COMBINED PROJECT INFORMATION DOCUMENTS / INTEGRATED SAFEGUARDS DATA SHEET (PID/ISDS) ADDITIONAL FINANCING

Report No.: PIDISDSA20428

Date Prepared/Updated: 06-Dec-2016

I. BASIC INFORMATION

A. Basic Project Data

Country:	Argentina	Project ID:	P161393		
		Parent Project ID (if any):	P095485		
Project Name:	ne: Metropolitan Areas Urban Transport Project (P161393)				
Parent Project Name:	Urban Transport in Metropolitan Areas (P095485)				
Region:	LATIN AMERICA AND CARI	BBEAN			
Estimated Appraisal Date:	04-Nov-2016	Estimated Board Date:	27-Jan-2017		
Practice Area (Lead):	Transport & ICT	Lending Instrument:	Investment Project Financing		
Borrower(s):					
Implementing Agency:	g Ministry of Transport				
Financing (in US	SD Million)				
Financing Sour	rce		Amount		
Borrower			18.10		
	ank for Reconstruction and Deve	lopment	45.00		
	Fotal Project Cost 63				
Environmental Category:	ategory: B - Partial Assessment				
Appraisal Review Decision (from Decision Note): Other Decision:					
Is this a Repeater project?	No				

B. Introduction and Context

Country Context

After taking office in December 2015, the new Argentine Government moved with significant speed to implement reforms. The Government has rapidly implemented various macroeconomic reforms and initiated a program of structural reforms. These include (a) the elimination of export taxes on major crops, beef, and most industrial manufacturing products and the reduction by 5 percent of export taxes on soy; (b) unification of the exchange rate, effectively ending most foreign exchange restrictions; (c) moving from a system of discretionary to automatically provided import licenses in line with World Trade Organization procedures; (d) resolution of the dispute with holdout creditors; and (e) measures to enhance public transparency and accountability. In addition, the National Institute for Statistics launched a new inflation index and improved the overall quality of statistics. Electricity tariffs and transport fees were increased to reduce subsidies, while protecting low-income users with a social tariff. Broader efforts to reduce energy subsidies (which account for a large portion of fiscal deficit) are under way.

Economic activity is projected to contract in 2016, before growth accelerates in 2017 as the positive impact of the recent policy changes kicks in and the global economy recovers. Argentina is in the midst of a costly transition to a more sustainable macroeconomic framework. Economic activity will decline by an estimated 1.6 percent this year, taking a toll on labor markets, where 92,000 formal private sector jobs were lost since October 2015 (1.5 percent of total employment). Inflation is running high (estimated at about 40 percent for 2016), however it has decelerated in recent months after an initial jump due to currency depreciation and the reduction of energy and transport subsidies. Fiscal consolidation faces pressures and will likely be more gradual than originally planned due to lower revenues and increased social spending, including adjustment of pension transfers and the settlement of pension system lawsuits.

The Argentine Government has started to address the key macroeconomic imbalances with the objective of creating an environment conducive to economic growth and employment creation. Argentina offers many opportunities in a weak global environment, and there is a strong interest from foreign investors and firms. Going forward, the country will need to continue building a growth enabling policy framework to enhance credibility and support broad based growth and quality employment. In particular, the following policies will be important to permanently reduce inflation and put Argentina on a sustainable growth path: (a) increase public spending efficiency and reduce the fiscal deficit in line with government targets; (b) continue improving the credibility of the Central Bank and the monetary policy for anchoring inflation expectations; (c) strengthen competitiveness and productivity through an improved business environment and investments in infrastructure and increasing competition in markets and improving the regulatory framework in sectors; (d) continue strengthening the credibility of official statistics; and (e) continue to support better public goods provision and reduce regional disparities (including transportation, health, and education).

Sectoral and institutional Context

Argentina (s cities can play a key role in generating and sustaining inclusive economic growth. With more than 90 percent of its population living in urban areas, Argentina is one of the most urbanized countries in the world. In this context, the performance of Argentinian cities is critical to the country (s ability to create better economic opportunities and improve the standard of living of their residents. Urban development in Argentina over the past years has been characterized by low population density, a large growing territorial coverage, and the rise of developments in the periphery. Transportation infrastructure has given private motorized vehicles

(automobile and motorcycles) accessibility to a larger area in the city, inducing sprawl and low-density developments in many parts of the cities.

Argentina (s mobility challenge is a combination of an inclusiveness challenge, of having too little quality public transport and non-motorized infrastructure and a problem of having too much motorization at the same time. On one hand, stretched and financially unsustainable public transport networks make trips less reliable and comfortable. On the other, lack of integrated transport and land-use planning has led to sprawl and a fragmented spatial development that affects the livability and productivity of agglomerations, leading to car or motorcycle centric mobility options that carry with it a disproportionately higher cost to society.

These challenges have come with high cost to social equality and inclusion. The negative externalities created by increased use of car and motorcycles are largely regressive (congestion, accidents, pollution disproportionately affect the poor. Fragmented urban spaces exacerbate the challenges of social inequality and exclusion. Moreover, the development of new urban areas with low public transport accessibility reduces the possibility of economies of agglomeration derived from larger labor markets and knowledge spillovers.

The new national administration is keen on tackling this challenge in the Buenos Aires metropolitan region (AMBA for its Spanish acronym) and the Cities of the Interior, and replicating some of the successful experiences previously garnered. The Ministry of Transport, staffed with a strong technical transport team that previously led the various sustainable mobility initiatives in Buenos Aires, is charged with a mandate to expand some of the city (s most successful transport experiences, including the Bus Rapid Transit (BRT) systems, named Metrobus, and encourage safe and efficient use of a city (s transportation system and infrastructure; among others.

C. Proposed Development Objective(s)

Original Project Development Objective(s) - Parent

The overall development objective of the program is to improve the quality and sustainability of urban transport systems in Argentine Metropolitan Areas, through the improvement of sectoral decision making frameworks and by giving priority to public transport modes in the urban transport sector. The project (APL1) development objectives contribute to the overall program development objective by: (i) supporting the design and creation of a multijurisdictional Metropolitan Transport Agency for the Buenos Aires Metropolitan Area (AMBA); (ii) strengthening the institutional capacity of the transport authorities in decision making, planning, priority setting, and resource allocation in urban transport; (iii) improving the quality and performance of urban transport infrastructure and/orservices in medium size Metropolitan Areas; and (iv) improving the physical integration and access to public transport networks in the Buenos Aires Metropolitan Area.

Key Results

D. Project Description

The AF would be structured around one component; Component C: Public Transport Access and

Modal Integration in the AMBA. The objective of this component is to improve current accessibility and integration conditions in the AMBA public transport networks. After the project's 2014 restructuring, this component was refocused to finance the La Matanza BRT and the multimodal Saenz Transfer Station. The BRT in La Matanza, a municipality in the southern part of the Greater Buenos Aires, is one of the poorest in the metro region, and improving mobility was seen as a critical factor in promoting access to economic and social opportunities for its citizens. The project envisions the construction of a 14km BRT, which includes 11kms segregated lanes, 16 bus stations, one terminal/ bus depot in Gonzales Catan, and urban space upgrading. The Saenz Transfer Station envisions removing the level crossings in the Saenz Station, elevating it (approx. 1km. of elevated rail), and building a new multimodal transfer station, to improve congestion, safety and the urban fabric connectivity in one of the Belgrano Sur (s key suburban rail crossings. Both projects are strategic for the AMBA (s metropolitan governance agenda, and for the attainment of the project (s development objectives.

The AF would cover cost overruns associated with the La Matanza BRT civil work contract. Cost overruns have been estimated at approximately US\$45 million and were due to the uncertain political and macroeconomic transition that coincided with the BRT>(s bidding process (only one bid was received), and a recent contract amendment requested by the MT to better align the operation and infrastructure of the BRT project to the Buenos Aires Metrobus BRT experience. All in all, this has resulted in a cost overrun of approximately US\$45 million, which is needed to cover the Saenz multimodal Transfer Station contract and its work supervision contract estimated at US\$30.2 million, and another US\$13 million to cover La Matanza BRT. The AF would also cover the project management costs of the PIU housed at the MT, which are estimated at US\$1.7 million.

Component Name

Component C: Public Transport Access and Modal Integration in the AMBA.

Comments (optional)

E. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

The activities to be carried out under the Additional Financing derive from the continuity of projects approved under the parent project. The BRT in La Matanza is located in a municipality in the south western part of the Greater Buenos Aires area, one of the poorest in the metropolitan region. The Saenz Transfer Station is part of the Belgrano Sur suburban railway in the city of Buenos Aires. Both the La Matanza BRT and the Saenz Transfer Station have been tendered and civil works were initiated (or are expected to initiate for Saenz Transfer Station) under the original project. Both works are taking place in consolidated, densely populated urban areas, with a significant share of low-income citizens. Given that the project activities are located exclusively in urban areas, no adverse effects are expected on natural habitats, natural resources, or ecologically fragile zones, as confirmed through the Environmental Impact Assessment (EIA) process. These areas face environmental issues common to densely populated urban areas \$\Rightarrow\$(-congestion, air quality, road safety, and excessive land development and construction. The Environmental Management Plans for the project activities focus particularly on pedestrian and community safety measures, and the minimization of impacts of noise and air pollution during construction because the civil works are located in highly urbanized areas consisting of

residential, commercial, and institutional buildings.

F. Environmental and Social Safeguards Specialists

Carlos Alberto Molina Prieto (GSU04)

Fernando J. Brunstein (GEN04)

Noreen Beg (OPSPF)

II. Implementation

Institutional and Implementation Arrangements

Implementation arrangements will remain the same as in the original loan. The Ministry of Transport, through the Project Implementation Unit will implement the project. The proposed AF will have no impact on the safeguards or fiduciary arrangements of the project. Given that the activities to be carried out under the proposed AF derive from the continuity of the current loan and all works will have been tendered, the AF will not trigger additional safeguards policies, nor require changes to the project (s procurements, FM and disbursement arrangements.

III. Safeguard Policies that might apply

Safeguard Policies Triggered? Explanat		Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	The Borrower has prepared Environmental Impact Assessments (EIAs) for both the La Matanza and Saenz projects, which reflect the results of public consultations and include Environmental Management and Monitoring Plans. Main direct impacts are expected to occur during construction and cause localized and temporary negative environmental impacts. Such impacts are expected to consist essentially of noise, vibration, dust, and traffic disruption. Additional negative impacts during construction will occur due to temporary storage of construction materials and waste at the project sites, and finally through haulage and final disposal of materials. Access to commercial sectors and houses will be affected temporarily; however, the mitigation measures already designed will reduce unnecessary interference in commercial and residential activities.
Natural Habitats OP/BP 4.04	No	Since both project activities are located in densely populated urban areas, no critical ecological habitats or protected areas will be affected.
Forests OP/BP 4.36	No	The project will not affect forests as defined under the policy.
Pest Management OP 4.09	No	No pesticides will be utilized in project activities.
Physical Cultural Resources OP/BP 4.11	Yes	Even though there are no culturally or historically important sites within the Project area, given that excavation will be undertaken at the Saenz site, the

Indigenous Peoples OP/BP	No	Environmental and Social Management Framework (ESMF>(Manual de Manejo Ambiental y Social in Spanish) sets forth chance finds procedures. The policy is not triggered because there are no
4.10 Involuntary Resettlement OP/	Yes	indigenous peoples present in the project area. Operational Policy 4.12 is triggered. Based on the
BP 4.12	les	ESMF, which includes a Resettlement Policy Framework, an Abbreviated Resettlement Action Plan for informal vendors was developed and formulated for La Matanza BRT and an Abbreviated Resettlement Action Plan for street vendors in the multimodal Saenz Station. These Plans have been consulted and published. During consultation of both Plans, the main request from informal vendors was that they'd be fully identified, to ensure their participation in future solutions and constant information flow on the progress of the solution. These issues were incorporated, and are currently being implemented in a satisfactory manner.
Safety of Dams OP/BP 4.37	No	The project will not affect safety of damns.
Projects on International Waterways OP/BP 7.50	No	The project will not affect international waterways.
Projects in Disputed Areas OP/BP 7.60	No	The project will not affect idisputed areas.

IV. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:

The Borrower has prepared EIAs for both the La Matanza and Saenz projects, which reflect the results of public consultations and include Environmental Management and Monitoring Plans (EMMPs). These have been reviewed and cleared by the Bank. The EIA for Saenz Transfer Station was published on the website of the Project Implementation Unit (PIU) on October 26, 2016 (http://uecmovilidad.gob.ar/sub-proyecto-estacion-elevada-de-transbordo-avenida-saenz-delferrocarril-belgrano-sur/) and on the Bank (s external website on November 03, 2016. The EIA for the La Matanza BRT was published on the website of the PIU on November 01, 2016 (http://uecmovilidad.gob.ar/sub-proyecto-estacion-elevada-de-transbordo-avenida-saenz-del-ferrocarril-belgrano-sur/) and on the Bank (s external website on November 01, 2016. Likewise, an Abbreviated Resettlement Action Plan for informal vendors was developed for La Matanza BRT and was published on the PIU (s website on September 8, 2016, and on the Bank (s external website on November 01, 2016; an Abbreviated Resettlement Action Plan for street vendors was developed for the multimodal Saenz Station, was published in the PIU (s website on August 17, 2016, and on Bank (s external website on November 01, 2016).

Main direct impacts are expected to occur during construction and cause localized and temporary negative environmental and social impacts. Such impacts are expected to consist essentially of

noise, vibration, dust, and traffic disruption. Additional negative impacts during construction will occur due to temporary storage of construction materials and waste at the project sites, and finally through haulage and final disposal of materials. Access to commercial sectors and houses will be affected temporarily; however, the mitigation measures already designed will reduce unnecessary interference in commercial and residential activities. The project will also impact some street vendors in the La Matanza BRT and in the Saenz Station.

In the longer term, both project activities will have positive social environmental impacts, as they will improve the flow of traffic, causing a reduction in stop-start vehicle emissions caused by congestion, and reducing time spent in travel. The adoption of the BRT is expected to reduce individual vehicular travel, resulting in a reduction in noise and local air pollution, as well as a reduction in Greenhouse Gas emissions. The proposed projects, will also (a) promote the use of low-emission modes such as high-capacity buses and suburban trains, and (b) improve traffic flows through the removal of traffic bottlenecks caused by indiscriminate use of roads for all kinds of motorized traffic or by rail-road at-level crossings.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:

Eventual indirect impacts due to future activities in the project area would largely be related to increased urbanization, possibly leading to additional traffic congestion.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.

The Borrower has been proactive throughout the parent project, both in assessing and then selecting the most technically viable and sustainable project alternatives acceptable to the Bank, and then preparing modifications to construction schedules and siting of activities to accommodate local stakeholder concerns as reflected on consultations.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.

The PIU has an Environmental and Social Management Framework (ESMF>(Manual de Manejo Ambiental y Social) dated February 12, 2007. This Framework was considered acceptable to the Bank, and was disclosed on August 28, 2009 in the project>(s website (http://www.ptuma. gov.ar), and on August 28, 2009 in the Bank>(s external website. Given that the proposed subprojects for this AF were prepared, tendered, and started implementation under the parent project, this AF will apply the guiding principles of this ESMF. In general terms, both sub-projects have no significant impacts that cannot be addressed through the measures envisioned in the ESMF. As described above, EIAs, which include EMMPs have been prepared and disclosed for both the BRT and the Saenz Transfer Station. Likewise, Abbreviated Resettlement Plans for informal and street vendors have been prepared and disclosed for both projects.

As in the parent loan, the Borrower will be the Government of Argentina, and the executing agency (PIU) will be located in the Ministry of Transport, with the same management and coordination role as for the parent project. The PIU has been exposed to the Bank's Environmental and Social Safeguard Policies and is now familiar with them. Although with the arrival of the new Government, there have been several replacements in the composition of the Environmental and Social team at the PIU, the new members of the team have received training from Bank specialists on Bank procedures for environmental and social compliance. These trainings will be periodically reinforced to continue to strengthen the team (s capabilities. In the parent project, key environmental concerns were relatively limited, and related mostly to the need to maintain pedestrian and road safety around construction sites. The PIU has maintained open and interactive

communication with local stakeholders throughout the parent project to address any concerns, and this is expected to continue during the AF.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

During the La Matanza BRT and Saenz Transfer Station project preparation (between September 2014 until October 2015 for the BRT and between January and June 2015 for Saenz), the Borrower consulted target groups in the respective project areas of influence.

A community consultation methodology included a set of consultation sessions. In the case of Saenz Transfer Center there was a single meeting with community in general, on May 21, 2015. In the case of the La Matanza BRT, there were several meetings: (a) a workshop with officials of La Matanza Municipality (October 9, 2014); (b) a workshop with community organizations, including local professional associations of engineers and architects, local chambers of commerce and industries, and neighborhood organizations (October 16, 2014); (c) a workshop with officials of La Matanza Municipality and community in general (March 12, 2015); (d) focus groups with road front traders (June 8, 10 and 18, 2015) and finally; (e) public and community organizations (October 05, 2015).

As a result of the consultation processes, it can be concluded that there are important levels of consensus among organized groups and the public at large, about the need for both projects. The consultation process implemented during preparation confirmed the benefits of both projects: (a) there is consensus in the community in general about the need for both sub-projects; (b) in La Matanza BRT case, specific recommendations for the sub-project design have been obtained from meetings and; (d) also in La Matanza BRT a sense of ownership is being achieved both with the neighborhoods and the Municipality.

During the implementation of the parent project, an important degree of public interest was focused on the progress of the project and the results of consultation activities. The PIU and the Municipality of La Matanza, on one hand, and in the other, the PIU and the Government of the City of Buenos Aires, will work together to ensure close collaboration related to public disclosure of environmental reports and data throughout the life of the project. The PIU has a public website (http://uecmovilidad.gob.ar/) where environmental assessment reports and other information are already available. The same degree of collaboration and public disclosure is expected to continue under this AF.

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other				
Date of rece	ipt by the Bank	28-Aug-2009		
Date of subr	28-Aug-2009			
For category	For category A projects, date of distributing the Executive			
Summary of	Summary of the EA to the Executive Directors			
"In country" I	Disclosure			
Argentina		28-Aug-2009		
Comments:	Comments: The Project's Environmental and Social Management Framework (ESMF►(
	Manual de Manejo Ambiental y Social in Spanish) was disclosed on August 28,			

2009. Stand-alone EIAs for the Saenz Transfer Station and for the La Matanza BRT have been developed based on this ESMF. The EIA for Saenz Transfer Center was published on the web site of the Project Implementation Unit (PIU) on October 26, 2016, and was published on the Bank (s external website on November 03, 2016. The EIA for the La Matanza BRT was published on the web site of the Project Implementation Unit (PIU) on November 01, 2016 and was published on the Bank (s external website on November 01, 2016.

Resettlement Action Plan/Framework/Policy Process					
Date of receipt by the Bank		28-Aug-2009			
Date of subr	nission to InfoShop	28-Aug-2009			
"In country" I	"In country" Disclosure				
Argentina	Argentina 28-Aug-2009				
Comments:	Comments: The Project's Environmental and Social Management Framework (ESMF►(
	Manual de Manejo Ambiental y Social in Spanish), which includes the Resettlement				
	Policy Framework, was disclosed on August 28, 2009. Based on this ESMF, an				
	Abbreviated Resettlement Action Plan for informal vendors was developed for La				
	Matanza BRT and was published on the PIU►(s website on September 8, 2016, and				
on the Bank ► (s external website on November 01, 2016; an Abbreviated					
Resettlement Action Plan for street vendors was developed for the Saenz Transfer					
Station, was published in the PIU (s website on August 17, 2016, and on the					
	Bank ► (s external website on November 01, 2016.				
If the project	triggers the Pest Management and/or Physical Cu	Itural Resources policies the			

If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.

If in-country disclosure of any of the above documents is not expected, please explain why:

C. Compliance Monitoring Indicators at the Corporate Level

OP/BP/GP 4.01 - Environment Assessment					
Does the project require a stand-alone EA (including EMP) report?	Yes [×]	No []	NA []
If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?	Yes [×]	No []	NA []
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes [×]	No []	NA []
OP/BP 4.11 - Physical Cultural Resources					
Does the EA include adequate measures related to cultural property?	Yes [×]	No []	NA []
Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?	Yes [×]	No []	NA []
OP/BP 4.12 - Involuntary Resettlement					

Has a resettlement plan/abbreviated plan/policy framework/ process framework (as appropriate) been prepared?	Yes [×]	No []	NA[]
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes [×]	No []	NA[]
Is physical displacement/relocation expected?	Yes [×]	No []	TBD[]
12 Provided estimated number of people to be affected				
Is economic displacement expected? (loss of assets or access to assets that leads to loss of income sources or other means of livelihoods)	Yes [×]	No []	TBD[]
4 Provided estimated number of people to be affected				
The World Bank Policy on Disclosure of Information				
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes [×]	No []	NA[]
Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?	Yes [×]	No []	NA []
All Safeguard Policies	•			,
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes [×]	No []	NA[]
Have costs related to safeguard policy measures been included in the project cost?	Yes [×]	No []	NA[]
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes [×]	No []	NA[]
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes [×]	No []	NA[]

V. Contact point

World Bank

Contact: Camila Rodriguez Hernandez Title: Senior Infrastructure Speciali

Borrower/Client/Recipient

Name: Contact: Title: Email:

Implementing Agencies

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VI. For more information contact:

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VII. Approval

Task Team Leader(s):	Name: Camila Rodriguez Hernandez	
Approved By		
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Practice Manager/ Manager:	Name: Gylfi Palsson (PMGR)	Date: 07-Dec-2016
Country Director:	Name: Renato Nardello (CD)	Date: 20-Dec-2016