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SIMULTANEOUS DISCLOSURE

DOCUMENT OF THE INDEPENDENT CONSULTATION AND INVESTIGATION MECHANISM

MICI-CII-UR-2022-0199
ELIGIBILITY MEMORANDUM

TACUAREMBÓ-SALTO GREEN TRANSMISSION LINE – REQUEST II

(12220-01)

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

INFORMATION NOTE

On the MICI Registration Process, Eligibility Determination Analysis, and Public Registry

The registration process begins when the Independent Consultation and Investigation Mechanism (MICI) receives a Request sent by Requesters, alleging that they have suffered or may suffer harm due to actions or omissions of the Inter-American Development Bank Group (IDB Group) that may constitute a failure to comply with one or more of its Relevant Operational Policies within the context of an operation financed by an IDB Group institution.

The Registration Phase lasts five business days, in which the MICI verifies that the Request contains all the information required for processing and that it is not clearly linked with any of the exclusions that limit the MICI's actions. Following the registration of a Request, the MICI gives IDB, IDB Invest, or IDB Lab Management, as applicable, the opportunity to provide its perspective with respect to the allegations made in the Request, which must be sent to the MICI within 21 business days after registration in the form of a document known as the "Management Response."

Once it receives the Response, the MICI¹ starts the eligibility determination process, which involves reviewing the Request against the eligibility criteria established in its Policy to determine whether or not the Request is eligible and whether it can be accepted for processing. This eligibility determination is thus neither an assessment of the merits of the Request and/or the issues raised, nor a determination of the IDB Group's compliance or noncompliance with its Relevant Operational Policies.

If the Request is declared eligible, the process will begin for the phase selected by the Requesters; otherwise, the process will be deemed concluded.

All Requests received by the MICI and their processing will be recorded in the MICI's online [Public Registry](#). Case files will disclose all public information generated in processing a case.

The MICI does not award compensation, damages, or similar benefits. It is not empowered to suspend disbursements or halt operations.²

¹ The MICI Director, in consultation with the Consultation Phase Coordinator and the Compliance Review Phase Coordinator, will determine the eligibility of the Requests. MICI-IIC Policy (document [CII/MI-1-4](#)), paragraph 23(d).

² MICI-IIC Policy (document [CII/MI-1-4](#)), paragraph 16(d).

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LINKS	
1.	Policy of the Independent Consultation and Investigation Mechanism of the IIC (document CII/MI-1-4) https://www.iadb.org/document.cfm?id=EZSHARE-525549286-361
2.	MICI-IIC public registry file for Request MICI-CII-UR-2022-0199 https://www.iadb.org/es/mici/request-detail-iic?ID=MICI-CII-UR-2022-0199&nid=35191
3.	Original Request MICI-CII-UR-2022-0199 https://idbg.sharepoint.com/teams/ez-MICI/cases/_layouts/15/DocIdRedir.aspx?ID=EZSHARE-375034721-41
4.	IDB Invest Management's Response to Request MICI-CII-UR-2022-0199 regarding the "Tacuarembó-Salto Green Transmission Line" project (12220-01) https://idbg.sharepoint.com/teams/ez-MICI/cases/_layouts/15/DocIdRedir.aspx?ID=EZSHARE-375034721-62
5.	IDB Invest website for the "Tacuarembó-Salto Green Transmission Line" project (12220-01) https://idbinvest.org/es/projects/tacuarembó-salto-green-transmission-line?language=es
6.	Summary of the environmental and social review for the "Tacuarembó-Salto Green Transmission Line" project (12220-01) https://idbinvest.org/sites/default/files/2022-03/LAT%20Tacuarembó-Salto%20-%20Resumen%20de%20la%20Revisi%C3%B3n%20Ambiental%20y%20Social%20%28RRAS%20o%20ESRS%29_0.pdf
7.	Environmental and social action plan for the "Tacuarembó-Salto Green Transmission Line" project (12220-01) https://idbinvest.org/sites/default/files/2022-03/LAT%20Tacuarembó-Salto%20-%20Plan%20de%20Acci%C3%B3n%20Ambiental%20y%20Social%20%28PAAS%20o%20ESAP%29.pdf
8.	Environmental impact assessment progress report for the "Tacuarembó-Salto Green Transmission Line" project (12220-01) https://idbinvest.org/sites/default/files/2019-11/Informe%20de%20Avance%20de%20EsIA_Vf.docx.pdf
9.	UTE environmental management plan https://idbinvest.org/sites/default/files/2019-11/Plan%20de%20Manejo%20Ambiental%20UTE.pdf
10.	Report on the inspection of Estancia Buen Retiro - Castillo Morató (only available in Portuguese) https://idbinvest.org/sites/default/files/2022-11/PRESERVAR%20-%20RELAT%C3%93RIO%20DA%20VISTORIA%20NA%20EST%C3%82NCIA%20BUEN%20RETIRO%202022-05-11_0.pdf

EXECUTIVE SUMMARY

According to public information from the Ministry of Industry, Energy, and Mining, Uruguay has experienced a steady increase in per capita electricity consumption since the early 2000s. To address this issue, IDB Invest has gotten involved through the “Tacuarembó-Salto Green Transmission Line” project (12220-01) (“the project”), a loan operation approved by the Board of Executive Directors of the Inter-American Investment Corporation (IIC) on 22 September 2020. The operation sponsor is Administración Nacional de Usinas y Transmisiones Eléctricas (UTE or “the Client”), and the borrower is “Fideicomiso Financiero Línea de Transmisión Tacuarembó Salto,” a special purpose trust.

The project consists of the design, construction, operation, and maintenance of a 350-km 500-kV transmission line; construction of a new substation in the Chamberlain area; reinforcement of a substation in the Salto area; and delivery of auxiliary services that will interconnect substations in the departments of Tacuarembó and Salto. The project, which represents approximately 6.6% of the existing high-voltage transmission network and 32% of the 500-kV system, has been certified as a green transmission line (IDB Invest GTL certification). The project objectives include: (i) ensure the current and future reliability of the national electricity system in Uruguay; and (ii) support the integration of increased renewable energy production by expanding the electricity network. According to public information, the project is now in implementation.

On 17 November 2022, the Independent Consultation and Investigation Mechanism (MICI) received a request from two residents and owners (“the Group of Requesters”) of a property in the department of Paysandú, Uruguay, who are being represented by two attorneys and an environmental expert for the purposes of the MICI process.

The Request alleges potential harm to registered property 610, which is owned by the Group of Requesters, arising from the construction and installation of around 20 lattice towers that are 48 meters in height for the high-voltage electric transmission line envisaged under the project. According to information provided in the Request, that property was declared a Departmental Historic Heritage Site in 2020 and a National Historic Monument of Uruguay in 2022. Structures on the property that are considered cultural heritage include the building known as “Castillo Morató,” erected between 1902 and 1904 (which resembles a medieval castle in the middle of the countryside), and several stone walls or fences that were built before the nineteenth century.

Specifically, the Group of Requesters feels that the project impacts have been improperly analyzed and identified, especially in relation to the protection of historic monuments. They also allege that a comprehensive analysis of alternatives has not been performed. Furthermore, they claim that the proper procedures for protecting sites of cultural significance were not implemented. The Request also includes allegations of a lack of a timely and proper public consultation process, as well as a lack of publicly available information on the project and its construction stages.

This harm, the Requesters say, would be the direct result of IDB Invest’s noncompliance with its Environmental and Social Sustainability Policy, with a number of the International Finance Corporation’s Performance Standards, and with national regulations in this area.

With respect to the MICI process, the Group of Requesters expressed its desire for the MICI to process the Request, if deemed eligible, through both phases of the MICI process: the Consultation Phase and the Compliance Review Phase.

The MICI Director, in accordance with Section G of the MICI-IIC Policy (document [CII/MI-1-4](#)), concludes that this Request is **eligible** because it meets all eligibility criteria established in the Policy.

This determination of eligibility is neither an assessment of the merits of the Request or the issues raised therein, nor is it a determination of IDB Invest's compliance or noncompliance with its policies and/or performance standards. It only marks the initiation of the MICI process and does not halt the project or suspend its disbursements.

This Memorandum was sent directly to the Group of Requesters and to Management for information on 13 December 2022. It will be distributed to the Board of Executive Directors of the IIC for information, and to any interested third parties through the Public Registry, once the English version is available.

After notifying the Board of Executive Directors, the MICI Director will transfer the case to the Consultation Phase to begin processing, as requested by the Requesters and pursuant to the MICI-IIC Policy.

I. THE PROJECT³

A. Context

- 1.1 According to public information from the Ministry of Industry, Energy, and Mining, Uruguay has experienced a steady increase in per capita electricity consumption since the early 2000s. In parallel, the government has implemented public policies aimed at ensuring that this growing demand for energy is increasingly met by a supply generated using renewable energy technologies, such as biomass, solar, wind, and hydropower.⁴

B. IDB Invest involvement

- 1.2 To address this issue, IDB Invest has gotten involved through the “Tacuarembó-Salto Green Transmission Line” project (12220-01) (“the project”), a loan operation approved by the Board of Executive Directors of the Inter-American Investment Corporation (IIC) on 22 September 2020. The operation sponsor is Administración Nacional de Usinas y Transmisiones Eléctricas (UTE or “the Client”), and the borrower is “Fideicomiso Financiero Línea de Transmisión Tacuarembó Salto,” a special purpose trust.
- 1.3 The project consists of the design, construction, operation, and maintenance of a 350-km 500-kV transmission line; construction of a new substation in the Chamberlain area; reinforcement of a substation in the Salto area; and delivery of auxiliary services that will interconnect substations in the departments of Tacuarembó and Salto. The project, which represents approximately 6.6% of the existing high-voltage transmission network and 32% of the 500-kV system, has been certified as a green transmission line (IDB Invest GTL certification).⁵
- 1.4 The total cost of the project is estimated at US\$285.2 million, which is projected to be financed through a long-term A loan of US\$114 million from the IDB Group, a B loan of US\$114 million, and an equity contribution by the Sponsor for 20% of the total project cost (approximately US\$57 million). Notably, the Borrower planned to issue Certificates of Participation (COPs), 20% of which would be held by the UTE, with the remaining 80% held by institutional and individual investors through an initial public offering that would take place before the first disbursement.
- 1.5 The project objectives include: (i) ensure the current and future reliability of the national electricity system in Uruguay; and (ii) support the integration of increased renewable energy production by expanding the electricity network. According to public information, the project is now in implementation, and its construction phase is expected to last 42 months.
- 1.6 The proposed 500-kV high-voltage line will be erected between the cities of Salto and Tacuarembó, cutting across the departments of Salto, Paysandú, Río Negro, and Tacuarembó. The intention is to pass through rolling meadows with no steep

³ Information taken from the IDB Invest website and public documents on the related operation. These documents are available in the links section.

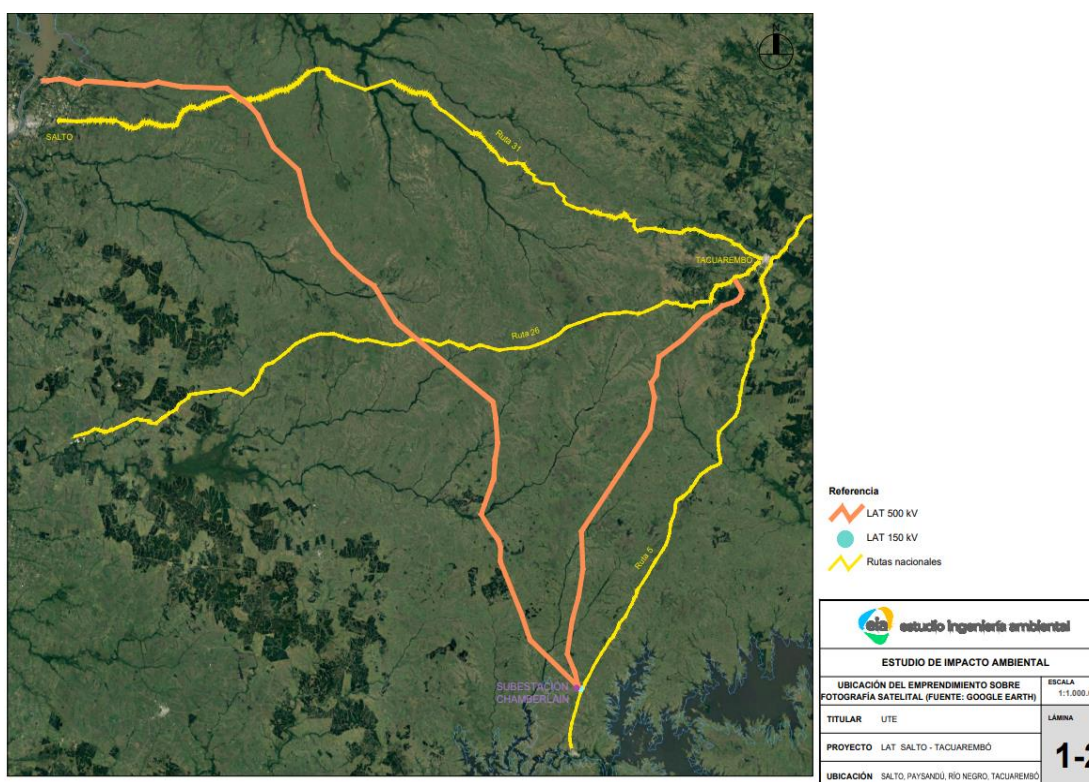
⁴ <https://ben.miem.gub.uy/descargas/1balance/folleto-espa%C3%B1ol.pdf>

⁵ Information taken from the IDB Invest website. <https://idbinvest.org/es/projects/tacuarembosalto-green-transmission-line?language=es>

slopes or significant landforms and through areas with low population density while avoiding forest plantations, so that the route of the line can be relatively direct.

- 1.7 The line splits into two sections that will connect at the Chamberlain substation: one running between Tacuarembó and Chamberlain (120 km) and one running from Chamberlain to Salto (230 km). The project also involves two segments of 150-kV lines that will connect the Chamberlain substation to an existing 150-kV high-voltage line that runs between Bonete and the Palmatir Wind Farm.

Figure 1. Project area



Source: Environmental impact assessment progress report for the Tacuarembó-Salto high-voltage line, November 2019

- 1.8 According to public information, the project plans to install some 1,000 to 1,100 towers spaced 350 m-400 m apart. The project also calls for an easement strip of 40 m on each side of the 500-kv line and an easement strip of 30 m on each side of the 150-kV line. Project documents indicate that these easements would partially affect 263 registered rural properties, but only one property would have to be expropriated: the one where the Chamberlain substation would be located.
- 1.9 In its environmental and social review, IDB Invest found that the key environmental and labor considerations that would have to be evaluated and addressed in the project included: (i) potential impacts on biodiversity and the natural habitat (effects on birds due to potential collisions or electrocutions); (ii) efficiency in the use of resources and pollution prevention; (iii) occupational health and safety impacts

and labor conditions; and (iv) potential impacts on land use. Accordingly, the project was classified as a Category “B” operation under the IDB Invest Environmental and Social Sustainability Policy, because it was determined that the risks could be mitigated with readily-available measures that could be feasibly implemented in the context of the operation. To address those risks, IDB Invest prepared a project-specific environmental and social action plan.

- 1.10 By the same token, IDB Invest determined that the following International Finance Corporation (IFC) Performance Standards would apply to the project: Performance Standard 1: Assessment and Management of Environmental and Social Risks and Impacts; Performance Standard 2: Labor and Working Conditions; Performance Standard 3: Resource Efficiency and Pollution Prevention; and Performance Standard 4: Community Health, Safety, and Security.
- 1.11 As regards cultural heritage issues in particular (which account for the main allegations raised in the Request), both the environmental and social review and the corresponding action plan indicate that the project provided for an archeological survey to rule out potential finds at the sites where the tower foundations would be installed, which could determine whether the project would have to move some of the structures or access roads built. In addition, the archeological study would be supplemented by archeological monitoring of the works, which would be performed during project execution.
- 1.12 Similarly, the environmental impact assessment progress report identified Castillo Morató (the Requesters’ property) as one of the tourist sites of historic or archeological significance in the project area. That report indicates that the site is located approximately 2 km from the route of the high-voltage line.⁶

II. THE REQUEST⁷

- 2.1 On 17 November 2022,⁸ the MICI received a request from two residents and owners (“the Group of Requesters”) of a property in the department of Paysandú, Uruguay, who are being represented by two attorneys and an environmental expert for the purposes of the MICI process. The public information is available in the MICI-IIC Public Registry. (Case file of Request [MICI-CII-UR-2022-0199](#)).
- 2.2 The Group of Requesters had originally contacted the MICI in March 2022, and their complaint was processed under case file [MICI-CII-UR-2022-0186](#). In the Registration phase, the MICI found that the Group of Requesters had not previously contacted IDB Invest Management to address the issues raised in the Request and that the Group of Requesters intended to establish initial contact. The MICI proceeded to not register the Request so that interaction with the IDB Invest Management Grievance Mechanism (MGM) could take place. Nevertheless, the Group of Requesters decided to return to the MICI in November 2022 since they

⁶ Environmental impact assessment progress report for the Tacuarembó-Salto high-voltage transmission line, November 2019, page 55.

⁷ The Request is available in the links section of this document.

⁸ Since current MICI Policy entered into effect, the MICI has regarded the date of formal receipt as the next business day after a new Request is received, to fully comply with the five days established in the Policy for processing Registration, so the date of receipt is marked as 17 November 2022.

continued to have concerns despite several interactions with IDB Invest between March and October, including a site visit with IDB Invest staff.

- 2.3 The Request alleges potential harm to registered property 610, which is owned by the Group of Requesters, arising from the construction and installation of around 20 lattice towers that are 48 meters in height for the high-voltage electric transmission line envisaged under the project. This harm, the Requesters say, would be the direct result of IDB Invest's noncompliance with its Environmental and Social Sustainability Policy, with a number of IFC Performance Standards, and with national regulations in this area.
- 2.4 According to information provided in the Request, the abovementioned property was declared a Departmental Historic Heritage Site in 2020 and a National Historic Monument of Uruguay in 2022. The property includes the site known as "Estancia Buen Retiro-Castillo Morató," an estate that sits on 3,175 hectares in the community of Tres Árboles in the department of Paysandú, between the Corrales stream, the Queguay River, and a rural access road that connects Route 25 to Route 26. Structures on the property that are considered cultural heritage include the building known as "Castillo Morató," erected between 1902 and 1904 (which resembles a medieval castle in the middle of the countryside), and several stone walls or fences that were built before the nineteenth century.⁹
- 2.5 Specifically, the Group of Requesters feels that the project impacts have been improperly analyzed and identified, especially in relation to the protection of historic monuments. They also allege that a comprehensive analysis of alternatives has not been performed. Furthermore, they claim that the project did not implement the proper procedures for protecting sites of cultural significance, such as: verification with a specialist to ensure that the project will not cause any harm, preparation of a sociocultural assessment, establishment of measures to mitigate adverse impacts, and preparation of damage prevention plans.
- 2.6 Regarding the current situation in the area, the Group of Requesters told the MICI that the construction works had begun with the excavation of pits and the pouring of concrete for installation of the towers without ensuring that archeological conservation procedures were in place to safeguard artifacts that may be present in the subsoil. In later messages, the Group of Requesters indicated that the safety protocols for excavations were not being followed, which had resulted in accidents involving animals kept on the property. They also said that the construction workers had not been coordinating with the owners to access the property and that several heads of livestock had escaped due to carelessness.
- 2.7 The Request also includes allegations of a lack of a timely and proper public consultation process that addressed all potential impacts of the project works in the area, as well as a lack of publicly available information on the project and its construction stages.
- 2.8 As regards previous contact with Management, the Request shares information about several in-person and virtual interactions with IDB Invest Management since March 2022. Despite a willingness to dialogue, however, the Requesters indicate

⁹ Resolution 40/022, Declaration of National Historic Monument, adopted by the Ministry of Education and Culture of Uruguay.

that this contact did not lead to a timely resolution of their concerns. They point out that the project works launched while they were interacting with the MGM, to the detriment of the impacts alleged by the Group of Requesters.

- 2.9 The Requesters discuss a visit made by the IDB Invest project team along with a cultural heritage specialist and UTE staff in April to conduct an archeological diagnostic assessment of the property. As of the time they submitted their Request to the MICI, the Group of Requesters said they had not received the findings of that report. The report was posted on the project website and made available to the Group of Requesters during the eligibility determination period.¹⁰ The report includes a series of suggested “preventive” and mitigation measures for project execution.
- 2.10 Lastly, with respect to the MICI process, the Group of Requesters expressed its desire for the MICI to process the Request, if deemed eligible, through both phases of the MICI process: the Consultation Phase and the Compliance Review Phase.

III. MANAGEMENT RESPONSE¹¹

- 3.1 On 22 November 2022, in accordance with paragraph 21 of the MICI-IIC Policy, Management was notified of the registration of Request MICI-CII-UR-2022-0199. On 8 December 2022, it submitted its Response to the MICI. The content of the Management Response is summarized below.¹²
- 3.2 In its response, Management confirms that registered property 610 in the department of Paysandú, where Estancia Buen Retiro is located, is one of the 263 properties affected by the imposition of the required easement for the 500-kV high-voltage line envisaged under the project.
- 3.3 Regarding the environmental and social review process, IDB Invest reports that environmental and social due diligence was performed in 2019, at which time it would have been verified that the public consultation process, the imposition of the easement, and the environmental licensing adhered to the IDB Invest Environmental and Social Sustainability Policy and local legislation.
- 3.4 In reference to the allegations concerning the protection of cultural sites, Management says it is aware of two documents issued in March 2022 in relation to the Ministry of Education and Culture’s issuance of a Resolution to declare a National Historic Monument. The first would be a memo from the Office of National Cultural Heritage to the Director of the UTE, which conveyed four important points: (i) the Ministry was fully aware of the project and its potential impacts when it issued the resolution; (ii) the high-voltage line would not adversely affect the appearance of the manor (Castillo Morató) or the stone fences; (iii) the transmission line towers would not be an unusual feature against the country’s rural landscape (since they are common, frequently used structures); and, lastly,

¹⁰ Document available in the links section of this document.

¹¹ The Management Response document is available in the links section.

¹² The Group of Requesters authorized the MICI to share information from the Request with Management so it could prepare its Response.

(iv) in light of the foregoing, the overhead high-voltage wires would not adversely affect the fundamental cultural heritage conditions.

- 3.5 The second document would be a letter from the Ministry of Education and Culture to the Director of the UTE, which mentioned that the declaration of a national historic monument would not have any legal effect that would impede construction for the project, nor would it be a reason to suspend or modify the works or an obstacle to the execution thereof or to individuals or materials entering the property in question. Management relates that the Client, with this understanding, proceeded with the bidding and contract award process using the original route.
- 3.6 Further on that point, IDB Invest notes that, as part of the measures taken when the Group of Requesters submitted a claim through the MGM, it planned to conduct a site visit in order to determine, with the assistance of an expert, if registered property 610 in its entirety could be considered a site of critical cultural importance.
- 3.7 According to Management, the expert's final report concludes that, based on the information available at the time of the visit, there were no heritage features on the property that could be considered critical other than Castillo Morató (located more than 1,600 m from the proposed track of the high-voltage line) and two stone walls (located more than 120 m from the closest point of the line). Thus, according to the report, there would be no impediment to construction of the line through Estancia Buen Retiro provided that the mitigation measures suggested by the expert were followed.
- 3.8 The recommended mitigation measures include: (i) relocation of the route of the line 500 m to the east of one of the stone walls (a mission structure: the larger pasture's stone fence); (ii) systematic implementation of archeological prospecting activities along the entire route of the line; (iii) archeological rescue of finds, if necessary; and (iv) execution of a heritage education program to increase the community's awareness of the site's heritage value.
- 3.9 Regarding the first measure in particular, IDB Invest says it "tried to convince" the Client to relocate the route approximately 250 m from the current location but was told that this action had already been proposed to the Group of Requesters, who reportedly rejected the proposal. In Management's view, the other measures would be addressed under the project environmental and social action plan, which requires the Client to implement archeological monitoring of the works as well as an unexpected finds plan.
- 3.10 With respect to the allegation of a lack of public consultations, Management, in its Response, points out that the UTE carried out two public outreach and awareness-raising events in November and December 2019, at which time issues related to the impact of the easements would have been discussed with attendees. Management adds that notification of the imposition of the easement on registered property 610 in particular would have been delivered personally in August 2022, and the advance environmental authorization would have been shared in local newspapers in March 2021.
- 3.11 In its Response, IDB Invest also dedicates several paragraphs to discussing legal remedies initiated by the Group of Requesters in the Uruguayan legal system with the intention of ensuring that the high-voltage line would not pass through their property, including a request to revoke the easement and a constitutional amparo

action filed in the department of Paysandú. According to the information submitted, when Management issued its Response, all of these suits had been dismissed by the courts of last resort.

- 3.12 Lastly, regarding previous contact, Management also shares information regarding several in-person and virtual interactions with the Group of Requesters that had taken place since March 2022.

IV. MICI ACTIONS

- 4.1 In accordance with Section G of the MICI-IIC Policy and the eligibility criteria set out in paragraph 22, the Request intake and eligibility determination process followed the timeline below:

Table 1.
Timeline of MICI Actions

Date	Actions
17 November	Request received
18 November	Video call with the Group of Requesters and their representatives
22 November	Request registered and notifications sent to the Requesters and IDB Invest Management
22 November to 13 December	Document review and desk work
8 December	IDB Invest Management's Response received
13 December	Eligibility Memorandum issued

- 4.2 Following receipt of the Request, the MICI reviewed the relevant documentation to better understand the project, the allegations made, and how the complaints had been addressed before reaching the MICI.
- 4.3 The MICI is grateful to all parties for their willingness to promptly reply to and address its various requests for information, response, and communication.
- 4.4 Importantly, the MICI decided to not make a field visit as part of its eligibility determination process for this case, chiefly because it had enough information on the allegations presented in the Request.

V. ELIGIBILITY DETERMINATION ANALYSIS

- 5.1 As part of the eligibility determination analysis, the MICI considered the information presented in the Request, the Management Response, and several program and project documents.¹³
- 5.2 Pursuant to paragraph 22 of the MICI-IIC Policy, a Request will be deemed eligible by the MICI if it is determined that it meets all the following criteria:
- a. The Request is filed by two or more persons who believe that they have been or may be affected and who reside in the country where the IIC-financed¹⁴ operation is implemented. If the Request is filed by a representative, the identity of the Requesters on whose behalf the Request is filed will be indicated, and written proof of representation will be attached.
 - b. The Request clearly identifies an IIC-financed operation that has been approved by the Board or the General Manager.
 - c. The Request describes the Harm that could result from potential noncompliance with one or more Relevant Operational Policies.
 - d. The Request describes the efforts that the Requesters have made to address the issues in the Request with Management and includes a description of the results of those efforts, or an explanation of why contacting Management was not possible.
 - e. None of the exclusions set forth in paragraph 19 apply.
- 5.3 In the case of Request **MICI-CII-UR-2022-0199**, the analysis of the eligibility criteria established in the Policy is as follows:
- 5.4 The Request was filed by two residents and owners of a property in Paysandú, Uruguay (registered property 610), who are being represented before the MICI by three people. The MICI has contact information for the Group of Requesters and proof of representation. Consequently, **Criterion 22(a) has been met.**
- 5.5 The Request mentions the operation “Tacuarembó-Salto Green Transmission Line” (12220-01), approved by the Board of Executive Directors of the IIC on 22 September 2020 and currently in implementation. Consequently, **Criterion 22(b) has been met.**
- 5.6 The Request alleges potential Harm to the property owned by the Group of Requesters arising from the construction and installation of around 20 lattice towers that are 48 meters in height for the high-voltage electric transmission line envisaged under the project.
- 5.7 The Group of Requesters feels that the project impacts have been improperly analyzed and identified, especially in relation to the protection of historic monuments. They also allege that a comprehensive analysis of alternatives has not been performed. Furthermore, they claim that the proper procedures for protecting sites of cultural significance were not implemented. The Request also

¹³ The documents reviewed are available in the links section of this document.

¹⁴ Currently, IDB Invest-financed.

includes allegations of a lack of a timely and proper public consultation process, as well as a lack of publicly available information on the project and its construction stages.

- 5.8 The impacts described above could be tied to potential noncompliance with the IDB Invest Environmental and Social Sustainability Policy and several IFC Performance Standards. The MICI considers that **Criterion 22(c) has been met.**
- 5.9 Regarding prior contact with Management, the MICI has information from all Parties corroborating their efforts to address the issues through the MGM since March 2022. Nevertheless, the Group of Requesters indicate that their concerns persisted, which is why they decided to return to the MICI. The MICI considers that **Criterion 22(d) has been met.**
- 5.10 Regarding the exclusions provided in paragraph 19, **the MICI finds that none of the exclusions contained in subparagraphs 19(a), 19(b), 19(c), 19(e), or 19(f) apply¹⁵** since the Request does not raise issues beyond the scope of the MICI; the Request does include the Requesters' contact information; the Request has not already been reviewed by the MICI; and the operation was approved by the Board of Executive Directors of the IIC and is currently in implementation. Consequently, **Criterion 22(e) has been met.**

VI. CONCLUSION

- 6.1 The MICI Director, in accordance with Section G of the MICI-IIC Policy (document [CII/MI-1-4](#)), concludes that this Request **is eligible** because it meets all eligibility criteria established in the Policy.
- 6.2 **This determination of eligibility is neither an assessment of the merits of the Request or the issues raised therein, nor is it a determination of IDB Invest's compliance or noncompliance with its policies and/or performance standards. It only marks the initiation of the MICI process and does not halt the project or suspend its disbursements.**
- 6.3 This Memorandum was sent directly to the Requesters and to Management for information on 13 December 2022. It will be distributed to the Board of Executive Directors of the IIC for information, and to any interested third parties through the Public Registry, once the English version is available.
- 6.4 After notifying the Board of Executive Directors, the MICI Director will transfer the case to the Consultation Phase to begin processing, as requested by the Requesters and pursuant to the MICI-IIC Policy.

¹⁵ As of 1 July 2021, the exclusion provided for in 19(d) of the MICI-IIC Policy was rendered without effect and therefore is not analyzed in this Memorandum.