

San Jerónimo del Sauce, September 21, 2006

1. We, Imhoff Victor Hugo, Azzaroni María Alejandra live and/or represent third parties that live in the place known under the name of San Jerónimo del Sauce, Department Las Colonias, province of Santa Fe; we are attaching our addresses.

Imhoff Victor Hugo – DNI 21689201 Zona Rural San Jerónimo del Sauce
Province of Santa Fe CP 3009 –Tel 03404 495018 – 0342 154080692 – E-mail
vimhoff@hotmail.com

Azzaroni María Alejandra – DNI 18534280 Río de Janeiro 190 – Rafaela –
Province of Santa Fe – CP 2300 – Tel 03492 15514992 – E-mail
alejandra_azzaroni@hotmail.com

2. It is probable that we will suffer damages as a consequence of the failures or omissions of the World Bank in the project of transformation of National Road 19 into a highway connecting the city of Santa Fe, province of Santa Fe, with the city of San Francisco, Province of Córdoba, in the Republic of Argentina.
3. The damages and losses we will suffer are:
 - a. Excessive expropriation of agricultural lands.
 - b. Diagonal division of dairy exploitations, making it impossible to continue pursuing this activity.
 - c. Reduced productivity
 - d. Discrimination
 - e. Psychological damages
4. The World Bank's operational policies that in our opinion have not been observed are: lack of consensus, questionable project, deprivation of lands, loss of value of lands, environmental impact, destruction of family-based economic models.
5. We have posed our complaints to the World Bank staff as follows:
 - a. FAX 21/9/ to 541143131233 belonging to your offices.
6. We request that the Inspection Panel recommend to the World Bank's Executive Board an investigation into these matters.

SIGNATURES:

ATTACHED DOCUMENTS:

Copy of note sent to the Governor on 22 August 2006

List of adhesions and people damaged by the expropriations

Summary of the project in question.

PROJECT TO TRANSFORM NATIONAL ROAD 19 INTO A HIGHWAY

The project to transform existing National Road 19 into a highway in the leg SANTO TOME – FRONTERA deserves to be analyzed in the framework of the current reality and the future perspectives of the zone in social and economic terms, integrating it into a broader communications network by road to achieve a consistent and beneficial project.

AS A ZONAL COMMUNICATIONS LINK

The current project has retrieved modifications made over 40 years ago, that entailed the construction of a PROVINCIAL MOTORWAY parallel to the road, from the SANTA FE-ROSARIO Motorway up to the city of Cordoba, and it represented an important project to improve the zone's inter-communication.

Since then reality has gradually changed, making some needs fade away while new ones emerged.

At that time the zone's production consisted of family dairy farms. All dairy farms had a daily need to transport their milk to the cheese factories and/or processing plants, which in turn, needed to send their production to the consumer centers.

Most of these farms have disappeared, as have also the zonal cheese makers, the emptying of the houses in the fields and the subdivision of the lands continued, until the present times in which in a radio of 50 km from [the city of] SANTA FE, most of the owners are smallholders. The only places that remain almost fully inhabited are those close to the main roads, in this case, National Road 19.

The runoff flows have changed or increased, something that has produced critical situations in several parts of the road.

At each crossroads, service stations, diners, stores and housing have emerged (e.g. the locality of CHATEAUX BLANC at the crossing of road 19 and the access to Franck).

Dairy production became transformed into very few "company" type dairies while most of the small farmers opted for agriculture carried out with share-croppers.

As for the industrial plants of other types, they became concentrated at sites that are not close to Road 19.

AS A MERCOSUR COMMUNICATIONS LINK

As a MERCOSUR communication, building a highway has already become outdated, because of the restrictions for heavy traffic that are present in the access roads to the city of SANTA FE, the unavoidable crossing of the city, the port of little //illegible// towards the province of Entre Ríos //illegible//.

These limitations have caused the MERCOSUR links to shift to the zone of Rosario where there is a //illegible// more fluid and with more expansion possibilities. It is there that the highways from Buenos Aires converge, the Rosario-Victoria Bridge, with its

practical possibility of gaining access to the Uruguay River Highway. There are important industrial plants and National Road 14 (to?) Parana, with important bridges and //illegible// from which //illegible// % of the domestic national production is exported.

It is logical and reasonable for the industrial poles of Rafaela and Sunchales to need a direct link with the Rosario pole, and in this case, National Road 19 offers very few possibilities.

SUMMARY

Consequently, the expropriation of //illegible// and more meters (according to the zones) for a highway, and the construction of a highway is not logical.

In this case, over 1000 has would be expropriated directly, with the demolition of houses and buildings, and affecting indirectly 2000 to 3000 has that would become useless or restricted in terms of production because they would become isolated without possible access from the highway, some fields will be subdivided leaving remanents that will not support productive activities.

However, the construction of the highway is necessary, and looking at the current reality of the zone, developing a comprehensive and consistent project that minimizes the damages to the affected people, it is possible to foster a new production pole.

CONCLUSION

We consider that a reasonable project would be that which causes the least damages in order to complete the highway, the smaller number of meters of broadening, the granting of indemnifications on updated values of the assets that are expropriated –lands and buildings—and contemplating the reality of lost profits, since for many of the affected this could mean the end of their means of livelihood.

Programming the access to the adjacent properties for entry and exit by safe and accessible means and, at the junctures with accesses, building speed reducers such as roundabouts and shelters.

In parallel, other agencies [should provide] social support and foster any new venture that is economically viable, especially for those that, as a result of the reduction of their productive area, may be forced to shift to other activities.

Santa Fe, August 29, 2006

Jorge Alberto Obeid
Governor of the Province of Santa Fe
By Hand

Ref: People affected by the Project of Transformation of National Road No. 19 into a Highway

Dear Sir:

This is to express of our overall consensus regarding the project of reference. As property owners affected by the expropriation of lands, extending on the north side, we are forced to request a meeting with you to present our doubts and concerns regarding this work that is so significant for the province. Based on a informative meeting that was held the 7th of this month in the locality of San Agustin, sponsored by the President of the Commune, Francisco Godano and technicians of the Provincial Roads Agency, we note that the original motorway project was transformed into a highway. Consequently, we find it strange to apply an excessive expropriation of highly productive lands that are so necessary for the country's economy. For example, we can underline that this project dates back 40 years and has still not been executed, keeping other expropriated areas unproductive. For that reason, we would like to suggest a determination of the nature of the work, whether it will be a Highway or a Motorway, and to proceed to its immediate execution, limiting expropriations to the area that is strictly necessary for any of these. If the option was for a highway, then the original 20 meters, if a motorway, we estimate it would be convenient to expropriate 35 meters on both sides of the current pavement.

Among the questions without an answer provided by the panel are the following:

1. Technical explanation of the reason for the expropriation of land for a future motorway project to carry out the construction of a highway.
2. Explanation of the technical construction project to determine why the expropriation only affects the north side.
3. Date when the call for bids for the construction of the works will take place.
4. When should the owners free up the affected areas.
5. When and by what means will they be notified of the area effectively affected.
6. What is the mechanism that will be used to determine the value of the lands and improvements thereon.
7. Which is the agency appointed to this end.
8. What is the schedule contemplated to sign the respective expropriation agreements.
9. When will the effective payment of the amounts resulting from the expropriations take place.
10. When will the construction of the works begin.

Awaiting your positive response to our request, we remain,
Sincerely yours,

Name and Surname ID
(There follow 32 signatures)

Tel/Cel

Signature