



Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 18-Jun-2024 | Report No: PIDDC00629



BASIC INFORMATION

A. Basic Project Data

Project Beneficiary(ies) Bolivia	Operation ID P505472	Operation Name Water and Sanitation in Peri-Urban Areas and Small Towns Project	
Region LATIN AMERICA AND CARIBBEAN	Estimated Appraisal Date 03-Oct-2024	Estimated Approval Date 30-Jan-2025	Practice Area (Lead) Water
Financing Instrument Investment Project Financing (IPF)	Borrower(s) Plurinational State of Bolivia	Implementing Agency Ministry of Environment and Water - MMAyA and its Vice-Ministry of Drinking Water and Sanitation (VAPSB)	

Proposed Development Objective(s)

The Project Development Objective (PDO) is to increase access to and resilience of safely managed water and sanitation services and strengthen the capacity to achieve universal access to efficient WSS in participating municipalities.

PROJECT FINANCING DATA (US\$, Millions)

Maximizing Finance for Development

Is this an MFD-Enabling Project (MFD-EP)? No

Is this project Private Capital Enabling (PCE)? No

SUMMARY

Total Operation Cost	80.00
Total Financing	80.00
of which IBRD/IDA	80.00
Financing Gap	0.00

DETAILS

World Bank Group Financing



International Bank for Reconstruction and Development (IBRD)		80.00
Environmental and Social Risk Classification	Concept Review Decision	
Substantial	The review did authorize the preparation to continue	

B. Introduction and Context

1. **Bolivia is highly exposed to extreme weather events, particularly floods, landslides, and droughts, which have had major economic impacts in the country.** The 2019 Global Climate Risk Index (CRI) ranks Bolivia 10th out of 178 countries in terms of the impacts of climate-related hazards. According to the Emergency Events Database, around 84 extreme weather-related events (e.g., droughts, floods, wildfires, landslides, and extreme temperatures) occurred in Bolivia between 1965 and 2020, causing US\$3.7 billion in damages (equivalent to 9.0 percent of the 2019 GDP) and affecting 9 million people in a country with only 12.2 million. The El Niño and La Niña phenomena were the main climatic events, generating damages valued at US\$1.5 and US\$1.7 billion, respectively, and affecting half of the population.¹ The floods in the lowlands in 2013-2014 caused losses of approximately USD 450 million (BOB 3,132) and affected more than 300,000 people.² Approximately 4 out of 10 people live in flood-prone plots, and more than 16 percent of the population live in areas at risk of drought.³ The Altiplano region and inter-Andean valleys have suffered substantial reductions in water availability from glaciers, which have lost 50 percent of their volume in recent years. These events, which are influenced by El Niño (the El Niño Southern Oscillation, ENSO), have been exacerbated by climate change, triggering increasingly intense rainfall, landslides, floods, and droughts over the last decade.⁴

2. **Rapid urbanization has increased the urgency of managing the impact of more-frequent extreme weather events and enhancing both access to and resilience of basic service delivery.** By 2022, 71 percent of the population in Bolivia⁵ lives in urban areas, both cities and peri-urban areas, which are growing particularly fast. According to United Nations' (UN) it is estimated for the year 2030, this figure will reach 80 percent. In terms of population growth, the four largest cities (La Paz, El Alto, Cochabamba and Santa Cruz de la Sierra), each with populations of over 500,000 inhabitants, are growing steadily in size. This rapid growth often exacerbates common challenges and externalities such as the expansion of informal settlements, exposure increasingly frequent and intense natural hazards, and access to water and sanitation services, among others.

B. Sectoral and Institutional Context

3. **The climate change-exacerbated increase in water demand, precipitation variability, and temperatures in Bolivia heighten the potential for water stress.** Agriculture, the main water user (responsible for 92 percent of water

¹ World Bank Group. *Rebalancing Inclusive and Sustainable Growth to Continue Reducing Poverty in Bolivia: Systematic Country Diagnostic Update*. 2021, p. 30.

² World Bank, *Quantitative Analysis of the Impact of Floods in Bolivia*, March 2017

³ Estimates based on the Municipal Risk Index (MRI) developed by the Ministry of Development Planning (MPD) of Bolivia and the World Bank in 2012 (World Bank, 2014).

⁴ Cai et al., 2014

⁵ World Bank, 2022. Open Data: Bolivia (<https://data.worldbank.org/country/bolivia>)



withdrawal in Bolivia)⁶, has been consistently growing, from about 10 percent of the GDP in 2015 to 13 percent in 2022.⁷ Concurrently, Bolivia is experiencing rapid urbanization growth, with an annual rate of 3.0 percent from 1950 to 2018 (World Urbanization Prospects, 2018). As the economy and population grows, the demand for water supply and sanitation services (WSS) and improvements in the management of the quantity and quality of water resources in Bolivia is expected to rise substantially. It is therefore crucial for Bolivia to maintain the environmental quality of its water assets, while effectively managing the escalating demands for water. Climate change projections⁸ indicate a decrease in mean annual rainfall and an increase in temperatures, leading to higher evapotranspiration rates and thus further contributing to the increasing water demand.

4. Despite notable improvements in access to water supply access in Bolivia, significant challenges remain in the quality of these services, particularly in urban and peri-urban areas. As of 2022, 94.1 percent of Bolivia's population had access to basic drinking water service (Joint Monitoring Program, JMP 2022). According to the Sectoral Plan for Integral Development (PSDI)⁹ 2021-2025, in urban areas, the coverage¹⁰ of drinking water services in 2020 reached 94.6 percent of the population; however, this high coverage rates mask the huge challenges of service quality and reliability; service interruptions and pipe breaks are frequent, mainly due to ineffective maintenance. According to the JMP, the percentage of urban population with water available when needed decreased from 85 percent to 80 percent between 2000 and 2022, and the share of the urban population accessing water by pipeline from 92 to 86 percent. In some areas, this is due to rapid urban expansion and the inability of water utilities to keep pace with the growth; in other areas the service quality or continuity faces shortcomings, such as limited hours of service per day, reliability of water treatment, or water pressure issues.

5. Achieving universal access to safe sanitation services is a development goal that remains unfulfilled in Bolivia. As of 2022, 68.6 percent of Bolivia's population had access to basic sanitation services (JMP, 2022). Bolivia managed to increase access to basic sanitation services in urban areas from 48 percent in 2000 to 77.4 percent in 2022 (JMP). However, access to safe sanitation in urban areas remains one of the lowest among regional and structural peers, after Cameroon and Ghana. Moreover, one-third of the urban population still does not have access to sewer connections, and gaps are found between income groups. In rural areas the challenges are even more pronounced, only 45 percent of the rural population have access to basic sanitation services (PSDI, 2020), and more than 1 million people in rural areas practices open defecation. This highlights a profound disparity in service provision and underscores the long road ahead to secure universal sanitation access across the country.

6. Limited wastewater treatment in Bolivia is an untapped potential to diversify sources and enhance water quality, thereby increasing water availability. In 2017 only 30 percent of households had access to wastewater treatment services (MMAyA, 2020). Large cities such as La Paz and Potosi have no wastewater treatment facilities, while the treatment facilities in cities like Oruro and Tarija are increasingly in need of upgrading or expansion. Untreated wastewater is frequently reused for irrigation with no regulation in water-scarce areas surrounding cities like La Paz, Cochabamba, and Tarija. ([World Bank, 2021](#)). Furthermore, a nation-wide inventory of 219 wastewater treatment plants carried out in 2017 found that only 48 were operating in good conditions (roughly 22 percent of existing treatment plants) and 58 were operating with problems (26 percent of the surveyed plants (MMAyA, 2020).

⁶ FAO, Aquastat, 2022.

⁷ [WB World Development Indicators, 2022](#)

⁸ [World Bank Climate Change Knowledge Portal](#)

⁹ MMAyA (2022): Plan Sectorial de Desarrollo Integral 2021-2025 (PSDI), issued on August 23rd, 2022.

¹⁰Following the criteria of the SDG standard for services, 79.8 percent of the urban population in Bolivia have access to a source of water on the premises and available when needed. The JMP classifies drinking water services into five categories: i) Safely managed services are those where water is accessible on the premises (in or outside the home, within the plot), available when needed, and free from contamination; ii) Basic services provide water from an improved source with a collection time of 30 minutes or less; iii) Limited services exceed this collection time; iv) Unimproved sources include unprotected wells or springs, and v) Surface water involves direct collection from natural bodies like rivers or lakes.



Institutional Context

7. **Universal access to safe water and sanitation services is a national priority in Bolivia.** In January 2013, the GoB launched the 2025 Patriotic Agenda, a national policy plan aimed at eradicating extreme poverty and improving the well-being of the population, including achieving universal WSS coverage and having no contamination of water bodies by 2025. This commitment is embodied in the Sector Development Plan for Basic Sanitation¹¹ (*Plan Sectorial de Desarrollo de Saneamiento Básico, PSD-SB*) for 2021-2025, as part of the PSDI¹², and supports the Social and Economic Development Plan (*Plan de Desarrollo Económico Social, PDES 2021 – 2025*), specifically Pillar 2, “Socialization and Universalization of Basic Services with Sovereignty for Good Living” and Pillar 9, which focuses on “Environmental Sovereignty with Comprehensive Development, Respecting the Rights of Mother Earth.”

8. **In response to the GoB request, the World Bank is set to support the implementation of Bolivia’s Sector Development Plan for Water Supply and Sanitation Service.** Within the framework of the Sector Development Plan for Basic Sanitation, the GoB has requested World Bank support to implement part of their ambitious plan through an Investment Project Financing (IPF). This support will help Bolivia to make the final leap to universal access, including rethinking urban WSS through circular economy and resilience principles to delivering services in a more sustainable, inclusive, efficient, and resilient manner.

C. Relevance to Higher Level Objectives

9. **Alignment with the Borrower’s high-level objectives for the sector.** The Project is aligned with and responds to the priorities established in the PDES 2021-25, and the Sector Development Plan for Basic Sanitation (PSD-SB) for 2021-2025, which calls for universal access to basic social services including WSS.

10. **The objectives and scope of the Project are in line with the World Bank Group’s Country Partnership Framework (CPF) for Bolivia, FY2023-2026.** The third High Level Outcome (HLO) of the CPF aims to achieve “Improved Access to Quality Public Services” by improving the living conditions of the country’s underserved populations through providing access to basic WSS services and contributing to the long-term goal of achieving universal access to water and sewer services. It also aligns with HLO 1, “Increased Climate and Economic Resilience” by improving the operational and financial performance of utilities, which will be a necessary condition for building climate resilience in the participating WSS utilities, hence contributing to building the country’s resilience to deal with climate change and improve environmental sustainability while reducing the burden that the current service inefficiencies put on the fiscal budget. The project will also contribute to gender equality by ensuring that infrastructure investments respond to the specific needs and priorities of women and men.

C. Proposed Development Objective(s)

PDO Statement

11. **The Project Development Objective (PDO)** is to increase access to and resilience of safely managed¹³ water and sanitation services and strengthen the capacity to achieve universal access to efficient WSS in participating municipalities.

¹¹ MMAyA (2022): Plan Sectorial de Desarrollo Integral para vivir Bien del Sector Saneamiento Básico 021-2025 (PSDI), issued on August 23rd, 2022.

¹² MMAyA (2022): Plan Sectorial de Desarrollo Integral 2021-2025 (PSDI), issued on August 23rd, 2022.

¹³ In this Project, the term “safely managed” follows the Joint Monitoring Program for Water Supply and Sanitation’s (JMP) standards – i) safely managed is drinking water from an improved water source that is accessible on premises, available when needed and free from contamination; and ii) safely managed sanitation services designed to hygienically separate excreta from human contact and are not shared with other households, and where excreta are safely disposed of in situ or removed and treated offsite.



B. Key Results

PDO Level Indicators

12. Achievement of the PDO will be measured through the following proposed indicators:

PDO Indicator 1: People with water, sanitation, and hygiene, of which (%) is safely managed (millions)¹⁴. disaggregated by gender and race/ethnicity (percentage) in highly vulnerable areas to floods and droughts.

PDO Indicator 2: Number of utilities that have adopted more resilient practices¹⁵

PDO Indicator 3: Number of utilities with increased collection efficiency.¹⁶

PDO Indicator 4: Municipalities' universal WSS financial strategies developed to increase their capacities to reach universal access services.

D. Concept Description

13. **The proposed Project will assist the GoB in achieving part of the urban WSS coverage targets established in the government plans by supporting WSS investments in high-priority targeted areas on a demand-driven basis and will be implemented in the peri-urban areas of selected cities and small towns of Bolivia¹⁷, see Annex 1 for a list of tentative investments.** The interventions to be supported by the Project have been selected by the MMAyA using a set of pre-defined selection criteria from a list of investment subprojects submitted for financing to the MMAyA by either the municipal governments and/or their utilities (EPSAs). The selection criteria include (i) subprojects that will comply with the requirements set by Bolivian standards; (ii) low access to WSS services; (iii) subprojects that contribute to improving the operational efficiency and resilience of EPSAs; (iii) subprojects prioritized by municipal governments which are willing and have the financial capacity to pay back the proceeds of the loan.

14. **The subprojects will be implemented in at least six of the country's departments¹⁸, benefitting an estimated 54,000 people with access to improved water services, and 183,000 people with access to improved sanitation services,** with the latter including WWTPs to ensure that the collected sewage will be treated before discharge and reused to the extent possible.

15. **The Project will aim to improve the resilience of infrastructure assets, and to strengthen local capacity to design more resilient infrastructure and efficient services.** The investments will follow the resilient design process¹⁹ for water infrastructure assets included in the World Bank's Resilient Water Infrastructure Design Brief²⁰ and a Guideline developed by the Bank Water team specifically for Bolivia to improve the resilience of water supply and sewerage infrastructure to

¹⁴ This indicator shall be aligned with Bolivia's WSS Sector Performance Monitoring Framework which states: 'People with access to potable water', and 'People with access to conventional sanitation.'

¹⁵ Resilience refers to the capacity of WSS services to anticipate, prepare for, respond to, adapt, and recover from adverse conditions while maintaining service continuity. In the context of this Project, resilient practices include: (i) improving collection efficiency, (ii) adopting comprehensive management, operation, and maintenance (O&M) plans following the guidelines of the regulatory agency, and (iii) implementing water reuse projects.

¹⁶ These indicator shall be aligned with the regulatory framework of AAPS.

¹⁷ Santa Cruz, Cochabamba and Trinidad cities, and the intermediate cities of Villamontes, Chulumani, Palos Blancos, Challapata and Puerto Suarez.

¹⁸ Departments of La Paz, Cochabamba, Santa Cruz, Trinidad, Oruro and Potosi.

¹⁹ The process includes the following steps: (i) identify network components and conduct high level hazard screening; (ii) understand the role of the network component in the system and consequences of failure; (iii) assess vulnerability of assets; (iv) evaluate hazard levels; and (v) identify, evaluate and select mitigation measures.

²⁰ World Bank. 2020. Resilient Water Infrastructure Design Brief. World Bank, Washington, DC.



flood hazards with funding provided by GFDRR and GWSP.²¹ Furthermore, the Project team will work with the Urban Resilience team along with GFDRR for support on the climate change agenda.

16. The Project will also support participating utilities in: (i) building their resilience by improving their capacity to manage the demand for and supply of their water resources; (ii) improving the financial and operational viability to ensure that they can better cope with the country's current and future vulnerabilities, including those related to climate change; and (iii) incorporating hard and/or soft measures in the construction of new WSS systems and rehabilitation of existing systems to ensure a high degree of resilience to climate change-exacerbated floods and droughts.

17. **In case of the expansion of existent WWTPs or the construction of new WWTPs, the Project will aim at promoting the reuse of treated wastewater for irrigation purposes.** An assessment of the proposed subprojects will be carried out during the Project preparation which shall include: (i) current and future demand of treated wastewater for agricultural use, (ii) assessment of current reuse practices and existing agreements between stakeholders, (iii) recommendations for improving wastewater reuse for the current irrigation schemes and existing irrigation arrangements/agreements. By promoting the adoption of treated wastewater as an alternative irrigation water source, the Project will not only optimize the use of a scarce resource but also reduce the burden on municipal water utilities. This approach helps conserve potable water supplies for other critical uses like human consumption, effectively integrating circular economy principles to ensure sustainable and more efficient water management. In addition, the Project will prioritize the use of energy-efficient technologies in the treatment and management of wastewater to enhance sustainability and reduce environmental impact.

18. **The Project will incorporate lessons learned from WSS interventions, including wastewater treatment operations in the region and Bolivia.** These include, inter alia: (i) the choice of wastewater technologies should be based on full life-cycle costs (i.e., investment costs, and operation and maintenance costs); (ii) the importance of ensuring that utilities have adequate capacity to operate and maintain WWTPs beyond the closing of the Project; (iii) relatedly, the need to ensure that utilities generate sufficient revenues to pay for operation and maintenance costs; and (iv) the importance of ensuring that wastewater treatment technologies are socially accepted²².

Component 1: Investments in climate-resilient water and sanitation infrastructure.

19. **This subcomponent will finance tentatively two water supply and nine sewerage investment subprojects in selected targeted areas,** namely: (i) construction, rehabilitation and expansion of water supply systems, including inter alia, transmission, distribution, pumping stations, water storage tanks, household connections and, if applicable, environmental mitigation activities; these activities will increase the water supply (among others, by reducing physical water losses) and make water supply services more reliable, thereby making the beneficiary residents more resilient to climate change-aggravated water shortages and floods²³; (ii) construction, rehabilitation and expansion of sewerage collection systems, including inter alia, sewer networks, pumping stations, and WWTPs, household connections and, if applicable, environmental mitigation activities; these activities will reduce the contamination of water bodies—by reducing the volume of uncollected and untreated wastewater and thus the potential impact of floods and droughts; (iii) social management, including inter alia, community mobilization and organization, hygiene promotion and environmental education, promotion of connectivity and tariff payment behavior; and (vi) the supervision of the works.

²¹ World Bank. 2023. Guía Conceptual de Infraestructura Resiliente – Con enfoque especial en proyectos de agua potable y saneamiento. World Bank, Washington, DC.

²² Sustainable Treatment and Reuse of Municipal Wastewater. Libhaber, M.; Jaramillo, A. 2012

²³ Floodwaters can carry sewage and fecal matter into rivers, lakes, and groundwater, contaminating drinking water sources and increasing the risk of waterborne diseases. The concentration of contaminants increases during droughts, raising the health risks for humans and the environment, and raising the cost of treatment for potable water. In addition, floods and droughts can damage sanitation infrastructure (wastewater treatment plants, sewerage systems, pit latrines, etc.) This can affect sanitation services and the safe disposal of human waste, further adding to environmental (water) pollution and health risks for the affected populations.



20. **Detailed designs have been completed for four subprojects** which together with other subprojects of the proposed portfolio, will be ready to be tendered once the Project is declared effective. The municipal governments and/or the utilities are responsible for the preparation and submission of the detailed designs to MMAyA.

21. **Household connections will follow current sector policy guidelines, which differentiates between house connections built between the water or sewerage public network and a water meter or inspection chamber installed next to the boundary of the household, and the in-house sanitary facilities; in general, these house connections can be funded with public funds.** Yet, the funding of house connections differs by water utility. In Santa Cruz de la Sierra city, the water utility requires the households to pay for the house connection, while in Cochabamba city the house connection is subsidized. In-house sanitary facilities²⁴ cannot benefit from public funding. There are relevant experiences in Bolivia to promote water and sewerage household connectivity (as measured by both house connections and in-house sanitary facilities) which will be applied in this Project²⁵ alongside with experiences gained through other Bank projects, such as the 'Creating Sanitation Markets in Peru Project' to engage the private sector to promote the installation of in-house sanitary facilities, or projects implemented in Brazil following the condominium sanitation approach.

Component 2: Improve the management of resilient WSS services and build the Borrower's capacity to reach universal WSS.

Subcomponent 2A: Enhance the capacity of participating utilities to provide resilient WSS services.

22. **This subcomponent will provide technical and financial assistance to municipal governments and water utilities to improve their capacity to manage the demand for and supply of their water resources, sanitation services, and increasing their resilience,** by improving the financial and operational viability of participating utilities so they are better equipped to deal with future shocks and adequately maintain their facilities. The Bank will propose the use of the Utilities of the Future (UoF) program²⁶ to identify strategic actions for each water utility to foster service universalization, resilience, and sustainability, that can later be translated into business opportunities to continue the Bank's involvement. The proposed activities will be assessed in the first year of project implementation and will be selected from a menu of interventions that can improve resilience. This work will be carried jointly with the water utilities' regulator, which also monitors the performance of 60 WWTPs operated by 42 EPSAs in the country.²⁷

23. **The precise definition of the package of measures will be different for each utility.** The menu of options will include, inter alia, measures to: (i) improve programs to reduce non-revenue water losses and to allow for greater system flexibility, including network sectorization, installation of pressure reducing valves, leak detection and control, and monitoring, optimization of the operation of existing water and sewerage systems and energy efficiency programs; (ii) improve demand management practices, including but not limited to improving commercial systems, revenue policies, and customer outreach to promote water conservation and communication strategies with the public before, during, and after extreme weather events; (iii) improve supply management, which may include the establishment and/or improvement of information systems to monitor and analyze water resource quantity and quality and improvements in investment and/or maintenance planning to optimize operation and reliability of new and existing WSS systems; (iv) strengthen social accountability measures to improve customer responsiveness.

²⁴ Public resources cannot be used for private premises, and as such in-house sanitary facilities cannot receive public funds, unless specific regulation explicitly allows so.

²⁵ Relevant lessons that will be applied in this Project include: (i) higher connectivity rates are obtained when promotion activities are implemented throughout the project cycle, from pre-investment, investment, to post-investment; (ii) these promotional activities should focus on promoting connectivity and payment of tariffs; (iii) marketing activities aimed at strengthening the local sanitation products supply chain should be promoted; (iv) in-house sanitary facilities and their connection to the sewers network should be supervised and approved by the WSS utilities, ensuring that appropriate policies and norms are used by plumbers and masons.

²⁶ Latin America and Caribbean Hub for Utilities of the Future

²⁷ The 60 WWTPs have an overall installed treatment capacity of 7 m³/s and by 2022 were treating 5 m³/s.



24. **Regarding wastewater collection and treatment schemes**, this subcomponent will provide: (i) assistance to water utilities aimed at improving their capacity to operate and maintain wastewater treatment infrastructure. Such support will focus on developing operational and financial management of this infrastructure; (ii) technical assistance to monitor treatment processes and effluent discharge into receiving water bodies; (iii) strengthening of social accountability using a gender approach to improve awareness, customer-responsiveness, and improved feedback mechanisms on water utility performances.

Subcomponent 2B: Build the Borrower’s capacity to reach universal WSS.

25. **Municipalities’ Universal WSS Financial Strategies.** Recognizing the critical need to achieve universal access to WSS services, this subcomponent will focus on equipping participating municipalities with the tools and knowledge necessary for financial autonomy to achieve universal access to WSS services. The Project will develop financial strategies exploring different financial mechanisms such as tariffs and local taxes, partnerships with donors and international institutions, among others. Technical support will be provided to help municipalities formulate sustainable business models, while robust monitoring systems will track the effectiveness of these strategies. Furthermore, in alignment with the MPA on Promoting the Development of Resilient Cities in Bolivia (P181199) which focuses on developing financing mechanisms to support municipal governments, this Project will explore potential synergies with these initiatives. This approach will enable municipalities to access the financial resources required for resilient infrastructure. By enhancing the financial sustainability of these municipalities, they significantly advance towards achieving universal access to WSS.

Component 3: Project management and monitoring.

26. This component will finance the general operating costs of the proposed implementing agency to coordinate, implement, administer, and monitor the Project. In addition, it will fund project audits and evaluations. The latter will allow mid-term and final project evaluations to extract lessons learned from project implementation and beneficiaries’ satisfaction.

Legal Operational Policies

	Triggered?	
	Last approved	Current
Projects on International Waterways OP 7.50	No	
Projects in Disputed Area OP 7.60	No	

Summary of Screening of Environmental and Social Risks and Impacts

27. **The Environmental and Social Risk is considered Substantial.** Environmental risks and impacts include: i) impacts on natural habitats due to inadequate water management planning, ii) impacts on biodiversity due to inadequate resource management planning in the basin, iii) Risks related to consumption and management of water in construction, iv) risk of inadequate management of waste and hazardous wastes (fuel oil) during construction, v) risks of pollution, air emissions and noise during construction, vi) risk of damage to archaeological remains due to excavations, vii) occupational health and safety risks, and viii) risks related to the construction of reservoirs which may include changes to surface hydrology, dam safety considerations, minor flow reductions in rivers and streams to divert water to reservoirs (with potential for



downstream effects on other water users), potential disruptions to fish and other aquatic biodiversity if water intake structures block river flows, etc. Due to the small to medium scale and location of the civil works anticipated under component 1, most risks and impacts are expected to be predictable, temporary, reversible, low in magnitude, site-specific, and with low probability of major adverse effects to human health or the environment. Nonetheless, this will be further analyzed during project preparation, to propose appropriate measures to avoid, reduce and mitigate potential environmental risks and impacts in a manner consistent with the ESF, including the cumulative impacts in the basins.

28. Based on the limited information currently available, potential social risks of the Project preliminarily identified include: (i) risk of elite capture and potential exclusion of vulnerable populations and groups whose interests could be under-represented from project benefits, such as indigenous women, elders, youth, persons with disabilities, and sexual and gender minorities, if targeted strategies to ensure their engagement are not incorporated in the preparation and implementation of the Project, particularly in an institutional context with limited level of coordination between the multiple entities expected to be involved, including the implementing agency MMAyA/VRHyR through UCP-PAAP, municipal governments, and water utilities; (ii) minor labor influx risks associated with the civil works, especially if codes of conduct are not followed, even though project efforts will focus on promoting local hiring of community workers; (iii) potential increase or intensification of underlying local tensions and even of conflicts if stakeholder engagement processes are not properly carried out in rural agricultural areas with water scarcity; and (iv) use of areas with potential economic or social alternative uses, particularly agriculture, to build the infrastructure works, creating an opportunity cost for the local population. These risks could be more pronounced as a result of a sensitive context associated with the ongoing COVID-19 pandemic, which could pose health challenges for project workers and communities. The Bank’s due diligence will continue during project preparation, and the relevant information and analysis will be reflected in the A-ESRS. The social risk rating will be revisited prior to appraisal to determine if it needs to be modified, based on the results of analytical work to be carried as part of the preparation of the project’s E&S risk management instruments, and the feedback received in the consultations with project stakeholders, which are expected to provide further clarity on the likelihood and severity of the potentially adverse social impacts and risks.

CONTACT POINT

World Bank

Luis Alfonso Alvestegui Justiniano
Senior Water Supply and Sanitation Specialist

Borrower/Client/Recipient

Plurinational State of Bolivia
Sergio Armando Cusicanqui Loayza
Ministro de Planificación del Desarrollo
contactanos@planificacion.gob.bo

Implementing Agencies



Ministry of Environment and Water - MMayA and its Vice-Ministry of Drinking Water and Sanitation (VAPSB)

Bernardo Nina

Director General de Agua Potable y Alcantarillado Sanitario

bernardo.nina@mmaya.gob.bo

Humberto Alan Lisperguer Rosales

Minister of Environment and Water

mmaya@mmaya.gob.bo

FOR MORE INFORMATION CONTACT

The World Bank

1818 H Street, NW

Washington, D.C. 20433

Telephone: (202) 473-1000

Web: <http://www.worldbank.org/projects>

APPROVAL

Task Team Leader(s):	Luis Alfonso Alvestegui Justiniano
----------------------	------------------------------------

Approved By

Practice Manager/Manager:	David Michaud	27-May-2024
Country Director:	Pilar Maisterra	18-Jun-2024