

Report Number: ICRR10050

1. Project Data:

OEDID: C2443
Project ID: P006194

Project Name: Environmental Technical Assistance Project

Country: Bolivia

Sector: Other Agriculture

L/C Number: C2433-BO

Partners involved: Japan Grant

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2. Project Objectives, Financing, Costs and Components:

The Environmental Technical Assistance Project (Credit 2443-BO, approved on December 21, 1992 for SDR 3,300,000) was the first IDA-assisted environmental technical assistance project in Bolivia. It was fully disbursed and closed as planned on June 30, 1997. The objectives of the project were to

- strengthen the institutions responsible for the management of natural resources and environmental protection;
- develop laws and regulations which would improve the legal basis for natural resource management and biodiversity conservation; and
- develop a National Environmental Impact Assessment (EIA) System

At the time of appraisal total project costs were estimated at US\$5.52 million (final cost US\$5.192 million), and components included the following:

- 1. acquisition of improved physical facilities (computers and vehicles);
- 2. financing for consultants and advisors:
- 3. training of private and public sector personnel in environmental impact standards and environmental economics;
- 4. establishment of an environmental law library;
- 5. pilot projects in environmental education in representative rural, tropical, and urban regions of Bolivia; and
 - development of a model program for environmental education to be used in the National Education System.

3. Achievement of Relevant Objectives:

Institutions were equipped with supplies and computers; staff underwent training; national and international consultants were hired as required. The stature of the institution responsible for environmental planning and management has been enhanced. The environmental education component was executed as planned by NGOs, and lessons learned were incorporated into the National Education Reform Plan . The training component for Government staff was shifted away from university level training to focus more on short courses related to EIA . Largely with funds from the Credit, the Government incorporated sustainable development planning into all aspects of Government activities. Most of the environmental laws and regulations developed envisaged in the MOP were developed under the Credit.

4. Significant Achievements:

With the assistance of project funds, the Government met its international commitments to the UN Ozone Reduction and Global Warming Programs, produced national level watershed and forest cover maps, and a new National Environmental Action Plan. The United Nations has officially recognized the lead role played by Bolivia in incorporating sustainable development into national policy.

5. Significant Shortcomings:

The reorganization of the Ministry of Environment and Sustainable Development (NMSMA) delayed implementation by one year, and numerous changes of Ministers and National Secretaries greatly reduced NMSMA's authority and its ability to get key legislation passed: the Water Law and the Biodiversity Law were drafted and submitted to Congress but they have yet to be approved. Delays in procurement were caused by the failure to work out the details regarding the payment of taxes and import duties during project preparation. There were also delays in payment of counterpart funds. The personnel selection process was

characterized by inadequate transparency. Professionals trained with credit funds were lost at the end of the project when they were not incorporated in a major civil service reform. Not enough attention was paid to sustainability during project design. As the ICR notes, an agreement to include key project staff in the Civil Service Reform Program could have been a condition of effectiveness; counterpart funds could have been allocated to supporting permanent staff positions; and a follow up project to implement the laws, norms and regulations should have been agreed with the GOB as part of the CAS dialogue.

6. Ratings:	ICR	OED Review	Reason for Disagreement /Comments
Outcome:	Satisfactory	Satisfactory	
Institutional Dev .:	Partial	Modest	These ratings are largely equivalent.
Sustainability:	Uncertain	Uncertain	
Bank Performance :	Satisfactory	Satisfactory	
Borrower Perf .:	Satisfactory	Satisfactory	
Quality of ICR:		Satisfactory	

7. Lessons of Broad Applicability:

- 1. Using NGOs as executing agents for the environmental education pilot projects was successful, and the approach merits replication in similar environmental projects.
- 2. The use of pilot projects was very successful. Teaching materials and curricula for environmental education benefited from trial use and multiple revisions that incorporated lessons learned from actual classroom use.
- 3. Close working relationships with local communities and the incorporation of community members into the project staff greatly enhances the functioning of extension work and dissemination of educational messages.
- 4. When it is an issue, careful attention should be paid to staff salary and status distinctions during preparation and/or negotiations. In the ETAP project, there were many line positions that were funded as consultant slots. This limited the project's sustainability and did not foster the GOB's ownership of the project. There were also many instances of NMSMA staff performing the same service but receiving different salaries, which led to morale problems.
- 5. Unless an implementing institution has the Government's clear and unwavering support, it is unlikely that its performance will improve no matter what level of institutional strengthening initiatives are introduced under a project.

8 Audit Recommended	? Yes () No

Why? An audit of this project should be a part of a broader OED inquiry into the results of the Bank's environmental lending

9. Comments on Quality of ICR:

The ICR provides a comprehensive discussion of project achievements, a useful account of its shortcomings and the various constraints to sustainability. The lessons learned have broad applicability