

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

**REPORT OF THE CHAIRPERSON OF THE POLICY AND EVALUATION COMMITTEE  
PARAGUAY. ACTION PLAN OF THE IDB ADMINISTRATION TO ADDRESS THE ICIM  
COMPLIANCE REVIEW REPORT RECOMMENDATIONS OF THE CASE OF THE  
PROJECT “DOWNTOWN REDEVELOPMENT, MODERNIZATION OF METROPOLITAN  
PUBLIC TRANSPORT AND GOVERNMENT OFFICES”  
(REQUEST MICI-BID-2016-0101). REVISED VERSION**

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**Report of the Chairperson of the Policy and Evaluation Committee  
Paraguay. Action Plan of the IDB Administration to address the ICIM Compliance Review  
Report recommendations of the case of the Project “Downtown Redevelopment,  
Modernization of Metropolitan Public Transport and Government Offices”  
(Request MICI-BID-2016-0101). Revised version  
(document MI-58-11, PR-3597-13)**

The Policy and Evaluation Committee met on 28 September 2020 to consider the Action Plan of the IDB Administration to address the ICIM Compliance Review Report recommendations of the case of the Project “Downtown Redevelopment, Modernization of Metropolitan Public Transport and Government Offices” (Request MICI-BID-2016-0101) in Paraguay (document MI-58-10, PR-3597-12).

On 6 December 2018, the Board of Executive Directors of the Inter-American Development Bank (IDB) approved the Compliance Review Report of the Independent Consultation and Investigation Mechanism (ICIM) on loans 2316/OC-PR, 2419/OC-PR, and technical cooperation operation ATN/OC-14762-PR for the project “Downtown Redevelopment, Modernization of Metropolitan Public Transport and Government Offices.” At that time, Management was asked to present an action plan to address the ICIM recommendations contained in the referenced report.

For implementation of the action plan, the Committee urged the Management team to: (i) closely monitor the operation’s execution, particularly taking into account the challenges posed by the COVID-19 pandemic; (ii) continue supporting the executing agency in implementing the project and complying with the environmental and social safeguards; and (iii) maintain collaboration with the ICIM in order to ensure that the activities remained relevant for addressing the recommendations in the ICIM Compliance Review Report. On this last point, the Executive Directors appreciated the spirit of collaboration between Management and the ICIM in preparing the action plan.

The Committee members acknowledged the Bank’s progress in terms of its capacity, processes, and policy framework for addressing issues of environmental and social safeguards in the operations it finances. In particular, the Executive Directors referred to the recent approval of the Environmental and Social Policy Framework (ESPF). Several Executive Directors expressed their expectation that these tools would contribute to future operations and challenges identified in the ICIM Compliance Review Report.

The Committee members also called on Management to reflect on the design and execution of this operation and stressed the need to incorporate the lessons learned into future Bank operations. In this regard, the Executive Directors highlighted the contribution of the ICIM’s work to institutional learning.

After the meeting, Management distributed a revised version of the document to reflect the approval of the ESPF by the Board on 16 September 2020.

The Committee agreed to submit the document with the changes indicated in the meeting room to the Board of Executive Directors together with the Committee Chairperson’s report. In my capacity as Chairperson of the Policy and Evaluation Committee, I recommend that the Board of Executive Directors approve the Action Plan of the IDB Administration to address the ICIM Compliance Review Report recommendations of the case of the Project “Downtown Redevelopment, Modernization of Metropolitan Public Transport and Government Offices” (Request MICI-BID-2016-0101), as set forth in its revised version, document MI-58-11, PR-3597-13.