

IPN REQUEST RQ06/05

September 11, 2006

NOTICE OF REGISTRATION

**Re: Request for Inspection
Argentina: Santa Fe Road Infrastructure Project (Proposed) and Provincial Road
Infrastructure Project (Loan No. 7301-AR)**

On August 28, 2006, the Inspection Panel (the “Panel”) received a Request for Inspection (the “Request”), dated August 20, 2006, related to the Argentina: Provincial Road Infrastructure Project and the proposed Argentina: Santa Fe Road Infrastructure Project. The preparation activities of the latter project may have been financed under the Provincial Road Infrastructure Project. The Request was submitted by Mr. Hugo Mario Arriola-Klein and Dr. Nancy Beatriz Jullier, residents of Chateaux Blanc, district of San Agustin, Province of Santa Fe in Argentina; they represent residents who live, work, and “*are users or owners of shops and dwellings in the location known as Chateaux Blanc.*”¹ Attached to the Request for Inspection are copies of a letter sent to the Presidents of the Communes of the localities of San Agustin and Franck with 31 signatories, and other communications sent to the Bank.

The proposed Santa Fe Road Infrastructure Project “*aims at fostering the Province of Santa Fe competitiveness and economic growth through increasing the availability of road assets. Adding capacity to a key component of a major bi-oceanic corridor that links the Province of Santa Fe and the Center Region with Chile and Brazil will reduce logistics costs, facilitate access to major regional consumption and export markets, create new business opportunities and foster the effective economic integration of the Center Region provinces.*” The project also “*aims at providing institutional support to the Province of Santa Fe to achieve the following specific objectives: (a) improve road safety by implementing a comprehensive action plan, (b) reinforce the Province’s planning capacity to foster economic growth in lagged regions; and (d) set up a system to measure logistics*

¹ Request for Inspection, letter dated August 20, 2006, p.1 para. 1.

*costs in the Province of Santa Fe and design benchmarks to identify infrastructure and trade facilitation constraints.”*²

The objectives of this project are to be achieved through two main components, the “*Construction of a parallel carriage way along the National Highway 19 in the Province of Santa Fe, converting it into a four lane road, with two lanes in each direction*” and Institutional Strengthening. The Santa Fe Road Infrastructure Project is based on a proposed Loan amount of US\$126.7 million and a maximum financing percentage of 75%.³

The preparation of the Santa Fe Road Infrastructure Project may have been partly financed by the Provincial Road Infrastructure Project. The Provincial Road Infrastructure Project “*is demand-driven and has been designed and appraised based on financing requests of interested provinces that prepared and submitted investment programs during Project preparation (Cordoba, Corrientes, Neuquén, Santa Fe, Entre Rios and Chubut).*”⁴ It aims at “*improving the reliability of essential road assets that facilitate access of provincial production to the markets and the efficiency of their management as a means to support the country’s productive sector, competitiveness and economic growth.*”⁵

The Requesters state that it is probable that they will suffer damages and be prejudiced as a consequence of the deficiencies or omissions of the World Bank in the Project of Transformation of Road No. 19 into a Highway connecting the city of Santa Fe (Province of Santa Fe) with the city of San Francisco (Province of Cordoba) in the Republic of Argentina.

The alleged damages and prejudices include loss of jobs and sources of employment, excessive expropriations of agricultural fields and low productivity on the remaining fields, noise and visual pollution, impact on the landscape, lack of communications, dangers from traffic hazards including heavy transport and increased accident-related mortalities, and lack of police protection. The Requesters believe that the Bank has not complied with its operational policies and agreed to finance a project designed without consulting directly with affected-people and that such project will expose them to loss of land, productivity, pollution, and unemployment.

The Requesters state that they have raised their concerns with the World Bank staff through “*a) letter sent on 07/07/06 to the [the Bank] office located in Bouchard 547, 28th floor, Buenos Aires (1106); b) fax on 08/15/06 to 5411 43131233 belonging to [the Bank] offices; c) email on 08/16/06 to Ms Mara Laudonia (Press) and María José Ravalli (Information and Publications) who are part of the World Bank’s staff; d) email on 08/18/06 to Ms Myrna Alexander, World Bank Director for Argentina.*”⁶ The Requesters indicate that they have received no answer.

² Santa Fe Road Infrastructure Project, Project Information Document, Concept Stage, Report No. AB2164, dated February 10, 2006, p. 5.

³ Ibid.

⁴ Provincial Road Infrastructure Project, Project Appraisal Document, Report No. 320 19-AR, dated May 12, 2005, p. 8, para. 25.

⁵ Id, p. 9, para. 29.

⁶ Request for Inspection, letter dated August 20, 2006, p.1 para. 5.

In their Request to the Panel, the Requesters asked the Inspection Panel to recommend to the Board of Executive Directors of the World Bank that an investigation be conducted on the alleged matters.

The above claims may constitute non-compliance by the Bank with various provisions of the following operational Policies and Procedures:

OP/BP 4.01	Environmental Assessment
OP/BP 4.12	Involuntary Resettlement
OP/BP 13.05	Project Supervision
World Bank Policy on Disclosure of Information	

Until further notice, all communications with the Requesters in connection with the Request will be sent to Mr. Hugo Mario Arriola-Klein and Dr. Nancy Beatriz Jullier.

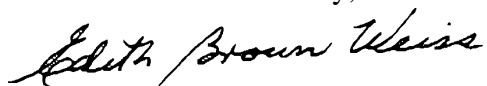
Pursuant to paragraph 17 of the Panel's Operating Procedures (the 'Operating Procedures'), I am notifying you that I have, on September 11, 2006, registered this Request in the Inspection Panel Register.

In accordance with paragraph 18 of the IDA Resolution that established the Panel ('Resolution'), paragraphs 2 and 8 of the '1999 Clarifications', and paragraph 18 (d) of the Operating Procedures, Bank Management must provide the Panel, no later than October 11, 2006, with written evidence that it has complied, or intends to comply, with the Bank's relevant policies and procedures in relation to the above-referenced Project. The subject matter that Management must deal with in a response to the Request is set out in paragraphs 3 and 4 of the 1999 Clarifications.

After receiving the Management response, the Panel will, as outlined in the 1999 Clarifications and as provided by paragraph 19 of the Resolution, "*determine whether the Request meets the eligibility criteria set out in paragraphs 12 to 14 [of the Resolution] and shall make a recommendation to the Executive Directors as to whether the matter should be investigated.*"

The Request has been assigned IPN Request Number RQ06/05.

Yours sincerely,



Edith Brown Weiss
Chairperson

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The Executive Directors and Alternates
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