



1. Project Data:		Date Posted : 08/29/2003	
PROJ ID: P039291		Appraisal	Actual
Project Name: Urban Environmental Management Project	Project Costs (US\$M)	40	32.43
Country: Colombia	Loan/Credit (US\$M)	20	19.07
Sector(s): Board: UD - Sub-national government administration (77%), Central government administration (23%)	Cofinancing (US\$M)	0	0
L/C Number: L3973			
	Board Approval (FY)		96
Partners involved :	Closing Date	07/31/2000	12/31/2002
Prepared by :	Reviewed by :	Group Manager :	Group:
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2. Project Objectives and Components			
a. Objectives			
The primary objective of the project was to support implementation of Colombia's National Environmental Policy (NEP) and the improvement of environmental management capacity in the country's urban areas through :			
<ol style="list-style-type: none"> strengthening the capacity of the Ministry of Environment (MoE) to provide policy advice and technical assistance (TA) to Colombian urban centers, and strengthening environmental management agencies (EMAs) in the urban centers of Bogotá, Cali, Medellín, and Barranquilla. 			
b. Components			
The project originally had two components to which an additional component for emergency earthquake reconstruction was added in September 1999:			
<ol style="list-style-type: none"> Design and implementation of a technical assistance strategy through MoE for cities of less than one million inhabitants: (a) MoE's TA Strategy and Action Plan; (b) Urban Environmental Strategies and Action Plans; (c) Studies; (d) Organizational Support/Project Administration; (e) Acquisition of Equipment; (f) Training; (g) Information System Institutional strengthening of EMAs in Bogotá, Cali, Medellín, and Barranquilla: (a) Design of EMAs (b) Environmental Strategies and Action Plans (c) Studies (d) Preparation of Regulations and Procedures (e) Organizational Support/Project Administration (f) Acquisition of Equipment (g) Training Environmental Education and Public Participation Information System Earthquake Reconstruction (Additional Component). In September 1999, under an amendment to the Loan Agreement, undisbursed proceeds of US\$ 5.7 million were reallocated to support earthquake reconstruction in Colombia's coffee-growing region under the Earthquake Reconstruction Project together with unspent proceeds from three other Bank projects. The earthquake reconstruction activities were implemented separately from the four contributing projects and a separate ICR has been prepared for them . 			
c. Comments on Project Cost, Financing and Dates			
The closing date for the project was extended till December 31, 2002 to accommodate the additional component for earthquake reconstruction. Three additional reallocations made to cover disbursement overruns within the original project's subcomponents were approved by the Bank in February and August 2000, and December 2001. The project was implemented during a severe economic crisis which had resulted in the country's public policy priorities being directed towards controlling the fiscal deficit, and reduced counterpart funding for the project .			
3. Achievement of Relevant Objectives:			
Strengthening MoE: The project helped establish urban environmental management as a priority for the government . The project helped conduct diagnostic studies; imparted tools for solid waste management and land use planning; and trained officials at the national, regional and municipal levels . However, the legal framework for authorizing financial resources for the EMAs was not achieved, leaving them to reach agreement with the regional environmental			

management agencies for access to part of their counterpart funding . The goal of establishing a National Environmental Information System was not reached, although an interactive environmental observation system was developed. MoE did not play the role of coordinator in the conduct of the project as initially planned .

Specific outcomes included: preparation of 17 municipal environmental plans under the project and five ongoing plans using MoE's own resources; development of a framework for control of emissions from mobile sources; structuring an integrated solid and hazardous waste program and a ten -year wastewater management plan; a Municipal Environmental Management System (SIGAM) and its piloting in six municipalities; piloting an innovative wastewater charge system in several regions; inclusion of local environmental management aspects under land use plans (POT) by 50 percent of the municipalities; 40 studies on urban environmental issues, initially based on reviews of existing studies or focused on specific issues such as an individual landfill, but later oriented to guiding municipal authorities on environmental management instruments; 51 workshops on urban environmental issues, some of which have assisted in implementing some of the environmental management instruments developed under the project; a significant number of education and public awareness activities on environmental issues for government officials, private sector and NGOs.

Strengthening EMAs: EMAs were created in the four largest urban centers of the country -- Bogota, Cali, Medellin and Barranquilla -- resulting in increased environmental management capacity .

In Bogota, about two-thirds of the plans, regulations, and program guides that were developed were put into use, and studies on water, air, and noise pollution, and water management etc, resulted in specific actions to counter environmental problems, in a favorable political climate and positive inter -institutional coordination. An environmental fund has been set up to help the EMA move towards financial sustainability .

In Cali, there was significant progress in designing and implementing community environmental education programs as well as an Environmental Declaration Program - an integrated management tool for firms, but provisions for improving financial sustainability and institutional coordination were only partly implemented, being affected by dwindling budgets from the economic crisis . Also, in Cali, ninety percent of the trained staff had left by the end of the project.

In Medellin, institutional development impact was moderate, a study for an urban environmental institutional structure was not followed up, and programs for environmental education and environmental information system was not implemented.

In Barranquilla, the impact of institutional coordination mechanisms was weak despite progress in achieving consensus on environmental issues among the communities . The implementation of the Air Quality Management System was relatively less successful, being impacted by turnover of trained personnel .

4. Significant Outcomes/Impacts:

- Creation of EMAs in the four largest centers of the country -- Bogota, Cali, Medellin and Barranquilla; and
- Under the new administration, there is discussion underway about the country's environmental management framework, and there are indications that the project's outputs are being used to design a new framework, which is likely to affect current institutions in the country's environment sector .

5. Significant Shortcomings (including non-compliance with safeguard policies):

- Multiple changes in government ministers and officials affected continuity and execution . Between 1996 and 1999, MoE was restructured three times, with the project being placed under a different unit of the ministry each time.
- Two covenants relating to maintaining a Technical Working Group and sound administrative practices for EMS, were only partly complied with as a result of non-implementation of the environmental information system and budgetary constraints faced by the EMAs .
- EMAs did not share experience or products during project implementation, and studies and programs were at times duplicated.

6. Ratings :	ICR	OED Review	Reason for Disagreement /Comments
Outcome :	Satisfactory	Satisfactory	
Institutional Dev .:	Substantial	Substantial	
Sustainability :	Likely	Likely	However, the following concerns remain: uncertain financial arrangements and turnover of trained personnel for most EMAs; and inconclusive discussion on nation's environmental management network under new administration.
Bank Performance :	Satisfactory	Satisfactory	
Borrower Perf .:	Satisfactory	Satisfactory	However, the project outcomes were affected by changes in government

		priorities in wake of severe economic crisis, and there was a lack of continuity in administrative arrangements at the center .
Quality of ICR :		Satisfactory

NOTE: ICR rating values flagged with '*' don't comply with OP/BP 13.55, but are listed for completeness.

7. Lessons of Broad Applicability:

- The financial risk implied by varied interpretations of the legal framework -- especially when such a framework is new -- should be taken into account during the appraisal process .
- Projects should build in a mechanism for inter-institutional coordination when coordination will be critical to the implementation process, and a periodic redefinition of roles and competencies in light of implementation experience should be undertaken when relevant problems occur .
- TA projects would be more effective if they include investment components in the project's later years to help generate greater political support; and
- To make full use of the knowledge generated from a TA project, an adequate documentation center and related dissemination is important in order to create an institutional memory .

8. Assessment Recommended? Yes No

Why? The impact of TA on environmental management by central government ministries and EMAs can be assessed with greater certainty after an appropriate length of time -- one to two years.

9. Comments on Quality of ICR:

The ICR provides a highly informative and candid discussion of project implementation as well as a good analysis of project outcomes.