visiting communities along the road alignment and held meetings with indigenous leaders and community members. The Panel also met with a group who claim they have been elected and are legitimate leaders of the Chiquitano communities in San Miguel de Velasco. The Panel expresses its appreciation to all parties with whom it met, who provided valuable information, and shared their views openly. Particular thanks are extended to the World Bank Country Office staff in La Paz for its assistance with logistical arrangements for the Team’s visit and guidance provided about health and safety protocols.

33. The Panel assessment below is based on information presented in the Request, the Management Response, relevant project documents, and information gathered during the Team’s site visit. The following sections cover the Panel’s determination of the technical eligibility of the Request in accordance with the criteria set forth in the Panel Resolution (subsection E.1), observations on other factors (subsection E.2), and the Panel’s review (subsection E.3) supporting the Panel’s recommendation.⁴³

E.1. Determination of Technical Eligibility

34. The Panel is satisfied that the Request meets all six technical eligibility criteria of its Resolution.⁴⁴ The Panel notes that its confirmation of technical eligibility, which is a set of verifiable facts focusing to a large extent on the content of the Request as articulated by the Requesters, does not involve Panel assessment of the substance of the claims made in the Request.

- Criterion (a): “*The affected party consists of any two or more persons with common interests or concerns and who are in the borrower’s territory.*” The Request was submitted by the leaders of four “*Centrales Chiquitanos*” who live in the Project area. The Team met with them and members of their communities, as well as the Requesters’ representatives during its visit to the Project area. The Panel therefore considers this criterion met.
- Criterion (b): “*The Request does assert in substance that a serious violation by the Bank of its operational policies and procedures has or is likely to have a material adverse effect on*

⁴³ The Resolution, paras. 13-15 and 29.

⁴⁴ The Resolution, paras. 13-15 and 29.

the Requester.” The Requesters claim Project activities threaten their land and livelihoods because the Project creates opportunities for illegal activities and for settlers to move into their area. The Requesters raise concerns about the original and updated IPP, its slow implementation, and unmitigated adverse impacts. They allege Project workers have engaged in SEA/H of indigenous women and girls, including minors. They say the Project contractor’s hiring conditions do not guarantee the labor rights of the Chiquitanos working at Project sites. The Panel considers this criterion is met.

- Criterion (c): *“The Request does assert that its subject matter has been brought to Management’s attention and that, in the Requesters’ view, Management has failed to respond adequately demonstrating that it has followed or is taking steps to follow the Bank’s policies and procedures.”* The Panel received correspondence between the Requesters, their representatives, and the Bank concerning these issues, which were exchanged prior to submission of the Request to the Panel. The Requesters expressed they were not satisfied with the Bank’s response. The Panel considers this criterion is met.
- Criterion (d): *“The matter is not related to procurement.”* The claims do not raise issues of procurement and thus this criterion is met.
- Criterion (e): *“For projects approved by the Executive Directors before the date of this Resolution [September 8, 2020], the related loan has not been closed or substantially disbursed or for projects approved by the Executive Directors on or after the date of this Resolution fifteen months have not yet passed from the date the related loan has been closed.”* At the time of receipt of the Request, the Project was active, and 32.67 percent disbursed. Therefore, this criterion is met.
- Criterion (f): *“The Panel has not previously made a recommendation on the subject matter or, if it has, that the Request does assert that there is new evidence or circumstances not known at the time of the prior Request.”* The Panel considers this criterion met as the Panel has not previously considered this subject matter.

E.2. Panel Observations Relevant to its Recommendation

35. In making its recommendation to the Board and consistent with its Operating Procedures, the Panel considers the following:

- whether the alleged harm and possible Bank non-compliance with its operational policies and procedures may be of a serious character,
- whether there is a plausible, causal link between the harm alleged in the Request and the Project, and
- whether Management has dealt appropriately with the issues, as per the Management Response, or has acknowledged non-compliance and presented a statement of remedial actions that address the Requesters’ concerns.

36. In the following section, the Panel provides its preliminary observations on the alleged harm and compliance, noting that in doing so, it is not making any definitive assessment of the

Bank's compliance with its policies and procedures or any adverse material effect this may have caused.

37. **Chiquitano Land, Livelihoods, and Identity.** During conversations with indigenous leaders and community members during its visit, the Panel learned of several Project impacts of concern to the affected communities. In its meeting with the Panel, Management explained that the EIA identified a range of direct Project impact, which Management described as “*typical impacts*,” such as water use, impact on water sources, dust, noise, extraction of aggregate material, and labor influx.

38. ***In-migration and agricultural expansion.*** The Panel notes that Management is of the firm view that the upgrading of the existing road does not cause in-migration, agricultural expansion, or other potential, adverse resulting impacts, such as wildfires. It maintains that the road has existed for more than 30 years, has been usable year-round despite being unpaved, and is part of a much broader road network that already facilitates access to and through the region.

39. During the field visit, Chiquitano leaders and community members expressed to the Panel their strong fears that the road upgrade will accelerate the pace and increase the number of outside settlers and businesses occupying indigenous land and territories. They told the Panel that the paved road will make it easier for settlers and businesses to reach and occupy land that had been less accessible previously. They worry this will impede the titling of their indigenous territories and land, and thus dilute their identity and culture, which are rooted in their land.

40. During the visit, some indigenous leaders told the Panel they had submitted applications to title communal land to INRA as early as 2001, and had received confirmation from INRA of its acceptance of these applications. They claim they were told that a study will be undertaken as part of the application process. However, the leaders said that, once the Project was announced, they received no further updates or information about their applications or responses to their queries. They claim that since the Project's announcement, outsiders have already started using approximately 94 percent of the land the Chiquitanos had included in their titling application to INRA. They are unclear about the status of their application, and fear outsiders will take their land before their titling process is completed.

41. The Panel notes that the EIA includes an environmental education program to be executed by the contractor with the objective to raise awareness and provide information to local indigenous leaders to strengthen their capacity to manage broader issues related to land and resource use and population growth. The Panel neither saw nor heard evidence that such a program is being undertaken in a meaningful way given that this issue is front and center to the Chiquitano communities.

42. ***Water sources.*** The Panel met with several indigenous leaders and members of communities adjacent to the road in all four municipalities. The key concerns of almost all of them relate to their access to water, which they claim is directly affected by the Project. Several communities told the Panel that the contractor had blocked streams, thus affecting the supply of water to communal ponds which provide drinking water for both humans and animals. One community worries that its water will soon be depleted and complained that the contractor had

used some of the limited, remaining water to settle the dust on the road. The Panel was shown a water retention pond and was told that the contractor had excavated and increased the surface area of the pond, which then caused water runoff due to a lack of consistent and firm boundaries to retain the water. Community members note that the little water remaining in it is warm and muddy, and drinking it caused stomach issues for community members and their animals. Several cattle have allegedly died after consuming water from this pond. The community showed the Panel an alternative pond, provided by the contractor, which contains silted, turbid water that is difficult to access due to its steep banks. The Panel heard from many that this issue affects all households in the community. Community members in some villages say that, although the contractor has discontinued using local water sources, they were degraded by previous use and have not been restored.

43. Another community told the Panel that the Project caused pollution of its water sources so badly that the water has turned “*red*.” The community said they had used this as drinking water for their animals, for washing their clothes, and irrigation. In a couple of villages, the Panel saw water sources rendered inaccessible due to the leveling of the road, which keeps animals from their water supply. While some communities claim the contractor promised to address the Project’s impact on water sources and provide alternative water supply, they say this has not happened.

44. ***Extraction of materials.*** In one village, the Panel saw a site where the community claimed the contractor had removed topsoil to excavate material for the road in what appears to be a borrow pit. Community members told the Panel that this area had long been indigenous communal land. They claimed that a clandestine agreement to use the site and extract material from it for the road in exchange for certain community benefits was signed between the contractor and two community members who, they said, had no right to make such decisions on their behalf in relation to this land. They noted that while this agreement affects the broader community, they were not consulted, and the parties ignored the established, indigenous, decision-making process. The community stated it was only after staging a roadblock that the rest of the community saw this agreement, which allegedly contains the signatures of deceased community members. The Panel has seen a copy of the agreement, and while the Panel did not conduct an in-depth legal analysis of this agreement, it notes the agreement states that neither party can reveal the contents to any third party; if the contents are revealed, the losses generated to one party will be paid by the other. Furthermore, the Panel notes the agreement designates the International Court of Arbitration of the International Chamber of Commerce in Paris, France, as the forum for arbitration in relation to any dispute arising from or related to this agreement. Community members told the Panel that, while works have now ceased due to community objections, the contractor had removed the fertile topsoil and not rehabilitated the land, therefore they cannot cultivate it. They add that this has created a safety hazard for the community and their cattle.

45. ***Road safety and access.*** Some communities located adjacent to the road – especially in San Miguel de Velasco, San Rafael, and San José de Chiquitos – raise concerns about road safety, lack of road signage, and complain that schoolchildren must cross the road on their way to school without the protection of pedestrian crossings, pavements, or sidewalks. The Panel walked along the road in these communities and observed that there was no appropriate signage, pavements, sidewalks, and pedestrian crossings, even in front of schools. The Panel heard that three accidents, including one alleged fatality, have already occurred at one spot. In one village, the Panel saw that

access to some houses has been lost because the road has been lowered and open drainage constructed adjacent to the homes. Community members said they have received no assurances this will be addressed. Others told the Panel that the road has been elevated in places and, due to improper drainage, water is entering their homes.

46. **Land take.** In three of the four municipalities, the Panel heard from community members about direct impact due to land take by the Project in the right-of-way (ROW) and related compensation complaints. Key issues include:

- *Lack of clarity as to whether the ROW extends 20 or 50 meters on either side of the road.* Some Project-Affected People (PAPs) claimed the original ROW was 50 meters but that the Project reduced it to 20 meters, and they were unsure whether they are still affected or not. Community members also remarked that, according to Bolivian law, the ROW should be 50 meters.
- *Lack of clarity regarding the valuation methodology for fruit trees, crops, and grazing land.* Some of the PAPs alleged that, while they have been compensated, nobody has explained to them the valuation methodology or how the compensation relates to loss of their fruit trees, crops, and grazing land.
- *Confusion about future land take.* Some PAPs are unsure about future land take in areas where Project works have not yet begun. They said they were told their land would be acquired, but do not know the timeline. They also claim the compensation methodology has not been explained to them, which leaves them anxious about what they might lose.
- *Delays in receiving compensation.* Some PAPs told the Panel that, despite the taking of their land and destruction of their crops, they have not yet received compensation or have only received part of it.
- *Replacement housing in the ROW.* The Panel was told in one community that six houses are in the ROW and the Project is building new replacement houses. According to community members, construction of these houses allegedly ceased because workers had not been paid, and the caterer supplying their lunches was also not paid for the past two months. The PAPs do not understand the status of their resettlement, whether and when these houses would be completed, and if they would indeed be relocated. The Panel saw, as an example, a half-built, new house close to the road, which community members said was just outside the ROW. The Panel understands that their current houses still exist, and they continue living there, but suffer harm due to the proximity to the works.

47. The Panel informed Management of these issues and received a written response. Management explains that resettlement instruments developed for the Project include a 2016 RPF, a 2016 RAP updated in 2019/2020, and a 2022 Abbreviated RAP. According to Management, the process establishing the Project ROW is described in these documents. Management notes that the ROW varies between different sections of the road and the ROW is generally less wide in urban than in rural areas. Management states more than 40 consultation meetings were conducted with all communities to discuss the resettlement program, compensation alternatives, the ROW, and the process for clearing it. Management says ABC informed it that field work demarcating the boundaries of 32 affected properties had taken place without the affected persons present. Management notes that the supervision firm will revisit these properties to get the signatures of these PAPs, but that this process has been delayed. Management also acknowledges approximately

11 cases of pending compensation payments for land already acquired. It notes that the Bank has requested ABC to urgently complete these pending payments, reinforce the message that compensation be paid prior to the taking of land, and asked the contractor not to proceed with works on such sections until the PAPs have been fully compensated.

48. **Indigenous Peoples Plan (IPP).** The Panel notes the claims of the Chiquitano leaders and community members that there was a lack of free, prior, and informed consultation on the original IPP. This led to a three-year renegotiation, commencing in 2018, resulting in a revised IPP, signed in December 2021. The Chiquitano leaders maintain that, while the revised IPP is an improvement on the original IPP, they were not given relevant Project information about the impacts – such as those on their water supply and the extraction of materials – they are now experiencing on their communal resources and lands. As such, the Requesters claim they were unable to negotiate even the revised IPP from a position of prior and informed knowledge.

49. In all communities the Panel visited, community members complain about the lack of implementation of the IPP. The Panel notes that ABC and Management state that the leadership challenge and apparent factionalization in the different Chiquitano groups in San Ignacio de Velasco and San Miguel de Velasco are the cause of the delays. In these communities, the Panel was told that ABC has, in fact, suspended implementation completely, that the contracts of community members hired for IPP activities have been canceled, and the affected individuals do not know if or when they would be rehired. While the Management Response notes that IPP implementation has proceeded rapidly since October 2022, the Panel heard consistent testimony in all four municipalities about how IPP implementation has barely progressed. The community leaders and members the Panel spoke with are concerned the Project will conclude without implementing the IPP.

50. The Panel met with the leadership groups in all four municipalities who had participated in the process of updating the IPP. The Panel also offered to meet with each of the competing groups in San Ignacio de Velasco and San Miguel de Velasco respectively who claimed to be duly elected, legitimate, indigenous leaders; it met with one, but received no response from the other. The group the Panel met expressed support for the Project and disputed several aspects raised in the complaint. They say in-migration is not an issue in their community or in the wider region and believe the upgraded road will bring numerous benefits to their communities, including increased economic opportunities, lower transportation costs, and better connectivity.

51. The Panel notes that the Management Response states the IPP provided a series of programs and activities addressing potential negative impacts of economic and demographic changes and dilution of the Chiquitano identity on the indigenous communities, although Management maintains that these changes are not directly linked to the Project. Community members are concerned that impacts and related mitigation measures, such as those for water sources, have been taken out of the IPP during the final stages of revision. The Panel notes that the Management Response states these are now incorporated in the Water Resources Management Plan that will be implemented directly by the contractor. The Panel noted that indigenous leaders and communities claim they were not told why these were removed from the IPP. They also believe these impacts are linked to the Project and say the contractor to date has not implemented mitigation measures, such as the construction of wells. The Panel notes that the communities did

not appear to know or understand whether or which documents captured these adverse impacts and mitigation measures.

52. The Panel heard that while capacity building and organizational strengthening for IPP organizations are key IPP objectives, when some indigenous leaders requested funds from ABC to hire indigenous rights lawyers or to travel to La Paz to advocate for their rights, they were told such expenditures could not be provided through the IPP. The Panel was unclear what activities are being carried out to meet the objectives of capacity building and organizational strengthening of IPP organizations.

53. **Grievance Redress.** None of the communities the Panel visited are aware of the Project's grievance redress processes. Community members said some areas once had a complaints box, but it was since taken away. The Panel saw such a box, but learned that the lock had broken more than a year before and had not been replaced, despite the community's request; community members the Panel met do not want to use it and were not confident about the effectiveness of the system.

54. **Sexual Exploitation, Abuse, and Harassment.** All stakeholders the Panel spoke with during its visit – Management, the Ministry, and both the national and regional offices of ABC – said GBV and SEA/H issues are prevalent in the country and the region of the Project. The Panel understands that Management recognized this context from the outset and that preventive and mitigation measures to address SEA/SH were developed during Project design and included in all major Project documents, which drew upon lessons learned from the two previous Panel investigations of road projects with GBV issues in Uganda and the DRC. The Panel acknowledges that all workers the Panel spoke with claim to have received Code of Conduct training on a regular basis and had signed the Code of Conduct.

55. The Panel met with representatives of SLIM offices in three of the four municipalities, several *promotoras* in the different communities, and other community leaders and members, including some Project workers, along the road. The Panel did not attempt to identify, meet, or speak directly with any SEA/H survivors.

56. The Panel understands that in some municipalities, SLIM and DNNA are within the same office structure. The Panel learned about the procedures followed when a complaint is reported to the prosecution or a case is closed. The Panel was told that SLIM officials have the contact information of the contractor and ABC and inform them in a timely manner about GBV or SEA/H incidents that may potentially relate to the Project.

57. The Panel learned that *Proceso* provides training at the community level to the *promotoras*, and saw a Spanish-language manual bearing the World Bank and *Proceso* logos, and which included pictures and diagrams. The *promotoras* told the Panel that the training included topics in the manual, which covered legal contexts and rights, prevention and basic concepts, detecting violence, advice on accompaniment, active listening, emotional support, and referral. The Panel heard the training and manual covered general topics of GBV but did not refer to the potential impacts of the Project or workers specifically. The *promotoras* told the Panel they have been requesting additional training in the context of the Project. A SLIM official said a major training

event organized by ABC and supported by SLIM will be held in April 2023 for all *promotoras* along the road.

58. During its visit, the Panel heard about five cases of workers allegedly involved with girls younger than 18, including both romantic and transactional relationships. The Panel is aware that one of those cases was recently reported to a SLIM office. The Panel also heard about adult women in several communities engaging in transactional sex with workers and about the significant vulnerability of some of these women.

59. **Labor and Working Conditions.** In its meeting with the Panel, Management said it learned of Project-related labor issues in August 2021, when a dispute between the union and the contractor erupted and escalated into a strike. A second strike took place in February 2022. Management explains that it requested more comprehensive data on labor issues in September 2022. It said such issues had been raised through the GRM. The most prevalent of these were delays in salary and overtime payments; grievances related to benefits such as accidental and medical insurance, and severance pay; back-to-back short-term contracts, and issues with the timely delivery and updating of personal protective equipment. The Panel spoke with workers in different communities who raised these same issues. Management explained that it sent a Management Letter to demonstrate how seriously the Bank takes these issues. ABC told the Panel that most labor issues relate to the sub-contractor and that this would be examined further through the imminent audit of OHS and labor issues. ABC told the Panel it is in the process of deciding whether the audit would be conducted by ABC or an external party. The Panel notes that all parties it spoke with recognized these issues.

E.3. The Panel's Review

60. The Panel acknowledges the serious concerns of the Requesters. It appreciates the productive discussions it held with them, the additional information they provided during the eligibility visit, and the trust they have placed in the Panel's process. The Panel also acknowledges Management's detailed response to the issues raised in the Request and its willingness to provide further information.

61. The Panel recognizes the importance of this Project for the Bolivian Government and notes that it forms part of the Government's broader strategy of road network development. The Panel also notes the views expressed by ABC, Management, and some community leaders and members that the road is improving access to services, benefitting trade and agriculture, and supporting opportunities to expand tourism.

62. The Panel acknowledges Management's view that upgrading the road is not causing the economic and demographic changes occurring in the Chiquitania region, which have a long history, preceding the Project, and are influenced by national development priorities and several policy and legislative changes that took place over decades. The Panel understands from Management that the ESIA recognized these induced impacts and concluded that their mitigation falls outside the scope of this Project. The Panel notes that while, on the one hand, Management acknowledges that the road will contribute to opening economic opportunities to this area, on the other hand, it appears to be disassociating the road as a contributing factor to any type of induced impact. The

Panel is of the view that these views are contradictory. The Panel observes the environmental education program included as a mitigation measure in the ESIA appears to be disproportionate to the broader scale of challenges the Chiquitanos face and may not meaningfully contribute to helping them manage these issues in the future.

63. The Panel is not confident the Project is mitigating its impact on water sources in an adequate and timely manner. The Panel notes that while road safety measures and hindrances to access due to changes in the road level appear easy to remedy, this had not happened by the time of the Panel's visit, and the affected community members had received no assurances such issues would be addressed. The Panel is concerned that the terms and conditions of the agreement on excavating materials in one village appear unreasonable and appear to take advantage of the affected community's vulnerability. The Panel is concerned that while the contractor no longer uses this site, no rehabilitation of what appears to be a borrow pit has been done, the community has not been assured that such rehabilitation will take place, and thus this appears to be an unmitigated impact. The Panel is also concerned about the issues raised by the community in respect to land take relating to the ROW, as well as about the valuation methodology, compensation payment, and lack of consultation on these issues.

64. The Panel recognizes that, according to the Requesters, the updated IPP is an improvement on the earlier one but notes that several concerns remain. The Panel is concerned that the indigenous communities seem to have no knowledge on where information on Project impacts and their mitigation measures can be found. The Panel notes that while Management says issues around dilution of indigenous identity and land rights are not linked to the Project, the IPP nevertheless has provisions to help the Chiquitanos strengthen their identity and advocate for their land rights. However, indigenous community members told the Panel that the activities committed to and funded through the IPP in relation to these issues are insufficient to contribute to the objectives of the IPP, and are allegedly not being implemented.

65. The Panel notes that while there is a leadership challenge in two of the four municipalities, concerns about delays and the overall slow implementation of the IPP were raised by all four *Centrales*. The Panel also understands that the leadership factionalization only intensified a few months ago and notes that all parties express their desire that the IPP be implemented.

66. The Panel recognizes that measures to raise awareness and build systems for GBV and SEA/H were put in place, but also notes that there appears to be cases linked to workers involving girls younger than 18. The Panel is unable at this stage to comment on the adequacy of the systems in place. The Panel observed community reluctance to discuss and report GBV and SEA/H issues.

67. The Panel notes that there appears to be a consistent acknowledgement of labor practice issues by all the stakeholders. The Panel recognizes the imminent audit will examine these issues and inform mitigation measures.

68. To conclude, the Panel notes there are conflicting assertions by the Requesters and Management, and it is not possible to assess whether Management has dealt appropriately with the issues raised or sufficiently demonstrated it followed Bank policies and procedures. The Panel observed areas of what appeared to be unmitigated impacts on water, road safety, and areas used

for the extraction of road materials. The Panel notes the concerns about land take, the poor understanding of how that relates to valuation and compensation, and the claims that some PAPs have lost land prior to receiving compensation. The Panel also heard numerous complaints that insufficient knowledge and information-sharing prevented the PAPs from meaningfully articulating more detailed concerns and priorities for the IPP, that implementation is slow-moving, and that the measures committed to in the IPP are insufficient to achieve the objectives of the IPP. At this stage, the Panel is unable to assess the adequacy of the SEA/H systems in place. The Panel notes the concerns raised around labor and working conditions and acknowledges the upcoming labor and OHS audit.

F. Recommendation

69. The Panel notes that the Requesters and the Request for Inspection meet the technical eligibility criteria set forth in the Panel Resolution. The Panel considers the alleged harm to be plausibly linked to the Project, and that the Request raises serious issues of alleged harm and policy non-compliance.

70. Based on the above Panel observations and review, the Panel recommends conducting an investigation into the alleged issues of harm and related non-compliance with the applicable World Bank policies, focusing on Environmental Assessment (OP/BP 4.01), Indigenous Peoples (OP/BP 4.10), and Involuntary Resettlement (OP/BP 4.12).

71. If the Board of Executive Directors concurs with the Panel's recommendation, as per paragraph 30 of the Panel Resolution, the Accountability Mechanism Secretary, acting in her capacity as the Head of the Dispute Resolution Service, shall offer an opportunity for dispute resolution to the Requesters and the Borrower (the "Parties") in accordance with Part III of the Accountability Mechanism Resolution. If both Parties agree to a dispute resolution process, the Panel will hold its compliance process in abeyance until the dispute resolution process is concluded. The Panel will commence its investigation if the Requesters and Borrower do not agree to dispute resolution or if a dispute resolution agreement is not reached by the Parties within the stipulated period.

Annex I

Request for Inspection (Redacted)

DATE 12/08/2022

The Inspection Panel
The World Bank
1818 H Street, NW
Washington, DC 20433
USA

Members of the Inspection Panel of the World Bank:

1. We, the leaders of [REDACTED] represent the Indigenous Peoples (IP) members of the four Centrales Chiquitanos (hereinafter Chiquitanos or Centrales), see attached claimant authority, who live in the area of La Chiquitania in Bolivia. We ourselves live in the region impacted by the project.
2. Those we represent have suffered harm as a result of the World Bank's failures and omissions in the design and implementation of the [Santa Cruz Road Corridor Connector Project \(San Ignacio - San Jose\) \(P152281\)](#) in Bolivia, approved in December 2017. The harm suffered is due to the lack of effective implementation of the Indigenous Peoples Plan (IPP), particularly those measures designed to guarantee that IP receive social and economic benefits and those measures intended to avoid, minimize, mitigate, or compensate for the adverse impacts generated as a result of the project.
3. La Chiquitania is an area of agricultural expansion, increasing deforestation and land degradation. The land in this region is quite contested, with many sectors (agribusiness, settlers, illegal timber, etc.) seeking access and disputing access and ownership. Thus tensions in the region were high prior to the road construction and it was clear from the time of project design that the construction would happen in a very risky context. The Chiquitanos recognized early on that their land and livelihoods were threatened by the road because it opens new opportunities for illegal activities and settlers to invade their territories and communicated these concerns to the Bank at the time of project design. However, no appropriate mitigation measures were included in the initial IPP to effectively address these adverse impacts and support the Chiquitanos in protecting their territories.

4. The Bank's failure to prioritize preventing harm to communities has meant that a number of harms to the Chiquitanos have resulted from the road upgrade. These include, but are not limited to:
 - a. Increasing rates of illegal occupation and confiscation of indigenous lands. Approximately 65 percent of the 174 communities that started the process of recognition of their lands have received a land or property title, but 35 percent still have their land titling pending through the INRA. The road upgrade represents a huge risk for those IP groups with pending titles. Also, some Chiquitano communities have not started processing their titles.
 - b. Increase in illegal agribusiness activities and illegal timber, impacting the livelihoods of the Chiquitanos.
 - c. Chiquitanos hired by the contractor to work in the construction of the road reported that the hiring conditions of the company do not guarantee their labor rights. Several times, the company has not paid these workers in a timely manner.
 - d. Wildfires are also threatening the lands and livelihoods of the Chiquitanos. According to a [report](#) [REDACTED], wildfires in the Chiquitano area are a result of different activities, including the invasion of settlers, an increase of agribusiness, deforestation, livestock, illegal timber, etc., and given that the upgrading of the road is exacerbating all these activities, the road is thus also increasing the rates of wildfires.
 - e. In addition, project affected community members have raised concerns about sexual exploitation, abuse, and harassment (SEA/H), including child SEA/H of indigenous girls perpetrated by project workers hired by the Contractor hired by ABC to upgrade the road.
5. Since 2018 the Centrales and [REDACTED] have been telling WB management that the originally developed and approved IPP was inadequate to guarantee access to project benefits and effectively address the project's adverse impacts and thus needed to be updated. Also, the Chiquitanos raised that their participation in the design of the initial IPP was weak and ineffective because they didn't have meaningful information about the negative impacts, risks, and project benefits when initial consultations started. The Centrales raised this issue in a letter sent to the World Bank on March 6, 2018.
6. After three years of dialogue and negotiations with the World Bank [REDACTED] and the implementing agency (Administradora Boliviana de Carreteras, the ABC), the Centrales Chiquitanas were able to introduce changes and include their inputs to the IPP. Finally, in January 2022, an [updated](#) IPP was approved and published along with an updated budget, increasing the amount of funds going directly to the Centrales Chiquitanas for their institutional strengthening, capacity building, and infrastructure from \$3.6 million to \$9.3 million. However, one year later most of these measures

intended to mitigate adverse impacts and provide social and economic benefits to the IP have not yet been implemented despite the fact that the road construction was well underway.

7. The updated IPP includes funds for the Chiquitanos to protect their territories. Still, no preventive measures were developed to avoid the invasion of Indigenous lands. Table 21 (page 116) of the updated IPP states that no mitigation measures have been taken to address the issue of land insecurity and settler invasion because this is a road that already exists, and the project's aim is to upgrade the road. Also, it mentions that the IPP does not have sufficient scope or competence to address the issue of lack of land titling. However, given the project could lead to further invasion of the Chiquitanos territories due to road upgrading, the Chiquitanos need measures to protect their land included in the IPP, which should include reference to land titling.
8. The main World Bank Policy being violated in this project is the Indigenous Peoples OP/BP 4.10. The Policy requires the borrower to develop an IPP as part of the project design that includes:
 - “(e) An action plan of measures to **ensure that the Indigenous Peoples receive social and economic benefits** that are culturally appropriate, including, if necessary, measures to enhance the capacity of the project implementing agencies;
 - (f) When potential adverse effects on Indigenous Peoples are identified, an **appropriate action plan of measures to avoid, minimize, mitigate, or compensate for these adverse effects.**”

However, while construction works started in 2019, the measures included in the IPP to “ensure that the IP receive social and economic benefits” and the “action plan of measures to avoid, minimize, mitigate, or compensate for those adverse effects” still have not been implemented four years later. This is impeding the Chiquitanos from effectively accessing project benefits and from having the proper mitigation measures in place to avoid adverse impacts as a result of the project. From the Chiquitanos perspective, the initial IPP was not adequate since it did not effectively reflect the inputs, concerns, and recommendations provided by the Centrales during project design. While the revised IPP is much improved, the fact that it exists only on paper and has not been implemented makes it worthless in preventing harm resulting to the community from the project.

9. We have complained to World Bank staff on multiple occasions, both in person and in writing, including:
 - In March and June 2018, the four Centrales Chiquitanas sent two letters to the World Bank [REDACTED] requesting a meeting and

explaining why they believed the IPP had flaws that needed to be reviewed and updated. They highlighted that they could not meaningfully engage in consultations for the development of the IPP due to the lack of information about the project's impacts and risks.

- In November 2018, ██████████ sent an email to ██████████ to inform ██████████ about the concerns of the Centrales regarding the IPP. In July 2018, the Centrales explained to the ABC why the IPP was inadequate, and the ABC agreed to update and adjust the IPP to address the concerns and recommendations raised by the Chiquitanos. However, four months later, the Chiquitanos were still waiting to hear back from the ABC.
- In December 2018, ██████████ shared a letter with ██████████, signed by the Centrales, informing their concern regarding the lack of action of the ABC after the agreement reached in July 2018 and inviting ██████████ to meet in San José with the Centrales and visit the communities impacted by the project. ██████████ told ██████████ that the plan needed to be updated and implemented as soon as possible.
- On April 9, 2019, ██████████ and the Bank Information Center had an in-person meeting with ██████████ in Washington DC to discuss the project and the main concerns regarding the lack of implementation of the IPP and the lack of response from the ABC to update the IPP. Also, ██████████ explained why the plan was inadequate from the perspective of the Chiquitanos and stressed the need to implement it as soon as possible.
- In August 2019, ██████████ informed via email to ██████████ and the Bank Information Center that the project had a new ██████████ team and made the connection with the new ██████████
- In October 2019, ██████████ and the Bank Information Center had a hybrid meeting with the new ██████████ team and World Bank social and environmental specialists. ██████████ requested an update on the implementation of the IPP and reinforced the need for the ABC to update and implement IPP. ██████████ explained again why the IPP was inadequate from the perspective of the Chiquitanos and the reasons why it needed to be updated.
- In September 2020, ██████████ and the Centrales sent an email to the WB ██████████ team requesting a meeting with them, the ABC, and the company contracted by the ABC to construct the road. They also shared a letter sent by the Centrales to the ABC requesting an update on project implementation, project monitoring, and the updating and implementation of the IPP. In that letter, they shared their main concerns regarding the project and stressed the need to update and implement the IPP.

- In September 2020, the World Bank [REDACTED] Team, [REDACTED], and the Bank Information Center exchanged several emails requesting the Bank to plan and facilitate a meeting with the ABC to discuss the three points stated in the letter the Centrales sent to the ABC.
- In 2020, when we raised questions about the implementation of measures to prevent and respond to child SEA/H, the Bank responded with information on all the actions developed in the project documents but had no clarity on whether they were being implemented on the ground by the ABC. They asked us to send the questions in writing and shared them with the ABC to get a response and update on the implementation of those measures. As of September 2022, several of these measures had still not been implemented. However, since September, the World Bank team has been engaged in developing an action plan to address the gaps in measures to prevent child SEA/H, and we are optimistic that, should this action plan be 100% implemented by the government, these harms can be prevented.
- In February 2021, [REDACTED] and the Bank Information Center met with the [REDACTED] team to discuss updates on the implementation of the IPP and the measures developed to prevent and respond to child SEA/H.
- In December 2021, the Centrales, the World Bank, the ABC, and [REDACTED] had a meeting where there was an agreement to update the IPP. The IPP was effectively updated in December 2021, and the new updated version was published In January 2022.
- To date, the Bank does not dispute that many measures in the IPP still have not been implemented and instead continues to provide excuses for why ABC has been unable implement the IPP in a timely manner. No explanation has been provided for why the Bank has allowed project construction to continue despite the lack of implementation of the IPP, and thus the clear violation of OP 4.10.

10. The current version of the IPP is relatively strong and, if it had been implemented, much of the harm described in this letter would have been avoided. However, the failure to implement the IPP has meant that the Chiquitanos have been left unprotected from the negative impacts of the project. We thus ask that the Inspection Panel recommend to the Board of Executive Directors an investigation into whether the World Bank is in compliance with its policies in its implementation of the Santa Cruz Road Corridor Connector Project.

List of Attachments

1. Report developed by [REDACTED] in 2021 about the process of engaging and developing the Indigenous Peoples Plan in the context of the San José-San Ignacio project.
2. Letter dated 10 December 2018 from the Centrales Chiquitanas to [REDACTED].

3. Letter dated 23 July 2019 from the Centrales Chiquitanas to the Chief of the ABC.
4. Letter dated 3 September 2020 from the Centrales Chiquitanas to the Chief of the ABC.
5. Report developed by [REDACTED] the ABC, responding to the main questions BIC and [REDACTED] raised about the implementation of Child SEA/H measures.

We authorize [REDACTED] and [REDACTED] as local organizations to represent us in this complaint. We also authorize the Bank Information Center to be involved in the complaint providing support and advice during the process.

We file the attached complaint and request to remain anonymous. Here is the list of our names and the Centrales we represent.

FECHA 08/12/2022

Panel de Inspección
Banco Mundial
1818 H Street, NW
Washington, DC 20433
EEUU

Miembros del Panel de Inspección del Banco Mundial:

1. Nosotros, los dirigentes de [REDACTED]

[REDACTED] representan a los Pueblos Indígenas (PI) integrantes de las cuatro Centrales Chiquitanos (en adelante Chiquitanos o Centrales), ver autoridad demandante anexa, que habitan en el área de La Chiquitania en Bolivia. Somos nosotros mismos quienes vivimos en la región impactada por el proyecto.

2. Aquellos a quienes representamos han sufrido daños como consecuencia de las fallas y omisiones del Banco Mundial (el Banco) en el diseño e implementación del [Proyecto Conector del Corredor Vial Santa Cruz \(San Ignacio - San José\) \(P152281\)](#) en Bolivia, aprobado en diciembre de 2017. El daño sufrido se debe a la falta de implementación efectiva del Plan para Pueblos Indígenas (PPI), particularmente aquellas medidas diseñadas para garantizar que los PI reciban beneficios sociales y económicos y aquellas medidas destinadas a evitar, minimizar, mitigar o compensar los impactos adversos generados como resultado del proyecto.

3. La Chiquitania es un área de expansión agrícola, creciente deforestación y degradación de la tierra. La tierra en esta región es constantemente disputada por muchos sectores (agroindustria, colonos, madera ilegal, etc.) que buscan acceso y disputan ese acceso a la tierra y su tutelaje o control. Estas tensiones en la región que ya eran altas y preocupantes antes de la construcción de la carretera. Por lo tanto, ya estaba claro desde el momento del diseño del proyecto carretero que su construcción se llevaría a cabo en un contexto de altos riegos y conflictos territoriales. Los Chiquitianos reconocieron desde el principio que su tierra y medios de subsistencia estaban amenazados por la carretera ya que la misma abre nuevas oportunidades para que las actividades ilegales y para la llegada de colonos que buscan invadir territorios indígenas. Estas preocupaciones se comunicaron debidamente al Banco en el momento del diseño del proyecto. Sin embargo, no se incluyeron medidas de mitigación apropiadas en el PPI inicial para abordar de manera efectiva estos impactos

adversos, gestionar los riesgos, y apoyar a los Chiquitanos en la protección de sus territorios.

4. El hecho de que el Banco no haya priorizado la prevención de daños a las comunidades Chiquitanas ha significado que la mejora de la carretera haya causado una serie de daños a los miembros de sus pueblos. Estos daños incluyen, pero no se limitan a:
 - a. Tasas crecientes de ocupación ilegal y confiscación de tierras indígenas. Aproximadamente el 65 por ciento de las 174 comunidades que iniciaron el proceso de reconocimiento de sus tierras han recibido un título de tierra o propiedad, pero el 35 por ciento aún tiene pendiente la titulación de sus tierras a través del INRA. La mejora vial representa un gran riesgo para aquellos grupos de PI con títulos pendientes. Además, algunas comunidades Chiquitanas no han comenzado a tramitar sus títulos.
 - b. Incremento de actividades de agronegocios ilegales y madera ilegal, impactando los medios de vida de los Chiquitanos.
 - c. Los Chiquitanos contratados por la empresa contratista para trabajar en la construcción de la carretera denunciaron que las condiciones de contratación de la empresa no garantizan sus derechos laborales. Varias veces, la empresa no ha pagado a estos trabajadores en tiempo y forma.
 - d. Los incendios forestales también amenazan las tierras y los medios de subsistencia de los Chiquitanos. Según un [informe](#) elaborado por [REDACTED] los incendios forestales en el área de la Chiquitana son el resultado de diferentes actividades, entre ellas la invasión de colonos, el aumento de la agroindustria ilegal, la deforestación, la ganadería, la madera ilegal, etc., y dado que el mejoramiento carretero está exacerbando todas estas actividades, la rehabilitación de carretera también está contribuyendo al aumento las tasas de incendios forestales en la zona.
 - e. Además, los miembros de la comunidad afectada por el proyecto han expresado su preocupación por la existencia de casos de explotación, abuso y acoso sexuales contra niñas, niños y adolescentes (NNyA) indígenas perpetrado por trabajadores que trabajan en el proyecto, contratados por el contratista que la Administradora Boliviana de Carreteras (ABC) ha contratado para mejorar la carretera.
5. Desde 2018, las Centrales y [REDACTED] han advertido a la gerencia del Banco que el PPI desarrollado y aprobado originalmente era inadecuado para garantizar el acceso a los beneficios del proyecto y abordar de manera efectiva los impactos adversos del proyecto y, por lo tanto, necesitaba ser actualizado. Además, los Chiquitanos plantearon que, desde el diseño del proyecto, su participación en el diseño del PPI inicial fue débil e ineficaz porque no tenían información significativa sobre los impactos negativos, los riesgos y los beneficios del proyecto cuando comenzaron las consultas iniciales. Las

Centrales plantearon este tema en una carta enviada al Banco Mundial el 6 de marzo de 2018.

6. Luego de tres años de diálogo y negociaciones con [REDACTED] el Banco Mundial y la agencia implementadora (ABC), las Centrales Chiquitanas finalmente pudieron introducir cambios y ajustes al PII para incluir sus demandas. Finalmente, en enero de 2022, se aprobó y publicó un PII [actualizado](#) junto con un nuevo presupuesto, aumentando la cantidad de fondos (de \$3.6 millones a \$9.3 millones) que van directamente a las Centrales Chiquitanas para su fortalecimiento institucional, el desarrollo de capacidades y desarrollo de infraestructura. Sin embargo, un año después, la mayoría de estas medidas destinadas a mitigar los impactos adversos y brindar beneficios sociales y económicos a los PI aún no se han implementado a pesar de que la construcción de la carretera estaba muy avanzada.
7. El PPI actualizado incluye fondos para que los Chiquitanos protejan sus territorios. Aún así, no se desarrollaron medidas preventivas para prevenir, minimizar y evitar la invasión de tierras indígenas. La Tabla 21 (página 116) del PPI actualizado establece que no se han tomado medidas de mitigación para abordar el problema de la inseguridad de la tierra y la invasión de colonos porque este es un camino que ya existe y el objetivo del proyecto es mejorarlo. Asimismo, menciona que el PPI no tiene el alcance ni la competencia suficiente para atender el tema de la falta de titulación de tierras. Sin embargo, dado que el proyecto está exacerbando una mayor invasión de los territorios Chiquitanos debido a la mejora de la carretera, los Chiquitanos necesitan que las medidas para proteger sus tierras sean incluidas en el PPI, incluyendo una referencia directa a la titulación de tierras.
8. La principal Política del Banco Mundial que se viola en este proyecto es la OP/BP 4.10 de Pueblos Indígenas. La Política requiere que el prestatario desarrolle un IPP como parte del diseño del proyecto que incluye:
 - “(e) Un plan de acción de medidas para **asegurar que los Pueblos Indígenas reciban beneficios sociales y económicos** que sean culturalmente apropiados, incluyendo, si es necesario, medidas para mejorar la capacidad de las agencias ejecutoras del proyecto;
 - (f) Cuando se identifiquen posibles efectos adversos sobre los Pueblos Indígenas, un **plan de acción apropiado de medidas para evitar, minimizar, mitigar o compensar estos efectos adversos.**”

Sin embargo, si bien las obras de construcción comenzaron en 2019, las medidas incluidas en el PPI para “asegurar que los PI reciban beneficios sociales y económicos” y el “plan de acción de medidas para evitar, minimizar, mitigar o compensar esos efectos adversos” todavía no se ha aplicado ni implementado cuatro años después. Esto impide que los

Chiquitanos accedan de manera efectiva a los beneficios del proyecto y cuenten con las medidas de mitigación adecuadas para evitar impactos adversos como resultado del proyecto. Desde la perspectiva de los Chiquitanos, el PPI inicial no fue adecuado ya que no reflejó de manera efectiva los aportes, preocupaciones y recomendaciones proporcionadas por las Centrales durante el diseño del proyecto. Si bien el PPI actualizado ha mejorado mucho, el hecho de que exista solo en papel y no se haya implementado lo hace inútil para prevenir daños a la comunidad a causa del proyecto.

9. Nos hemos quejado a la administración del Banco Mundial en múltiples ocasiones, tanto en persona como por escrito, incluyendo:

- En marzo y junio de 2018, las cuatro Centrales Chiquitanas enviaron dos cartas al [redacted] Banco Mundial, [redacted] solicitando una reunión y explicando por qué creían que el PPI tenía fallas que debían revisarse y actualizarse. En la misma también destacan que no pudieron participar de manera significativa en las consultas para el desarrollo del PPI debido a la falta de información sobre los impactos y riesgos del proyecto.
- En noviembre de 2018, [redacted] envió un correo electrónico [redacted] para informarle sobre las preocupaciones de las Centrales con respecto al PPI. En julio de 2018, los Centrales explicaron a la ABC por qué el PPI era inadecuado y la ABC acordó actualizar y ajustar el mismo de manera de poder abordar las inquietudes y recomendaciones planteadas por los Chiquitanos. Sin embargo, cuatro meses después, los Chiquitanos seguían esperando noticias de la ABC y eso fue lo que comunicaron [redacted].
- En diciembre de 2018, [redacted] compartió una carta con [redacted] firmada por los Centrales, informando su preocupación por la falta de acción de la ABC tras el acuerdo alcanzado en julio de 2018 e invitando a [redacted] reunirse en San José con las Centrales y visitar la comunidades impactadas por el proyecto. [redacted] dijo a [redacted] que el PPI debía actualizarse e implementarse lo antes posible.
- El 9 de abril de 2019, [redacted] y el Bank Information Center (BIC) tuvieron una reunión presencial con [redacted] en Washington DC para discutir el proyecto y las principales preocupaciones sobre la falta de implementación del PPI y la falta de respuesta de la ABC para efectivizar la actualización del mismo. Asimismo, [redacted] explicó por qué el plan era inadecuado desde la perspectiva de los Chiquitanos y resaltó la necesidad de implementarlo lo antes posible.
- En agosto de 2019, [redacted] informó por correo electrónico a [redacted] y al Bank Information Center que el proyecto tenía un nuevo equipo [redacted] e hizo la

conexión con los nuevos [REDACTED]

- En octubre de 2019, [REDACTED] el Bank Information Center tuvieron una reunión híbrida con el nuevo equipo [REDACTED] especialistas sociales y ambientales del Banco Mundial. [REDACTED] solicitó una actualización sobre la implementación del PPI y reforzó la necesidad de que la ABC actualice e implemente el PPI. [REDACTED] volvió a explicar por qué el PPI era inadecuado desde la perspectiva de los Chiquitanos y las razones por las cuales debía actualizarse.
- En septiembre de 2020, [REDACTED] y las Centrales enviaron un correo electrónico al equipo [REDACTED] del Banco solicitando una reunión con ellos, la ABC y la empresa contratada por la ABC para construir la carretera. También compartieron una carta enviada por las Centrales a la ABC solicitando una actualización sobre la implementación y monitoreo del proyecto y volvieron a demandar la actualización y efectiva implementación del PPI. En esa carta, compartieron sus principales preocupaciones con respecto al proyecto y enfatizaron la necesidad de actualizar e implementar el PPI lo antes posible.
- En septiembre de 2020, el equipo [REDACTED] del Banco Mundial, la [REDACTED] y el Bank Information Center intercambiaron varios correos electrónicos solicitando al Banco que planifique y facilite una reunión con la ABC para discutir los tres puntos establecidos en la carta que las Centrales enviaron a la ABC.
- En 2020, cuando se plantearon preguntas sobre la implementación de medidas para prevenir y responder a casos de abuso, explotación, y acoso sexual de NNyA, el Banco respondió con información sobre todas las acciones desarrolladas en los documentos del proyecto, pero no tenía claridad sobre si estaban siendo implementadas en el terreno por el ABC. Nos pidieron que enviáramos las preguntas por escrito y las compartieron con la ABC para obtener una respuesta y actualización sobre la implementación de esas medidas. Para septiembre de 2022, varias de estas medidas aún no se habían implementado. Sin embargo, desde septiembre, el equipo del Banco Mundial se ha involucrado en el desarrollo de un plan de acción para abordar las brechas en las medidas para prevenir el abuso, explotación, y acoso de NNyA, y somos optimistas de que, si este plan de acción es implementado al 100% por el gobierno, estos daños puede ser prevenido.
- En febrero de 2021 [REDACTED] el Bank Information Center se reunieron con el equipo de [REDACTED] para discutir actualizaciones sobre la implementación del PPI y las medidas desarrolladas e implementadas para prevenir y responder casos de abuso, explotación y acoso sexual de NNyA.
- En diciembre de 2021, las Centrales, el Banco Mundial, la ABC y [REDACTED] tuvieron una reunión donde hubo un acuerdo para actualizar el PPI. El PPI

se actualizó efectivamente en diciembre de 2021 y la nueva versión actualizada se publicó en enero de 2022.

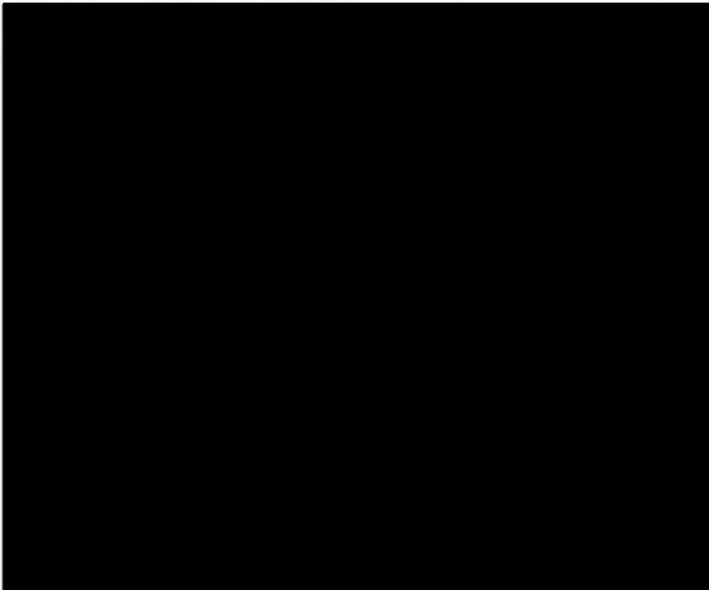
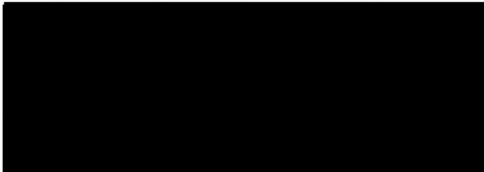
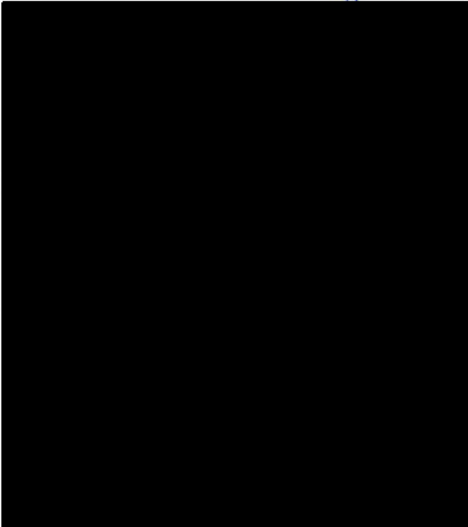
- A la fecha, el Banco no niega que muchas medidas del PPI aún no se han implementado y, en cambio, continúa brindando excusas de por qué ABC no ha podido implementar el mismo de manera oportuna. No se ha proporcionado ninguna explicación de por qué el Banco permitió que continuara la construcción del proyecto a pesar de la falta de implementación del PPI, en clara violación de la OP 4.10.

10. La versión actual del PPI es relativamente sólida comparada con la primera versión aprobada y, si se hubiera implementado, se habría evitado gran parte del daño descrito en esta carta. Sin embargo, la falta de implementación del PPI ha significado que los Chiquitanos hayan quedado desprotegidos frente a los impactos negativos del proyecto. Por lo tanto, solicitamos que el Panel de Inspección recomiende al Directorio Ejecutivo una investigación sobre si el Banco Mundial cumple con sus políticas en la implementación del Proyecto del Conector del Corredor Vial de Santa Cruz.

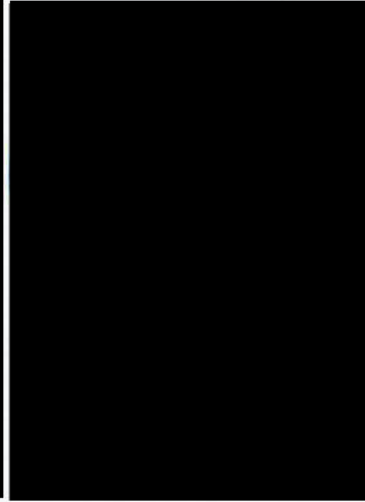
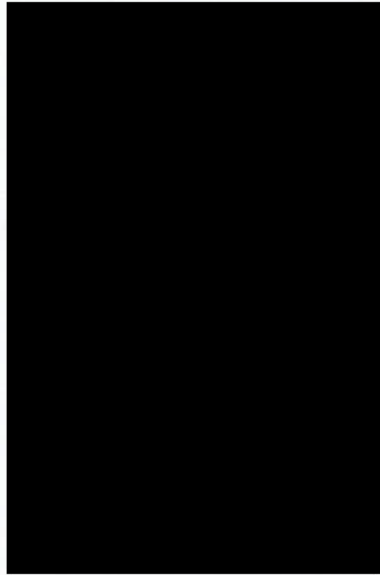
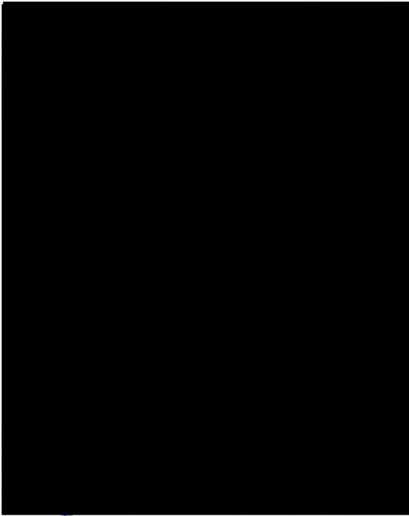
Lista de archivos adjuntos

1. Informe desarrollado por [REDACTED] en 2021 sobre el proceso de relacionamiento y desarrollo del Plan de Pueblos Indígenas en el contexto del proyecto San José-San Ignacio.
2. Carta de fecha 10 de diciembre de 2018 de las Centrales Chiquitanas a [REDACTED]
3. Carta de 23 de julio de 2019 de las Centrales Chiquitanas al Jefe de la ABC.
4. Carta de 3 de septiembre de 2020 de las Centrales Chiquitanas al Jefe de la ABC.
5. Informe desarrollado por [REDACTED] a ABC, respondiendo a las principales preguntas planteadas por BIC y [REDACTED] sobre la implementación de medidas de prevención de abuso, explotación, y acoso sexual de NNyA

Autorizamos a [redacted] y [redacted] como organizaciones locales para que nos representen en esta denuncia. También autorizamos al Bank Information Center a involucrarse en la denuncia brindando apoyo y asesoría durante el proceso. Presentamos la denuncia adjunta y solicitamos permanecer en el anonimato.



Aquí está la lista de los nombres de los reclamantes y las Centrales que representamos



List of Documents Attached to the Request

These documents may be available upon request to the Inspection Panel.

#	Document Title	Translated Title	Language	Summary
1	1. Informe	1. Report	Spanish	A report and correspondences about the process of engaging and developing IPP in the context of the Project
2	2. Carta 10 Diciembre 2018	2. Letter December 10, 2018	Spanish	Correspondence with the World Bank dated December 10, 2018 inviting them to a meeting with the Centrales
3	3. Carta 23 de Julio 2019	3. Letter July 23, 2019	Spanish	Correspondence to the Head of the ABC dated July 23, 2019 requesting a meeting
4	4. Carta 3 de Septiembre 2020	4. Letter September 3, 2020	Spanish	Correspondence to the Head of the ABC dated September 3, 2020 requesting an online meeting with the affected indigenous communities
5	5. Informe ABC	5. Report ABC	Spanish	ABC's report responding to the main questions that the BIC and the Requesters' representative raised about the implementation of child SEA/H measures

Annex II

Management Response

**MANAGEMENT RESPONSE TO
REQUEST FOR INSPECTION PANEL REVIEW OF THE
BOLIVIA: SANTA CRUZ ROAD CORRIDOR CONNECTOR PROJECT (SAN
IGNACIO - SAN JOSÉ) (P152281)**

Management has reviewed the Request for Inspection of the Bolivia: Santa Cruz Road Corridor Connector Project (San Ignacio - San José) (P152281), received by the Inspection Panel on December 19, 2022 and registered on January 13, 2023 (RQ22/07). Management has prepared the following response.

February 14, 2023

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Map

Map 1. IBRD No. 42164

Annexes

- Annex 1. Claims and Responses
- Annex 2. Deforestation process in the Chiquitania
- Annex 3. Wildfires in the Chiquitania
- Annex 4. Road network in the Chiquitania
- Annex 5. Deforestation vs Road Network

Box

Box 1. Chiquitania Region

Pictures

- Picture 1. Agricultural land use in the area north of San José de Chiquitos (1985)
- Picture 2. Agricultural land use in the area north of San José de Chiquitos (2017)

ABBREVIATIONS AND ACRONYMS

ABC	<i>Administradora Boliviana de Carreteras</i> (Bolivian Highway Administration)
ACISARV	<i>Asociación de Comunidades Indígenas de San Rafael de Velasco</i> (Association of Indigenous Communities of San Rafael de Velasco)
ASICIV	<i>Asociación de Cabildos Indígenas de San Ignacio de Velasco</i> (Association of Indigenous Councils of San Ignacio de Velasco)
BIC	Bank Information Center
CCICH	<i>Central de Comunidades Indígenas Chiquitanas</i> (Chiquitano Indigenous Community Center)
CCISM	Indigenous Community Center of San Miguel de Velasco
CPC	Child Protection in Crisis Learning Network
CPF	Country Partnership Framework
D.S.	<i>Decreto Supremo</i> (Supreme Decree)
DNNA	<i>Defensoría del Niño, Niña y Adolescente</i> (Defenders of Children and Adolescents)
EIA	Environmental Impact Assessment
FY	Fiscal Year
GBV	Gender-based Violence
GDP	Gross Domestic Product
GRM	Grievance Redress Mechanism
Ha	Hectare
HIV	Human Immunodeficiency Virus
HRIE TF	Human Rights, Inclusion and Empowerment Trust Fund
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
INRA	<i>Instituto Nacional de Reforma Agraria</i> (National Institute for Agrarian Reform)
IPN	Inspection Panel
IPP	Indigenous Peoples Plan
JSDF	Japan Social Development Fund
Km	Kilometer
M	Meter
NGO	Nongovernmental Organization
OHS	Occupational Health and Safety
OMRIV	<i>Organización de Mujeres Indígenas de Rafaeleña</i> (Organization of Indigenous Women of Rafaeleña)
OP	Operational Policy
PPE	Personal Protective Equipment
RN	Ruta nacional (National road)
SA	Social Assessment
SEA/SH	Sexual Exploitation and Abuse, and Sexual Harassment
SLIM	<i>Servicios Legales Integrales Municipales</i> (Municipal Integrated Legal Services)
STD	Sexually transmitted diseases
TCO	<i>Tierras Comunitarias de Origen</i> (Community Lands of Origin)
TIOC	<i>Territorio Indígena Originario Campesino</i> (Original Peasant Indigenous Territory)
TORs	Terms of Reference

TTL Task Team Leader

EXECUTIVE SUMMARY

The Project

i. *The Santa Cruz Road Corridor Connector Project* is financed by a US\$200 million loan and a US\$30 million credit from the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA), respectively, to the Plurinational State of Bolivia. It was approved by the Bank’s Board on January 11, 2017, and is currently scheduled to close on November 30, 2023. To date about 33 percent of the loan/credit has been disbursed, while progress of construction works stands at about 37 percent, both reflecting implementation delays mainly due to a late start in implementation, COVID-19 lockdown and travel restrictions, wildfires, as well as political and social developments nationwide and in the Department of Santa Cruz. The Project is implemented by the Bolivian Highway Administration (*Administradora Boliviana de Carreteras, ABC*).

ii. The Project Development Objective is to improve transport accessibility along the road corridor between San Ignacio de Velasco and San José de Chiquitos in the Department of Santa Cruz. Specifically, the Project finances upgrading of about 208 kilometers of the existing road connecting the two towns, including paving of the unpaved gravel road, the construction of three bypasses, straightening of alignment over a hilly area, as well as bridges and culverts. The Project will directly benefit close to 125,000 inhabitants, of which 51 percent are considered poor and 62 percent are of indigenous descent.

Request for Inspection

iii. The Request alleges that the road upgrade under the Project affects the land and livelihoods of the Chiquitanos by opening up the area for illegal activities – such as agribusiness and logging – and for outside “settlers to invade their territories”. It also notes that the growing number of wildfires is exacerbated by these developments and threatens their land and livelihoods.

iv. The Request further claims that the original Chiquitano Indigenous Peoples Plan (IPP) prepared under the Project was inadequate, and while the revised IPP finalized in 2022 was “relatively strong,” most of its measures have not been implemented. It claims that failure to implement the IPP has left the Chiquitanos unprotected from the negative impacts of the Project.

v. The Request also raises concerns about sexual exploitation and abuse, and sexual harassment (SEA/SH) by workers hired by the Project’s contractor and sub-contractors. It alleges that several measures in the developed Gender-Based Violence (GBV) Action Plan to prevent and respond to SEA/SH have not been implemented. Furthermore, it makes allegations about employment issues faced by some Chiquitanos hired by the Contractor.

Management's Response

vi. ***Management has carefully reviewed the Request for Inspection. In Management's view, the Request largely focuses on broader economic and demographic developments underway in the Chiquitania region (influx of other population groups, agricultural expansion, and the related challenges of resource management), which are not caused by the Project. The Request furthermore expresses the expectation that those impacts should nonetheless be addressed through the Project's environmental and social safeguard instruments.*** The Request also raises concerns about SEA/SH, but it notes the Bank's ongoing and proactive work in the Project area to address them. Moreover, the Request raises some employment issues with the Contractor.

vii. ***Management understands the concerns of the Requesters regarding the economic and demographic changes that are occurring in the Chiquitania region.*** The Request notes an increase in agricultural and logging activities, both legal and illegal, which in turn have increased the number of wildfires in the region. The Request discusses how these developments are threatening the Chiquitanos' livelihood, and the Requesters' belief that these impacts result from the road upgrade supported under the Project.

viii. ***Management is of the firm view that the Project is not the cause of the alleged current and ongoing harm resulting from the economic and demographic changes as described in the Request. The issues raised are related to long-standing agrarian policies, plans and legislation that are part of a broader national effort to increase agricultural development, and which have, among other things, facilitated migration to the Chiquitania region.*** These policies, plans and laws are unrelated to the Project and many predate it. Therefore, Management's view is that the upgrading of an existing road currently underway is not a cause for this migration and potential resulting impacts. It is noteworthy that the road to be upgraded by the Project has been in existence for more than 30 years, through decades of agricultural development. Despite being unpaved, it is usable all year round and is part of a much broader regional road network that already facilitates access to and through the region and includes two major national highways. Management also emphasizes that the road upgrading under the Project does not provide new access into forest areas, and represents only about 2 percent of the existing regional road network.

ix. ***Given that the physical works under the Project are in the early stages, it is also highly unlikely that above-cited harm to the Chiquitanos – as alleged in the Request – could have already occurred as a result of the road upgrade works.*** Works began in September 2019 and construction progress currently stands at 37 percent. It is not possible to attribute any increase in occupation of land, agribusiness or wildfires in the Chiquitania region to these initial works. On the contrary, works-related traffic delays during current construction are more likely to have slowed down traffic and access to the region.

x. ***Management acknowledges the view expressed in the Request that the revised¹ IPP is a "relatively strong" document and stresses that it was widely consulted upon with***

¹ The Request uses the term "updated IPP" for the same document.

the Chiquitano community, who expressed clear support for it. That said, the broader economic and social issues of the Chiquitania region cannot be addressed through a project-level safeguard instrument aimed at mitigating project-related impacts, which is what the IPP is. The Request suggests that a swift implementation of the IPP would help prevent “illegal” occupation of the Chiquitano territories. The Request also criticizes the IPP for lacking the scope to address land ownership issues and measures to directly support land titling. Management notes, however, that such activities are well beyond the Project’s remit. Management acknowledges that IPP implementation was delayed—as was Project implementation altogether—by almost two years due to various factors including the COVID-19 pandemic, political developments in the country and severe wildfires.

xi. *Nevertheless, the Bank recognizes the significant potential impacts of the broader issues of internal migration and land conversion in the Chiquitania region on the local population.* As part of its ongoing development dialogue, the Bank seeks to support the Government of Bolivia – through initiatives unrelated to the road upgrading project – to assess, analyze, and suitably address cited potential adverse impacts of land use trends in the Chiquitania region. The Bank’s ongoing analytical work is focusing the dialogue on forest governance, ecosystem services valuation, and tools for sustainable land use management in the region. This aims to support the Government in enhancing sustainable development and reforestation processes, with interventions at the appropriate level.

xii. *Given the high prevalence of GBV in Bolivia, the need to address issues of SEA/SH was recognized early in the Project design stage and led to the inclusion of targeted measures to help prevent and respond to SEA/SH that were reflected in Project documents.* These measures reflected the good practices based on lessons learned from Bank-financed road projects in Uganda and the Democratic Republic of Congo and were reviewed and strengthened from the start of civil works throughout Project implementation.

xiii. *During the COVID-19 pandemic, in 2020, the Bank decided to hire a local NGO (Proceso-Servicios Educativos), with the support of a grant from the Human Rights Trust Fund, to support the local Promotoras Comunitarias (Community Promoters) of the four municipalities, who assist the community in GBV prevention and monitoring, and in responding to any incidents of SEA/SH.* In 2021, agreements were signed with the Municipal Legal Services (SLIM) and Defenders of Children and Adolescents (DNNA), which are institutions in charge of providing services to survivors and are part of the local Grievance Redress Mechanism (GRM). The Project Contractor also engaged in regular sensitization of its workers on SEA/SH issues, ensured a Code of Conduct was signed by each worker, and developed a grievance redress mechanism, accompanied by outreach and awareness raising among communities.

xiv. *In 2021, after notification of the first SEA/SH incident through the Project GRM, the Bank responded by ensuring that support measures for survivors were in place (i.e., medical, psycho-social and legal), and meeting with ABC to agree on measures to strengthen and improve existing SEA/SH Project mechanisms for prevention and response.* In September 2022, Management became aware of an SEA/SH incident related to the Project. As an immediate response, the Bank and ABC developed a GBV Action Plan in October 2022 with support from *Care and Protection of Children (CPC) Network*, to

further strengthen implementation of existing SEA/SH measures and systems. Implementation of the GBV Action Plan is underway. Among the measures implemented to date are actions related to potential SEA/SH involving minors, further strengthening of the local GRM system, enhancing support to the SLIMs/DNNAs, hiring of a local NGO to work on SEA/SH issues, and revising training materials, among others.

xv. ***With regard to the alleged employment related issues, Management confirms that the Project bidding documents and subsequent civil works contracts contain all standard clauses and requirements related to labor under applicable Bank policies.*** Management is aware that there are delays in payment of workers, occupational health and safety (OHS) and other labor issues, and that these concerns have been brought to the attention of the Contractor and ABC. Management has requested ABC to ensure that these issues are quickly resolved, and that a comprehensive labor and OHS audit is undertaken for the Project works.

Conclusion

xvi. ***Management believes that the Bank has correctly applied its policies and procedures applicable to the Project. In Management's view, the Bank has followed the policies and procedures applicable to the matters raised by the Request. As a result, Management believes that the Requesters' rights or interests have not been, nor will they be, directly and adversely affected by the alleged failure of the Bank to implement its policies and procedures.***

I. INTRODUCTION

1. On January 13, 2023, the Inspection Panel registered a Request for Inspection, IPN Request RQ 22/07 (hereafter referred to as “the Request”), concerning the Bolivia: Santa Cruz Road Corridor Connector Project (San Ignacio – San José) (P152281) financed by the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA) (hereafter, “the Bank”).

2. ***Structure of the Text.*** The document contains the following sections: Section II briefly describes the Request; Section III contains background information on the Project; Section IV discusses agrarian expansion and agrarian land law and policy in Bolivia; and Section V presents Management’s response. Annex 1 provides the Requesters’ claims, together with Management’s detailed responses, in table format. Annexes 2-5 provide information on salient issues, including deforestation, wildfires and the road network in the region.

II. THE REQUEST

3. The Request for Inspection was submitted by leaders of four “*Centrales Chiquitanas*” (associations of Chiquitano Indigenous People) in the Chiquitania region in eastern Bolivia (hereafter referred to as the “Requesters”). Two local civil society organizations are representing them in the Panel process, and they also authorized the involvement of the Bank Information Center (BIC), a US-based nongovernmental organization. The Requesters and their representatives have asked for confidentiality.

4. The Request included the signatures of the Requesters (redacted) and noted a list of attachments. Management received redacted versions of the attachments:

- Report developed by [...] in 2021 about the process of engaging and developing the Indigenous Peoples Plan in the context of the San José-San Ignacio project.
- Letter dated 10 December 2018 from the *Centrales Chiquitanas* to [...]
- Letter dated 23 July 2019 from the *Centrales Chiquitanas* to the Chief of the *Administradora Boliviana de Carreteras* (ABC, Bolivian Highway Administration), the Project implementing agency.
- Letter dated 3 September 2020 from the *Centrales Chiquitanas* to the Chief of the ABC.
- Report developed by [...] the ABC, responding to the main questions BIC and [...] raised about the implementation of Child Sexual Exploitation and Abuse, and Sexual Harassment (SEA/SH) measures.

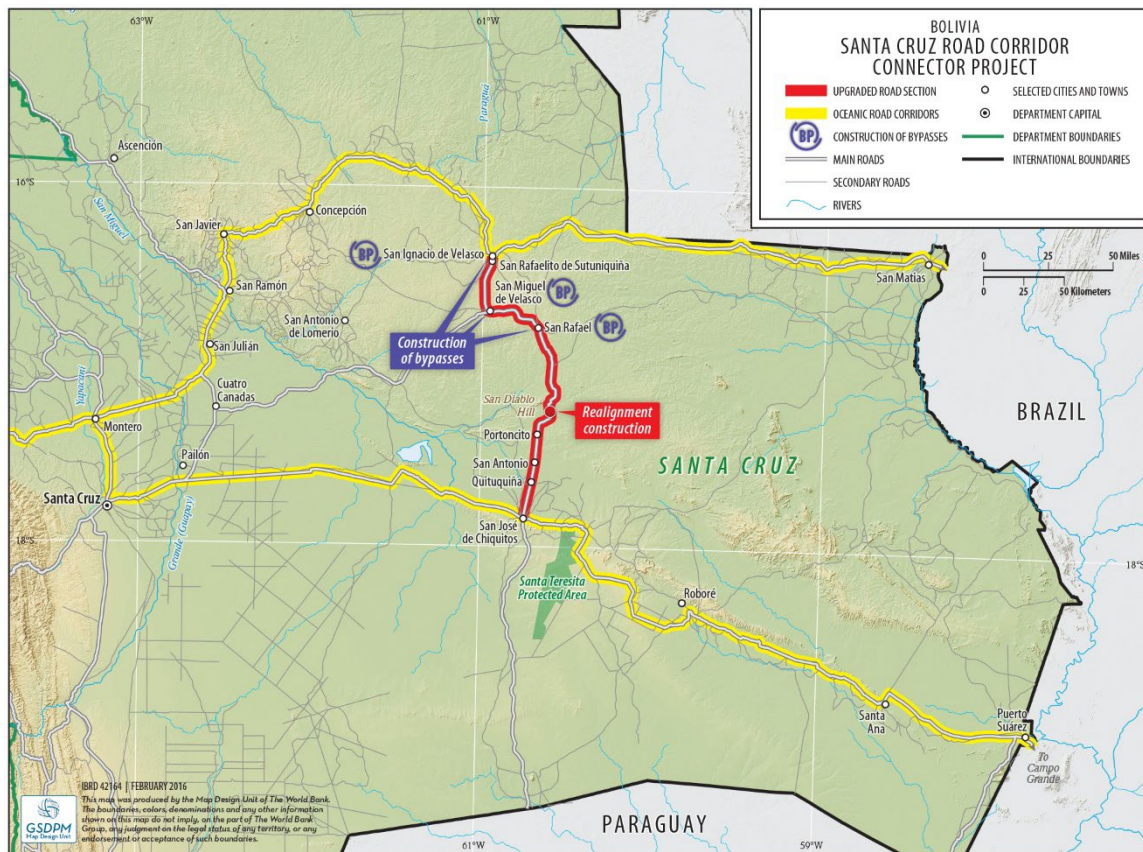
No other materials were received by Management in support of the Request.

III. PROJECT BACKGROUND

5. **The Project.** The Santa Cruz Road Corridor Connector Project is financed by a loan in the amount of US\$200 million (IBRD Loan 8648-BO) and a credit in the amount of US\$30 million (IDA Credit 5903-BO) to the Plurinational State of Bolivia (the Borrower).

6. **Project Objectives.** The Project Development Objective is to improve transport accessibility along the road corridor between San Ignacio de Velasco and San José de Chiquitos in the Department of Santa Cruz. Specifically, the Project finances upgrading of about 208 kilometers of the existing road connecting the two towns, including paving of unpaved sections, the construction of three bypasses, straightening of alignment over a hilly area, as well as bridges and culverts. In addition, support is planned for the preparation of relevant feasibility studies and bidding documents for upgrading the roughly 300 kilometers of the San Matias-San Ignacio de Velasco Road. The Project directly benefits close to 125,000 inhabitants, of which 51 percent are considered poor and 62 percent are of indigenous descent, together with businesses and road users who will benefit from improved local connectivity and reduced travel times and vehicle operating costs along the target road.

Map 1



7. For more than two decades, particularly during the 2000-2014 commodity boom, Bolivia has made significant progress in reducing inequality and poverty. Despite these

positive socioeconomic results, Bolivia still faces numerous development challenges. The country has one of the lowest Gross Domestic Product (GDP) per capita levels (8,850 international dollars in 2021)² in the Latin America and the Caribbean Region (average 17,270 international dollars). Other social indicators, while improving since the 1990s, are still below those of neighboring countries.³

8. The road sector is strategically relevant to Bolivia's economic development: it provides efficient transport services, serves as a key corridor for trade and economic activity, and facilitates socially important integration between Bolivia's regions. The Project supports the Government's overall agenda, priorities, and investment planning for the road sector by upgrading part of the primary network to improve connectivity between population centers in Santa Cruz, and through its Technical Studies and Project Management component, contributes to improving Bolivia's connection to the bi-oceanic corridor.

9. ***Project Components.*** Project activities are organized around two components.

- ***Component A. Road Upgrading.*** This component covers the 208-km road upgrading, which is the focus of the Request. From a technical standpoint, the upgrading of the road is uncomplicated; for the most part, it follows the alignment of an existing gravel road and is thus largely within an already established right-of-way. Construction of three bypasses will be needed to avoid heavy vehicle traffic in populated areas (San Ignacio de Velasco, San Miguel, and San Rafael). Also, the road alignment will be straightened in some sections. Construction also includes three small bridges (35 m, 40 m, and 46 m) and a few large box culverts that will replace existing bridges. In total, about 300 culverts will be needed over the full route. The terrain is mostly flat to gently rolling hills.
- ***Component B. Technical Studies and Project Management.*** This component links with the main investment by financing preparatory activities for upgrading the roughly 300-km San Matias-San Ignacio de Velasco Road, which is a bi-oceanic corridor connecting with Brazil (northern corridor). The component finances the preparation of relevant feasibility studies (including technical, economic, environmental, and social aspects) and bidding documents. In addition, the component finances studies, audits and capacity building.

10. The Project was approved on January 11, 2017 and declared effective on December 21, 2017. The original Closing Date was set for December 31, 2021. As a result of

² The *international dollar* is a hypothetical unit of currency that has the same purchasing power parity that the US dollar had in the United States at a given point in time. It is mainly used in economics and financial statistics for various purposes, most notably to determine and compare the purchasing power parity and gross domestic product of various countries and markets at a given benchmark year.

³ Bolivia still has some of the poorest levels in the region for critical social indicators such as maternal mortality (155 vs. 80 per 100,000 live births in 2017), infant mortality (21 vs. 15 per 1,000 live births in 2019), prevalence of severe wasting (0.9 vs. 0.6 percent of children under 5 in 2019), prevalence of tuberculosis (106 vs. 28 cases per 100,00 people in 2019), access to at least basic sanitation facilities (66 vs. 88 percent of the population in 2020), and fixed-broadband internet subscriptions (9 vs. 18 percent in 2021).

substantial delays in the Project implementation, a first restructuring of the Project was approved on December 21, 2021, to extend the Project's Closing Date to November 30, 2023. The original request from the Government was to extend the Project's closing date to November 11, 2024, to cover the estimated time required to complete the Project works, which had suffered significant implementation delays due to a protracted process for the procurement of the Contractor and Supervision firm, extensive wildfires, the COVID-19 pandemic and social unrest nationwide and in Santa Cruz, leading to the stoppage of works for several months, among other causes. The request for the additional 12 months beyond the approved extension is currently being considered.

11. On April 7, 2022, the Bank approved another restructuring of the Project to support a request from the Borrower to finance costs of involuntary resettlement resulting from Project activities under the Loan, instead of using counterpart financing as originally planned. This includes financing expenditures for land (including compensation for acquisition of land and land-based assets related to the implementation of the resettlement instrument), cash compensation and other cash assistance for involuntary resettlement resulting from activities under the Project.

IV. BACKGROUND ON AGRICULTURAL EXPANSION AND AGRARIAN LAND LAW AND POLICY IN BOLIVIA

12. *The economic and demographic developments of agricultural expansion, land allocation, deforestation, and wildfires referenced in the Request are closely linked to, and form part of, the much broader agrarian land context in Bolivia. To contextualize the Request and Management’s Response, this section provides background information regarding the increased role of agriculture in the country’s economy over the last decade, the Government’s agrarian policies, plans and laws that have promoted and supported agricultural expansion, and the links to patterns of land regularization and distribution within the broader agrarian reform process in Bolivia.*

The expansion of agricultural land in Bolivia

13. *Settlement of the lowlands (which includes the Department of Santa Cruz) can be traced back to the country’s first agrarian reform that began in 1952.*⁴ Between 1953 and 1993, the national Government, through now defunct land agencies, distributed over 57.3 million hectares (out of Bolivia’s 110 million hectares), among small, medium, and community properties, and agribusiness enterprises. About 58 percent of the land was distributed in the Departments of Beni and Santa Cruz, which gave rise to agricultural expansion and strengthened agricultural production by promoting, in particular, medium properties and agribusinesses. From 1952 to the mid-1970s, one of these agencies, the National Colonization Institute (*Instituto Nacional de Colonización*) helped 46,000 families (190,000 people) settle in the lowlands. Government-sponsored settlements, however, accounted for only 15 percent of all settlers who moved to the lowlands. In the early 1990s, criticism over limitations of the land distribution processes led to new agrarian land reforms.

14. *The national Government has labored for more than a decade to increase domestic food production significantly, which in turn requires even further expansion of agricultural areas.* The *Agenda Patriótica* (2013) sets the national goals for 2025, which emphasize production and food sovereignty among its pillars. The agenda indicates that by 2025 Bolivia would conclude the process of distribution and redistribution of land and territories on which agricultural production depends. It also indicates that forests would not be considered land that is out-of-bounds for agriculture, but as integral areas for production and transformation of food, biodiversity resources and medicines.

15. *The Agricultural Sector Development Plan (“Plan del Sector Desarrollo Agropecuario) for 2014–2018 builds upon the Agenda Patriótica, establishing as its first principle the transformation and consolidation of land tenure, access and use for agricultural production.* The Economic and Social Development Plan (“*Plan de Desarrollo Económico y Social*”) 2016-2020 aims at increasing the available agricultural

⁴ The national revolution of 1952 resulted in the first “Agrarian Reform” regulated under Supreme Decree 3464 of 1953, which became law in 1956 and remained in effect until the 1990s.

production area by more than 1 million hectares by 2020. This corresponds to the goal to increase the country's agricultural output by almost 50 percent within those five years.⁵

16. ***These policies and plans are supported by a set of laws and regulations that go back a decade, and which promote agricultural expansion, encourage land clearing and provide incentives for agricultural production, such as the following:***

- Law No. 337 of 2013, amended by laws 502, 739, and 952 establishes an exceptional regime for the treatment of land cleared without authorization between 1996 and 2017, whose beneficiaries would register in the “Food Production and Forest Restitution Program.”⁶
- Law No. 740 of 2015 extends the deadline to five years for verifying the socioeconomic function requirements of medium property and agribusiness enterprises, to guarantee food sovereignty and security, and incentivize agricultural investments and production.
- Law No. 741 of 2015 authorizes clearing of up to 20 hectares in small private properties, community properties and authorized settlements with forest cover to expand agricultural food production. It also provides for an exemption for the payment of patent for said properties for the same purpose.
- Law No. 1098 of 2018 gives incentives for agricultural production of vegetable additives to help reduce imports of the same and to promote food and energy sovereignty and security.
- Supreme Decree (D.S.) 3874 of 2019 builds upon the incentives of Law No. 1098, creating an expedited procedure for assessing soy products.
- Law No. 1171 of 2019 on the rational use and management of burning, which establishes a regularization period for payment of fines for unauthorized burning.
- D.S. 3973 (2019) allowed forest clearing for agricultural activities on private and community lands in the Departments of Beni and Santa Cruz. It also allowed for controlled burning in some circumstances (repealed in 2020).

17. ***The Government's recent Economic and Social Development Plan (“Plan de Desarrollo Económico y Social”) 2021-2025 highlights food security as a key priority.*** It points to the need to diversify and increase agricultural production to respond to the internal market and support industrialization through import substitution, with a view to increasing exports with added value. It sets as a target to increase agricultural production in metric tons from 20.2 million in 2020 to 29.9 million in 2025. In sum, the national Government has made agricultural expansion a central aspect of Bolivia's economic development for over a decade.

⁵ From 16.6 million metric tons in 2016 to 24.3 million metric tons in 2020.

⁶ This Program was created to incentivize food production and reforestation of affected areas.

Land regularization, distribution, and its relation to agricultural expansion

18. ***Land policy and agrarian reform in Bolivia have a long and contested history, dating back to colonial times.*** Following the legislative discussions of the 1990s, land ownership, regularization and distribution processes in Bolivia were consolidated into Law No. 1715 of October 18, 1996 (the “Agrarian Land Law”), which superseded the 1953 Agrarian Law. The Agrarian Land Law established the structure of the regime for land distribution, guaranteed property rights over land, and put in place the rules for the *saneamiento* (regularization) of agrarian property throughout the country. It also established the key institutions for agrarian reform, including the *National Institute for Agrarian Reform (Instituto Nacional de Reforma Agraria, INRA)*.⁷ It provides for different forms of agrarian property, including individual and communal property.⁸ It also distinguishes the “social” and “socioeconomic” functions of the various forms of agrarian property.⁹

19. Community Lands of Origin (*Tierras Comunitarias de Origen, TCOs*) are a form of communal agrarian property that are exclusively recognized for Indigenous Peoples. According to the Agrarian Land Law, TCOs include the concept of indigenous territory, while Bolivia’s Constitution (2009) further indicates that TCOs are a basis for indigenous territory delimitation.¹⁰ “Community Property” is a form of agrarian property that is available for indigenous communities as well as other types of communities, such as peasant farmer communities (*comunidades campesinas*) and intercultural communities (*comunidades interculturales*). In the Department of Santa Cruz, there have been 23 requests to constitute a TCO since 1996. According to the Bank’s assessment, there are 16 TCOs in the municipalities located in the Chiquitania region of the Department of Santa Cruz, which are either already titled or have an application pending with INRA.

20. ***The Agrarian Land Law set out a land regularization process (called “saneamiento”) to establish the right to agrarian property.*** Among the objectives of the *saneamiento* was to issue land titles to those whose land fulfilled the social and

⁷ The Agrarian Land Law was amended by Law No. 3545, November 28, 2006, on the Redirection of Agrarian Reform (*Reconducción de la Reforma Agraria*). The *National Institute of Agrarian Reform* (“INRA”) is a decentralized public entity of the Ministry of Rural Development and Lands, with national jurisdiction. It is the technical-executive body in charge of directing, coordinating and executing agrarian policy (Article 17 of Law No. 1715).

⁸ The “*Solar Campesino*” (individual farmer’s residence), Small Property, Medium Property, and Agribusiness Enterprises are forms of individual property. The Community Lands of Origin (*Tierras Comunitarias de Origen or TCOs*), and Community Property are forms of communal property.

⁹ The “social function” is assigned to land destined to achieve a family’s wellbeing and the economic development of the property owners, Indigenous Peoples and communities, and other types of communities. The “socioeconomic function,” which medium property and agribusiness enterprises must fulfill, is assigned to the sustainable use of land in the development of agribusiness, forestry, and other productive activities, as well as the conservation and protection of biodiversity, research and ecotourism.

¹⁰ The Constitution also provides for a change in the denomination of TCOs for Original Peasant Indigenous Territory (*Territorio Indígena Originario Campesino* or TIOCs). TCOs have to follow an administrative process to change into TIOCs, but there are many that are pending. As such, today there are TCOs and TIOCs. The Constitution also provides for TCOs/TIOCs to convert into Original Peasant Indigenous Autonomy (*autonomía indígena originario campesina*), which would enable them to become part of the territorial units recognized under Bolivian legislation.

socioeconomic functions of agrarian property, resolve conflicts over agrarian property and possession, and return some agrarian property to the State. The process was supposed to be concluded within 10 years of the law's publication in 1996, but it is still ongoing. As of 2020, INRA had concluded the *saneamiento* for 91.3 percent of the relevant land in Santa Cruz.

21. *The saneamiento process also enables INRA to identify “available public land” (called “tierras fiscales disponibles”) for their distribution.* INRA can distribute available public land free of charge in favor of indigenous and other communities (such as peasant farmers, intercultural communities, and afro-Bolivians). The Agrarian Land Law establishes a preference to this effect, for those residing in the area, and communities with no or insufficient land.¹¹

Box 1. Chiquitania Region

The “Chiquitano territories,” mentioned in the Request are not a clearly defined area. There are different concepts that refer to the “Chiquitania region” as shown below with some examples. For the purpose of this Management Response, the Project area comprises the 17 Chiquitano communities located in 4 municipalities¹² along the road alignment, which are directly affected by the Project.

Department of Santa Cruz: One of the nine departments that are part of the official territorial subdivisions of Bolivia.

Chiquitania region: An area within Santa Cruz, which includes the 17 municipalities in the eastern section of the department, where the majority of Chiquitanos live. This area is not an official territorial unit.

Chiquitania Dry Forest (Chiquitania Bosque Seco): the largest dry tropical forest in the world, located almost entirely in the Department of Santa Cruz, overlapping with the Chiquitania region.

Chiquitano TCOs: Indigenous territories that have been registered with INRA, in accordance with the Agrarian Land Law.

Chiquitano Community Property: Indigenous *Chiquitano* community property that has been registered with INRA in accordance with the Agrarian Land Law.

Chiquitano Area: The area where the *Chiquitano language* is commonly spoken (approx. 40,000 to 60,000 speakers).

¹¹ The provision of available public land for indigenous communities and other communities is also recognized under article 395 of the Constitution.

¹² San Miguel, San Rafael, San Ignacio, and San José.

Agricultural expansion and land allocation in the Chiquitania Region

22. ***Land allocation to support agricultural expansion in Bolivia and in the Chiquitania region is based on the land regularization (saneamiento) and land distribution processes carried out by INRA.*** The Chiquitania region has been expanding both demographically and economically. Most commercial agriculture (farms operating on 50 to 5,000 hectares)¹³ is carried out in the Department of Santa Cruz, where the country's most productive farmlands are located. The agricultural expansion has also included an increase in the allocation of agrarian property to non-local and/or non-indigenous communities over the last decade, authorized by INRA.¹⁴ By contrast, in the western highlands, most farms are small (50 hectares or less).

23. ***The Government's allocation of agrarian property to increase agricultural production has raised concerns for about a decade.*** Fundación Tierra has reported that from 2013-2019 there were 1,400 requests for new settlements in the Chiquitania region, the majority on public lands. Of such requests, INRA had issued decisions for 950. This has been described as “*avasallamiento*” (literally “overrunning”), because some communities that have received authorizations and titles come from outside the Chiquitania region.

24. ***In 2019, massive wildfires in the Chiquitania region put new settlements in the spotlight again.*** Nationwide, fires in 2019 affected around 5.7 million hectares, in 2020 more than 4 million hectares, and in 2021 3.4 million hectares. The Department of Santa Cruz was the most affected. The municipalities that are in the Chiquitania region were the most affected in the Lowlands of the Department of Santa Cruz which experienced wildfires over 3.4 million hectares in 2019, 1.8 million hectares in 2020 and 2.5 million hectares in 2021. During these 3 years, the areas most affected by fires were around San Matias, in the south between San José de Chiquitos and Puerto Suarez, and to the north of San Ignacio de Velasco, all outside the Project area. Wildfires are a natural part of the dry forest ecosystem of the Chiquitania region, and fire also has historically been used in a controlled manner to clear land plots for productive uses. A Fundación Tierra report attributes the recent increase in the magnitude of the fires to multiple factors, including the laws that incentivize agricultural expansion, large-scale agribusiness activity and the new settlements.¹⁵

25. ***In 2019 the national Government announced that new settlements in the region need to continue for food security reasons and in line with the agrarian policy.*** On

¹³ The 2009 Bolivian Constitution sets out a limit of 5,000 ha for individual property (agribusiness enterprises). However, the limit does not apply retroactively, which means that, through the regularization process, some agribusinesses have obtained title to agrarian property above this limit. Such properties still need to comply with socioeconomic function requirements.

¹⁴ The updated Indigenous Peoples Plan (January 2022, page 20) refers to government agrarian policy (*Distribución de Tierras Fiscales 2014-2019*) to constitute new settlements from 2014. Separately, Fundación Tierra has reported a more visible and increasing process of authorizing new settlements dating back to 2012. Fundación Tierra. *Informe Especial: Fuego en Santa Cruz, Balance de los Incendios Forestales 2019 y su relación con la Tenencia de Tierra*. Page 64.

¹⁵ Fundación Tierra. *Informe Especial: Fuego en Santa Cruz, Balance de los Incendios Forestales 2019 y su relación con la Tenencia de Tierra*. Page 79-80.

August 2, 2021 (Agrarian Reform Day, a national holiday), the Government announced that the process of regularization and titling of rural lands must be concluded throughout the country by the end of the current president's term in 2025.

26. ***In sum, the processes of allocation of property and agricultural expansion in the Chiquitania region precede the Project.*** The Agrarian Land Law began a broader regularization process that enables allocating diverse forms of agrarian land for indigenous, peasant farmer and intercultural communities, but also for small and medium property holders as well as agribusiness enterprises. Together with the policies, plans and legislation discussed in paragraphs 14 to 17 above, they form the basis for the economic and demographic developments observed in the Chiquitania region over the last decade.

V. MANAGEMENT'S RESPONSE

27. The Requesters' claims, accompanied by Management's detailed responses, are provided in Annex 1.

28. *Management has carefully reviewed the Request for Inspection. In Management's view, the Request largely focuses on broader economic and demographic developments underway in the Chiquitania region (influx of other population groups, agricultural expansion, and the related challenges of resource management), which are not caused by the Project. The Request furthermore expresses the expectation that those impacts should nonetheless be addressed through the Project's environmental and social safeguard instruments.* The Request also raises concerns about SEA/SH, but it notes the Bank's ongoing and proactive work in the Project area to address them. Moreover, the Request raises some employment issues with the Contractor.

29. *Management understands the concerns of the Requesters regarding the economic and demographic changes that are occurring in the Chiquitania region.* The Request notes an increase in agricultural and logging activities, which in turn have increased the number of wildfires in the region. The Request discusses how these developments are threatening the Chiquitanos' livelihood, and the Requesters' belief that these impacts result from the road upgrade supported under the Project.

30. *Management is of the firm view that the Project is not the cause of the alleged current and ongoing harm stemming from the economic and demographic changes as described in the Request. The issues raised are related to long-standing agrarian policies, plans and legislation that are part of a broader national effort to increase agricultural development, and which have, among other things, facilitated migration to the Chiquitania region (see Section IV above). These policies, plans and laws are unrelated to the Project and many predate it.* Therefore, Management's view is that the upgrading of an existing road currently underway is not a cause for this migration and potential resulting impacts. It is noteworthy that the road has been in existence for more than 30 years. Despite being unpaved, it is usable all year round and is part of a much broader regional road network that already facilitates access to and through the region and includes two major national oceanic corridors that run from east to west. Management also emphasizes that the road upgrading under the Project does not provide new access into forest areas, and represents only about 2 percent of the existing regional road network.

31. *Given that the physical works under the Project are in the early stages, it is also highly unlikely that the above-cited harm to the Chiquitanos as alleged in the Request could have already occurred as a result of the road upgrade works.* Works began in September 2019 and progress currently stands at 37 percent. It is not possible to attribute any increase in occupation of land, agribusiness and wildfires in the Chiquitania region to these initial works. On the contrary, works-related traffic delays during current construction are more likely to have slowed down traffic and access to the region.

32. *Management acknowledges the view expressed in the Request that the updated Indigenous Peoples Plan (IPP) is a "relatively strong" document, and underlines that it*

was widely consulted upon with the Chiquitano community, who have expressed clear support for it. That said, the broader economic and social issues of the Chiquitania region cannot be addressed through a project-level safeguard instrument aimed at mitigating project-related impacts, which is what the IPP is. The Request implies that a swift implementation of the IPP would help prevent “illegal” occupation of the Chiquitano territories. The Request also criticizes the IPP’s lack of scope to address land ownership issues as it does not contain measures to directly support land titling. Management notes, however, that such activities are well beyond the Project’s remit. Management acknowledges that IPP implementation was delayed—as was Project implementation altogether—by almost two years due to various factors including the COVID-19 pandemic, political developments in the country and severe wildfires, but maintains that such delay in itself does not represent non-compliance with Bank policy as envisioned in the Inspection Panel Resolution.

33. *Given the high prevalence of gender-based violence (GBV) in Bolivia, the need to address issues of SEA/SH was recognized early in the Project design stage and led to the inclusion of targeted measures in Project documents to help prevent and respond to SEA/SH incidents.* Management has been acutely aware of the cited incidents of SEA/SH in the Project area and a comprehensive GBV Action Plan has been agreed upon with ABC to further strengthen implementation of the already existing measures. Preparation of this plan benefitted from inputs received from BIC and Child Protection in Crisis (CPC). The GBV Action Plan is currently under implementation.

34. *The following allegations from the Request are discussed below in more detail, specifically:* (i) the alleged harm resulting from the population increase in the region and the related expansion of agribusiness, logging, and increase in wildfires; (ii) the alleged impact on the Chiquitanos’ ability to register land titles; (iii) the alleged failure of the IPP to help “protect their territories;” (iv) concerns about GBV; and (v) alleged labor issues for Chiquitanos hired by the Project Contractor.

(i) **Alleged harm resulting from population influx, expansion of legal and illegal agribusiness and logging, as well as wildfires, allegedly stemming from the Project**

35. *The road upgrading supported under the Project did not have a role in the population influx, expansion of legal or illegal agribusiness and logging, or the increase of wildfires in the Chiquitania region. These issues have been longstanding in Bolivia, and the phenomena as well as the underlying causes are well identified and analyzed in socio-economic development research.*

Population influx

36. *Management understands the concerns expressed in the Request that result from the influx of non-local population into the area.* Specifically, the Request considers the influx (“invading”) of outside groups and their settlement in the area to be a direct threat

to the Chiquitano communities' own efforts to obtain formal land titles and protect what they consider their territories.¹⁶

37. ***The Requesters' concerns reflect well documented broader economic and demographic developments in the region, as explained above, which mainly result from national policies, plans and laws to support agricultural expansion, encourage land clearing and provide incentives for agricultural production that go back a decade and were apparent well ahead of the road upgrade.*** Those agrarian laws and policies are unrelated to the Project. There is no evidence that population influx has increased in the region as a result of the road upgrading. Moreover, this influx began increasing significantly as early as 2012 and thus was already occurring in the region even with the road in its original unpaved state.

38. ***This internal migration and hence population influx to the Chiquitania region, is also anchored in the land regularization (saneamiento) and land distribution processes carried out by INRA under the Agrarian Land Law.*** The opportunity to obtain land ownership in a region which is favorable for agricultural production has been a strong incentive for the population influx to, and related land use changes in, the Chiquitania region.

39. ***Access to the Chiquitania region was already well developed prior to the Project.*** Two national roads, RN4 and RN10 (Oceanic Road Corridors in Map 1 above), run in an east-west direction between Bolivia and Brazil, and are connected by several north-south road connections (RN39 and RN17). The same applies to the existing network of other primary and secondary roads within the Chiquitania region. The road upgraded by the Project represents only about 2 percent of the length of the road network of the four municipalities in which the Project area is located. The section of the Project road as a percentage of the kilometers of the total road network in each municipality is as follows: San Ignacio 0.4 percent; San Miguel 4.1 percent; San Rafael 13.9 percent, and San José 2.5 percent (see Annex 4). Thus, even without the Project, the existing regional road network already facilitates access to the region, including for settlers as well as companies engaged in timber and agroindustry operations.

Increase of agribusiness and logging activities

40. ***Logging and land conversion processes in the Chiquitania region began in the late 1970s, and livestock, agriculture and forestry activities were increasing along with greater population density in what is now the Project area.*** These developments pre-dated the Project significantly and are occurring irrespective of the Project. Land regularization processes under the Agrarian Land Law have benefitted small and medium property holders, and agribusiness enterprises in the region as well. The existing road network has provided sufficient access to the region and within it to allow this development to continue (see Annex 2).

¹⁶ This comprises areas on which Chiquitano communities have laid a claim.

41. **Management notes that data suggest that road access is not the main driver for land conversion.** The Project road section in the municipality of San Rafael, e.g. represents 100 percent of the primary road network in that municipality, yet accumulated deforestation is the lowest out of the four municipalities. On the other hand, the Project road section in the municipality of San Ignacio represents only 7.2 percent of the primary road network in the municipality, yet accumulated deforestation is the highest across the four municipalities.



Picture 1: Agricultural land use in the area north of San José de Chiquitos (1985). The unpaved road was already in existence.



Picture 2: Agricultural land use in the area north of San José de Chiquitos (2017). Road upgrading works began in September 2019.

Increase in wildfires

42. ***Wildfires in Bolivia are mainly a consequence of burning practices used to clear land for farming and livestock, but which can get out of control, exacerbated by extreme seasonal droughts that have been intensified by climate change.*** Recurring large fires in recent years have spotlighted a lack of fire prevention and control measures and inadequate investment in firefighting. Bolivian law allows small-scale farmers to obtain permits to burn vegetation on agricultural land in a controlled way, and this has been done for decades. However, those without permits are rarely prosecuted. Fires were responsible for 24 percent of tree cover loss in Bolivia between 2001 and 2021. As noted in paragraph 24 above, the increase in wildfires in the Chiquitania region has been attributed by studies to multiple factors, including the laws that incentivize agricultural expansion, large-scale agribusiness activity and the new settlements.

43. ***It is evident that deforestation is widespread across the region. However, the data does not suggest that deforestation rates in the four municipalities where the Project area is located have notably increased more than in other areas since Project construction began.*** (See Annexes 2 and 3.) Thus, it is not apparent how the upgrading works for the road would have had any impact to date, given its 37 percent completion. Also as noted before, the road upgraded under the Project does not provide new access to forest areas.

44. ***It should be noted as well that the forested areas in the Project area are not in pristine status.*** According to the EIA, their conservation status ranges from “regular” to “very low,”¹⁷ signifying that human influences have long been present throughout the area. Moreover, the Government has cleared those areas for conversion from forests to agriculture, and this is not as a result of the road.

Potential future impacts from the road upgrading

45. The Environmental Impact Assessment (EIA) identifies Project-related impacts across all Project phases, including construction, operation, maintenance, and “induced future.” The “induced future” considers the Project’s potential future contribution to the ongoing expansion of the agricultural and livestock frontier, logging, growth of settlements and increased commercial and tourism activities. While the EIA was of acceptable quality, in line with all the key policy elements in OP 4.01, it lacked an in-depth analysis of the broader economic and demographic developments in the Project area and the Chiquitania region more broadly, and omitted any discussion of the longstanding and ongoing trends that correspond to the “induced future” impacts, as well as analysis of the Project’s future contribution to those manifest developments.

46. ***Against the background of the identified main factors driving these trends, in Management’s view, a potential future contribution of the road upgrading to these ongoing trends would be minor.*** As mentioned earlier, improved quality of the Project road is not the determining factor for the internal migration and land conversion processes to the Chiquitania region, as these were ongoing well before the Project and continue to

¹⁷ On a scale of “very high” to “very low.”

date, related mainly to national policies, plans, and laws, regardless of road conditions in the area.

47. ***In line with the above insight, the EIA concluded that the mitigation of these “induced future” impacts falls outside the scope of the Project, which is reasonable given that the management of these sectors (agriculture, livestock, forestry, tourism, urbanization and commerce) requires policy and legislative action at the national level.***

Attempting to address such broader issues related to land and resource use and population growth would also overwhelm an individual project whose objective is road upgrading, and hence would not be feasible or appropriate. The EIA includes an Environmental Education Program with the objective of raising awareness and providing information to local actors to strengthen their capacity to manage such impacts going forward. In Management’s view, these mitigation measures are commensurate with the Project’s degree of potential contribution to, and ability to address, any future induced impacts.

48. ***Nonetheless, the Bank recognizes the significant potential impacts of these broader developments in the Chiquitania region on the local population as part of its ongoing development dialogue.*** The Bank therefore seeks to support the Government of Bolivia—through initiatives unrelated to the road upgrading project—to assess, analyze, and suitably address cited potential adverse impacts of land use trends in the Chiquitania region. The Bank’s ongoing analytical work is focusing the dialogue on forest governance, ecosystem services valuation, and tools for sustainable land use management in the Chiquitania region, with the aim to support the Government in enhancing sustainable development and reforestation processes in the region.

(ii) Alleged impact on the Chiquitanos’ ability to register land titles

49. The Request alleges that *“illegal occupation and confiscation of indigenous land has increased.”* However, the information provided in the Request only cites the current progress of the land titling process being undertaken by some Chiquitano communities, and the concern that this process might be at risk. ***Management is not aware of land being confiscated in the Project area and/or re-distributed to other population groups, or any possible relation to the Project.***

50. ***In Management’s understanding, the 174 Chiquitano communities seeking land titles for land claimed by them – as mentioned in the Request – are in the wider area of the Chiquitania region and outside of the Project area.***¹⁸ According to information available to Management there are 24 established communities in the Project area: (i) sixteen indigenous communities that have received title to Community Property;¹⁹ (ii) one

¹⁸ The original Social Assessment (2015, page 67) refers to 174 Chiquitano communities in the broader Velasco province. It clarifies that there were 17 communities in the Project area at the time, 16 of which were Chiquitano communities. The updated IPP (2022) indicated that there were 23 communities in the Project area. Recently, and after the update to the IPP, Management received information that 1 additional Chiquitano community would be affected by the Project due to the final alignment of the road near San Ignacio (*circunvalación*), which brings the total to 24 communities in the Project area.

¹⁹ Communities in Bolivia can regularize their land or request that available public land be declared Community Property, subject to meeting a number of criteria as set out in the Agrarian Land Law and relevant regulations.

established peasant farmer community and six new peasant farmer communities, which have either received a title for Community Property or have a pending land title process; and (iii) ***only one Chiquitano community with a pending land title process with INRA that is actually located in the Project area.***

51. ***Nevertheless, the Project has no part in or impact on the land titling processes, which are led by INRA, a separate government agency, which has no relationship with the Project and is not involved in its implementation.*** Management is also not able to opine on the quality or speed of the land titling processes. Moreover, none of the land-related issues raised in the Request pertain to land acquisition by or for the Project.

52. ***In Management's view, the issue of population migration and related land use changes at a regional or provincial level is well beyond the Project and cannot be effectively addressed through the Project.*** That said, the Project's revised IPP is fully consistent with all key policy requirements as set out in OP 4.10, and contains measures to help strengthen the capacity of the indigenous organizations, as explained in more detail below (paragraphs 56–59). This capacity building will enable the indigenous communities to pursue their collective interests more effectively with state authorities, which could include the issue of land acquisition and land rights. However, the demand in the Request for the IPP to provide measures to support land titling, and thus “help protect” Chiquitano territories, is beyond the scope of the Project.

(iii) Alleged shortcomings of the Project's original Indigenous Peoples Plan (IPP)

53. ***As required under the Bank Policy on Indigenous Peoples (OP 4.10) an IPP was developed and approved in 2016 in consultation with the affected Indigenous Peoples' communities to set out the measures through which they would receive culturally appropriate social and economic benefits, and to lay out how potential adverse impacts on Indigenous Peoples would be avoided, minimized, mitigated, or compensated for.***

54. ***Management is of the view that the 2016 IPP is fully consistent with all the requirements set out in OP 4.10.*** The 2016 IPP is the result of a process of free, prior, and informed consultation with the four “Centrales Chiquitanas”²⁰ in the Project area and that process of consultations resulted in broad community support for the Project. The IPP includes actions agreed with the indigenous communities to enhance opportunities for all Chiquitano communities to benefit from the Project and to mitigate identified impacts.

55. ***The measures agreed to and included in the 2016 IPP respond to the priorities and concerns identified by the indigenous communities through the consultation process and building on the findings of the Social Assessment (SA). These measures also seek to enhance their access to the benefits of the Project, namely, to strengthen the livelihoods of indigenous communities and their ability to participate in the economic opportunities that the Project could enable.*** Some agreed measures also sought to mitigate potential long-term negative impacts on Chiquitano culture and identity and aimed to strengthen the

²⁰ The Chiquitano organizations representing indigenous peoples communities in the Chiquitania region at municipal level are called Centrales. The 2015 Social Assessment identified four Centrales representing the communities in the Project area.

community sociocultural and economic structures and to promote social inclusion, with a specific focus on health, education, and cultural preservation.

56. ***At the request of the indigenous communities, a process to revise and update the IPP for the Chiquitano communities began in 2018. This revision and updating was necessary due to the time that had passed since the finalization of the original 2016 IPP and in light of changed circumstances, including changes in the leadership of the Chiquitano organizations, at a time when Project implementation on the ground was still pending.*** The revised IPP, currently under implementation, is also the result of a meaningful consultation process, inclusive of the four Chiquitano organizations and members of the communities in the Project area. During this process, the Chiquitano communities reiterated their support for the project and for the IPP. The revision of the IPP builds on a proposal of measures that were presented by the four *Centrales* to ABC at the beginning of the revision process, and which were then discussed and assessed in the extensive engagement that ensued. Agreements on the measures to include in the revised IPP were reached in December 2021. Management notes that the Request considers the final IPP as “much improved” and “relatively strong.”

57. ***However, there appears to be confusion with regard to the objectives and scope of the IPP. Specifically, the Request seems to expect that the IPP would be able to address issues pertaining to population migration, expansion of agricultural areas, logging and land titling.*** As explained above, these impacts do not stem from the Project. Moreover, addressing these broader impacts would require an assessment, analysis, and potential policy and legislative action at the national and subnational levels and could not be addressed through a project-level instrument that focuses specifically on Indigenous Peoples in the Project area.

58. ***The IPP nevertheless includes measures to address potential impacts on culture and identity of the indigenous communities and to strengthen the institutional capacity of indigenous organizations to mobilize and represent communities in national, departmental and municipal processes.***

59. The 2022 IPP included measures to manage these risks, which are grouped into two types of activities: (i) local economic development projects that intend to revalue the identity of Indigenous Peoples; and (ii) organizational strengthening projects to promote spaces for participation, deliberation, and decision-making of the Chiquitano indigenous organizations. In particular, the IPP supports preparatory work, capacity building, and expenses to enable the Chiquitano indigenous representatives to develop strategies and build consensus, as well as to participate in regional, national and international meetings of Indigenous Peoples, where they can increase their awareness and benefit from integration and coordination actions with other Indigenous Peoples groups. During the consultations, the *Centrales* expressed the importance of including these measures in the IPP to enable them to advocate before authorities for their communities on issues ranging from land tenure claims to support needed in emergency situations as well as for communities’ projects.

60. ***The IPP also aims to mitigate the potential negative long-term impact of possible weakening of indigenous identity and culture as a result of the arrival of new people and new cultures in the area.*** In this regard, the IPP includes activities such as: (i) modules for artisanal loom weaving; (ii) livestock modules; (iii) organizational strengthening with a gender focus for the four Chiquitano organizations; (iv) construction of a productive communal house (community center also used for commercial purpose) for three of the four Chiquitano organizations; and (v) training in local economic development for the use of productive infrastructure (e.g., for the establishment of artisanal craft markets in the community center). These IPP activities were designed as a direct result of the consultations to foster regional economic opportunities, strengthen indigenous women's economic capacities and opportunities, improve marketing conditions for local products, and provide access to basic services (e.g., water wells).

61. ***The revised IPP, however, does not contain measures to help regulate or intervene in the land titling process. Land titling is beyond the remit of the Project and its impacts and is being undertaken by INRA which has no role in Project implementation. Management is therefore of the view that the revised IPP is also fully consistent with all the requirements set out in OP 4.10.***

Delays in revised IPP implementation

62. ***The revised IPP was finalized in December 2021 and was approved by the Bank in February 2022. Implementation of the revised IPP started in October 2022 and has proceeded rapidly since then. Moreover, at the start of implementation activities in October 2022, ABC agreed with the indigenous organizations on a timeline for the implementation of the IPP measures.*** The IPP implementation is expected to conclude in December 2023. To date, implemented activities include contracting of technical liaisons; community meetings to identify locations for construction of infrastructure in different communities and submission of plans and designs to ABC; community meetings for organizational strengthening, and capacity building training to monitor implementation of the IPP; and signing of agreements with the local municipalities on prevention of SEA/SH, reporting of potential incidents, and identification and training of *Promotoras Comunitarias*.

63. ***Management acknowledges that the IPP revision process before October 2022 was delayed for a number of reasons.*** Following the Chiquitano communities' request and ABC's agreement in July 2018 to update the IPP, several factors affected the updating timeline, including: (i) delays in the recruitment of the Supervision firm responsible for updating the SA that would then lead to the update of the IPP; (ii) external factors such as wildfires and civil unrest in 2019, general elections and COVID in 2020, and social protests in 2022; (iii) ABC staff turnover; (iv) engagement in a robust participation process with the "Centrales," which required consensus building among the different groups that held different views on key issues; (v) divisions in the leaderships of two of the *Centrales*; and (vi) delays in the start of the road civil works, which began only in September 2019 and which were stopped during the pandemic. To avoid further delays in the finalization of the consultation process, the Bank authorized on an exceptional basis an in-person mission in December 2021 during the pandemic, to help finalize the IPP.

64. ***However, no measures directly relevant to mitigating road construction impacts have been delayed.*** Moreover, OP 4.10 does not tie the provision of benefits to a specific project implementation timeline, and Management believes the implementation of the IPP within the expected timeframe will enable Chiquitanos to benefit from the Project, hence these delays do not amount to policy non-compliance.

65. ***Management notes that the issue of divisions in the leadership of two of the four Centrales (organizations of Chiquitano Indigenous People) representing the indigenous communities emerged in 2021 during the final stages of the consultation process to revise the IPP. Management also notes that these internal divisions have become more acute in recent months, and may affect the indigenous communities' decision-making related to implementation of the IPP, including on the use of resources and location of planned infrastructure. Two new organizations have emerged by splitting off from the existing Centrales, which now claim to be the legitimate representatives of the indigenous communities.*** These new organizations have been formed by former members and leaders of the initial organizations. There are now six indigenous organizations claiming to represent the Chiquitano communities in the Project area. Management notes that since these internal disagreements in the organizations emerged in 2021, ABC has invited all parties to participate in the consultation meetings. One of the newly formed parallel organizations decided not to participate in the meetings, as documented in the revised IPP, but it did not raise objections to the finalization of the IPP.

66. ***These divisions among organizations have become more complex in the context of the implementation of the IPP, which requires clear decision-making, including on the use of resources.*** In the two areas that now have two organizations each, there are disagreements on the location of the infrastructure to be constructed as part of the implementation of the IPP. In this situation, the Bank has advised ABC to support the indigenous organizations to reach internal consensus by implementing the organizational strengthening activities included in the IPP, which aim at promoting spaces for internal dialogue. ABC plans to reach out to the indigenous organizations to promote this dialogue in the second part of February 2023.

Consultations

67. ***In Management's view the participation of the Chiquitano organizations and communities in the preparation of the SA, the initial IPP of 2016 and the revised IPP and SA finalized in December 2021 was inclusive and robust, meeting the requirements of Bank policy.*** The four Chiquitano organizations representing the communities located in the Project area participated in the consultation meetings held from 2015 to 2022, along with members from all communities in the Project area as well as from other communities in the vicinity. The community included in December 2022 due to a final alignment of the road was also represented in the consultation process for the revision of the IPP. Representatives of nongovernmental organizations (NGOs) with a presence in the area, such as Fundación Tierra, also joined most consultation meetings.

68. The consultations process for both the 2016 and 2021 IPPs took place in different phases, aimed at first presenting and receiving feedback on the results of the Social

Assessment—respectively the initial and the revised analysis—and then at discussing and agreeing on the measures to be included in the IPPs, including local productive activities and organizational strengthening, based on the priorities and concerns identified by the indigenous communities themselves.

69. In the consultations, the participants expressed support for the Project and reiterated such support in 2018 when the revision of the IPP began, acknowledging the importance of the IPP measures to help communities strengthen their livelihoods and culture.

70. ***Management notes that while the IPPs in their original and revised versions and the SA were extensively discussed with community members and Chiquitano organizations, as well as representatives of NGOs, the issues raised in the Request were not specifically articulated by the indigenous organizations and communities during the consultation meetings.*** The IPP meetings focused on the priorities that the indigenous communities themselves identified, particularly strengthening productive activities and organizational capacity as well as the measures proposed to meet such priorities. Six consultations were held between August and October 2015 for the preparation of the originally approved IPP involving the 16 Chiquitano communities located in the Project area at the time, including 60 representatives of the Chiquitano organizations, community members and others.

71. ***Following the agreement to revise and update the IPP, additional consultations were held on a regular basis. Fifty meetings took place between July 2018 and December 2021 to discuss the activities proposed by the indigenous communities to be included in the revised IPP, incorporate feedback received, and reach final agreements.*** All Chiquitano communities located in the Project area participated (more than 300 attendees). This extensive consultation process resulted in the revised IPP finalized in December 2021 and approved by the Bank in February 2022. A three-day workshop was then held with the four Chiquitano organizations in April 2022 to discuss implementation arrangements and resource management for the IPP.

72. ***In addition, during the preparation of the EIA, a consultation process was implemented in the Project area involving local authorities, indigenous organizations, local representatives, community members and the population in general.*** The preparation of the EIA began in 2010, following national standards, prior to the beginning of Project preparation. The consultation process for the EIA also started in 2010 and at least 13 consultation and dissemination meetings were conducted. Additional meetings and events with stakeholders were held in 2015-2016 as part of the process of upgrading, finalizing and disseminating the study in accordance with Bank safeguard policies as well as in connection with the development of the IPP. ***Issues related to settlements, logging, forestry development and/or agri-businesses were not raised or identified by stakeholders in these consultations.***

(iv) **Concerns about GBV incidents**

73. ***Management is aware of incidents of SEA/SH in the Project area and a comprehensive GBV Action Plan has been agreed upon with ABC to strengthen the***

existing measures. Preparation of the Action Plan benefitted from inputs received from BIC and CPC. The GBV Action Plan is currently under implementation and progressing well.

74. **Measures to prevent and address instances of SEA/SH were developed for the Project during Project design, and included in Project documents (e.g., Project Appraisal Document, EIA, IPP, Social Plan, and bidding documents for the Supervision firm and Contractor). These measures reflected the good practices based on lessons learned from Bank-financed road projects in Uganda and Democratic Republic of Congo.** The Project implemented a series of GBV mitigation measures prior to the start of the civil works, such as: (i) signing of the Code of Conduct by all workers prior to beginning works, in line with Bolivian law No. 348, *Ley Integral para Garantizar a las Mujeres una Vida libre de Violencia* (“Comprehensive Law to Guarantee Women a Life Free of Violence”); (ii) regular trainings and sensitization on GBV for the workers and communities from February 2021 to March 2022, and 19 induction talks on SEA/SH by the Contractor for incoming workers; and (iii) designing and adopting a grievance redress mechanism (GRM), developed by the Contractor, linked to the Municipal Integrated Legal Services (*Servicios Legales Integrales Municipales*, SLIMs) and the Defenders of Children and Adolescents (*Defensoría del Niño, Niña y Adolescente*, DNNAs) of each of the four municipalities in the Project area.

75. The Bank conducted a series of eleven missions to the Project sites between 2018 and 2022, including to confirm that essential SEA/SH prevention and response measures were in place prior to the start of civil works; and to monitor their smooth functioning once civil works began. The Bank team, which included a social development specialist, took the opportunity during these missions to deliver trainings to ABC, the Supervision firm and the Contractor on GBV issues (for example, in November 2018; July 2019; and September 2020).

76. Civil works began in September 2019 but were paused in March 2020 due to the COVID-19 pandemic; they resumed fully by April 2021. During this time, the Bank engaged with a local NGO, *Proceso-Servicios Educativos*, with the support of a grant awarded by the Bank’s Human Rights, Inclusion and Empowerment Trust Fund (HRIE TF) leveraged by the Bank project team to work with the local *Promotoras Comunitarias* (Community Promoters) of the four municipalities. *Promotoras Comunitarias* are women, nominated from their communities, who assist in GBV prevention, monitoring, and reporting efforts in coordination with the SLIMs and DNNAs. In 2021, 30 *Promotoras* from the four municipalities were trained in GBV by *Proceso-Servicios Educativos* as part of the HRIE TF grant as well as training on masculinities,²¹ and given materials for dissemination throughout their communities. The revised 2022 IPP includes further training, certification and support of the *Promotoras* in GBV community prevention efforts.

²¹ *Masculinity* refers to the roles, behaviors and attributes associated with maleness. The training targets concepts and ideas about masculinity and femininity that are associated with violence against women and girls.

77. In 2019, the Bank undertook an effort to retrofit GBV components of all ongoing infrastructure projects, following the issuance of the Good Practice Note on Addressing Gender Based Violence in Investment Project Financing involving Major Civil Works (September 2018).²² In the case of the present Project, retrofitting included activities to strengthen the effectiveness of the Project's GRM, information sessions for local residents on the Project's Code of Conduct and the GRM, conducted jointly by the Contractor and the Supervision firm, and training of ABC and the Contractor on safeguards and GBV issues.

78. In an effort to further strengthen GBV reporting efforts and communication flow, agreements were signed in 2021 with the municipalities of San Ignacio, San Rafael, and San José and with the Supervision firm and Contractor. In these agreements, the parties committed to a series of actions to prevent and address cases of GBV and conduct training for workers and communities in the Project's area of influence, including the responsibility to report any cases of GBV allegedly linked to the Project.

79. In 2021, Management became aware of a SEA/SH incident related to the Project. As an immediate response, the Bank ensured that measures were in place to offer services to survivors (i.e. medical, psycho-social and legal services), strengthening of Codes of Conduct, reporting GRM, and sensitization and outreach to workers. In September 2022, BIC brought to the attention of the World Bank additional allegations of SEA/SH cases in the Project area. In response, the Bank and ABC agreed on a GBV Action Plan in 2022 to strengthen implementation of existing SEA/SH measures and systems. The GBV Action Plan was consulted upon with key stakeholders, including BIC and CPC. Implementation of the GBV Action Plan is underway and several actions have already started, including: (i) developing terms of reference (TORs) for a GBV NGO and a specialist to be hired by the Contractor and ABC, respectively, to support the implementation of the GBV Action Plan; (ii) SEA/SH training delivered to key staff of ABC, the Contractor, and the Supervision firm by Bank specialists on December 22, 2022; (iii) strengthening of the GBV mitigation systems already in place, including the Code of Conduct, GRM, services for survivors, and the existing agreements between DNNAs/SLIMs, the Contractor, and the Supervision firm; this revision was done by CPC to include provisions related to children and adolescents; and (iv) hiring of an organization to carry out a broader in-depth analysis of GBV in the Project area with recommendations for prevention. The target date for completion of the aforementioned items (i) – (iv) of the GBV Action Plan is April 2023.

80. ***Management has received information that a local NGO has been visiting the Project area and reportedly implying in its interactions with local authorities and communities that it represented the World Bank.*** This first came to the Bank's attention during the September 2022 mission. Another report about such misrepresentation was received by the Bank during the planning of the February 2023 mission. In response to this, Management sent a letter to the NGO on February 3, 2023, requesting the NGO to refrain from such misrepresentations and to clarify to stakeholders that it is not associated with or

²² This note has been superseded by a second edition, [Good Practice Note: Addressing Sexual Exploitation and Abuse and Sexual Harassment \(SEA/SH\) in Investment Project Financing involving Major Civil Works](#) (February 2020).

part of the World Bank. During February 2023, staff of that NGO visited Project-affected communities and reportedly again claimed to be from the World Bank. These incidents were also confirmed in a written communication from the Supervision firm to ABC (February 14, 2023), which was shared with Bank Management. The communication also conveys reports and concerns from community leaders, SLIMs and *Promotoras Comunitarias* that staff of the NGO has been visiting their community, reportedly claiming to represent the World Bank and inquiring about SEA/SH incidents related to the Project.

(v) Alleged labor issues for Chiquitanos hired by the Project Contractor

81. *Management confirms that the bidding documents and subsequent civil works contract contain all standard clauses and requirements related to labor under applicable Bank policies. Management is aware that there are delays in payment of workers, and other labor issues, and that these concerns have been brought to the attention of the Contractor and ABC.*

82. While some of these issues were resolved, other remained unaddressed. Management has requested ABC to ensure that any outstanding labor issues be quickly resolved and a report documenting the resolution be provided to the Bank. Moreover, Management has requested ABC to carry out a comprehensive labor and occupational health and safety (OHS) audit for the Project works, which should be completed by April 15, 2023.

Conclusion

83. *Management believes that the Bank has correctly applied its policies and procedures applicable to the Project. In Management's view, the Bank has also followed the policies and procedures applicable to the matters raised by the Request. As a result, Management believes that the Requesters' rights or interests have not been, nor will they be, directly or adversely affected by the alleged failure of the Bank to implement its policies and procedures.*

ANNEX 1
CLAIMS AND RESPONSES

No.	Claim	Response
1.	<p>We, the leaders of [...] represent the Indigenous Peoples (IP) members of the four <i>Centrales</i> Chiquitanos (hereinafter Chiquitanos or <i>Centrales</i>), see attached claimant authority, who live in the area of La Chiquitania in Bolivia. We ourselves live in the region impacted by the project. Those we represent have suffered harm as a result of the World Bank’s failures and omissions in the design and implementation of the Santa Cruz Road Corridor Connector Project (San Ignacio – San José) (P152281) in Bolivia, approved in December 2017. The harm suffered is due to the lack of effective implementation of the Indigenous Peoples Plan (IPP), particularly those measures designed to guarantee that IP receive social and economic benefits and those measures intended to avoid, minimize, mitigate, or compensate for the adverse impacts generated as a result of the project.</p>	<p><i>As detailed in the following responses, Management considers that the harm alleged in the Request does not result from the Project, nor from the Bank’s alleged failure to apply its policies and procedures.</i></p> <p>The responses below demonstrate Management’s firm commitment to supervise and support the implementation of the IPP and relevant safeguard instruments.</p>
2.	<p>La Chiquitania is an area of agricultural expansion, increasing deforestation and land degradation. The land in this region is quite contested, with many sectors (agribusiness, settlers, illegal timber, etc.) seeking access and disputing access and ownership. Thus tensions in the region were high prior to the road construction and it was clear from the time of project design that the construction would happen in a very risky context. The Chiquitanos recognized early on that their land and livelihoods were threatened by the road</p>	<p><i>The economic and demographic developments noted in the Request have been prevalent across the broader Chiquitania region since before the Project started, and are not related to the Project. The original and revised IPPs nevertheless provided measures to support Chiquitanos in addressing potential negative effects of these developments on indigenous communities and supporting them in benefiting from resulting economic changes. In addition, while beyond the scope of the current Project, Management is prepared to support the Government of Bolivia in its efforts to assess and address these broader issues through other tools or potential future engagements.</i></p> <p>The road being upgraded and paved under the Project has existed for more than 30 years. Despite being unpaved, it is usable all year round, except during limited instances of flooding that may persist for stretches of a few days during the rainy season.</p> <p>The road is part of an extensive existing network of primary (paved and unpaved) and secondary roads in the region. Moreover, the San</p>

No.	Claim	Response												
	<p>because it opens new opportunities for illegal activities and settlers to invade their territories and communicated these concerns to the Bank at the time of project design. However, no appropriate mitigation measures were included in the initial IPP to effectively address these adverse impacts and support the Chiquitanos in protecting their territories.</p>	<p>Ignacio–San José section is the only unpaved road of the touristic Chiquitano circuit. The road upgraded by the Project represents only about 2 percent of the length of the road network of the four municipalities in the Project area. The section length of the road to be improved under the Project in each municipality as a percentage of the road totals in that municipality is as follows: San Ignacio 0.4 percent; San Miguel 4.1 percent; San Rafael 13.9 percent, and San José 2.5 percent.</p> <p><i>Thus, even without the Project, the existing road network already facilitates access to the region, including for settlers and companies engaged in timber and agroindustry operations.</i></p> <p>Deforestation in the four municipalities along the road (San Miguel, San Ignacio, San Rafael and San José) has increased very significantly over the last 35 years as can be seen from the table below:</p> <table border="1" data-bbox="662 793 1260 1098"> <thead> <tr> <th>Year</th> <th>Deforestation (ha)</th> </tr> </thead> <tbody> <tr> <td>1986</td> <td>41,787</td> </tr> <tr> <td>2010</td> <td>420,675</td> </tr> <tr> <td>2018</td> <td>896,014</td> </tr> <tr> <td>2019</td> <td>996,506</td> </tr> <tr> <td>2020</td> <td>1,075,269</td> </tr> </tbody> </table> <p><i>Source: Fundación para la Conservación del Bosque Chiquitano 2023 (See Annex 2)</i></p> <p>Based on the data from the four municipalities of the Project area, there is no evident linkage between the presence of the road and the total accumulated deforestation in each municipality. For example, the Project road section in the municipality of San Rafael represents 100 percent of the primary road network in that municipality; nonetheless, accumulated deforestation is the lowest out of the four municipalities (87,720 ha as of 2020). On the other hand, the Project road section in the municipality of San Ignacio represents 7.2 percent of the primary road network in the municipality, yet accumulated deforestation is the highest across the four municipalities (558,858 ha as of 2020). This leads to the conclusion that deforestation is a complex process that involves other actions and incentives, not simply the presence of a primary road (See Annex 5), even less its upgrading.</p> <p>The EIA identifies Project-related impacts across all Project phases; these phases are referred to as construction, operation, maintenance, and “induced future.” The types of impacts raised by the Requesters correspond to the “induced future” phase. Under this last phase, the EIA identifies a series of future potential induced impacts (positive and negative) under four headers: (i) further expansion of the agricultural and livestock frontier; (ii) increased logging; (iii)</p>	Year	Deforestation (ha)	1986	41,787	2010	420,675	2018	896,014	2019	996,506	2020	1,075,269
Year	Deforestation (ha)													
1986	41,787													
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No.	Claim	Response
		<p>growth of settlements and increased commercial activities; and (iv) increased tourism activities.</p> <p><i>While the EIA was of acceptable quality, it lacked an in-depth analysis of the broader economic and demographic developments in the Project area and the Chiquitania region more broadly, which it summarizes as “induced future”, and omitted any discussion of the longstanding and ongoing trends that correspond to the “induced future” impacts.</i></p> <p>The EIA nonetheless concluded that the mitigation of these “induced future” impacts fell outside the scope of the Project, which is reasonable given that <i>the management of these sectors (agriculture, livestock, forestry, tourism, urbanization and commerce)</i> requires policy and legislative action at the national level. The EIA includes an Environmental Education Program to be carried out by the Contractor, with the objective of raising awareness and providing information to local actors “so they can adequately undertake this management in the future.” This program has been initiated, and it is still underway.</p> <p>Regarding potential impacts during the <i>construction phase</i> resulting from worker influx, the EIA specifies a Labor Program to prioritize hiring of local labor, in response to requests from local stakeholders made during the consultation process. In 2022, the percentage of local labor (from the 4 municipalities) hired for the road works was greater than 54 percent. The Code of Conduct raises awareness of the need to respect the local culture of the communities and to avoid entering indigenous communities without permission. Worker camp management requirements are specified to minimize the direct impact of the workforce on the local environment and nearby populations. Concerning the potential for Project construction to lead to land clearing, the EIA requires the Contractor to limit clearing only to areas where strictly necessary, and, in any case, requires that permits to clear be approved by the Land and Forest Authority (<i>Autoridad de Bosques y Tierra, ABT</i>) before clearing begins and works start. There are also fire prevention and management programs for removing waste material from land in the right-of-way. The EIA also includes a revegetation and reforestation program to follow completion of works.</p> <p>The SA noted that logging and conversion processes in the Chiquitania region began in the 1970s/1980s, and that livestock, agriculture and forestry activities were increasing in the Project area, along with increased population density. It considered these as contextual issues occurring irrespective of the Project, but also indicated that the Project might generate a range of potential positive and negative impacts, including stimulating the local economy, contributing to additional population increase in the region and increasing expansion of agribusiness, which in turn would affect indigenous culture, livelihoods and lifestyles.</p>

No.	Claim	Response
		<p>While noting that it was not possible in the context of a Project-related plan to manage the wider contextual impacts, the original IPP (2016) did outline mitigation measures to respond to these key issues as well as demands raised during public consultation processes, such as to improve productive technical tools and strengthen institutions of the indigenous communities.</p> <p><i>The revised IPP also concluded that expansion of settlements, agribusiness, and timber harvesting are not caused by the Project, and that broader issues of Indigenous Peoples' land security are outside the Project's scope.</i> However, the IPP provided a series of programs and activities aiming to help address potential negative impacts of these changes on the indigenous communities, and to better position them to benefit from the economic changes underway across the region, mainly by strengthening Chiquitano organizations and supporting communities with productive projects. With respect to water, it was agreed during the final stages of the IPP revision process that water well construction would not be part of the IPP itself, but that construction of three (now expanded to four) water wells in indigenous communities would in any case be taken up directly by the Contractor as part of the Water Resources Management Plan required under the EIA. It should be noted that these wells are not linked with the impacts of the construction phase water use, as the Contractor decided to use different water sources not affecting those communities. Measures to minimize and manage any potential negative effects of construction phase water use are outlined separately in the Contractor's Water Resources Management Plan.</p> <p>As noted earlier, the types of impacts flagged in the Request were already occurring before and would have continued in the Project area even without the Project.</p> <p><i>While unrelated to this Project, Management nonetheless recognizes and is concerned about the potential negative effects of these broader land use changes underway in the Chiquitania region.</i> The Bank has recently undertaken analytical work focused on forest governance, ecosystem services valuation, and tools for sustainable land use management in the region, with an aim to support the Government in enhancing sustainable development and reforestation processes across the region. Based on this work, the Bank has also been discussing with the Ministry of Development Planning and the Ministry of Environment and Water possible support for a reforestation project.</p>
3.	The Bank's failure to prioritize preventing harm to communities has meant that a number of harms to the Chiquitanos have resulted from the road upgrade. These include, but are not limited to:	<i>Management disagrees that the population migration, land use changes, and their resulting impacts are caused by the road upgrading under the Project. The road works began in September 2019 and are on-going (progress of physical works is currently at 37 percent). There are impacts resulting from the construction</i>

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		<p><i>phase of the Project, which are being addressed through appropriate safeguard instruments.</i></p> <p>See responses to individual sub-items below.</p>
3.a.	<p>Increasing rates of illegal occupation and confiscation of indigenous lands. Approximately 65 percent of the 174 communities that started the process of recognition of their lands have received a land or property title, but 35 percent still have their land titling pending through the INRA. The road upgrade represents a huge risk for those IP groups with pending titles. Also, some Chiquitano communities have not started processing their titles.</p>	<p><i>The non-local population migration is related to the broader national agrarian policies, plans and legislation, which have facilitated migration movements, and which are unrelated to the Project and predate it.</i></p> <p>Land ownership, distribution and regularization processes in Bolivia are governed by Law No. 1715, October 18, 1996 (Agrarian Land Law). The Agrarian Land Law provides for different forms of agrarian property, individual as well as communal. Territorial Communities of Origin (TCOs) are a form of community agrarian property that are exclusively recognized for Indigenous Peoples, whereas Community Property is a form of agrarian property that is available for both indigenous and non-indigenous communities, including peasant farmers (<i>campesinas</i>) and native (<i>originarias</i>) communities.</p> <p>To Management’s knowledge, there are no Chiquitano TCO titled or with pending titling processes in the Project area.</p> <p>In Management’s understanding, the 174 Chiquitano communities seeking land titles for land claimed by them as mentioned in the Request are in the wider area of the Chiquitania region and outside of the Project area. According to information available to Management, in the Project area there are 24 established communities (see footnote 17 above): (i) 16 indigenous communities that have received title to Community Property; (ii) one established peasant farmer community and six new peasant farmer communities, which have either received title for Community Property or have a pending land title process; and (iii) only one Chiquitano community with a pending land title process with INRA that is actually located in the Project area. Nevertheless, the Project has no part in or impact on the land titling processes, which are led by INRA, a separate government agency that has no relationship with the Project and is not involved in its implementation. Management is also not able to opine on the quality or speed of the land titling processes. Moreover, none of the land related issues raised in the Request pertain to land acquisition by or for the Project.</p> <p><i>Management understands the concerns expressed in the Request that result from the migration of non-local population into the area.</i> Specifically, the Request considers the migration (“invading”) of outside groups and their settlement in the area to be a direct threat to the Chiquitano communities’ own efforts to obtain formal land titles. However, Management is not aware of land being confiscated in the Project area and re-distributed to other population groups, or any possible relation to the Project.</p>

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		<p>As explained in section IV, these developments are related to national policies, plans and legislation to support agricultural expansion, encourage clearing and provide incentives for agricultural production that go back a decade ago and were apparent well ahead of the road upgrade. Those agrarian laws and policies are unrelated to the Project. There is no evidence that population influx has increased in region as a result of the road upgrading. Moreover, this influx began increasing as early as 2012 and thus was already occurring in the region even with the road in its original unpaved state.</p> <p>This internal migration and hence population influx to the Chiquitania region, is also anchored in the land regularization (<i>saneamiento</i>) and land distribution processes carried out by INRA under the Agrarian Land Law. The opportunity to obtain land ownership in a region which is favorable for agricultural production has been a strong incentive for the population influx to, and related land use changes in, the Chiquitania region.</p> <p>In Management's view, the issue of population influx and related land use changes at a regional level is well beyond the Project and cannot be addressed at the Project level.</p> <p>Notwithstanding the above, the IPP contemplates measures to strengthen the institutional capacity of indigenous communities. In particular, the IPP supports preparatory work, capacity building, and expenses to enable the Chiquitano indigenous representatives to develop strategies and build consensus, as well as to participate in regional, national and international meetings of Indigenous Peoples, where they can increase their awareness and benefit from integration and coordination actions with other Indigenous Peoples groups. During the consultations, the <i>Centrales</i> expressed the importance of including these measures in the IPP to enable them to advocate before authorities for their communities on issues ranging from land tenure claims to support needed in emergency situations as well as for their communities' projects.</p> <p>As such, these measures would enable the Requesters to pursue their collective interests more effectively in processes involving state authorities. However, the demand in the Request for the IPP to provide measures to support land titling, and thus help protect "Chiquitano territories" is beyond the Project.</p> <p>The IPP also includes measures aimed to mitigate the negative long-term impact of potential weakening of their identity and culture as a result of the arrival of new people and new cultures in the area. The activities included: modules for artisanal loom weaving; livestock modules; organizational strengthening with a gender focus for the four Chiquitano organizations; construction of a productive communal house (community center also used for commercial purpose) for three of the four Chiquitano organizations; and training in local economic development for the use of</p>

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		<p>productive infrastructure (e.g. for the establishment of artisanal craft markets in the community center). These IPP activities were designed to foster regional economic opportunities, strengthen indigenous women’s economic capacities and opportunities, improve marketing conditions for local products, and provide access to basic services (e.g. water wells).</p>
3.b.	<p>Increase in illegal agribusiness activities and illegal timber, impacting the livelihoods of the Chiquitanos.</p>	<p><i>Management agrees that agricultural expansion and logging activities, both legal and illegal, in the Chiquitania region affects the Chiquitanos. However, it is very unlikely that these trends have been caused by Project works to date, and Management considers a potential future contribution of the road upgrading to these ongoing trends would be minor, as they were already ongoing well before the Project and continue to date. Moreover, it is important to note that the road upgrading under the Project does not provide new access into forest areas, and that the area is already well connected with major national highways running east-west, as well as a network of primary and secondary roads between them.</i></p> <p><i>It should be noted as well that the forested areas in the Project area are not in pristine status.</i> According to the EIA, their conservation status ranges from “regular” to “very low,”²³ signifying that human influences have long been present throughout the area. Moreover, the Government has cleared those areas for conversion from forests to agriculture, and this is not as a result of the road.</p> <p>Agricultural expansion is supported by legislative changes made between 2013 and 2019 which provided the legal basis for land clearing for the expansion of agricultural areas and authorization of settlements. Logging typically takes place as part of the land clearing process, as well as under forestry permits granted by the national Government. Land regularization processes under the Agrarian Land Law have benefitted small and medium property holders, and agribusiness enterprises in the region as well.</p> <p>The Chiquitania region represents the main area of agricultural expansion through policies and plans that are in turn supported by laws and regulations that go back a decade, and which encourage clearing and give incentives to agricultural production, such as the following:</p> <ul style="list-style-type: none"> • Law No. 337 of 2013, amended by laws 502, 739, and 952, establishes an exceptional regime for the treatment of land cleared without authorization between 1996 and 2017, whose beneficiaries would register in “Food Production and Forest Restitution Program”.

²³ On a scale of “very high” to “very low.”

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		<ul style="list-style-type: none"> • Law No. 740 of 2015 extends the deadlines to five years for verifying socioeconomic function requirements of medium property and agribusiness enterprises, to guarantee food sovereignty and security, and incentivize agricultural investments and production. • Law No. 741 of 2015 authorizes clearing of up to 20 hectares in small private properties, community properties and authorized settlements with forest cover to expand food production of agricultural origin. It also provides for an exemption for the payment of patent for said properties for the same purpose. • Law No. 1098 of 2018 gives incentives to national agricultural production of vegetable additives to help reduce imports of the same and to promote food and energy sovereignty and security. • Supreme Decree (D.S.) 3874 of 2019 reinforces the incentives of Law No. 1098, creating an expedited procedure for assessing soy products. • Law No. 1171 of 2019 on the rational use and management of burning, which establishes a regularization period for payment of fines for unauthorized burning. • D.S. 3973 (2019) allowed clearing for agricultural activities on private and community lands in the Departments of Beni and Santa Cruz. It also allowed for controlled burning in some circumstances (repealed in 2020). <p>As seen in Annex 2, it is clear that deforestation is widespread across the region. However, the data does not indicate that deforestation rates in the Project area have been notably more severe than in other areas of the affected municipalities, since Project construction began. As noted under Item 2 above, there is also no evident linear relationship between the presence of the road and the total accumulated deforestation in each municipality.</p> <p>The national banking portfolio for livestock operations between 2010 and 2020 rose from US\$68.1 million to US\$722.8 million. In the Department of Santa Cruz alone, the portfolio rose from US\$44.2 to US\$551.4 million and the number of credits or loans for livestock increased from 1,149 to 8,142. This is indicative of tremendous growth in the livestock sector during this decade, almost all of which preceded the start of Project construction in September 2019.</p> <p>Considering that (i) there is a wide road network in the four municipalities, of which the Project road represents only about 2 percent (Map 6, Annex 4), (ii) the policies mentioned above are contributing to major land use changes across the Chiquitania region, and (iii) road construction is only 37 percent advanced at present, Management does not see how the recent growth in</p>

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		agribusiness and timber activities (legal and illegal) in the region can be attributed to the Project.
3.c.	Chiquitanos hired by the contractor to work in the construction of the road reported that the hiring conditions of the company do not guarantee their labor rights. Several times, the company has not paid these workers in a timely manner.	<p><i>Management confirms that the bidding documents and subsequent civil works contract contain all standard clauses and requirements related to labor under applicable Bank policies. Management is aware that there are delays in payment of workers, and other labor issues, and that these concerns have been brought to the attention of the Contractor and ABC.</i></p> <p>While some of these issues were resolved, other remained unaddressed. Management has requested ABC to ensure that any outstanding labor and OHS issue be quickly resolved and a report documenting the resolution be provided to the Bank. Moreover, Management has requested ABC to carry out a comprehensive labor and OHS audit for the Project works, which should be completed by April 15, 2023.</p>
3.d.	Wildfires are also threatening the lands and livelihoods of the Chiquitanos. According to a report [...], wildfires in Chiquitano area are a result of different activities, including the invasion of settlers, an increase of agribusiness, deforestation, livestock, illegal timber, etc., and given that the upgrading of the road is exacerbating all these activities, the road is thus also increasing the rates of wildfires.	<p><i>Management agrees that wildfires in the Project area have become a major concern over the past several years in particular. The main driver of this development is widely understood to be land clearing for agriculture and livestock activities, which has increased markedly in recent years across the Chiquitania region as a result of land use changes related to policies described in Item 3.b above, and has been further fueled by climate change. Management does not consider that the Project has been a driver of these trends.</i></p> <p>Wildfires have become a major concern in the region in recent years. Nationwide, fires in 2019 affected around 5.7 million hectares, in 2020 more than 4 million hectares, and in 2021 3.4 million hectares. The Department of Santa Cruz, which includes the Chiquitania region, is the most affected. The municipalities that constitute the Chiquitania experienced 3.4 million hectares burned in 2019, 1.8 million hectares in 2020 and 2.5 million hectares in 2021 During these 3 years, it is evident that the areas most affected by fires were around San Matias, in the south between San José de Chiquitos and Puerto Suarez, and to the north of San Ignacio de Velasco, all outside the Project area. (See Annex 3). According to studies, land clearing for agribusiness and livestock activities in the Chiquitania region has contributed to increased wildfires.</p> <p>Wildfires are a natural part of the dry forest ecosystem of the Chiquitania region, and fire also has historically been used in a controlled manner to clear land plots for productive uses (known as “chaqueo”). Most of these fires have been caused by inadequate fire management, as well as fires used by mechanized agriculture for commercial purposes and for pasture management for cattle ranching. It is notable also that recent migrants to the region likely lack experience and expertise in carrying out controlled burns in the Chiquitania ecosystem, which may result in an increase in unintentional blazes. Climate change has exacerbated the situation</p>

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		<p>further by putting additional stress on water resources and increasing temperatures. A <i>Fundación Tierra</i> report attributes increase wildfires to multiple factors, including the laws that incentivize agricultural expansion, large scale agribusiness activity and the new settlements.</p> <p>The EIA considered the issue of fires that could originate from Project construction activities and included a management plan, which, according to Supervision firm monitoring reports received by ABC, has been implemented by the Contractor to date. Although fires are a recurrent event in the Chiquitania region, the municipalities do not have specialized personnel or the necessary equipment or early warning systems to deal with these events. In 2019, a year of major wildfires in the Project area, the Project notably contributed to supporting the municipalities to mitigate wildfires through the provision of transport for additional firemen, as well as provision of water tanks— even though not required to do so as a direct construction mitigation measure.</p>
3.e.	<p>In addition, project affected community members have raised concerns about sexual exploitation, abuse, and harassment (SEA/H), including child SEA/H of indigenous girls perpetuated by project workers hired by the Contractor hired by ABC to upgrade the road.</p>	<p><i>Management is aware of the incidents of SEA/SH in the Project area. As an immediate response, the Bank asked for and received a report from ABC stating that proper medical, and psycho-social services were offered to survivors. In addition, a comprehensive GBV Action Plan has been agreed with ABC to strengthen the existing measures. Preparation of the Action Plan benefitted from inputs received from BIC and CPC. The GBV Action Plan is currently under implementation and progressing well.</i></p> <p><i>Aware of the high prevalence of GBV in Bolivia, the Project included measures for addressing GBV issues during its design and implementation. As noted in the Country Partnership Framework (CPF) for fiscal years (FY) 2023-2026 under preparation, the Bank is committed to tackling structural factors that cause GBV in Bolivia and requires that all new projects contain GBV/SEA-related prevention and survivor support actions; a national GBV stand-alone IPF operation is also under discussion with Government.</i></p> <p>Provisions to prevent, mitigate and respond to SEA/SH incidents at the project design stage, and prior to the start of civil works, included: (1) preparation of a Code of Conduct and ensuring signature by all workers prior to the start of civil works; (2) training on GBV for ABC, the Contractor and workers prior to the start of civil works; and (3) the design of a GRM system linked to the SLIMs and DNNAs of each of the four municipalities in the Project area.</p> <p>Efforts to improve and strengthen implementation of these systems has continued, such as through the 2019 Bank-wide initiative to retrofit GBV components of infrastructure projects. In the case of the Project, this included enhanced efforts to monitor the effectiveness of the Project’s GRM and the social and</p>

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		<p>environmental teams of the Contractor and the Supervision firm jointly holding information sessions for local residents on the Project’s Code of Conduct, and on how to access the GRM. During the pandemic, a local NGO was hired to analyze the situation, review the GRM, and provide recommendations for strengthening the GBV measures. These recommendations were taken into account in the revised IPP and when developing the GBV Action Plan, including additional support to the local SLIMs and <i>Promotoras</i>.</p> <p>Management is aware of cases of GBV related to the Project:</p> <p>a. 2021</p> <p>On October 25, 2021, the Supervision firm informed ABC of a case of SEA/SH involving project workers. This information was reported to the Bank on October 27, 2021. The Bank then took the following immediate action: (1) verified that the survivor had been offered and received services, which she had via the local SLIM (i.e., medical, psycho-social and legal); and (2) met with ABC to chart out actions to strengthen and improve existing SEA/SH Project mechanisms for prevention and response.</p> <p>Based on these discussions, following the SEA/SH case, ABC ensured that the Contractor undertook the following actions: (i) improved security and supervision in camps; (ii) installed signage and visible messages regarding the Project’s non-tolerance of SEA/SH; (iii) communication campaigns; (iv) additional training sessions for all Project workers; (v) new provisions related to SEA/SH prevention included in the revised IPP, such as training for community promoters and making transportation available for them to support the SLIMs and DNNAs to deliver training for the communities and to accompany the SEA/SH victims, should an incident occur; (vi) work with communities to decentralize the GRM system and render it more accessible; and (vii) improvement of the GRM protocol to work with the SLIMs and DNNAs. The Bank also carried out safeguards training for ABC staff and ABC agreed to undertake training of communities on the Code of Conduct.</p> <p>a. 2022</p> <p>In September 2022, the Bank was informed by BIC about alleged cases of SEA/SH, including minors, allegedly linked to the Project in the municipalities of San José, San Miguel and San Rafael, where the road upgrading works were being carried out as part of the Project. BIC informed the Bank that its local partner NGO, <i>Fundaciòn Munasim Kullakita</i>, had consulted with communities in the Project area and identified: (i) 7 alleged cases of SEA/SH involving minors and Project workers that were allegedly reported to the relevant DNNAs and SLIMs and (ii) 12 additional SEA/SH cases allegedly perpetrated by Project workers that were not</p>

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		<p>reported or did not reach the GRMs. In addition to these allegedly Project-related cases, BIC raised concerns of community members on the potential increase of sex trafficking due to the road and mentioned some 15 alleged cases of women leaving their communities in the Project area for unknown reasons. The above-mentioned cases had not been reported to ABC or the Bank through the Project's reporting system.</p> <p>In response to the allegations of SEA/SH abuses linked to the Project, the Bank took the following actions:</p> <ul style="list-style-type: none"> • On September 16, 2022, the Bank held separate meetings with BIC and ABC regarding the alleged incidents. • A mission to the Project site led by the Practice Managers of Transport and Social Sustainability and Inclusion took place on September 19-30, 2022. • During the mission the Bank verified that the systems to offer services to survivors needed to be strengthened. • To ensure comprehensive prevention and support, a GBV Action Plan was agreed upon to strengthen implementation of existing SEA/SH measures and systems and consulted upon with key stakeholders, including ABC and BIC. The stand-alone GBV Action Plan also refers to the GBV-related activities included in the revised IPP. • The Bank is working on a proposal of support from Japan Social Development Fund (JSDF), which represents an important opportunity to further work on GBV in Bolivia. The proposal focuses on the transformation of harmful gender norms among adolescents, to ultimately reduce GBV. • A GBV stand-alone IPF operation in Bolivia is under high-level discussions with the Ministry of Development Planning and the Ministry of the Presidency. <p>b. 2023</p> <p>In January 2023, the SLIM and DNNA of San Rafael de Velasco informed the Supervision firm of two cases of SEA/SH related to the Project. Immediate action was taken to ensure the survivors are receiving appropriate support, and the perpetrator has been temporarily suspended pending investigation.</p>
4.	<p>Since 2018 the <i>Centrales</i> and [...] have been telling WB management that the originally developed and approved IPP was inadequate to guarantee access to project benefits and effectively address the project's adverse</p>	<p><i>Management is of the view that the 2016 IPP is consistent with the provisions of OP 4.10.</i></p> <p><i>The IPP prepared in 2015 and approved in 2016 is the result of a process of free, prior, and informed consultation with the four Chiquitano organizations of the Project area and includes actions agreed with the indigenous communities to enhance opportunities</i></p>

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	<p>impacts and thus needed to be updated. Also, the Chiquitanos raised that their participation in the design of the initial IPP was weak and ineffective because they didn't have meaningful information about the negative impacts, risks, and project benefits when initial consultations started. The <i>Centrales</i> raised this issue in a letter sent to the World Bank on March 6, 2018.</p>	<p><i>for all Chiquitano communities to benefit from the Project and mitigate identified impacts.</i></p> <p><i>In 2018, ABC agreed to revise the IPP at the request of the indigenous communities, considering the time that had passed and changed circumstances, including changes in the leadership of the indigenous organizations since the finalization of the original IPP (2016).</i></p> <p>Strong consultation process. Participation was inclusive and robust. Six consultations were held between August and October, 2015, involving the 16 indigenous communities located in the Project area, including 60 representatives of the Chiquitano organizations and community members.</p> <p>The SA was discussed with the Chiquitano organizations. During the SA (2015) preparation, positive and negative impacts were analyzed, and several measures were proposed to mitigate and/or manage those impacts.</p> <p>The SA also identified potential impacts that were considered outside of the scope of the Project such as an increase in population density, increase in irrational use of forest resources and increase in the expansion of agribusiness and the use of agrochemicals. <i>The SA concluded that these impacts were outside the scope of the Project (p.79).</i> However, these issues, including alleged illegal occupation of indigenous land and illegal agribusiness activities, were also not raised by the indigenous organizations during the consultation process that led to the finalization and approval of the 2016 IPP.</p> <p><i>During the consultation process the Chiquitanos prioritized other potential impacts and benefits, agreed on corresponding mitigation measures, and indicated they were satisfied with the consultation process and reiterated their support to the Project.</i></p> <p>The measures agreed with the indigenous communities and included in the IPP are meant to provide the Chiquitanos access to the benefits from the Project. The IPP seeks to support their identity while allowing the Chiquitanos to be better positioned to participate in the expanded regional market that the road project will open, once it is concluded. <i>The measures included in the original IPP (2016) were agreed to respond to the priorities identified through the consultation, in particular in the short term to strengthen livelihoods of indigenous communities and their ability to participate in the economic opportunities the Project could enable once completed.</i> The IPP also aimed to mitigate the negative long-term impact of potential weakening of their identity and culture as a result of the arrival of new people and new cultures in the area. The activities included: modules for artisanal loom weaving; livestock modules; organizational strengthening with a gender focus for the four Chiquitano organizations; construction of a productive communal house (community center also used for commercial</p>

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		<p>purpose) for three of the four Chiquitano organizations; and training in local economic development for the use of productive infrastructure (e.g., for the establishment of artisanal craft markets in the community center). These IPP activities were designed to foster regional economic opportunities, strengthen indigenous women's economic capacities and opportunities, improve marketing conditions for local products, and provide access to basic services.</p> <p>The mitigation actions of the IPP also focused on the potential sociocultural impacts, including vulnerability, identified in the SA. Specific activities were incorporated to strengthen the community sociocultural and economic structures and to promote social inclusion and the strengthening of cultural identity, with a specific focus on health, education, and cultural preservation.</p> <p>Management considers that the 2016 IPP was consistent with OP 4.10 and proportional to the complexities and nature of the Project, as guided by the robust consultation process.</p> <p>Request to update the IPP</p> <p>In 2018, the Chiquitano organizations requested to revise the IPP, claiming that the consultations had not been meaningful.</p> <p>While maintaining that the consultation process had been inclusive and robust, ABC accepted the request for update, given that: 1) several years had elapsed between the preparation and implementation of the IPP; 2) some activities included in the IPP were no longer valid for various reasons (for example, some infrastructure had already been built); 3) the IPP budget needed to be revised; and 4) there had been a change in the leadership of the organizations in the interim as well as difficulties in the communities to build consensus, as reflected in a report financed under the HRIE TF conducted by the local NGO during the COVID-19 pandemic (p.31, Final Report, Lessons Learned and Recommendations). In the supervision mission of July 2018, the indigenous organizations, ABC and the Bank agreed to the IPP revision.</p> <p>Consultations were held on a regular basis to update the Social Assessment and revise the IPP, including 50 meetings between July 2018 and December 2021. The four Chiquitano organizations representing the communities located in the Project area participated in the consultation meetings held from 2018 to 2022, along with members from all communities in the Project area as well as from other communities in the vicinity. The community identified as included in the Project area in December 2022 due to a final alignment of the road was also represented in the consultation process for the revision of the IPP by its indigenous organization. Representatives of nongovernmental organizations (NGOs) with a</p>

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		<p>presence in the area, such as Fundación Tierra, also joined most consultation meetings.</p> <p>The consultations process for both the 2016 and 2022 IPPs took place in different phases, aimed at first presenting and receiving feedback on the results of the Social Assessment—respectively the initial and the revised analysis—and then at discussing and agreeing on the measures to be included in the IPPs, including local productive activities and organizational strengthening, based on the priorities and concerns identified by the indigenous communities themselves.</p> <p>This extensive and inclusive consultation process resulted in the revised IPP finalized in December 2021 and approved by the Bank in February 2022.</p>
5.	<p>After three years of dialogue and negotiations with the World Bank [...] and the implementing agency (Administradora Boliviana de Carreteras, the ABC), the <i>Centrales Chiquitanas</i> were able to introduce changes and include their inputs to the IPP. Finally, in January 2022, an updated IPP was approved and published along with an updated budget, increasing the amount of funds going directly to the <i>Centrales Chiquitanas</i> for their institutional strengthening, capacity building, and infrastructure from \$3.6 million to \$9.3 million. However, one year later most of these measures intended to mitigate adverse impacts and provide social and economic benefits to the IP have not yet been implemented despite the fact that the road construction was well underway.</p>	<p><i>Management confirms the strong involvement of the Centrales in the process of updating the IPP and acknowledges their solid support for the revised IPP. Management further acknowledges that IPP implementation was delayed.</i></p> <p>The delay in starting the implementation of the IPP approved in February 2022 was due to the lead time needed to amend the contracts of the Supervision firm and the Contractor to reflect the new budget and activities in the revised IPP, as well as staffing changes in ABC.</p> <p>ABC and the Supervision firm held a 3-day preparatory workshop on April 27-29, 2022 with the indigenous organizations and Fundación Tierra to define and accelerate the specific activities to be implemented, including procurement of goods and services, for the implementation of the IPP and to define the budget for each activity.</p> <p>Implementation of the revised Chiquitano IPP started in October 2022 and has proceeded rapidly since then. Moreover, at the start of implementation activities in October 2022, ABC agreed with the indigenous organizations on a timeline for the implementation of the IPP measures. The IPP implementation is expected to conclude in December 2023. OP 4.10 does not mandate a specific time limit for the implementation of the IPP. No IPP measures were required to be implemented before the start of the civil works.</p> <p>The IPP measures agreed in the meaningful and inclusive consultation process with the indigenous organizations from 2018 to 2021 address potential medium- and long-terms impacts of the Project.</p> <p>Road civil works began in September 2019. To date, around 37 percent of the road civil works have been implemented.</p> <p><i>Management acknowledges that the IPP revision process before February 2022 was delayed for a number of reasons.</i> Following</p>

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		<p>the Chiquitano communities' request and ABC's agreement in July 2018 to update the IPP, several factors affected the updating timeline, including: (i) delays in the recruitment of the Supervision firm responsible for updating the SA that would then lead to the update of the IPP; (ii) external factors such as wildfires and civil unrest in 2019, general elections and COVID in 2020, and social protests in 2022; (iii) ABC staff turnover; (iv) engagement in a robust participation process with the "Centrales," which required consensus building among the different groups that held different views on key issues; (v) divisions in the leaderships of two of the <i>Centrales</i>; and (vi) delays in the start of the road civil works, which began only in September 2019 and which were stopped during the pandemic. To avoid further delays in the finalization of the consultation process, the Bank authorized on an exceptional basis an in-person mission in December 2021 during the pandemic, to help finalize the IPP.</p> <p><i>Management notes that the issue of divisions in the leadership of two of the four Centrales representing the indigenous communities emerged in 2021 during the final stages of the consultation process to revise the IPP. Management also notes that these internal divisions have become more acute in recent months, and may affect the indigenous communities' decision-making related to implementation of the IPP, including on the use of resources and location of planned infrastructure.</i> Two new organizations have emerged by splitting off from the existing <i>Centrales</i>, which now claim to be the legitimate representatives of the indigenous communities. These new organizations have been formed by former members and leaders of the initial organizations. There are now six indigenous organizations claiming to represent the Chiquitano communities in the Project area. Management notes that since these internal disagreements emerged in 2021, ABC has invited all parties to participate in the consultation meetings. One of the newly formed parallel organizations decided not to participate in the meetings, as documented in the revised IPP, but it did not raise objections to the finalization of the IPP.</p> <p>These divisions among organizations have become more complex in the context of the implementation of the IPP, which requires clear decision-making, including on the use of resources. In the two areas that now have two organizations each, there are disagreements on the location of the infrastructure to be constructed as part of the implementation of the IPP. In this situation, the Bank has advised ABC to support the indigenous organizations to reach internal consensus by implementing the organizational strengthening activities included in the IPP, which aim at promoting spaces for internal dialogue. ABC plans to reach out to the indigenous organizations to promote this dialogue in the second part of February 2023.</p>

No.	Claim	Response
		<p>Measures included in the revised IPP</p> <p>Following the consultation process, the updated SA and IPP identified medium- and long-term impacts and mitigation measures to address them. Among these were long-term negative risk for indigenous communities and their cultures due to the influx of people to the area, including the influence of new consumption patterns and the potential for acculturation and consequent dilution of identity. The new population dynamics also could generate dislocation and loss of social cohesion. The 2022 IPP included measures to manage these negative risks, which are grouped into two types of actions: (i) local economic development projects that intend to revalue the identity of the Chiquitanos; and (ii) organizational strengthening projects to promote spaces for participation, deliberation, and decision-making of the Chiquitano indigenous organizations.</p> <p>The revised IPP includes actions for the benefit of the communities along five strategic lines: (1) organizational strengthening; (2) local economic development through the strengthening of community productive initiatives for the revaluation of Chiquitano culture; (3) education and training with a gender, generational, and intercultural approach in economic-productive spheres, and prevention of gender violence; (4) fight against gender and generational violence through <i>Promotoras Comunitarias</i>; and (5) access to water and food security.</p> <p>The 2022 IPP updated the measures to address identified impacts, following the consultations. Specific measures included in the IPP, following the five strategic lines mentioned above, are: (i) implementation of livestock modules in the communities of Portoncito, Quitoquiña and San Antonio; (ii) handicraft weaving project in the communities of Portoncito, Quitoquiña and San Antonio; (iii) construction of infrastructure, “<i>Casa Grande de la ASICIV</i>” for the Association of Indigenous Councils of San Ignacio de Velasco (<i>Asociación de Cabildos Indígenas de San Ignacio de Velasco</i>); (iv) organizational strengthening project with a gender approach for the Chiquitano Indigenous Community Center-Turubó (<i>Central de Comunidades Indígenas Chiquitanas CCICH – Turubó</i>); (v) construction of a productive community house for the Association of Indigenous Communities of San Rafael de Velasco (<i>Asociación de Comunidades Indígenas de San Rafael de Velasco, ACISARV</i>) and the Organization of Indigenous Women of Rafaela (OMRIV); (vi) organizational strengthening project with a gender equity approach for ACISARV and OMRIV; (vii) project for the construction of the “large shade” for the Chiquitano Indigenous Community Center-San Miguel de Velasco (<i>Central de Comunidades Indígenas Chiquitanas - San Miguel de Velasco CCISM</i>); (viii) organizational strengthening project with a gender</p>

No.	Claim	Response
		<p>equity approach for CCISM; (ix) organizational strengthening project with a gender equity approach for ACISIV.</p> <p>The IPP also includes measures to strengthen the institutional capacity of indigenous communities, which they could use to support their processes to advocate for their rights (See response in Item 3.a. above for details). To date, implemented activities include contracting of technical liaisons; community meetings to identify locations for construction of infrastructure in different communities and submission of plans and designs to ABC; community meetings for organizational strengthening, capacity building training to monitor implementation of the IPP; and signing of agreements with the local municipalities on GBV prevention and incident response, and identification and training of <i>Promotoras Comunitarias</i>.</p>
6.	<p>The updated IPP includes funds for the Chiquitanos to protect their territories. Still, no preventive measures were developed to avoid the invasion of Indigenous lands. Table 21 (page 116) of the updated IPP states that no mitigation measures have been taken to address the issue of land insecurity and settler invasion because this is a road that already exists, and the project's aim is to upgrade the road. Also, it mentions that the IPP does not have sufficient scope or competence to address the issue of lack of land titling. However, given the project could lead to further invasion of the Chiquitanos territories due to road upgrading, the Chiquitanos need measures to protect their land included in the IPP, which should include reference to land titling.</p>	<p>The process of land regularization and distribution in the Chiquitania region has been facilitated by agrarian policies, plans and legislation that precede the Project.</p> <p>See response in Item 3.a. above.</p> <p>The IPP nonetheless has measures to strengthen the capacity of indigenous communities and mitigate the negative long-term impact of potential weakening of their identity and culture, as explained under item 3.a. above.</p>
7.	<p>The main World Bank Policy being violated in this project is the Indigenous Peoples OP/BP 4.10. The Policy requires the borrower to develop an IPP as part of the project design that includes:</p> <p>“(e) An action plan of measures to ensure that the Indigenous Peoples receive social and</p>	<p>See response to Item 5.</p>

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	<p>economic benefits that are culturally appropriate, including, if necessary, measures to enhance the capacity of the project implementing agencies;</p> <p>(f) When potential adverse effects on Indigenous Peoples are identified, an appropriate action plan of measures to avoid, minimize, mitigate, or compensate for these adverse effects.”</p> <p>However, while construction works started in 2019, the measures included in the IPP to “ensure that the IP receive social and economic benefits” and the “action plan of measures to avoid, minimize, mitigate, or compensate for those adverse effects” still have not been implemented four years later. This is impeding the Chiquitanos from effectively accessing project benefits and from having the proper mitigation measures in place to avoid adverse impacts as a result of the project. From the Chiquitanos perspective, the initial IPP was not adequate since it did not effectively reflect the inputs, concerns, and recommendations provided by the <i>Centrales</i> during project design. While the revised IPP is much improved, the fact that it exists only on paper and has not been implemented makes it worthless in preventing harm resulting to the community from the project.</p>	
8.	<p>We have complained to World Bank staff on multiple occasions, both in person and in writing, including:</p> <ul style="list-style-type: none"> ● In March and June 2018, the four <i>Centrales Chiquitanas</i> sent two letters to the World Bank 	<p><i>Management maintains that throughout Project preparation and implementation, it has been proactive and responsive to concerns of the Centrales Chiquitanas, as evidenced by the update of the IPP.</i></p> <p>The letter dated on March 6, 2018, only received by the Bank on April 18, 2018, was answered by the task team leader (TTL) of the Project on April 20, 2018, with a follow-up letter in May 2018. In</p>

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	<p>[...] requesting a meeting and explaining why they believed the IPP had flaws that needed to be reviewed and updated. They highlighted that they could not meaningfully engage in consultations for the development of the IPP due to the lack of information about the project's impacts and risks.</p>	<p>this response, the TTL expressed the importance of establishing participatory mechanisms to enable an open dialogue with the indigenous organizations during the lifetime of the Project. The Bank also informed the indigenous organizations that ABC was requested to carry out new awareness raising efforts on the IPP and the other instruments related to the social and environmental management of the Project. The Bank also proposed to have an in-person meeting in the Project area to discuss all the indigenous organizations' concerns and in July 2018 this meeting took place as part of the Bank's supervision mission.</p> <p>After the July mission, Chiquitano organizations sent a letter to ABC on August 3, 2018 to present their proposal to complement and adjust the IPP. ABC answered in a letter dated August 15, 2018 that the update would take place once the supervision contract was awarded.</p> <p>Although the contract for the civil works was signed on September 11, 2018, works could not begin until the supervision contract was also awarded. Supervision officially started on May 23, 2019.</p>
9.	<ul style="list-style-type: none"> In November 2018, [...] sent an email to [...] to inform [...] about the concerns of the <i>Centrales</i> regarding the IPP. In July 2018, the <i>Centrales</i> explained to the ABC why the IPP was inadequate, and the ABC agreed to update and adjust the IPP to address the concerns and recommendations raised by the Chiquitanos. However, four months later, the Chiquitanos were still waiting to hear back from the ABC. 	<p>This appears to be related to the revision process of the IPP, which references communications with the implementing agency. Frequent ABC changes in personnel may have caused delays in responding to communications received.</p> <p>Following the July 2018 mission and the agreement to update the IPP, the <i>Centrales</i> sent a letter dated November 10, 2018 to ABC to request information about progress on the IPP update. On November 8, 2018, ABC forwarded a communication to the Bank to inform that a meeting with the organizations would be held on November 16, 2018. That meeting resulted in an agreement to meet again in December 2018.</p>
10.	<ul style="list-style-type: none"> In December 2018, [...] shared a letter with [...], signed by the <i>Centrales</i>, informing their concern regarding the lack of action of the ABC after the agreement reached in July 2018 and inviting [...] to meet in San José with the <i>Centrales</i> and visit the communities impacted by the project. [...] told that the plan needed to be updated and implemented as soon as possible. 	<p>See response to Item 11.</p> <p>The Bank was informed that ABC had a meeting with the <i>Centrales</i> on December 10, 2018. As stated in the minutes, the <i>Centrales</i> acknowledge that the update of the IPP would start once the Supervision firm had been hired.</p>
11.	<ul style="list-style-type: none"> On April 9, 2019, [...] and the Bank Information Center had an in-person meeting with [...] in 	<p>On April 9, 2019, during the Spring Meetings of the World Bank Group, the Bank TTL met in Washington D.C. with representatives of BIC and <i>Fundación Tierra</i>. The <i>Fundación Tierra</i> representative</p>

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	<p>Washington DC to discuss the project and the main concerns regarding the lack of implementation of the IPP and the lack of response from the ABC to update the IPP. Also, [...] explained why the plan was inadequate from the perspective of the Chiquitanos and stressed the need to implement it as soon as possible.</p>	<p>complained that ABC had not answered several communications from the Chiquitano community members.</p> <p>The TTL requested the organizations to share the letters, which were forwarded to the Bank by email on May 9, 2019 by <i>Fundación Tierra</i>'s representative. The Bank thus learned that the <i>Centrales</i> had sent two letters, dated November 10, 2018 and March 11, 2019, respectively, to request information on the Project. The <i>Centrales</i> also sent a letter on March 6, 2019 requesting a meeting with ABC. In addition, a fourth letter to the Bank, dated April 4, 2019, was shared, which complained that no progress was being made towards the update of the IPP.</p> <p>The TTL then sent two letters on May 14, 2019. One letter was addressed to the <i>Centrales</i>, providing them with all the links to the Project information requested. The second one was sent to ABC, requesting it to respond to the organizations and to keep the Bank informed of its communications with the <i>Centrales</i>.</p> <p>The supervision contract was awarded and began on May 23, 2019.</p> <p>On July 31, 2019, the Bank received a copy of a communication of the <i>Centrales</i>, requesting a meeting to start the IPP update since the Supervision firm had been contracted. This request followed a meeting held on July 23, 2019, which the Chiquitanos organizations found unsatisfactory. In addition, although the information had been shared by the Bank in a previous letter dated May 14, 2019, the <i>Centrales</i> reiterated their request for information. The meeting was held on August 12, 2019.</p> <p>Civil works began on September 5, 2019.</p> <p>Between August 2019 and January 2020, the ABC and the <i>Centrales</i> held at least 23 meetings.</p>
12.	<ul style="list-style-type: none"> ● In August 2019, [...] informed via email to [...] and the Bank Information Center that the project had a new [...] team and made the connection with the new [...] 	<p>On August 2, 2019, the TTL informed <i>Fundación Tierra</i> and BIC by email of a change of TTL for the Project.</p>
13.	<ul style="list-style-type: none"> ● In October 2019, [...]and the Bank Information Center had a hybrid meeting with the new [...] team and World Bank social and environmental specialists. [...] requested an update on the implementation of the IPP and reinforced the need for the ABC to update and implement IPP. [...] explained again why the IPP was inadequate from the perspective of 	<p>On October 17, 2019, BIC, <i>Fundación Tierra</i> and the Bank team met, mainly to talk about another Project, the National Roads and Airport Infrastructure Project. The Project was briefly evoked at the end of the meeting and the Bank team provided the latest information on implementation status.</p>

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	the Chiquitanos and the reasons why it needed to be updated.	
14.	<ul style="list-style-type: none"> In September 2020, [...] and the <i>Centrales</i> sent an email to the WB [...] team requesting a meeting with them, the ABC, and the company contracted by the ABC to construct the road. They also shared a letter sent by the <i>Centrales</i> to the ABC requesting an update on project implementation, project monitoring, and the updating and implementation of the IPP. In that letter, they shared their main concerns regarding the project and stressed the need to update and implement the IPP. 	<p>On September 1, 2020, the TTL received an email from <i>Fundación Tierra</i>, forwarding a letter dated August 28, 2020 to ABC, asking for a meeting.</p> <p>The TTL acknowledged receipt, on September 3, 2021. In his response, he informed that the Bank had been following up on the commitments related to the Chiquitano SA and IPP revision process, as well as the consultation on other environmental and social safeguard instruments for the Project. Also, he emphasized the importance of conducting a broad consultation process that could confirm and refine the results of the SA and the proposals for updating the Chiquitano IPP activities. Due to the pandemic, he noted that the Bank would recommend to ABC to undertake virtual dialogue and/or in-person meetings (applying all pertinent health and safety measures) with fewer than 10 people attending.</p> <p>On September 4, 2020 <i>Fundación Tierra</i> sent an email to the TTL, complaining that ABC did not attend the meeting scheduled on September 3, 2020. The email contains copy of a note sent from the <i>Centrales</i> to ABC, requesting a new meeting. ABC maintains did not receive the letter dated August 28, and that they informed the Organizations of this in writing.</p> <p>On September 11, 2020, 2020, <i>Fundación Tierra</i> sent a note to ABC, with a copy to the Bank, informing that it was requesting urgent arrangement of a meeting. The TTL responded on September 16, 2020, stating that the Bank had reiterated to ABC the importance of organizing the meeting requested by the indigenous organizations as soon as possible. He also informed the indigenous organizations that the Bank had requested ABC to agree on a date and time for a meeting together with the Chiquitano indigenous organizations, as part of the next virtual Bank mission. In September, meetings for the coordination of the IPP revision process started.</p>
15.	<ul style="list-style-type: none"> In September 2020, the World Bank [...] Team, and the Bank Information Center exchanged several emails requesting the Bank to plan and facilitate a meeting with the ABC to discuss the three points stated in the letter the <i>Centrales</i> sent to the ABC. 	See response to Item 14.
16.	<ul style="list-style-type: none"> In 2020, when we raised questions about the implementation of measures to prevent and respond to child SEA/H, the Bank responded with 	<p><i>Given the high prevalence of GBV in Bolivia, the need to address issues of SEA/SH was recognized already in the Project design stage, through inclusion of measures to help prevent and respond to GBV incidents in Project documents. These measures were further strengthened during Project implementation including</i></p>

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	<p>information on all the actions developed in the project documents but had no clarity on whether they were being implemented on the ground by the ABC. They asked us to send the questions in writing and shared them with the ABC to get a response and update on the implementation of those measures. As of September 2022, several of these measures had still not been implemented. However, since September, the World Bank team has been engaged in developing an action plan to address the gaps in measures to prevent child SEA/H, and we are optimistic that, should this action plan be 100% implemented by the government, these harms can be prevented.</p>	<p><i>through the development of a GBV Action Plan with ABC, which was consulted with BIC, CPC, and which is currently being implemented. Management acknowledges the strong support for the GBV Action Plan expressed by the Requesters.</i></p> <p>During Project design, proactive measures for GBV prevention and response were included from the outset in Project documents, such as the Project Appraisal Document, the safeguard instruments (mainly EIA) and contracts. The actions included a Code of Conduct supported by Law 348, Comprehensive Law for a life free of violence, a protocol for the GRM linked to the local SLIMs and DNNAs; and trainings for ABC in GBV issues.</p> <p>The 2016 IPPs (for the Chiquitano and Ayoreo peoples) also included special initiatives to support women’s economic empowerment, lessening their economic dependence and exposure to GBV and other forms of harassment and abuse.</p> <p>The measures implemented in 2017 were: preparation of Code of Conduct to be signed by the workers before the construction started; training on GBV for ABC and the design of a GRM system linked to the SLIMs and DNNAs of each of the four municipalities in the Project area.</p> <p>In July 2018, a Bank mission took place to verify the implementation of these measures prior to the beginning of the civil works. Some areas of improvement were identified, such as improving the GRM and the Code of Conduct.</p> <p>In February 2019, following the issuance of the Good Practice Note on Addressing Gender Based Violence in Investment Project Financing involving Major Civil Works (September 2018), the Project was retrofitted as part of Phase I of the GBV retrofitting of all ongoing sustainable development and infrastructure projects, to strengthen the Project’s GBV prevention and response mechanisms.</p> <p>Before the civil works started in September 2019, the following measures were implemented: (1) Development and approval of the Code of Conduct. Between September and December 2019, all 137 workers signed the Code of Conduct and were trained on GBV prevention and STD/HIV prevention before they started their work. (2) The mission of July 2019 confirmed the establishment of the GRM; it became operational before the start of works in September 2019.</p> <p>In 2019, actions were implemented under a grant from the HRIE TF. The HRIE TF grant supported the hiring of a local NGO, <i>Proceso-Servicios Educativos</i>, to: 1) prepare an initial analysis of service providers; 2) design a manual and training for men on GBV prevention; 3) conduct a survey of workers to understand the issues better; and 4) produce an initial mapping of challenges for the GRM; and 5) deliver training for the <i>Promotoras Comunitarias</i>.</p>

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		<p>Regular reports were sent by the Contractor to the Supervision firm and to ABC and the Bank from the moment that the construction started in 2019. The reports included information related to the workers that signed codes of conduct, trainings, and GRM complaints.</p> <p>Between January and March 2020, 71 new workers signed the Code of Conduct and were trained on the same issues. In March 2020, activities were stopped due to the quarantine caused by COVID-19. Works resumed at partial capacity in June 2020 and were at full capacity by April 2021. In 2021 and 2022, respectively, 342 and 197 new workers signed the Code of Conduct and received the same induction training. In 2023, as part of the GBV Action Plan, the Code of Conduct was reviewed and revised, with inputs provided by CPC.</p> <p><i>In 2022, with the support of BIC and CPC, the Bank worked on comprehensive prevention and support measures, including a GBV Action Plan agreed in 2022 with ABC to strengthen implementation of existing SEA/SH measures and systems.</i> The GBV Action Plan was consulted upon with key stakeholders. It began implementation in November 2022, and is progressing well.</p> <p>The GBV Action Plan has the following components:</p> <ol style="list-style-type: none"> 1) Strengthening the institutional capacity of ABC to manage SEA/SH risks. 2) Strengthening the capacity and accountability of the Contractor and Supervision firm of the Project to manage SEA/SH risks. 3) Improving the GRM to respond to cases of SEA/SH, following a survivor-centered approach that relies on the <i>Promotoras Comunitarias</i> and a local NGO. 4) Strengthening the DNNA/SLIMs located in the communities of the Project. 5) Carrying out an in-depth analysis of the situation of SEA/SH in the communities by a local NGO, the relationship of cases with the Project, and the structural factors associated with SEA/SH, including gender norms and economic disadvantages for women and adolescent girls. <p>Implementation of the GBV Action Plan is underway. Several actions have already been taken, including: (i) developing TORs for a GBV NGO and a specialist to be hired by the Contractor and ABC respectively to support the implementation of the Action Plan; (ii) SEA/SH training delivered to key staff of ABC, Contractor, and Supervision firm by Bank specialists on December 22, 2022; (iii) strengthening of the GBV mitigation systems already in place, including the Codes of Conduct, GRM, services for survivors, and the existing agreements between DNNA/SLIMs, the Contractor, and the Supervision firm; and (iv) hiring of an organization to carry</p>

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		<p>out a broader and more in-depth analysis of the GBV risk in the Project area with recommendations for prevention. The aforementioned actions are to be completed by April 2023.</p> <p>The revised IPP for the Chiquitanos approved in 2022 focuses on issues of GBV against women and children by providing actions to raise awareness of the GRM, and to strengthen women’s economic empowerment, respecting their traditional economic activities, social structures and beliefs.</p> <p>The IPP aims to strengthen and train the Community Promoters (<i>Promotoras Comunitarias</i>) to ensure support to women and children and raise awareness of available services and access to the GRM, in coordination with the SLIMs and DNNAs of the 4 municipalities, through agreements signed in 2021. 30 <i>Promotoras Comunitarias</i> were already trained under the HRIE TF grant in 2021.</p> <p>The Bank is also working on a proposal to raise funding from Japan (JSDF), to support initiatives focused on the transformation of harmful gender norms among adolescents, to ultimately reduce GBV including in the Project area.</p> <p>Management has received information that a local NGO has been visiting the Project area and reportedly implying in its interactions with local authorities and communities that it represented the World Bank. This first came to the Bank’s attention during the September 2022 mission. Another report about such misrepresentation was received by the Bank during the planning of the February 2023 mission. In response to this, Management sent a letter to the NGO on February 3, 2023, requesting the NGO to refrain from such misrepresentations and to clarify to stakeholders that it is not associated with or part of the World Bank. During February 2023, staff of the NGO visited project-affected communities and reportedly again claimed to be from the World Bank. These incidents were also confirmed in a written communication from the Supervision firm to ABC (February 14, 2023), which was shared with Bank Management. The communication also conveys reports and concerns from community leaders, SLIMs and <i>Promotoras Comunitarias</i> that staff of the NGO has been visiting their community reportedly claiming to represent the World Bank and inquiring about SEA/SH incidents related to the Project.</p> <p>Measures are included in the FY23-26 CPF (under preparation) for all new projects to: (i) identify service providers locally to support survivors; (ii) establish Codes of Conduct and GRMs specialized in GBV, including against minors; (iii) develop specific and culturally appropriate measures to prevent SEA/SH when working in indigenous communities; (iv) provide training on prevention of SEA/SH to the executing agencies as well as</p>

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		contractors and subcontractors; (v) contractor and subcontractor provide outreach including on GBV issues to communities.
17.	<ul style="list-style-type: none"> In February 2021, [...] and the Bank Information Center met with the [...] team to discuss updates on the implementation of the IPP and the measures developed to prevent and respond to child SEA/H. 	On February 10, 2021, upon request from BIC, the Bank team, BIC and Fundación Tierra virtually met. The focus of the meeting was on SEA/SH mitigation measures. The Bank team detailed all the mitigation measures taken to date, described in box #16 above
18.	<ul style="list-style-type: none"> In December 2021, the <i>Centrales</i>, the World Bank, the ABC, and [...] had a meeting where there was an agreement to update the IPP. The IPP was effectively updated in December 2021, and the new updated version was published In January 2022. 	On December 13, 2021, the Bank authorized a mission despite COVID-19 restrictions to hold a workshop to finalize the consensus process and reach an agreement on the revised IPP. On this basis, the IPP was finalized and published in February 2022 (no objection on February 4, 2022).
19.	To date, the Bank does not dispute that many measures in the IPP still have not been implemented and instead continues to provide excuses for why ABC has been unable implement the IPP in a timely manner. No explanation has been provided for why the Bank has allowed project construction to continue despite the lack of implementation of the IPP, and thus the clear violation of OP 4.10.	As detailed above, the Bank provided reasons and explanations. Implementation of IPP activities is not required ahead of, or for, milestone achievement of road construction. Both can and should progress in tandem. A claim of violation of OP 4.10 is therefore erroneous.
20.	The current version of the IPP is relatively strong and, if it had been implemented, much of the harm described in this letter would have been avoided. However, the failure to implement the IPP has meant that the Chiquitanos have been left unprotected from the negative impacts of the project. We thus ask that the Inspection Panel recommend to the Board of Executive Directors an investigation into whether the World Bank is in compliance with its policies in its implementation	Management acknowledges the view expressed in the Request that the revised IPP is “relatively strong” and is currently in implementation. See response in item #5.

No.	Claim	Response
	of the Santa Cruz Road Corridor Connector Project.	

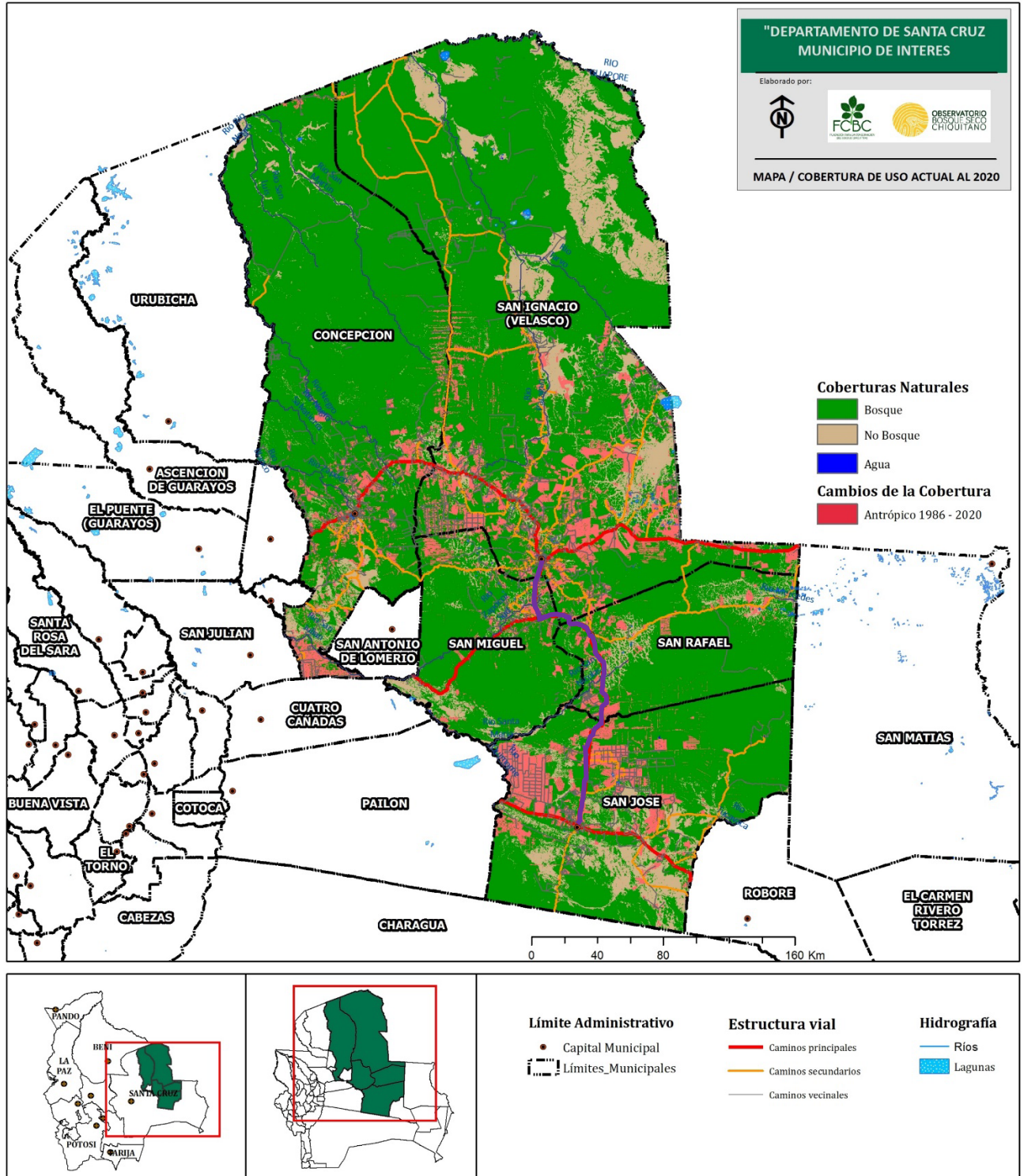
ANNEX 2
DEFORESTATION PROCESS IN THE CHIQUITANIA

Table A2.1: Deforestation (1986 - 2020) in the four Municipalities of the Project Area of Influence in Hectares (ha)

MUNICIPALITIES	YEAR 1986	YEAR 2010	YEAR 2018	YEAR 2019	YEAR 2020	TOTAL
SAN RAFAEL	1.850	38.618	34.331	9.210	3.711	87.720
SAN MIGUEL	2.240	21.248	53.098	9.751	10.634	96.971
SAN JOSE	20.727	106.209	158.617	32.564	13.602	331.718
SAN IGNACIO	16.970	212.813	229.293	48.967	50.816	558.858
Cumulative Total	41.787	420.675	896.014	996.506	1.075.269	

Source:

Fundación para la Conservación del Bosque Chiquitano, Observatorio Bosque Seco Chiquitano: 2023, Landsat 4-5TM [1986 and 2010] and Sentinel [2018, 2019 and 2020] images)



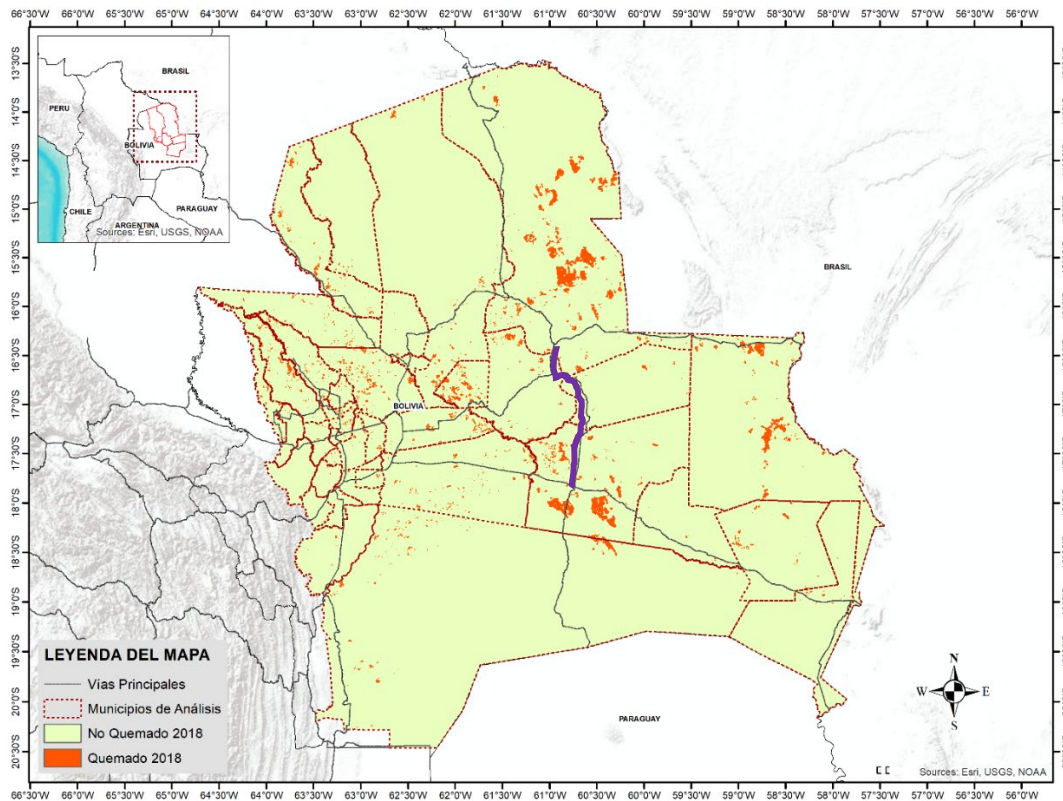
Map A.1: Deforestation (1986 - 2020) in the four Municipalities of the Project area plus Concepción Municipality

(Source: Fundación para la Conservación del Bosque Chiquitano, Observatorio Bosque Seco Chiquitano: 2023. ArcGis v10.8. Analysis using Landsat 4-5TM [1986 and 2010] and Sentinel [2018, 2019 and 2020] images.)

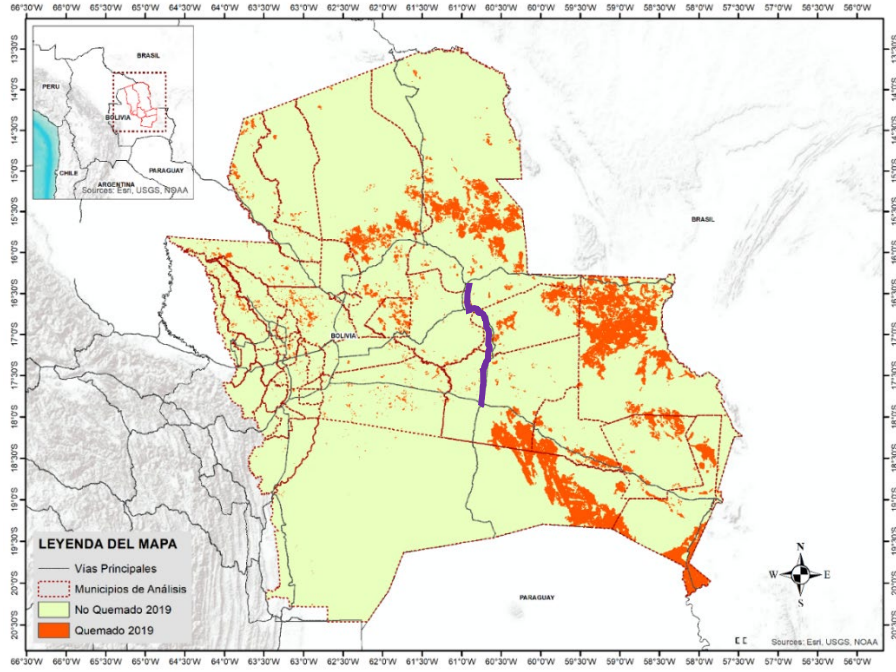
ANNEX 3.
WILDFIRES IN THE CHIQUITANIA

Table A 3.1: Area burned (in ha) during recent wildfires in the municipalities of the lowlands of the Department of Santa Cruz

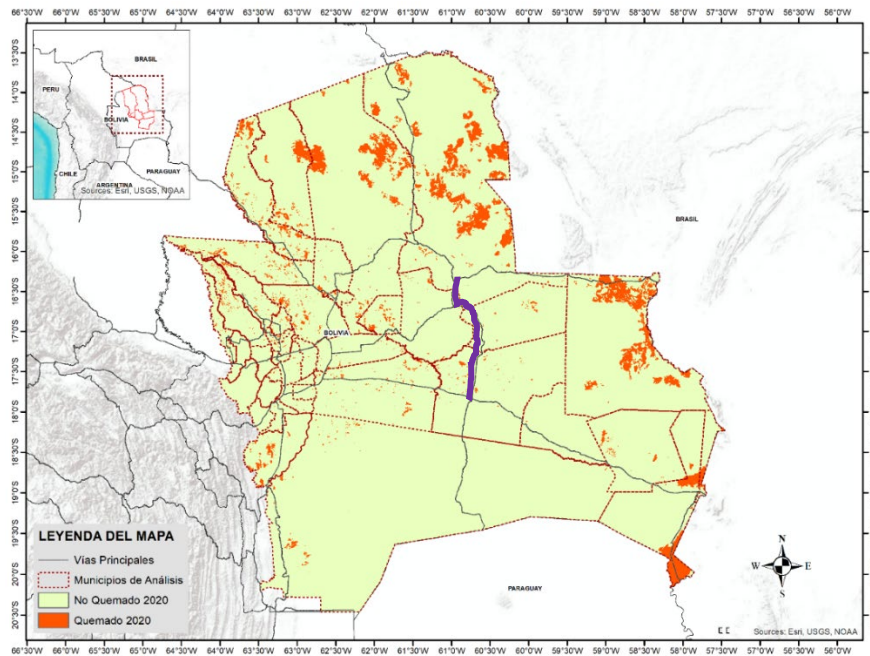
Year	Wildfires	Map
2018	751.464 (ha)	Map 3: Year 2018
2019	3.437.730 (ha)	Map 4: Year 2019
2020	1.831.289 (ha)	Map 5: Year 2020
2021	2.524.409 (ha)	Map 6: Year 2021



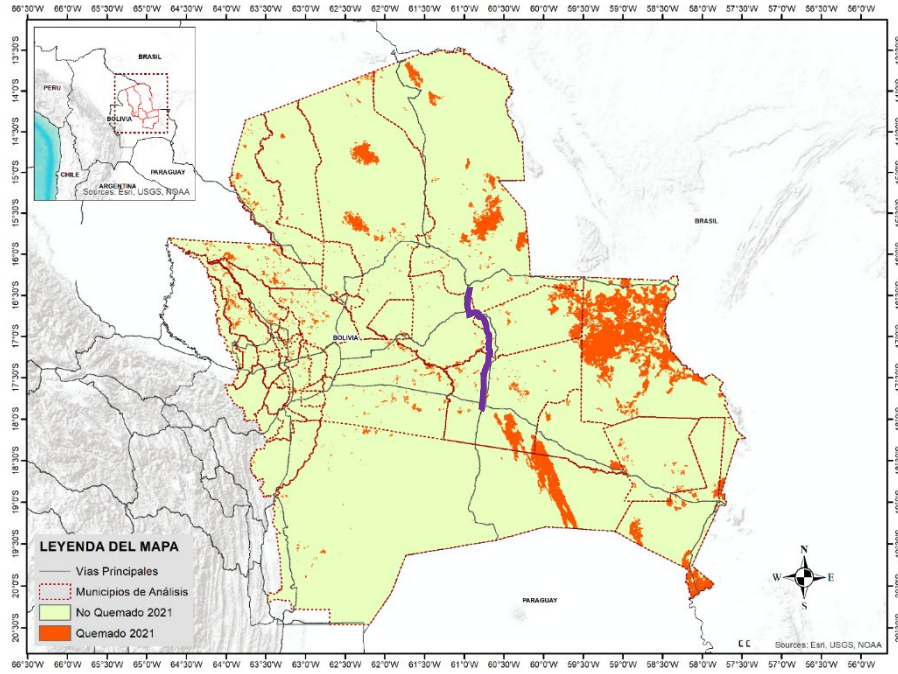
Map A3.1: Areas burned in 2018 during wildfires in the municipalities of the lowlands of the Department of Santa Cruz.



Map A3.2: Areas burned in 2019 wildfires in the municipalities of the lowlands of the Department of Santa Cruz



Map A3.3: Areas burned in 2020 wildfires in the municipalities of the lowland region of the Department of Santa Cruz



Map A3.4: Areas burned in 2021 wildfires in the municipalities of the lowlands of the Department of Santa Cruz

Source for table and maps in this Annex:

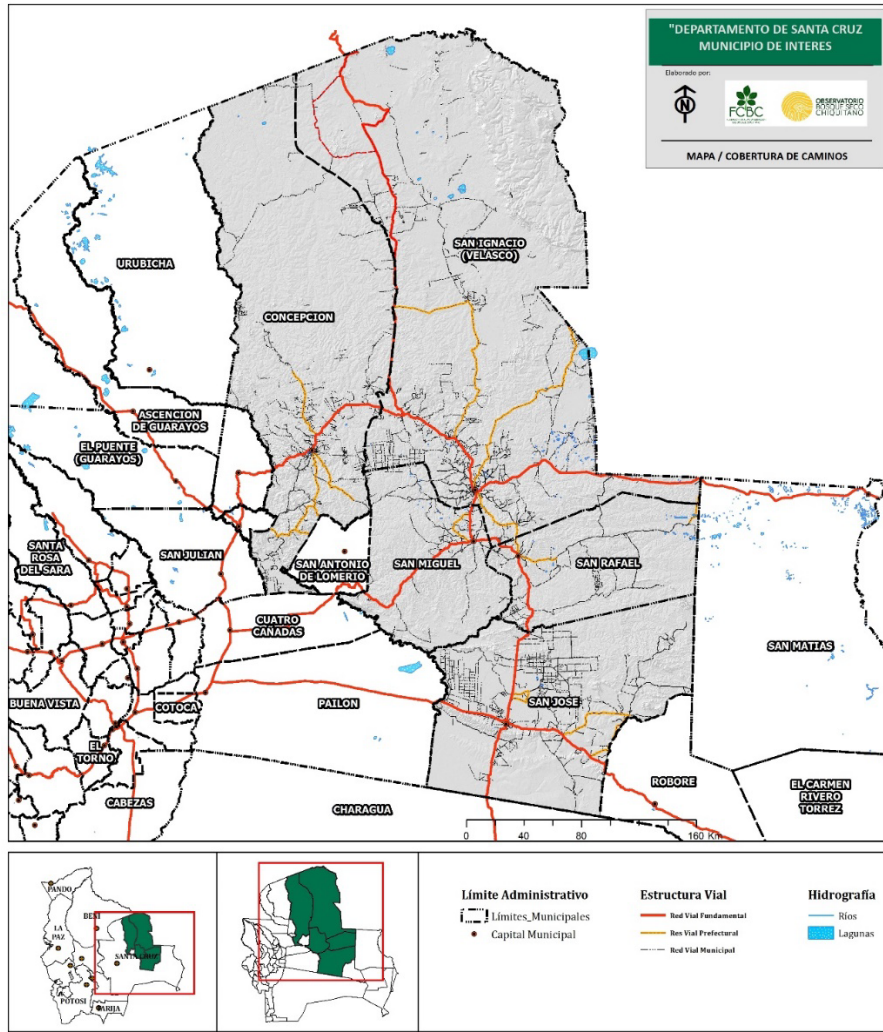
*Based on data from MCD64A1.061 MODIS Burned Area Monthly Global 500m
https://developers.google.com/earth-engine/datasets/catalog/MODIS_061_MCD64A1*

**ANNEX 4.
EXISTING ROAD NETWORK IN THE FOUR MUNICIPALITIES OF THE PROJECT AREA**

Table A4.1: Project Road (San José – San Ignacio) in the context of Existing Road Network in the Four Municipalities of the Project Area

(Source: Fundación para la Conservación del Bosque Chiquitano, Observatorio Bosque Seco Chiquitano: 2023.)

MUNICIPALITIES	PRIMARY ROADS (Km.)	SECONDARY ROADS (Km.)	TOTAL ROAD NETWORK (Km.)	LENGTH OF PROJECT ROAD (Km)	PROJECT ROAD LENGTH AS % OF TOTAL PRIMARY ROAD NETWORK	PROJECT ROAD LENGTH AS % OF TOTAL ROAD NETWORK
SAN RAFAEL	78.80	489.01	567.81	78.80	100	13.9
SAN MIGUEL	145.07	763.24	908.31	37.60	25.9	4.1
SAN JOSE	203.32	2,594.12	2,797.44	70.60	34.7	2.5
SAN IGNACIO DE VELASCO	292.46	5,277.39	5,569.85	21.0	7.2	0.38
Total	719.65	9,123.76	9,843.41	208	28.9	2.1



Map A4.7: Road network in the four Municipalities of the Project Area plus Municipality of Concepción

Source:
 Fundación para la Conservación del Bosque Chiquitano, Observatorio Bosque Seco Chiquitano, 2023.

ANNEX 5

DEFORESTATION VS ROAD NETWORK IN THE FOUR MUNICIPALITIES OF THE PROJECT AREA

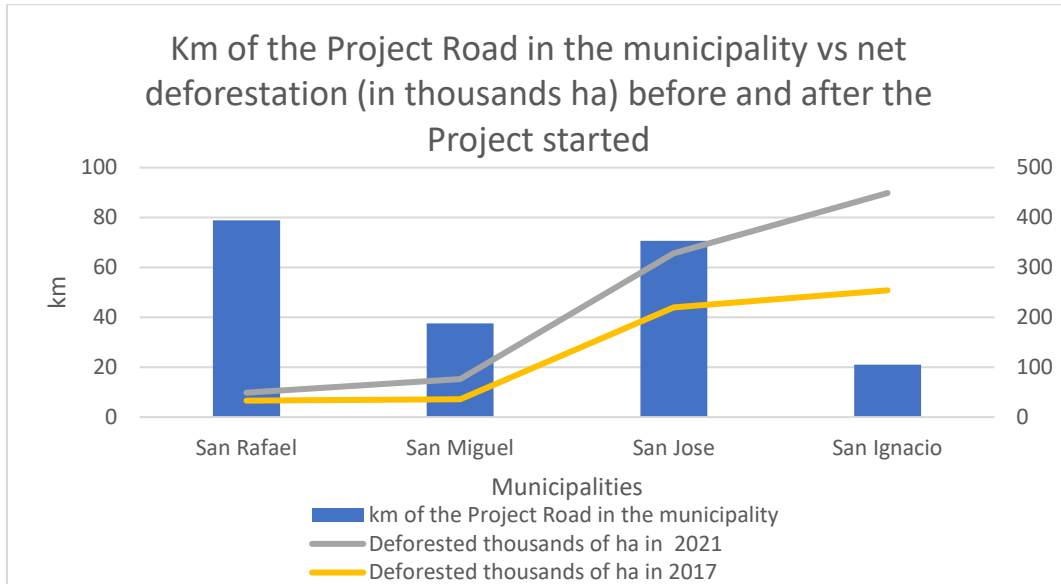


Figure A5.1 displays data on the total kilometers of road that are being upgraded by the Project in each municipality (blue bars, right axis); and the total number of hectares (x1000) deforested in each municipality as of 2017 (before the project started) and as of 2021 (about a year into Project construction – the year of most recent data with the data source used). As shown, the municipality with the longest segment of the Project highway is San Rafael, and the municipality with the shortest segment is San Ignacio. These are also the municipalities that present (inversely) the highest and lowest deforestation levels respectively in both years. San Ignacio presents a deforestation growth rate in the period 2017-2021 of 76%, while San Rafael deforestation levels grew during the same period by 48%. The data on these two municipalities would suggest, if anything, a negative relationship between these two variables, i.e. longer traces of highway are related to lower levels of deforestation. The municipality of San Miguel follows this trend: a long distance of the Project highway being upgraded and relatively low levels of recent deforestation, compared to San Ignacio. While this relationship is not statistically confirmed, it does suggest that there is no causal relationship between the ongoing construction works on the highway and the increase in deforestation.