



Matanza-Riachuelo Basin Sustainable Development Project (P105680)

LATIN AMERICA AND CARIBBEAN | Argentina | Environment, Natural Resources & the Blue Economy Global Practice | IBRD/IDA | Investment Project Financing | FY 2009 | Seq No: 28 | ARCHIVED on 29-Jun-2022 | ISR52054 |

Implementing Agencies: Argentine Republic, Ministry of Interior, Public Works and Housing, Unidad Coordinadora General del Proyecto (UCGP)

Key Dates**Key Project Dates**

Bank Approval Date: 09-Jun-2009

Effectiveness Date: 20-Jul-2010

Planned Mid Term Review Date: 04-Feb-2013

Actual Mid-Term Review Date: 06-May-2013

Original Closing Date: 31-Mar-2016

Revised Closing Date: 30-Sep-2024

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The overall development objective of the proposed APL program supports the Government's Integrated Basin Cleanup while simultaneously improving sanitary conditions along the banks of La Plata River and providing a long-term and cost-effective solution for safe disposal of wastewater from the Buenos Aires Metropolitan Area (AySAs concession area). The two stage APL program that contributes to this objective and the allocation of works and activities under each APL has been specifically designed to ensure that APL-1 can be free-standing, with no stranded assets at the end of the first stage.

The project (APL-1) development objectives contribute to the overall program development objective by (i) improving sewerage services in the M-R River Basin and other parts of the Province and City of Buenos Aires by expanding transport and treatment capacity; (ii) supporting a reduction of industrial discharges to the M-R River, through the provision of industrial conversion grants to small and medium enterprises; (iii) promoting improved decision-making for environmentally-sustainable land use and drainage planning, and piloting urban drainage and land use investments, in the M-R River Basin; and (iv) strengthening ACUMAR's institutional framework for ongoing and sustainable clean-up of the M-R River Basin.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

Components Table

Name

Sanitation:(Cost \$854.00 M)

Industrial Pollution Abatement:(Cost \$60.00 M)

Environmental Territorial Management:(Cost \$40.00 M)

Institutional Strengthening and Project Management:(Cost \$6.32 M)

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	□ Moderately Satisfactory	□ Satisfactory
Overall Implementation Progress (IP)	□ Moderately Satisfactory	□ Satisfactory
Overall Risk Rating	□ High	□ Substantial



Implementation Status and Key Decisions

All project activities are progressing according to the schedule. Below is a summary of the project's implementation progress as of April 2022 (unless otherwise specified).

Component 1: Sanitation

1. The Lot 1 contract for the construction of the Left Bank Collector reached a certified physical completion rate of 98.21 per cent. The main tunnels excavation has been finalized. The remaining complementary works (OC) related to the connection between the new system and the main sewers are delayed due to unforeseen site-specific challenges but are expected to be completed in July 2022. Concerning the pluvial connections between the Riachuelo System and Buenos Aires City (CABA) sewers, AySA is working together with CABA on an Agreement to establish the parties' responsibilities in the future operation and maintenance of the infrastructure.
2. The Lot 2 contract for the construction of the Riachuelo Preliminary Wastewater Treatment Plant has achieved certified physical implementation progress of 54.43 per cent. The progress of civil works exceeded 67.2 per cent and that of electromechanical works reached 42.69 per cent.
3. The Lot 3 contract for the construction of the Subaquatic Outfall has achieved certified physical implementation progress of 94.21 per cent. The construction of the outfall tunnel was completed in March 2020, and the installation of the raisers (34 in total) and diffusers was completed by April 2021. The remaining activities include the lining of the chamber cells, and the hydraulic connections are expected to be completed by November 2022.
4. Southwest Sludge Treatment Plant. Works have been completed and the provisional reception was completed on March 11th, 2022. Currently, under the trial operation period of 6 months, the plant will be operated under the sole responsibility of the Contractor. Meanwhile, the Contractor is providing technical and practical training to AySA's personnel who will eventually take over the operation. The Contractor will also complete all documentation of the work, updates the Operation and Maintenance Manual based on actual operational experience and implement the sampling and monitoring plan to verify treatment results. It is expected that the handover of the plant will happen in September 2022

Component 2: Industrial Pollution Abatement

1. This component currently supports two construction contracts and one supervision contract. All three contracts are under good implementation.
2. Tannery Industrial Park (PIC). Works have been completed, with the remaining tasks on final cleaning and horizontal signalling. ACUMAR is working actively with the tannery association in the development of the PIC operating regulations.
3. Industrial Wastewater Treatment Plant (PTELI). The certified physical implementation progress of this contract is 45.56 per cent. Its provisional reception is projected for July 31, 2023. An amendment to the Contract is under development to address: (i) cost increases during the COVID19 pandemic, (ii) challenges caused by the government's restriction on overseas fund transfers for the payment of imported equipment, and (iii) design modifications
4. PTELI Supervision Contract. The contract is ongoing along with the implementation of the PTELI contract.
5. **Component 3: Environmental Territorial Management**

As reported before, the works in Cañuelas and Marco Paz have been finalized under this Component. Drinking water infrastructure of Cañuelas has benefited its nearly 12,000 residents, and the water and sanitation works in Marcos Paz have benefited its 45,000 residents.

1. Water, sanitation and drainage networks in Villa 21-24: The works were completed with the provisional reception granted on April 7, 2022. In addition, the operation and maintenance of the pluvial network were transferred to the CABA on April 7, 2022, and the operation and maintenance of the water and sewage networks were transferred to AySA on April 18, 2022. Final acceptance of the works is scheduled for April 7, 2023. These water, sanitation and drainage networks will benefit 25,000 inhabitants of Villa 21-24.
2. Sarandí Canal Bridges, Buenos Aires - La Plata Highway. The design of the bridges is being updated. It is expected that bidding documents will be ready by July 2022. Its cost estimate is USD 12.4 million, of which USD 7 million will be financed by loan funds.
3. Integrated Center for Environmental Monitoring and Control (CIMCA) for the Basin. The bidding documents for air quality monitoring equipment are ready and the bidding documents for water quality monitoring equipment will be ready in July 2022.

Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	--	☐ Substantial	☐ Substantial
Macroeconomic	--	☐ High	☐ High



Sector Strategies and Policies	--	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Technical Design of Project or Program	--	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial
Institutional Capacity for Implementation and Sustainability	--	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Fiduciary	--	<input type="checkbox"/> High	<input type="checkbox"/> High
Environment and Social	--	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial
Stakeholders	--	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial
Other	--	--	--
Overall	--	<input type="checkbox"/> High	<input type="checkbox"/> Substantial

Results

PDO Indicators by Objectives / Outcomes

Improve sewerage services in the M-R River Basin by expanding transport and treatment capacity

► Annual discharge of sewage adequately treated from the Riachuelo System (Left Margin Collector, Dock Sud Pretreatment Plant and Riachuelo Outfall) (Cubic meters/year, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	378,432,000.00
Date	27-Apr-2009	30-Sep-2021	29-Apr-2022	30-Sep-2024
Comments:	The indicator will achieve the end target once Component 1 (Lot 1, 2, and 3) works are completed and operational.			

Support a reduction of industrial discharges to the M-R River

► Volume (mass) of COD pollution load reduction achieved under the project (Tons/year, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	23.50	23.50	12,437.00
Date	19-Nov-2015	30-Sep-2021	29-Apr-2022	30-Sep-2024
Comments:	The indicator will achieve the end target once all wastewater treatment facilities are finalized and operational.			

► Number of enterprises in the matching grants program that have reduced their discharge loads according to their PRIs (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	3.00	3.00	3.00
Date	27-Apr-2009	30-Sep-2021	29-Apr-2022	30-Sep-2024



Comments: All enterprises in the matching grant programs have complied with PRIs audits.

Promote environmentally-sustainable land use and drainage planning in the M-R River Basin				
► Development of a Flood Contingency and Emergency Response Plan for the Basin (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	20-Jan-2017	30-Sep-2021	29-Apr-2022	30-Sep-2024
Comments:	ACUMAR has developed and undergoing the implementation of the Flood Contingency and Emergency Response Plan. The end target has been achieved.			

Strengthen ACUMAR's institutional framework for ongoing and sustainable clean-up of the M-R Basin				
► ACUMAR is fully staffed against its new organigram, operates with its own operating budget and is fully able to fulfill the functions vested in it by law. (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	27-Apr-2009	30-Sep-2021	29-Apr-2022	30-Sep-2024
Comments:	ACUMAR's institutional framework was strengthened. According to internal reports, the basin authority has its own budget and is able to fulfil the functions vested in it by law. The target is achieved.			

Intermediate Results Indicators by Components

Component 1: Sanitation				
► Linear kilometers of the Left Bank collector (including Baja Costanera bypass collector and the secondary network) completed (Kilometers, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	27.90	27.90	28.80
Date	27-Apr-2009	30-Sep-2021	29-Apr-2022	30-Sep-2024
Comments:	Lot 1 contract is almost complete. Minor complementary works and network connections are pending, but progressing according to schedule. The end target will be achieved when LBC is operational.			
► Linear kilometers of the Riachuelo outfall completed (Kilometers, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	11.90	11.90	11.90



Date	27-Apr-2009	30-Sep-2021	29-Apr-2022	30-Sep-2024
Comments:	Lot 3 contract is almost complete. Minor complementary works are pending, but progressing according to schedule. The end target will be achieved when the outfall is operational.			

Component 2: Industrial Pollution Abatement				
▶ Number of annual field audits conducted by ACUMAR, including sampling/lab tests of enterprises of the basin. (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	385.00	210.00	800.00
Date	27-Apr-2009	30-Sep-2021	29-Apr-2022	30-Sep-2024
Comments:	The reported number of audits corresponds to the period between October 2021 and April 2022. A decrease from the previous period is observed, given that values are not cumulative and field activities were affected by the COVID-19 pandemic.			

Component 3: Environmental Territorial Management				
▶ Number of beneficiaries with improved access to water and sanitation services in poor settlements and low-income neighborhoods. (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	75,800.00	75,800.00	50,000.00
Date	19-Nov-2015	30-Sep-2021	29-Apr-2022	30-Sep-2024
Comments:	The end target has been achieved, and the result comprises beneficiaries from finalized water and sanitation works in Marcos Paz, Cañuelas and Villa 21-24.			
▶ Increase in connections to improved water supply services for female-headed single parent households (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	5.00
Date	08-Apr-2021	30-Sep-2021	29-Apr-2022	30-Sep-2024
Comments:	Updates on this indicator are being processed by ACUMAR and progress will be reported in the next ISR.			
▶ Increase in sewerage connections for female-headed single parent households (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	5.00
Date	08-Apr-2021	30-Sep-2021	29-Apr-2022	30-Sep-2024
Comments:	Updates on this indicator are being processed by ACUMAR and progress will be reported in the next ISR.			



Component 4: Institutional Strengthening and Project Management				
▶ Development of a new organigram and staffing plans for ACUMAR (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	27-Apr-2009	30-Sep-2021	29-Apr-2022	30-Sep-2024
Comments:	As informed by ACUMAR's internal reports, this indicator's target is achieved.			
▶ Percentage of complaints and grievances received on the Riachuelo System works by AySA that are responded within 48 hours (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	100.00	87.00	100.00
Date	03-Jan-2019	30-Sep-2021	29-Apr-2022	30-Sep-2024
Comments:	The reported number of complaints and grievances corresponds to the period between October 2021 and April 2022. A decrease from the previous period is observed, given that some claims required more than 48 hours to be responded. The Bank is monitoring their progress.			
▶ Percentage of complaints and grievances on the Riachuelo System that are resolved. (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	80.00	85.00	100.00
Date	03-Jan-2019	30-Sep-2021	29-Apr-2022	30-Sep-2024
Comments:	The reported number of complaints and grievances corresponds to the period between October 2021 and April 2022. Progress has been made with respect to the previously reported value.			

Performance-Based Conditions

Data on Financial Performance

Disbursements (by loan)

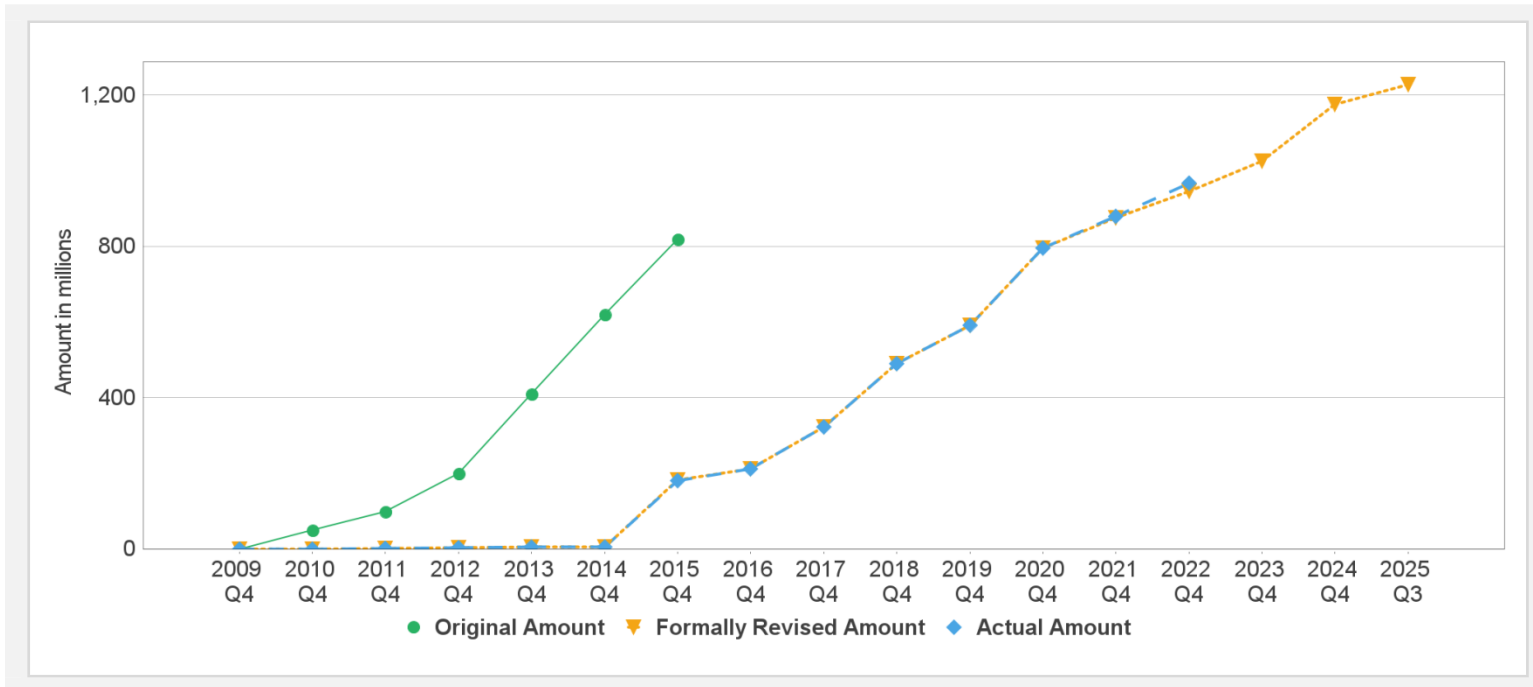
Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P105680	IBRD-77060	Effective	USD	840.00	718.03	121.97	707.53	10.51	99%
P105680	IBRD-90080	Effective	USD	245.00	245.00	0.00	210.87	34.13	86%
P105680	IBRD-92520	Effective	USD	265.00	265.00	0.00	53.27	211.73	20%



Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P105680	IBRD-77060	Effective	09-Jun-2009	25-Aug-2009	20-Jul-2010	31-Mar-2016	30-Sep-2024
P105680	IBRD-90080	Effective	05-Sep-2019	12-Nov-2019	09-Dec-2019	31-Mar-2022	30-Sep-2024
P105680	IBRD-92520	Effective	01-Jun-2021	28-Sep-2021	20-Jan-2022	30-Sep-2024	30-Sep-2024

Cumulative Disbursements



Restructuring History

Level 2 Approved on 24-Dec-2015 ,Level 2 Approved on 17-Mar-2017 ,Level 2 Approved on 29-Apr-2019

Related Project(s)

P171197-Matanza-Riachuelo Basin (MRB) Sustainable Development Project Additional Financing ,P176034-Matanza-Riachuelo Basin Sustainable Development Project Second Additional Financing