



PUBLIC  
SIMULTANEOUS DISCLOSURE

DOCUMENT OF THE INDEPENDENT CONSULTATION AND INVESTIGATION MECHANISM

**ARGENTINA**

**MICI-BID-AR-2019-0144**

**CASE CLOSURE REPORT**

**PRODUCTIVE AND TOURISM INFRASTRUCTURE PROGRAM FOR THE PROVINCE OF RÍO NEGRO**

**(AR-L1106)  
(2491/OC-AR)**

This document was prepared by Martín Packmann, Consultation Phase Specialist, and Gastón Aín, Consultation Phase Coordinator, under the supervision of Andrea Repetto Vargas, MICI Director.

In accordance with the Access to Information Policy, this document is being made publicly available simultaneously with its distribution to the Board for information.

## CONTENTS

I.	BACKGROUND .....	1
II.	CONSULTATION PHASE REPORT AND AGREEMENTS.....	2
III.	MONITORING OF THE AGREEMENTS .....	3
IV.	CASE CLOSURE WITH THE MICI .....	6

## ANNEXES

- I. Agreement on the redevelopment of Mitre Street

## LINKS

1. Original Request MICI-BID-AR-2019-0144  
<http://www.iadb.org/document.cfm?id=EZSHARE-1606550375-42>  
(Available in Spanish only)
2. Assessment and Consultation Phase Report  
<http://www.iadb.org/document.cfm?id=EZSHARE-1606550375-88>
3. First Monitoring Report on the Consultation Phase Agreements  
<https://www.iadb.org/document.cfm?id=EZSHARE-1606550375-91>
4. Case file MICI-BID-AR-2019-0144 in the MICI-IDB Public Registry  
<https://www.iadb.org/en/mici/complaint-detail?ID=MICI-BID-AR-2019-0144>
5. Mobility Study  
[http://www.bariloche.gov.ar/wp-content/uploads/2017/05/ECMMCB\\_E2P5\\_Plan-Conceptual.pdf](http://www.bariloche.gov.ar/wp-content/uploads/2017/05/ECMMCB_E2P5_Plan-Conceptual.pdf)  
(Available in Spanish only)
6. Annex to the Mobility Study  
[http://www.bariloche.gov.ar/wp-content/uploads/2017/05/ECMMCB\\_E2P5\\_Plan-Conceptual-Anexos.pdf](http://www.bariloche.gov.ar/wp-content/uploads/2017/05/ECMMCB_E2P5_Plan-Conceptual-Anexos.pdf)  
(Available in Spanish only)
7. Loan proposal for the Productive and Tourism Infrastructure Program for the Province of Río Negro (AR-L1106)  
<https://www.iadb.org/Document.cfm?id=EZSHARE-1195963465-14>

## ABBREVIATIONS

Bank or IDB	Inter-American Development Bank
CEB Sanitation	Cooperativa de Electricidad Bariloche Ltda, Sanitation Division
Execution unit or UPCEFE	Unidad Provincial de Coordinación y Ejecución del Financiamiento Externo [Provincial Unit for External Financing Coordination and Execution] Río Negro Province
Harm	Any direct, material damage or loss. The harm may be actual or reasonably likely to occur in the future.
Management	The IDB Group manager or managers in charge of the relevant IDB Group-financed operation or any delegate thereof
MICI	Independent Consultation and Investigation Mechanism
MICI-IDB Policy	Policy approved by the Board of Executive Directors of the Inter-American Development Bank in December 2014 and revised in December 2015. It governs the work of the MICI regarding Requests related to operations financed by the IDB or IDB Lab (document MI-47-6)
Parties or Actors	The Requesters, Management, borrower, client, and/or executing agency, as applicable
Program	Productive and Tourism Infrastructure Program for the Province of Río Negro
Request	A communication submitted by the Requesters or their representative that alleges that they have suffered or may suffer harm due to the failure of the IDB Group to comply with one or more of its Relevant Operational Policies within the context of the Operation

## I. BACKGROUND

- 1.1 The Productive and Tourism Infrastructure Program for the Province of Río Negro (AR-L1106) was financed by the IDB under a specific investment loan operation for a total amount of US\$30 million, with a local counterpart contribution of US\$7.5 million, and the Argentine Republic acting as guarantor. The borrower was the Province of Río Negro, and the executing agency was its Provincial Unit for External Financing Coordination and Execution (UPCEFE). The operation was approved by the Board of Executive Directors on 14 December 2010; all funds have been disbursed, and it is now closed.
- 1.2 The program's objective was to support the Province of Río Negro in strengthening and consolidating its fruit and vegetable production and tourism clusters, enabling them to maintain and enhance their competitiveness in the domestic and international markets. Specifically, the program had activities in several different parts of the province, including: (i) expanding port service offerings; (ii) expanding the supply of medical services; (iii) improving urban tourism offerings; and (iv) preparing an investment plan for infrastructure and mobility in tourism centers. Component 1, "Productive and tourism infrastructure," included a subcomponent 3 seeking to improve the quality of urban infrastructure in the downtown areas of San Carlos de Bariloche and Viedma both for tourists and for the local population. In particular, in San Carlos de Bariloche, this subcomponent financed the redevelopment and pedestrianizing of Mitre Street.
- 1.3 The work originally included nine blocks along Mitre Street. It was expected to last eight months from the start of construction with possible extensions due to periods of municipal restrictions coinciding with the winter season. This project sought to redefine the vehicle-pedestrian relationship under a pedestrian-prioritized "street-for-living" model to create better-quality spaces for public use by: (i) widening sidewalks; (ii) eliminating grade offsets; and (iii) redistributing parking and discouraging high-speed vehicle traffic.
- 1.4 At the time of approval, the original program was classified as a category "B" operation, and the relevant Operational Policies were identified as the Environment and Safeguards Compliance Policy (OP-703) and the Access to Information Policy (OP-102).
- 1.5 On 28 February 2019, the MICI received a Request from 287 street-fronting businesses and retailers on Mitre Street,<sup>1</sup> including both owners and renters. The Requesters alleged that the Bank failed to comply with its Operational Policies, primarily OP-703 and OP-102, which caused them actual and potential harm. Specifically, they alleged that they had suffered significant economic harm due to the fact that the construction work, initially scheduled to last approximately eight months, took more than three years to complete. During that period, the sidewalk was fenced off and the work resulted in prolonged restrictions on pedestrian and vehicle access, affecting the area's tourism and commercial activities on which the Requesters depended for their livelihoods. The Requesters also alleged that the final design of the project differed from the original design, and, if implemented, it

---

<sup>1</sup> The original Request was signed by 149 people. During the Eligibility Stage and at the start of the Consultation Phase Process, the Requesters continued to collect signatures from the operators of street-fronting and other businesses on Mitre Street for consideration in the MICI process.

could cause a further drop in sales in the future, and even business closures. In addition, the Requesters complained of a constant lack of access to information regarding the work, the execution time frame, and changes in vehicle and pedestrian traffic during construction.

- 1.6 The Request was registered on 7 March and declared eligible on 6 May. Before the arrival of the MICI and during the Eligibility Stage, the Requesters and the Municipal Government of San Carlos de Bariloche held a number of meetings to discuss topics relating to the design of the works, including some of the issues mentioned in the Request filed with the MICI. In light of that fact and the information gathered during the Eligibility Stage and in view of the scheduled timeline for the works, the MICI implemented an intensive, time-bound methodology to conduct the Assessment Stage and the Consultation Phase Process Stage simultaneously.

## II. CONSULTATION PHASE REPORT AND AGREEMENTS

- 2.1 During the dispute resolution process, the MICI convened and facilitated two consecutive dialogue sessions on 23 and 24 May in San Carlos de Bariloche, in which representatives of the Requesters, the IDB, the UPCEFE, the Municipal Government of San Carlos de Bariloche, and the construction firm took part. The MICI also held a series of bilateral meetings with the Parties.
- 2.2 As an outcome of the aforementioned intensive dialogue process, the Parties reached an Agreement on 24 May 2019. Its main features are: (a) specification of the width of Mitre Street at 5.70 to 6 meters; (b) the location and length of passenger bays; (c) the financing of a study to design a mobility plan for downtown Bariloche; (d) the planting of native trees along Mitre Street; (e) the performance of hydraulic tests to ensure the proper functioning of storm drains and grates installed along the street; and (f) the public dissemination of the technical information regarding the state of the connections and discharges of the sewer system to the storm drains, the installation of storm drains, and the choice of lighting system, power, and color selected for Mitre Street.
- 2.3 As a result of the Agreement reached, and at the request of the Parties, the MICI submitted to the Board of Executive Directors a plan to monitor fulfillment of the agreements reached. This monitoring plan was approved by the IDB Board of Executive Directors via short procedure on 23 July 2019.<sup>2</sup>
- 2.4 Background information on case MICI-BID-AR-2019-0144 and public documentation prepared during the process can be consulted in the [case file](#) in the MICI Public Registry.<sup>3</sup>

---

<sup>2</sup> On 23 July 2019, the IDB Board of Executive Directors approved the monitoring plan designed by the Parties without changes. The plan was presented in the Consultation Phase Report in connection with Request MICI-BID-AR-2019-0144.

<sup>3</sup> The public documents on the case can be accessed from the “Links” section.



**Signature of the Agreement**

Source: MICI.

### **III. MONITORING OF THE AGREEMENTS**

- 3.1 Given that the Assessment and Consultation Phase Report was approved on 23 July 2019, activities to monitor implementation of the Agreement should have begun in August 2019. However, in light of the internal dynamics of the work and the timeline for its completion, certain commitments had to be fulfilled immediately after the Agreement was signed. Consequently, monitoring activities by the MICI commenced in June 2019 following signature of the Agreement. It is also important to note that most of the monitoring activities were conducted virtually, due to the restrictions on movement and in-person interactions imposed in connection with the COVID-19 pandemic. For these reasons, for this case, the MICI did not conduct a monitoring mission on the ground, nor a closing mission. The main actions and issues addressed in the framework established for Monitoring of the Agreement are as follows:
- 3.2 **Meetings with the Parties.** During the course of the monitoring period, between June 2019 and July 2020, the MICI held 38 bilateral meetings with the Parties, all of which took place over the phone or online. Those meetings were key to assessing the status of fulfillment of the agreements, identifying potential bottlenecks, and reaching consensus on actions to address the challenges in implementation of the agreement.
- 3.3 In addition to the bilateral meetings, in 2019 the MICI Agreement Monitoring Committee was also established, with its members including representatives from the executing agency, IDB Management, the construction company, the

Requesters, and the MICI. The platform used by the Committee to facilitate a lively working dynamic was the WhatsApp messaging service. For the group's work, a set of rules were established and adhered to by the participants, facilitated by the MICI. The Committee also held an in-person meeting, with the MICI participating virtually.

- 3.4 **Implementation of the works.** As explained in the First Monitoring Report, the works to redevelop and renovate Mitre Street were finalized in December 2019, when the works were provisionally delivered. The Parties were able to confirm fulfillment of the agreements related to implementation of the works, such as the width of the roadway on Mitre Street, the existence and distribution of bays for picking up and dropping off passengers, and accessibility and parking for persons with disabilities.
- 3.5 **Public disclosure of information.** Between June 2019 and October 2020, fulfillment was confirmed of the commitments associated with public disclosure of the studies on siting of storm drains and grates along Mitre Street (Clause 2.A), performance of hydraulic tests and reporting of results (Clause 2.B), and lastly, technical information on the type of lighting unit, power, and color (Clause 4.B).
- 3.6 With respect to information in connection with the sewer system, between June and October 2019, the UPCEFE shared the information required under the Agreement in relation to the public disclosure of bidding documents from 2015, as well as the documentation obtained by the company Planobra (Clauses 6.A and 6.C). The Requesters, for their part, asked the Chief of Staff of the Municipal Government of San Carlos de Bariloche to prepare a report on the status of the connections and discharges of the sewer system to the storm drains on Mitre Street, as had been established in Clause 6.C. There were considerable delays in preparing that report. On 1 June 2020, CEB Sanitation sent the municipal government a note summarizing the “current status of and most critical repairs and/or modifications to” the sewer system along Mitre Street between Pasaje Urquiza and John O’Connor.
- 3.7 Since the information conveyed in that message was a summary, the MICI submitted a request to the municipal government’s MICI liaison to look into whether more detailed information on the current status of the connections and discharges of the sewer system could be made available. Although that additional information could not be obtained, IDB Management reported on other Bank-financed projects in Bariloche that had to do with the water and sewer system in the municipio. The information was compiled by IDB Management and shared with the Requesters. Thanks to the additional information, which supported a better understanding of the situation with the sewer system, Clause 6.C of the Agreement was fulfilled.
- 3.8 **Urban trees.** Clause 5.B of the Agreement established that three of the 30 trees to be planted on Mitre Street would be maytens (*Maytenus boaria*) and 27 would be native species, to be chosen from lenga beech (*Nothofagus pumilio*) or Antarctic beech (*Nothofagus antarctica*). However, after several meetings and exchanges during the monitoring period, the Parties agreed that another species would be planted: the myrtle (*Luma apiculata*). As established in the First Monitoring Report, although the decision reached by the Parties modified the type of tree to be planted, it adhered to the guiding principle of Clause 5 of the Agreement: the trees planted on Mitre Street should be uniform and should give

the street a unique identity linked to Bariloche. The Parties have confirmed that myrtles have been planted and maintained on Mitre Street.

- 3.9 **Socioeconomic situation of street-fronting businesses and retailers.** As a result of arrangements made by the UPCEFE in the framework of the Agreement, the Province of Río Negro decided to extend the area covered by Resolution 386/2019 to include businesses located between 700 and 900 Mitre Street as beneficiaries.<sup>4</sup> This change was set forth in Resolution 642 by the Tax Collection Authority, issued on 30 May 2019.
- 3.10 **Mobility study.** As established in Clause 1.B, the IDB will draw on program resources to finance a study for the design of a downtown mobility plan. Notably, there were extensive delays in the initial stages of the study (design of terms of reference and contracting of specialists). Due to these delays, the study could not be carried out in 2019. Given that the closing date for the project was scheduled for December 2019, the MICI made a series of arrangements with the stakeholders to identify options to fulfill the agreement. As a result, the IDB agreed to draw from its own resources (not associated with the project) in 2020 and hire consultant(s) to prepare the study.
- 3.11 However, during the first two months of 2020, the hiring process was delayed due to the COVID-19 pandemic and the impact of the measures designed to contain the spread of the virus. Though the IDB had kept the funds for the study available, restrictions on movement, travel, and meetings in Argentina made it difficult to conduct a study that required fieldwork and engagement with the public.
- 3.12 In late 2020, once they had been hired for the consulting work, the specialists began to prepare the mobility study in collaboration with the municipal government of San Carlos de Bariloche and the UPCEFE. It is important to point out that the process comprised two different areas of participation: the activities related to the mobility study, organized by the consulting team and the municipal government; and the actions specific to the MICI process.
- 3.13 The municipal government of San Carlos de Bariloche, together with the consulting team, organized three informational meetings at which the specialists presented various aspects of the study to the general public. The MICI participated in those events as an observer.
- 3.14 In terms of the activities related to the MICI process, the MICI convened and facilitated five meetings to share information and engage in dialogue with the Requesters, the IDB, the UPCEFE, the municipal government of San Carlos de Bariloche, and the consulting team. The first meeting, held on 11 December 2020, was intended to present the initial design of the project and its methodology. That event was also an opportunity to incorporate, on the front end, the perspectives of the Requesters, with special emphasis on the main concerns related to mobility in downtown Bariloche.
- 3.15 Subsequently, three meetings were held in April 2021 to present the state of progress on the diagnostic assessment for the study, as well as discuss the main problems and possible options for addressing them. At each event, the Requesters were able to ask questions, comment, and make suggestions. Lastly, on 8 July

---

<sup>4</sup> Initially, Resolution 386 by the Tax Collection Authority extended the payment deadline for the second through fifth advance payments for retailers between 0 and 700 Mitre Street.

2021, the final MICI meeting was held, with the consultants presenting their main findings and recommendations in connection with the mobility study. All the stakeholders appreciated the opportunity for dialogue, learning, information-sharing, and a constructive exchange of ideas, despite having different visions. Specifically, the Requesters indicated their appreciation for the chance to play an active role in the preparation of the mobility plan and their hope that the proposals would be implemented over time. All stakeholders underscored the importance of involving citizens early on in the design and preparation of studies and projects, through a variety of mechanisms for ensuring citizen participation. Attention was drawn to the importance of building synergies between the “technical knowledge” offered by the specialists and the “experiential knowledge” contributed by citizens.



**Facilitation of the MICI meeting, 24 May 2019**

Source: MICI

#### **IV. CASE CLOSURE WITH THE MICI**

- 4.1 The objective of the Guidelines for the Consultation Phase (MI-74) are intended to facilitate the effective application of Section H of the MICI-IDB Policy, providing a roadmap for case management within the Consultation Phase. Section 7 of the Guidelines sets out the reasons for ending the Consultation Phase, which include: (a) Requests in which the Parties have reached an agreement and monitoring plan, and compliance with these obligations has been verified with the agreement of the Parties (paragraph 7.3).
- 4.2 The Request was registered on 7 March and declared eligible on 6 May. It should be noted that because a method was used that consolidated the assessment of conditions and dispute resolution phases, among other measures, the MICI facilitated a process that culminated in the signature of an agreement between the Parties on 24 May. A total of 18 days elapsed between receipt of the complaint in

- the Consultation Phase and signature of the agreement. The agreement monitoring process took a total of 25 months.
- 4.3 Given the foregoing, having verified compliance of the commitments assumed by the Parties in the framework of the MICI Consultation Phase, the MICI informs the IDB Board of Executive Directors and the interested parties that processing of Case MICI-BID-AR-2019-0144 has concluded as all impacts raised by the Requesters in the framework of the Productive and Tourism Infrastructure Program for the Province of Río Negro have been addressed.
  - 4.4 The MICI thanks the Parties for their constructive participation and collaboration during the process and notifies them and the general public that the case is closed.

**Consultation Phase – MICI-BID-AR-2019-0144 – Productive and Tourism  
Infrastructure Program for the Province of Río Negro**

Agreement on the redevelopment of Mitre Street

**Background**

On 28 February 2019, the MICI received a Request concerning the Productive and Tourism Infrastructure Program for the Province of Río Negro from 287 street-fronting businesses and retailers,<sup>1</sup> including both owners and tenants of premises on Mitre Street. The Request alleged that noncompliance with the Bank's Operational Policies, primarily OP-703 and OP-102, is causing the Requesters actual and potential harm. Specifically, the Requesters stated that they have suffered significant economic impacts caused by delays in construction work, which was initially scheduled to last approximately eight months, but has still not been completed more than three years later. During the work, the sidewalk has been fenced off and the ongoing work has resulted in prolonged restrictions on pedestrian and vehicle access, affecting the area's tourism and commercial activities on which the Requesters depend for their livelihoods. The Requesters also alleged that the original project design has been changed, and that, going forward, these alterations could cause a further drop in sales and even business closures. The Requesters also complained of a lack of access to information regarding the work, the execution timeline, and changes in vehicle and pedestrian traffic patterns during construction.

During the Eligibility Stage, the MICI conducted a mission to get a better understanding of the allegations set out in the Request and the planned redevelopment work in Mitre Street. During the mission, the MICI held meetings with the Requesters and the municipal government of San Carlos de Bariloche, among others. There were also telephone conversations with IDB Management. On 6 May 2019, the MICI issued an Eligibility Memorandum declaring the Request eligible and initiating the Consultation Phase.

In view of the information gathered during the eligibility stage and the conversations with the Parties at the start of the Consultation Phase, the MICI proposed the implementation of an intensive, time-bound methodology to develop the dispute resolution process. Accordingly, the Assessment Stage and the Consultation Phase Process Stage were conducted together.

As part of the Consultation Phase, the MICI conducted a mission to Argentina from 20 to 25 May 2019, during which bilateral meetings were held with the Parties in the city of Buenos Aires and in San Carlos de Bariloche. These meetings made it possible to determine the Parties' willingness to find a solution to the problems identified in the Request through consensus and to ascertain some of the methodological preferences for the Consultation Process.

---

<sup>1</sup> The original Request was signed by 149 people. During the Eligibility Stage and at the start of the Consultation Phase process, the Requesters continued to collect signatures from the operators of street-fronting and other businesses on Mitre Street for consideration in the MICI process.

On 23 and 24 May, two dialogue sessions were held in the city of San Carlos de Bariloche, attended by representatives of the Requesters, the Provincial Unit for External Financing Coordination and Execution (UPCEFE), IDB Management, the municipal government of San Carlos de Bariloche, and the construction company. These sessions were facilitated by a member of the MICI's Roster of Experts.

Topics associated with the main concerns raised by the Requesters regarding the current design of the work were addressed at these dialogue sessions, including the width of the street, the reduction in the available parking, the location and availability of loading/unloading bays, accessibility of Mitre Street for persons with disabilities, the availability of adequate storm drains to minimize the risk of flooding, the burying of cables, planned location of lighting on Mitre Street, works relating to sewers, the urban trees, and other greenery to be planted on the street, and the disposal of waste from large establishments.

### **Agreement**

Liliana Cabrera, Ingrid Marinozi, Sebastián Conesa, Norma Miranda, and Martín Odriozola, representing the Requesters who have signed this Agreement, Karina Angeletti, Executive Director of the Provincial Unit for External Financing Coordination and Execution (UPCEFE), and Sebastián Rocha, consultant at UPCEFE, Juan Manuel Leaño and Serge Troch, staff members of the Inter-American Development Bank, and Marcos Barberis, Chief of Staff at the municipal government of San Carlos de Bariloche, hereby agree:

#### **Mitre Street**

1.A) *Width of the roadway.* The traffic lane on Mitre Street will be between 5.70 and 6 meters wide, depending on the specific characteristics of each block.

1.B) *Parking and bays.* To promote semi-pedestrianization, there will be no parking on Mitre Street between 0 and 699. To ensure parking is available for persons with disabilities, all the side streets perpendicular to Mitre Street up to number 699 will retain the space currently reserved for disabled parking.

To improve mobility in the downtown zone, the IDB will finance a study for the design of a downtown mobility plan, drawing on resources from the current program in execution. The study will weigh options to promote walkability, increase available parking, improve accessibility for persons with disabilities, assess wheeled traffic stoppage times, and determine the number and siting of speed reduction measures, etc. The terms of reference of the study will include public information and consultation activities, and the Requesters of this MICI case will be taken into account in these activities. As the study is due to be completed this year, the UPCEFE will send the terms of reference to the IDB for its no objection within 10 business days.

A 50-meter-long bay will be constructed along the south sidewalk of block 500 of Mitre Street, while there will be three different bays on 600 Mitre Street: two 12.5-meter bays—one on each side of the street—and a third 25-meter bay along the south sidewalk. These bays will be for picking up and dropping off passengers. The IDB has indicated that this

additional expense is eligible for inclusion in the program. This would involve a modification of the work, which would result in increased cost and a longer execution time.

In the case of loading and unloading by suppliers, it was noted that Ordinance 2920 prohibits access by dual-axle vehicles exceeding 5,000 kilograms. The municipal government informed the construction companies due to carry out the work on Mitre Street of the existence of this regulation. They were also informed that trucks and buses were allowed on the streets perpendicular to Mitre Street, and that these roads had been strengthened for this purpose where they crossed Mitre Street.

1.C) *Accessibility for persons with disabilities.* The provisions of national laws and regulations on this subject will be observed.

1.D) *Direction of traffic.* Based primarily on the results of the study cited in 1.B, once the redevelopment of Mitre Street has been completed, traffic flows will be restored to their original direction on those streets where they were changed during the work.

1.E) *Emergency access during the work.* The contractor will be required to unblock accesses to premises or establishments that are obstructed by the work. The contractor will also be required to install boards outside each of the premises or establishments to ensure access for health-care and emergency services.

### **Storm drains**

2.A) The hydraulic and other studies on the zone prepared for the installation of storm drains and grates will be shared with the Requesters, through the Management Committee, within not more than 20 business days after the signature of this Agreement. It was specified that the cited studies were included in the bidding documents.

2.B) Once the work has been finished, a hydraulic test will be performed to evaluate whether the storm drains installed are functioning correctly. The results of this test will be shared with the Requesters, through the Monitoring Committee, and with the local community.

2.C) Continuous maintenance will be performed on the grates and storm drains. The maintenance and cleaning of the storm drains and grates is a responsibility shared by street-fronting businesses and retailers, as well as municipal services personnel. It was noted that there is a clause in the contract with the IDB envisaging the maintenance of the works for at least five years.

### **Burial of cables**

3.A) The bidding documents envisioned the installation of conduits for buried cables. Under the regulations in force, all cabling in the public thoroughfare must be buried. It was noted that the municipal government of San Carlos de Bariloche had sent a notification to all communications, telephony, and Internet services providers to inform them of the obligation for any cables on Mitre Street to be buried.

It was noted that the contractor was in the process of burying the electricity lines.

3.B) It was highlighted that neighborhood associations should submit claims and orders to communications providers for them to bury cabling as planned and on schedule so as to minimize the risk of service outages.

### **Street lighting**

4.A) The streetlights are located in the public space. It was noted that the awnings with problems concerning the location of the lighting units were infringing the public space and, consequently, needed to be relocated.

4.B) The decisions concerning the type of lighting unit, lighting power, and color were informed by technical studies and tests performed in the Mitre Street area in February 2017, in which neighbors and businesses took part. The choice was based on technical, urban planning, and economic factors.

The studies cited in 4.B will be shared with the Parties through the Management Committee, within not more than 15 business days after the signature of this Agreement.

### **Urban trees and greenery**

5.A) The Public Tree Committee, the municipal government of San Carlos de Bariloche, and the Requesters will work together to define the details of the planters and the species to plant.

5.B) Following a proposal from the municipal government of San Carlos de Bariloche and the UPCEFE, the Requesters agreed with the representative of the Public Tree Committee that of the 30 trees, three would be maytens (*Maytenus boaria*), which would be planted on the corners, and 27 would be a native species, to be chosen from either lenga beech (*Nothofagus pumilio*) or Antarctic beech (*Nothofagus antarctica*). This decision would be ad referendum the consensus obtained by the Committee in conjunction with the Requesters and the municipal government. This consensus will be recorded in minutes, and the Parks and Gardens Department will send it to the Works Department and the UPCEFE within five days after signature of this Agreement. In order to comply with the Bank's Safeguards Policies, the species planted must not be invasive.

### **Sewers**

6.A) It was noted that the 2015 bidding process did not include work affecting the sewers. The bidding documents will be shared with the Requesters, through the Monitoring Committee, within not more than 20 business days after the signature of this Agreement.

6.B) It was stated that work is currently in progress to change the water mains, taking advantage of the work ongoing along the street. It was pointed out that this work is not associated with the project and is not the responsibility of the municipal government of San Carlos de Bariloche.

6.C) The MICI process Requesters will ask the Chief of Staff at the municipal government of San Carlos de Bariloche in writing for a report on the status of the connections and discharges of the sewer system to the storm drainage system on Mitre Street, who will ask Cooperativa Eléctrica de Bariloche-Saneamiento for this report. The Requesters made the

application in the week of 27 May, and once received, the municipal government has one week to forward the request.

The UPCEFE will share all the documentation available from Planobra and the works supervision by the firm Grimaux on the status of work involving the sewer system with the municipal government of San Carlos de Bariloche. This report will be sent to the Requesters through the Monitoring Committee within not more than 20 business days after the signature of this Agreement.

### **Disposal of solid waste from large premises**

7.A) It was stated that large waste producers pay different fees, and the days and times for collection are agreed with them in advance.

7.B) It was stated that in approximately 45 days the new municipal solid waste collection system would be functioning. This will involve large 3,200-liter containers on the side streets perpendicular to Mitre Street.

### **Social situation of street-fronting businesses and shops**

8.A) It was noted that Case 168,539, which gave rise to Resolution 386 by the Tax Collection Authority, extended the payment deadline for the second of five gross advance payments for retailers between 0 to 700 Mitre Street, including Pasaje de los Antiguos Pobladores. Payers have until 20 September 2019 to sign up to pay in 24 installments.

8.B) The existence of a credit line of Arg\$500,000 granted through CREAR at a fixed rate of 15.3%, with a 12-month grace period, and a submission deadline of 24 May 2019, was noted.

8.C) The UPCEFE has committed itself to informing the Ministry of the Economy of the Province of Río Negro of the need for the following: (a) to extend the deadline for the credit line granted through CREAR; (b) to consider changes to the payment deadlines, amounts, and eligibility criteria in particular for tax debts so as to facilitate access to this credit line by street-fronting businesses; (c) to review the conditions described in Resolution 386 on the tax benefits for parties affected on Mitre Street; and (d) to extend the scope of Resolution 386 to number 900 Mitre Street, and consider including the perpendicular side streets one block north and one block south of Mitre Street under this benefit.

### **Public disclosure of the Agreement**

9.A) This Agreement is public and will be available in MICI's Public Registry.

9.B) On Monday, 27 May, the municipal government of San Carlos de Bariloche will agree on a press release with the Requesters to inform the general public about the agreements reached. This press release will be issued on 28 May.

### **Monitoring of the Agreement**

10.A) If there is no objection from the Board of Executive Directors of the IDB, the MICI will collaborate with the Parties to monitor this Agreement. To this end, the MICI Consultation Phase personnel may interview the Parties by telephone, convene them to

attend specific meetings in the event of disagreements, disputes, or growing dissatisfaction with the degree of compliance with the agreements, conduct field missions, and/or collaborate to build communication platforms using new information technologies to facilitate monitoring of the commitments.

10.B) A monitoring committee will be formed, comprising two representatives of the Requesters, one representative of the municipal government, one representative of the UPCEFE, one representative of the IDB, one representative of the company, and a MICI case officer to monitor the commitments set forth in this Agreement. This committee may hold online meetings and/or face-to-face meetings facilitated by a member of the MICI's Roster of Experts. The Parties will inform the MICI of the names of their representatives within five business days.

10.C) If completion of the work is delayed by climatic events or administrative or logistic barriers beyond the control of the Parties, the monitoring committee may hold meetings to agree on measures to mitigate the impact on commercial activities during the tourism season, such as temporarily suspending some or all of the work in progress.

In witness of the above, five (5) identical counterparts are hereby signed on the twenty-fourth day of May of two thousand and nineteen, in the city of San Carlos de Bariloche, Province of Río Negro:

*[Multiple handwritten initials and signatures]*