

IPN REQUEST RQ07/09

October 31, 2007

NOTICE OF REGISTRATION

**Re: Request for Inspection
Colombia: Bogotá Urban Services Project
(IBRD Loan No. 7162-CO)**

On October 30, 2007, the Inspection Panel (the “Panel”) received a Request for Inspection (the “Request”), dated October 23, 2007, related to the Colombia: Bogotá Urban Services Project (the “Project”) financed by the International Bank of Reconstruction and Development (the “Bank”) (Loan No. 7162-CO). The Request was submitted by Ms. Mariana Luna Crudo, and signed by her and seven other affected people.

The objective of the Project is to “*improve the Borrower’s^[1] urban living conditions by increasing access, coverage, quality, reliability and inter-agency coordination in the provision of public transportation, sanitation services and potable water.*”² The objective is to be achieved through “*investments in transport, water and sewerage infrastructure works, environmental improvements and community development activities. These, along with other city-wide transport investments and institutional and policy-reform measures, are aimed at improving operation of the transport, water and some shelter-related entities in about fourteen of the city’s poorest Unidades de Planificación Zonal (planning units or UPZs), inhabited by just over 1.2 million residents, who currently account for almost a fifth of the total population of Bogota.*”³ The claim is specifically related to the construction of Suba Avenue for the operation of the Transmilenio Mass Transit System.

The Requesters claim that while they have been patient over the years since implementation, they have none-the-less been adversely affected by the activities financed under the Project. They claim that the executing entity for this part of the Project, the Institute of Urban Development (*Instituto de Desarrollo Urbano*) (the “IDU”), has ignored

¹ The Borrower is the Bogotá Distrito Capital.

² Loan Agreement in the amount of US\$100 million between the International Bank of Reconstruction and Development and Bogotá Distrito Capital, dated June 4, 2003 (hereinafter “the Loan Agreement”), Sch. 2, at pg. 24.

³ Project Appraisal Document for a Proposed Loan in the amount of US\$100 million to the Capital District of Bogotá with the Guarantee of the Republic of Colombia for the Bogotá Urban Services Project, dated February 14, 2003 (hereinafter “the PAD”), at pg. 3.

their situation, as well as the measures agreed upon with the Bank by which the Requesters could restore their livelihoods and incomes, at least to the same circumstances as before the construction commenced, as well as their peace of mind. The Requesters state that under Bank policies, they have the right to have their lives restored at least to those conditions that existed prior to the commencement of Project. They claim that their livelihoods and standards of living were inappropriately and unjustly altered by the Project. The Requesters claim that the people who are the most vulnerable are the ones who are suffering the most.

The Request claims that under the Loan Agreement, people who would be adversely affected by the construction of the road should have their socio-economic conditions restored to the conditions that existed prior to the commencement of the Project activities. They claim that the IDU, in its resettlement plan approved by the World Bank, details activities of social management which establish the obligation of IDU to take the necessary steps to consult and compensate the affected families and business owners, so that those affected would not assume any of the losses to their businesses, employment, properties or peace of mind. It is claimed that many of the people in the Project area have permanent losses and have greatly suffered due to IDU's and the Bank's inaction. The Requesters further claim that the Project has resulted in certain adverse environmental impacts that are affecting their lives.

They further claim that under the resettlement plan, the IDU was obligated to identify and mitigate the negative socio-economic impacts of the displacement of people from their properties, and to design a social management plan to assist those who would be negatively affected by the Project activities. The Request claims that the following issues, *inter alia*, were not included in or implemented under the resettlement plan approved by the Bank: the effects on older people living in the properties affected and their vulnerability, which may have resulted in several deaths; the situation of businesses, which were not bought out and that remained near the construction, because they were greatly affected by the lack of economic activities; and that the IDU did not set out a specific time frame in which the affected businesses and people would be compensated, resulting in many businesses closing down. The Request further states that the IDU sent communications which were often incomplete and excessively late which caused further problems.

The Request claims that by allowing this situation, the Bank has violated several provisions of its Operational Policy 4.12 on Involuntary Resettlement. Additionally, each of the eight signatories to the Request has briefly outlined how they have been adversely affected by the Project.

The Requesters claim that they had contacted IDU on several occasions seeking solutions to their problems. The Requesters also described their attempts to contact officials at the Bank through the IDU. The Panel, in a separate communication, received further information that the Requesters had previously contacted the Bank, but claim that their concerns were not adequately addressed.

The above claims may, *inter alia*, 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

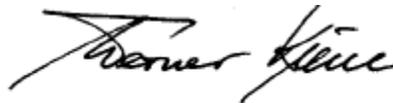
Pursuant to paragraph 17 of the Panel's Operating Procedures (the "Operating Procedures"), I am notifying you that I have, on October 31, 2007, registered this Request in the Inspection Panel Register.

In accordance with paragraph 18 of the World Bank Resolution that established the Panel (the "Resolution"), paragraphs 2 and 8 of the "*Conclusions of the Board's Second Review of the Inspection Panel*" (the "1999 Clarifications"), and paragraph 18 (d) of the Operating Procedures, Bank Management must provide the Panel, no later than December 03, 2007, 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 RQ07/09

Yours sincerely,



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The Executive Directors and Alternates
International Bank of Reconstruction and Development