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DOCUMENT OF THE INDEPENDENT CONSULTATION
AND INVESTIGATION MECHANISM

MICI-BID-AR-2022-0188

**NOTIFICATION OF EXTENSION
OF THE CONSULTATION PHASE PROCESS**

RECONQUISTA RIVER SANITATION ENVIRONMENTAL PROGRAM — REQUEST V

**(AR-L1121)
(3256/OC-AR)**

This document was prepared by Andrea Repetto Vargas, MICI Director.

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FROM: Andrea Repetto Vargas, MICI Director

REFERENCE: MICI-BID-AR-2022-0188 regarding the Project Reconquista River Sanitation Environmental Program — Request V (AR-L1121)

DATE: April 26, 2024

SUBJECT: **Second Extension of the Consultation Phase Process Notification - Justification and New Deadline**

Dear Board of Executive Directors:

In accordance with the provisions in paragraph 31 of the MICI-IDB Policy (MI-47-8), I am notifying the Board of Executive Directors of an extension of **three (3) months** for the Consultation Phase Process of Request MICI-BID-AR-2022-0188 related to the Reconquista River Sanitation Environmental Program — Request V (AR-L1121) to be counted as of April 26th, 2024. The background and justification for this extension are presented below:

Background and Justification

In accordance with paragraph 24 of the MICI-BID Policy, the objective of the Consultation Phase (CP) is to provide an opportunity for Requesters, IDB Management and the Executing Agency (the "Parties"), to address the issues raised in the Request in a flexible, voluntary, and consensual manner. The CP is composed of three successive stages called Assessment, Consultation Process and Monitoring.

In accordance with paragraph 31 of the MICI-IDB Policy, the maximum term for the Consultation Phase Process is 12 calendar months. However, this term may be extended if the MICI Director considers that the extension will help resolve the issues raised. Request MICI-BID-AR-2022-0188 is currently in a Consultation Phase Process initiated on October 24th, 2022.

As identified in the Assessment Report, the central issue of the Request and a priority in the dialogue agenda refers to "Access to information and ongoing updates on the status, timeline, and completion date for the work on "Branch Sewer Systems in Moreno Catonas IV Sur-Lote 2". During dialogue sessions facilitated by MICI¹, the Executing Agency presented a tentative schedule for the public works bidding process and committed to provide constant updates to MICI on the process' publicly available information of to be communicated to the Requesters. Given the deadlines for the bidding and procurement processes for the Works, MICI notified a first extension of the Consultation Phase Process for six (6) months starting on October 24, 2023.

In terms of the bidding process, the call for proposals was published on April 21st, 2023. The allocation decision was published on November 30th and the construction contract was signed on December 13th, 2023. The works are scheduled to commence in April 2024 and will have a completion period of 400 calendar days.

¹ So far, the MICI team has facilitated two dialogue sessions (one in person on December 7th, 2022, and one virtual on April 18th, 2023). In parallel, MICI has maintained permanent contact with the Parties.

During exchanges on the clauses to be included in the Agreement document, new information of a technical nature about the Works that must be shared with the requesters before proceeding to the potential MICI Agreement signing arose. MICI therefore considers it appropriate to extend the Consultation Phase Process period to allow this exchange to take place. In the meantime, the Mechanism will maintain ongoing communications with the Parties through bilateral meetings and, at least one plenary session so that the Executing Agency and IDB Management can provide detailed information on the Works and answer any questions that may arise. Likewise, MICI will facilitate the resolution of any potential differences that may arise with respect to the process.

For all the above, **the Board of Executive Directors is notified of the extension of the Consultation Phase process for an additional period of three (3) months, which will end on July 26th, 2024. At the end of the indicated extension, MICI will send to the IDB Executive Board the Consultation Phase Report that will include the results of the process. If an Agreement is reached, the Report will also include the respective Monitoring Plan for the Board's consideration via short procedure.**