

**INTER-AMERICAN DEVELOPMENT BANK**

**Annual Report  
on the Environment  
and Natural Resources  
1999**

**Environment and  
Natural Resource Divisions**

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## **Acronyms**

ANAM	Autoridad Nacional del Ambiente (National Environmental Authority) (Panama)
CESI	Committee on Environment and Social Impact
CZM	Coastal Zone Management
ECLAC	Economic Commission for Latin America and the Caribbean
EIA	Environmental impact assessment
ENV	Environment Division
ERF	Emergency Reconstruction Facility
ESIR	Economic and Social Impact Report
ESTAP	Environmental and Social Technical Assistance Program
FAO	United Nations Food and Agriculture Organization
GEF	Global Environment Facility
GIS	Geographic Information System
GTZ	German Technical Cooperation
IDB	Inter-American Development Bank
IFDA	International Fund for Agricultural Development
IFPRI	International Food Policy Research Institute
IHE	International Institute for Infrastructural, Hydraulic and Environmental Engineering
IIC	Inter-American Investment Corporation
IICA	Inter-American Institute on Cooperation in Agriculture
IRI	International Research Institute for Climate Prediction
MIF	Multilateral Investment Fund
NGO	Non-governmental organization
NOAA	National Oceanic and Atmospheric Administration
OAS	Organization of American States
PRI	Private Sector Development
SME	Small and medium enterprise
RE1	Regional Operations Department 1
RE2	Regional Operations Department 2
RE3	Regional Operations Department 3
RG	Regional
RIMISP	International Network of Research Methodologies on Production Systems (Red Internacional de Metodología de Investigación de Sistemas Productivos)
SDS	Sustainable Development Department
TC	Technical cooperation
TIDE	Toledo Institute of Development and Environment
UNDP	United Nations Development Program
UNEP	United Nations Environment Program
WMO	World Meteorological Organization

## **I. Introduction**

The IDB Group is made up of (i) the Inter-American Development Bank (IDB), which makes loans to governments (95% of its portfolio) and loans and loan guarantees to the private sector (up to 5% of its portfolio); (ii) the Inter-American Investment Corporation (IIC), which provides loans and loan guarantees to the private sector in medium- and small-scale investment projects; and (iii) the Multilateral Investment Fund (MIF), a special fund administered by the IDB to encourage the growing participation of the private sector in Latin America and the Caribbean. In collaboration with governments, business organizations, and civil society groups, the Fund makes grants to support market reforms; improve workforce capacity; and expand the participation of small and medium enterprise in the region. The MIF also acts as a catalyst to attract capital to small business and microfinance through investment in special equity funds for community development, venture capital, technology, business alliances, and funds

that sponsor new directions in environmental management and protection.

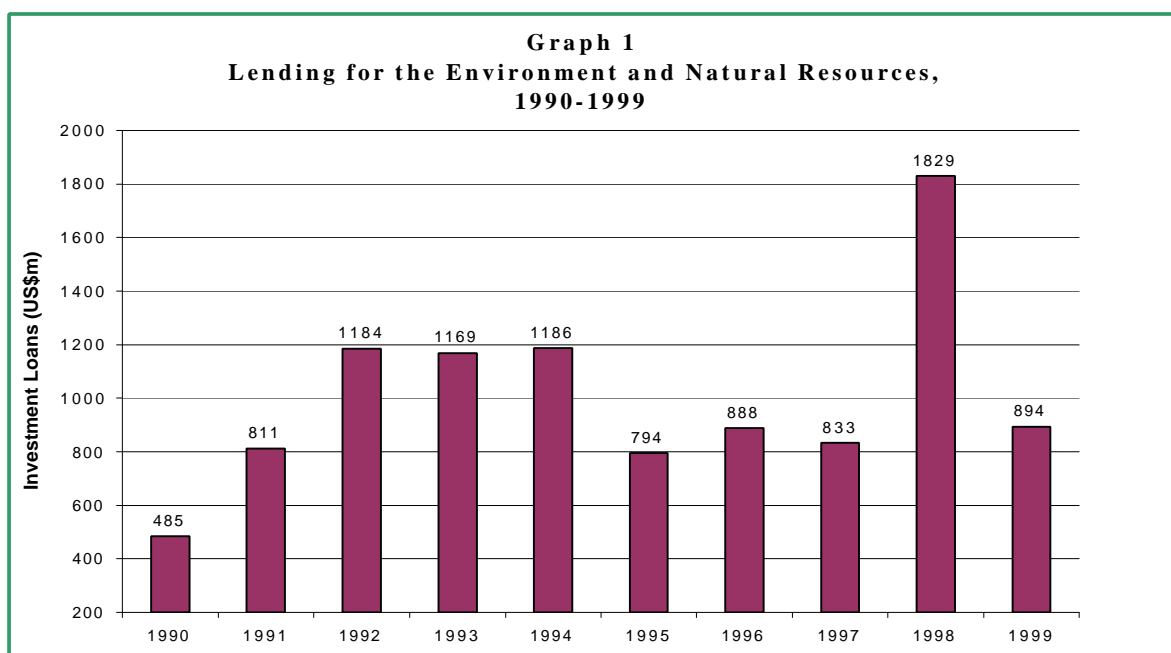
The Bank carries out its environmental mission through the Environment and Natural Resources Divisions of the three Operations Departments and the Environment Division of the Sustainable Development Department.

In 1999, the Bank's environmental and natural resource activities were focused in three priority areas of action, which are addressed in this report. These areas were: identifying and implementing loans specially designed to solve environmental problems; designing and implementing strategies, good practices, and action plans related to environmental and natural resource management; and performing quality control of the environmental impact assessments (EIA) performed at the Bank, a task entrusted to the Committee on Environment and Social Impact (CESI).

## II. Environment-Related Lending and Technical Cooperation

In 1999, the Bank's loan portfolio came to US\$ 9.5 billion, US\$ 894 million of which was for environmental and natural resource loans. This comes to 9.10% of the total loans made in 1999 (see Graph 1), and was consistent with the percentage

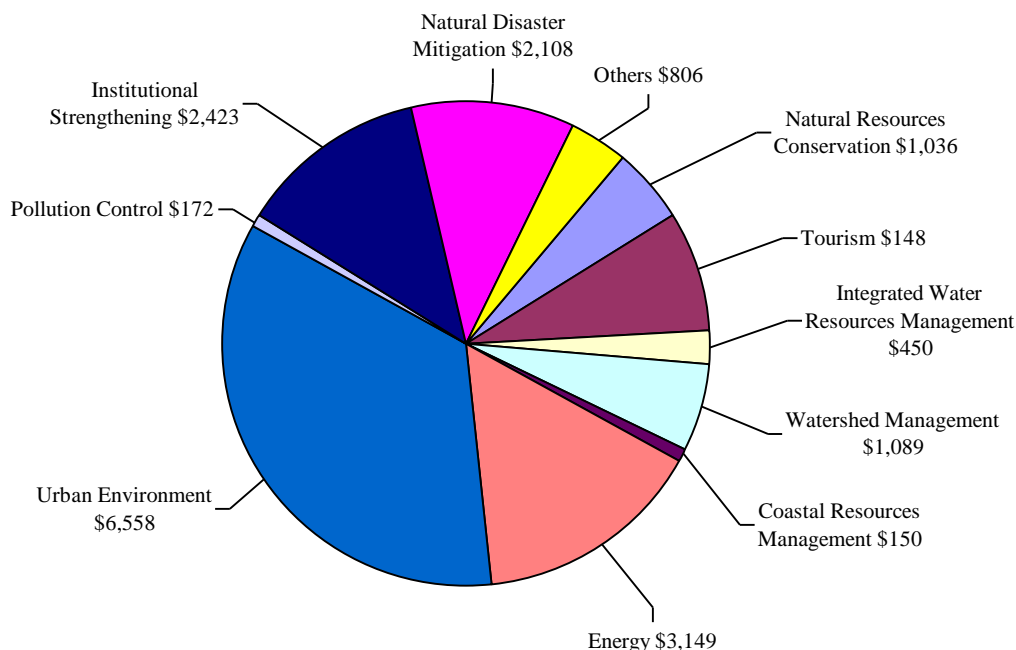
in earlier years (except 1998). Investment loans included 22 operations; additionally, 59 technical cooperations were approved totaling US\$ 17.9 million (Table 1 and Graph 2).



Note: In 1998, the region was hit by El Niño and hurricanes George and Mitch. Emergency loans for natural disasters totaled US\$ 480 million. In 1997 and 1999, the amount earmarked to disasters was US\$ 220.8 million and US\$ 190.5 million, respectively.

<sup>1</sup> **Definition of a loan for the environment and natural resources:** An environmental operation has, as its main or primary objective, the maintenance or improvement of ambient environmental quality, the provision of environmentally derived or related services, the protection of human health and the well-being of the population affected by natural phenomena, or the conservation, maintenance and enhancement of natural resources and ecosystems. It achieves these objectives through components involving investments, research, education, training or management activities whose purpose is either: (i) to reduce negative (or enhance positive) environmental externalities, (ii) to provide environmentally-related public goods, (iii) to improve sectoral or spatial natural resource allocation between productive, consumptive and non-consumptive uses to control natural resource degradation or overexploitation, or (iv) to reallocate natural resource assets and services flows across time among successive generations. Such operations do not necessarily include activities which merely use or exploit one or more natural resources more efficiently or effectively as inputs to production for the primary purpose of enhancing private profitability or influencing the generation or redistribution of monetary income.

**Graph 2**  
**Technical Cooperations Approved in 1999 (thousands of US\$)**



Most of these Bank loans were for the urban environment, drinking water supply, and pollution control; this trend was initiated in the early 1990s. The emphasis on loans for drinking water and sanitation conforms with the mandate established in the Eighth General Increase in the Resources of the IDB (1994), which directs the Bank to achieve greater efficiency in benefiting low-income groups. The lack of access to clean water and adequate sanitation systems affects mainly the lower-income sectors. The relatively high number of such projects reflects the fact that a large percentage of the region's population resides in urban areas.

Technical cooperations play a very important role in the Bank's operations.<sup>2</sup> They make it possible to support innovative ideas, undertake studies, and help design loan operations. In 1999, technical cooperations made contributions to the main environmental areas of the Bank, as well as in new areas, such as mitigation of natural disasters (Graph 2). Some technical cooperations came from the

<sup>2</sup> In March 1991, the Board of Executive Directors of the Bank approved the creation of a special technical cooperation program financed by resources contributed by the non-borrower member countries. Each fund has its own special conditions, but, in general, they provide non-reimbursable financing (subsidies) for a wide range of programs. The amount of such cooperation varies depending on whether the objective is to provide advisory services to the governments in the way of feasibility studies or assessments, or to design a pilot project (see Appendix 2).

MIF, which has launched a series of environmental initiatives with the objective of making environmental quality a priority area of action in the future

(see Appendix 2). Following is a brief description of some of the investment loans and technical cooperations approved in 1999.

**Table 1: Environmental and Natural Resource Loans Approved in 1999  
(in millions of dollars)**

Country	Project	Amount
<i>Natural resources conservation</i>		
Brazil	Development of Ecotourism in the Amazon Region	11.0
Jamaica	Land Administration and Management	8.4
		<i>Sub-total 19.4</i>
<i>Environmental management</i>		
Panama	National Environmental Program (PAN)	15.8
Nicaragua	Atlantic Coast Local Development Program	8.0
		<i>Sub-total 23.8</i>
<i>Urban environment</i>		
Argentina	Aguas Argentinas Capital Investment	75.0
Bahamas	Solid Waste Management	23.5
Bolivia	Urban Basic Sanitation	40.0
Brazil	Tietê River Clean-up Project	200.0
Colombia	Potable Water and Sanitation Program in Pereira	38.6
El Salvador	Environmental Pollution Control in Critical Areas	29.8
Guyana	Georgetown Water Supply and Sewerage Program II	27.0
Guyana	Low Income Settlement Program	27.0*
Honduras	Potable Water and Sanitation Investment Program	26.0
Jamaica	Solid Waste Management Program	11.5
Nicaragua	Modernization of the Management of Water & Sewerage Services	13.9
Dominican Rep.	Modernization of the Potable Water & Sanitation Sector	71.0
Uruguay	Program for the Integration of Irregular Settlements	77.0*
		<i>Sub-total 660.3</i>
<i>Natural disasters**</i>		
Belize	Hurricane Rehabilitation and Disaster Preparedness	21.3
Colombia	Emergency Reconstruction Mechanism to Respond to the Earthquake	20.0
Honduras	Emergency Road and Water Supply Infrastructure Project	18.8
Honduras	Post-Mitch Housing Program	10.4
Peru	Reconstruction of Infrastructure Damaged by El Niño	120.0
		<i>Sub-total 190.5</i>
		<i>Total 894.0</i>

\* The work on drinking water, sewerage, and other environmental works accounts for less than 50% of the total loan.

\*\* The table does not include a reallocation of loans to Colombia for an earthquake reconstruction program with a major component involving water, solid waste disposal, and mitigation of the effects of environmental degradation in the amount of US\$ 133.7 million, because it is a reformulation of previously-approved operations.

\*\* The lion's share of the total amount of these loans is for replacement of infrastructure, consequently, the total volume of loans may seem over-represented, using the definition of environment and natural resources.



## Urban Environment and Pollution Control

One of the Bank's main contributions to the environment was the approval of loans for urban environmental projects in the amount of US\$ 660 million (see Table 1). A US\$ 71 million loan to the Dominican Republic will consolidate the reform and modernization of drinking water and sanitation services, expanding coverage, efficiency, and quality. Another US\$ 75 million loan to Aguas Argentinas will help it expand and refurbish drinking water and sewerage systems and improve the quality of service in Buenos Aires and 13 near-by municipalities. A US\$ 40 million loan will be earmarked for financing a drinking water and basic sanitation program for municipalities with up to 5,000 inhabitants in Bolivia. In addition, a US\$ 26 million loan to Honduras will ensure the efficient and sustainable provision of drinking water services.

Jamaica received a US\$ 11.5 million loan to improve the environmental and sanitary conditions of solid waste disposal in the Kingston metropolitan area and of other dumps elsewhere in the country.

The government intends to design an action plan for a national solid waste management program. A US\$ 23.5 million loan to the Government of Bahamas is aimed at enhancing the efficiency and financial sustainability of solid waste management services in New Providence and The Family Islands. The environmental improvements that will accompany this operation will accrue to the benefit of public health. In El Salvador, US\$ 29.8 million will be used to lay the groundwork for public awareness, management, and the clean-up of air pollution, water pollution, and solid waste. The program will support the creation and improvement of information and monitoring mechanisms, with permit systems and effective environmental audits, strategies, specific decontamination plans, and regulations that make it possible to enforce environmental legislation.

Another common problem in the Latin American and Caribbean countries is water pollution, due mainly to the untreated discharge of domestic, industrial, and agricultural waste. The project to

clean up the Río Tietê includes implementing a plan to reduce pollution of the watershed, which includes the industrial city of São Paulo. The US\$ 200 million loan will finance the second phase of this vast clean-up project. The funds will be earmarked primarily for continuing investments in systems to collect wastewater, establish pumping seasons, channel wastewater to treatment plants, and make improvements at the Barueri treatment plant.

## Institutional Development and Environmental Management

In recent years, environmental management has improved considerably in Latin America and the Caribbean, and has enhanced the knowledge of the complex relationships between environment and development. With the greater interest in developing institutional systems for environmental management, some countries have considered it necessary to design regulatory instruments, institutions, and programs to make protecting the environment and natural resources more efficient and flexible.

The Government of Panama will use US\$ 15.8 million to improve environmental management. Through a program whose objective is to develop the capacity of the Autoridad Nacional del Ambiente (ANAM) and the Sistema Interinstitucional del Ambiente, environmental management will be strengthened in its top-priority areas and a financial mechanism will be put in place to support initiatives for environmental improvement. The project will show that having basic and necessary management instruments for addressing the major challenges of economic growth in the context of globalization can be helpful in achieving major social and environmental progress.

Technical cooperations amounting to US\$ 600,000 will finance activities to support the recently established Ministry of Environment of Ecuador. As part of the technical cooperation, the resources will be earmarked to draw up the regulations of the new statutes on water resources and forest resources. These will be useful as analytical tools for the forest authorities and interest groups, as they seek to revert the accelerated pace of deforestation in Ecuador.

## Natural Disasters

In 1998 and 1999, the region was struck by natural disasters and climatic phenomena resulting in the deaths of thousands of persons and the loss of property and infrastructure. The Bank's response was to focus its contributions on emergency, rehabilitation, and reconstruction programs, which covered a wide array of activities, from support for preparing national plans for reconstruction and transformation to support for social programs, such as renovation of water systems, rural roads, bridges, schools, and rural clinics. This was the case in Belize, Honduras, and Peru.

At the request of the Central American governments, the Bank organized a meeting of donor countries and multilateral institutions, where the Consultative Group for the Reconstruction and Transformation of Central America was formed as an initiative to coordinate international cooperation.

The group met for the first time in December 1998, at Bank headquarters in Washington, and then in late May 1999 in Stockholm, with the support of the Swedish government. At Stockholm, commitments were made for up to US\$ 9 billion for the five Central American countries over the next five years. A large part of this amount is concessional financing and includes funds for debt relief and special projects for reconstruction and transformation.

In addition, the Bank introduced flexible criteria for the use of funds contained in previously approved loans for the purpose of responding to the reconstruction needs, revitalizing social capital, and improving local capacities for preventing and mitigating natural emergencies and hazards. In the case of Colombia, US\$ 133.7 million was reallocated to an emergency reconstruction and development program aimed at supporting recovery of the central coffee region from the January 25, 1999 earthquake. The resources will be used to finance housing, water and sanitation, solid waste management, and mitigation of the effects of environmental deterioration.

Colombia was the first country to receive resources from the Emergency Reconstruction Mechanism,

when a US\$ 20 million operation was approved to address immediate needs 27 days after the earthquake. The loan will be used to re-establish basic services (drinking water supply and sanitation) and other urgent activities such as debris removal, demolition of buildings, control and stabilization of buildings and bridges, and provisional housing.

The environmental component has also been a fundamental part of the 1997, 1999, and 2000 housing programs in Guatemala, Honduras, and Nicaragua. These programs include measures to help forecast needs, such as designing maps of the risk areas, and providing housing subsidies to those families that build outside of the areas designated as "uninhabitable." These projects also finance low-cost information, community mitigation measures, and the preparation of informative materials on disasters.

The Bank also approved a loan to Belize for US\$ 21.3 million to bolster its capacity to respond to hurricanes and other natural disasters, and to reduce its vulnerability to such hazards. The institutional measures included in this program will make it possible to prepare for disasters ahead of time, and to expand the country's capacity to respond to emergencies.

Non-reimbursable regional financing in the amount of US\$ 1.1 million will be allocated to strengthen the response capacity of the six countries of the Central American Isthmus. In addition, the ability of Latin American and Caribbean nations to reduce the socioeconomic impact of El Niño will be strengthened with the help of technical cooperation in the amount of US\$ 998,000. The main objective of this program is to improve the scientific monitoring and meteorological forecasting of El Niño. The studies will identify El Niño's impact on the most vulnerable groups of the population. The project, which will be carried out by the World Meteorological Organization (WMO), includes an evaluation of the institutional and technical capacities of the national meteorological agencies, an analysis of socioeconomic vulnerabilities, the design of plans for implementation, and policy proposals. IFPRI, the IRI, and NOAA will participate in proj-

ect implementation.

## Natural Resources Management

In 1999, resources were earmarked for natural resources management with three operations that seek to foster private-sector participation in the markets for several natural resources and to develop land markets.

The search for economic responses for the Brazilian Amazon region led to a proposed loan in the amount of US\$ 11 million that will establish an appropriate framework for the development of ecotourism, an activity that has the potential to generate positive economic benefits locally and regionally, provide excellent opportunities for private sector participation, and, with proper planning and supervision, help prevent undesirable forms of development.

This program will finance careful planning of ecotourism in selected sites, a global strategy, evaluation of market demand, technical advisory services based on successful examples of tourism enterprises, the establishment of a legal framework, training programs in modules, and small pilot infrastructure works to protect existing natural areas. Non-reimbursable financing in the amount of US\$ 147.5 thousand will be allocated to the Mundo Maya initiative, which seeks to highlight the historical, environmental, and cultural heritage common to Belize, El Salvador, Guatemala, Honduras, and Mexico. The program includes designing an investment plan in cultural and ecological tourism aimed at helping to preserve the environment and the cultural heritage, and generating economic opportunities for the inhabitants of the region.

The Bank also approved a loan to Jamaica for US\$ 8.4 million to help the government establish a dynamic land market to promote efficient land use and to make land available to all segments of society on a fair and transparent basis. The project accords priority to incorporating appropriate environmental criteria, carrying out environmental assessments of the geographic areas selected for the campaign to rationalize land tenure, and creating the appropriate conditions for establishing a network of land infor-

mation systems to provide the government and the general public geographic data to facilitate resource management and environmental planning.

## Energy

The Bank has been supporting the countries that are restructuring and reforming their energy sectors for the purpose of fostering a pattern of development that is economically, financially, environmentally, socially, and politically sustainable.<sup>3</sup> In 1999, the Bank approved two technical cooperations aimed at promoting decentralized energy services based on renewable sources. MIF resources in the amount of US\$ 2.2 million finance one of these TCs, which proposes to carry out several pilot projects to provide renewable energy services to isolated communities of Brazil. The other, for US\$ 898,950, from the Japan Special Fund, will help the government of Brazil improve the administration and effectiveness of the program for Energy Development of States and Municipalities, which aims to develop rural renewable energy services. The program is also aimed at curtailing deforestation due to the use of wood and charcoal as energy sources, and to diminish emissions from poorly-maintained diesel generators.

## Training in and Dissemination of Environmental Methodologies

One of the Bank's objectives is to develop a framework for environmental assessment for the various countries that makes it possible to tackle their critical environmental problems adequately and systematically, and to establish common criteria for taking advantage of international experiences and resolving conflicts that stem from implementation of the management instruments.

A regional technical cooperation in the amount of US\$ 2 million, approved in 1998, has designated

<sup>3</sup> The objective of the Bank's energy strategy, which has been in preparation for approval in the first quarter of 2000, is to guide the Bank in these efforts and to identify opportunities for action.

US\$ 284,595 to support a program for environmental analysis of projects in the poorest countries.

In addition, regional technical cooperation resources amounting to US\$ 540,000 will contribute to improving the use of environmental impact assessment (EIA) in the countries of the region as an environmental decision-making and management tool, for the purpose of creating appropriate conditions for the existing environmental assessment systems to embrace the principles and components of the EIA process. Strengthening the implementation of EIA in the member countries should make implementation of the Bank's environmental protection operations more effective.

### **The Bank and the GEF (Global Environment Facility)**

In May, the Global Environment Facility (GEF) Council adopted a new policy of expanding oppor

tunities for the regional development banks. Under the new guidelines, these banks will be given access to resources for financing projects and other activities related to global environmental issues such as climate change, biodiversity, international waters, depletion of the ozone layer, and activities related to the degradation of lands, mainly through desertification and deforestation.

The GEF makes grants to countries to carry out projects and activities aimed at protecting the global environment. Each project of the Fund is aimed at contributing to human well-being and sustainable development, and should be replicable in the international context and participatory, and contribute to developing human potential.

### III. Strategies, Good Practices, and Action Plan

In recent years the Bank has approved three strategies related to the environment and natural resources. The strategies for water resources, coastal and marine resources, and reducing rural poverty seek to establish basic principles and comprehensive approaches for the Bank's investment in these areas.

Of special significance in the year covered by this report are the steps being taken to disseminate the principles of the strategies and implement the corresponding recommendations within the Bank. The objective is to ensure that new operations incorporate the principles and guidelines developed in the strategies in their design and implementation. In 1999, work continued on strategies for the development of the agriculture and food sector as well as the energy sector. Although these strategies are expected to be approved in early 2000, the principles and guidelines that emanate from those efforts are already being incorporated in several Bank operations (e.g., see the "Energy" section in Chapter II).

#### Implementation of Strategies

##### *Strategy for Water Resources Management*

The board approved the strategy for water resources management in May 1998. Its purpose is to incorporate the principles of integrated water resources management into the Bank's operations related to water resources and watershed management, with a view to conserving and making efficient use of water. The strategy proposed a comprehensive incentive-based, participatory, and environmentally-conscious approach. It seeks to provide operational guidelines to the Bank's operations in support of efforts in the region to achieve a change from the fragmented (subsectoral) approach to an integrated (sectoral) approach, and from an emphasis based on increasing supply to an emphasis on the sustainable management of demand, recognizing the social, economic, and environmental value of water, while also recognizing the need for the participation of the communities and the private sector, and with due attention to equity issues.

The strategy has been very well-received by policy-makers in the countries of the region. To date, 11 projects have incorporated key aspects. These operations are distributed regionally as follows: eight in Central America (two each in El Salvador and Guatemala, and one each in Costa Rica, Honduras, the Dominican Republic, and Haiti), two in the Southern Cone (Brazil and Paraguay), and one in the Caribbean (Jamaica). Of these operations, special mention should be made of the project for El Salvador, ES-0068, whose objective is to promote more rational and efficient use of water and sanitation services. The program, which is an example for other projects in the area, introduces innovative aspects because it considers the sector as a whole, incorporating water use and conservation in a single approach. Therefore, in addition to specific aspects such as privatization, it includes others of vital importance to the reform. These include, for example, the creation of a modern normative framework for the water supply and sanitation services sector, a process of reform and decentralization to promote more efficient and financially viable public, private, and semi-private services, and investment in rural water and sanitation systems to be managed independently by the communities.

The project for El Salvador made use of information provided by the technical cooperation project *Feasibility Study, Ibero-American Climate Project* ATN-SF-5149-RG, approved in 1996--the final report is being drafted as of this writing. This TC, which includes the participation of 13 countries, promotes user demand and a comprehensive approach that includes technical, environmental, socioeconomic, financial, institutional, political, and legal aspects. The information from this feasibility study is also being used to prepare a loan for Brazil, the *Program for Modernizing Meteorology*, which is expected to be approved in the course of 2000. However, to further incorporate the strategies' principles in projects, efforts at integration into the operational program of the Bank need to continue in areas that could benefit from integrated water re-



sources management, such as modernization of the state, drinking water, sanitation, and watershed management.

In addition to offering support to implement the strategy in the Bank's operations, the development of four areas of analytical guidelines continued: policy instruments (privatization, water markets, and trading in water rights), integration of the function and services of fresh-water ecosystems into water resource development projects, the legal framework, and an analytical framework for solving the institutional situation. As a result of these efforts, the following technical studies were published and disseminated: *Integrating Freshwater Ecosystem Function and Services with Water Development Projects*, *Prácticas recomendables para la elaboración de leyes y regulaciones relacionadas con el recurso hídrico*, and *Analytical Framework for Integrated Water Resources Management: Guidelines for Assessment of Institutional Frameworks*, whose methodology has begun to be used in Costa Rica, Honduras, Guatemala, Dominican Republic, and Jamaica.

### **Strategy for Marine and Coastal Resources Management**

The strategy, approved in June 1998, proposes new orientations for the Bank's activities that considerably affect the sustainable development of marine and coastal zones in Latin America and the Caribbean. The elements of the strategy are the use of integrated coastal management as a framework for making Bank-financed operations more sustainable in the sectors of marine fisheries management, aquaculture, development and refurbishing of ports, and coastal tourism; new paradigms for investment in live marine resources; reducing the indirect and cumulative effects in the coastal zone; procedures to prevent and resolve conflicts in the coastal zone; and ocean and coastal management.

The strategy is being implemented with several activities that are in preparation or execution. Thus, the program for *Community-Based Coastal Environmental Monitoring, Toledo District*, in Belize, began in June 1999. Technical assistance is being provided, through a consulting firm, to the Toledo

Institute of Development and Environment (TIDE) to establish a monitoring system that observes, records, and analyzes changes in the coastal zone of the Toledo district in Belize. The works are being carried out in cooperation with the Belize Coastal Zone Management Program and the Environmental and Social Technical Assistance Program (ESTAP) in southern Belize.

One of the initial technical cooperation activities, *Institutional Strengthening for Coastal Resources Management in Haiti*, was a regional exchange between a group of Haitian specialists and their colleagues from the Barbados coastal conservation program (the IDB is also financing this project). The Haitian team participated in working sessions at the Coastal Zone Management Unit of Barbados, field visits, and meetings with other agencies cooperating with the activity, such as the Bridgetown Port Authority. The trip was useful for consolidating cooperation among the various entities involved.

In addition, a mid-term evaluation was performed of the coastal resources management program in Ecuador. The evaluation contributed many viewpoints that cast light on the process of decentralization, institutional strengthening, and financial sustainability. A final evaluation has been completed of the project *Strengthening the Capacity for Coastal and Marine Resource Management in the Wide Caribbean Region* (CEPNET/IDB), implemented by Jamaica's Regional Coordination Unit from 1996 to 1999. The project entailed developing a regional information network (CEPNET) and a pilot program in six countries (Jamaica, Barbados, Trinidad and Tobago, Nicaragua, Dominican Republic, and Venezuela).

In 1999, there was follow-up on five studies that will be used as tools for improving the strategy. The first, *Conflict Management and Consensus Building for Integrated Coastal Management in Latin America*, (ENV-132), examines the application of techniques for resolving conflicts and reaching consensus in conflicts that involve marine resources management. The objective is to be able to apply such processes to Bank-financed operations.

The other studies, still in the preparation phase, are: (i) *Management of Marine Fisheries in Latin America: Institutional Issues*, (ii) *Application of Remote Sensing to CZM*, a publication whose objective is to demonstrate the applications of remote sensors and digital photography in several aspects of coastal zone management, based on the Uruguayan case, (iii) *Sustainable Coastal Tourism in the Caribbean and Latin America: Issues and Methods*, examines the nature of sustainability issues associated with coastal tourism, and (iv) *Regional Mechanisms for Coastal Zone Management*, prepared in conjunction with the Center for the Study of Marine Policy at the University of Delaware, analyzes regional and subregional mechanisms and institutions for coastal resources management in Latin America and the Caribbean.

### ***Strategy for Reduction of Rural Poverty***

The strategy for the reduction of rural poverty, approved in 1998, takes a broad approach to the rural question, including, in addition to the agricultural and natural resource sectors, the social, financial, and basic infrastructure sectors. The strategy defines as strategic areas of action the promotion of favorable policies, strengthening local institutions, participation by the beneficiaries, and coordination among development agencies. These strategic actions serve as guidelines for the design and implementation of operations in the Bank's four priority areas of investment, which are increasing the productivity and incomes of small farmers with agricultural potential; creating non-agricultural rural employment; training human capital; and nature conservation.

The strategy includes a detailed plan of action that began to be implemented in 1999 through three main areas. One of the main components of the plan of action is the development of national strategies. Three case studies were carried out in the non-traditional agricultural sectors of Brazil, Guatemala, and Ecuador, with a view to understanding the processes and conditions of successful rural development experiences.

In 1999, a major inter-agency effort was carried out, and consensus was reached on a common vision of

the key elements for investing in rural economic development. The following agencies, among others, participated in defining the framework of the new rural reality and in carrying out specific studies and projects to reduce poverty: FAO, IICA, GTZ, ECLAC, IFDA, RIMISP, and the IDB. The work done in 1999 will be presented at an international conference to be held as part of the March 2000 annual meeting of the IDB/IIC.

The third component in implementing this strategy is at the same time based on one of its conceptual underpinnings. The strategy indicates that for many people in the rural sector, the way out of poverty is through non-agricultural rural activities. A series of regional studies were done to define such rural productive activities in greater detail. The studies, done in several countries of the region, coordinated by RIMISP and carried out with the collaboration of FAO, ECLAC, and Michigan State University, demonstrate that regionally, almost half of rural income and approximately one-third of rural employment come from non-agricultural activities associated with handicrafts, manufacturing, services, and tourism. The results of these studies, as well as the studies of successful cases of non-traditional agricultural development and the proposals to develop the rural economy, will be important inputs for designing the Bank's operations.

## **New Initiatives and Initiatives Under Way**

### ***Strategy for the Private Sector and the Environment***

In pursuit of the IDB's vision regarding the role of the private sector in the ecologically sustainable development of the region, a strategy is being developed on the private sector and the environment to guide the operations of the Multilateral Investment Fund (MIF).

In 1999, studies began on the obstacles or trends that would move regional firms to seek (or not seek) environmental efficiency, and the areas in which resources could be allocated to environmental initiatives began to be identified. The idea is to make

sustainable development one of the key pillars of the MIF's mission. It is also important that a share of the Fund's resources be designated to promoting environmental and eco-efficient firms, and that there be a connection between the environmental area and another area of MIF programming. Entrepreneurial competitiveness--so important to the success of market systems--now demands a substantial improvement in performance in critical areas such as quality, cost, and time for delivery of the product and the service. Quality assurance and environmental management systems not only help promote products and increase their access to markets, but also contribute to improving production processes and in so doing improve the competitiveness of the firms that use them.

Greater environmental awareness worldwide is creating a very large demand for products that benefit the environment (ecolabelling), and the possibility of a larger number of firms participating in this market would be viable with an appropriate regulatory framework based on requirements that are necessary and attainable, and reward those firms that achieve proposed goals through tax incentives or by other means.

Certification combined with ecolabelling is a potential instrument for contributing to sustainable natural resource management in the business world. MIF has introduced the international systems for quality management and environmental management (ISO 9000 and 14000) in small and medium enterprises, as was stated at a conference in November on standardization, certification, and accreditation under the ISO standards system to improve the competitiveness of small and medium enterprises in Latin America and the Caribbean. Conformity with these standards certifies that a firm has implemented a documented system of quality assurance and environmental management and can so demonstrate through subsequent monitoring. Conformity does not certify the quality of the products or process, or environmental performance, but it can offer greater confidence to buyers, since they know that a system is applied, which implies that the discipline exists to implement and maintain it.

In 1999 the Fund participated in the approval of two technical cooperations, one to Mexico, the other to Colombia, whose objectives are to bolster the competitiveness of SMEs by strengthening and fostering a culture of quality and environmental protection as key factors of competitive success in the world markets.

### ***Guidelines for Bank Actions Related to Forest Resources***

Latin America has more than half of the tropical forests and one-fourth of all forests on earth, many of which are major centers of biodiversity. This valuable resource is being destroyed at a rapid pace, without tapping its economic potential, and in many cases with harmful effects on the environment.

The book *Forest Resources Policy in Latin America* (the Spanish-language edition of which will be available in 2000) offers examples of successful policies and ideas on how to change deficient forest policies and make necessary adjustments to ensure forest resources management promotes more effective investments in Latin America.

Based on the interest sparked by the book, in June 1999 a forestry roundtable was organized whose objective was to consult with specialists in four areas: (i) opportunities for investment amidst a crisis of deforestation and environmental degradation, (ii) market response to investment opportunities--in both conservation and sustainable forest production, (iii) sources of international financing and policy changes in the financial institutions, including the IDB and the World Bank, and (iv) marketing of environmental services generated by the forests including water benefits and mitigation of climate change. The experts' recommendations are being disseminated via Internet and a video produced for the benefit of the Bank offices in the borrower countries.

In addition, in 1999, forestry and forest sector opportunities began to be identified as possible paths to development in Latin America (Argentina, Brazil, Chile, Colombia, and Mexico), and progress was made in analyzing those countries' comparative advantages in the sector. This was done in the



context of the "Forest Clusters" technical cooperation project approved in 1998.

At the same time, an effort is being prepared to identify guidelines for the Bank's action in forestry financing. This study is expected to develop elements of a strategy for the forestry sector and the financial instruments that the Bank could use to mobilize both private- and public-sector investment in the region.

### ***Good Environmental Management Practices***

In the Eighth Replenishment of Resources (1994), high priority was assigned to environmental management. The Eighth Replenishment report states: "Everywhere in the region it will be necessary to overcome present inadequacies in legislation dealing with, and weaknesses in institutions responsible for, natural resources and the environment, if the trend towards environmental degradation is to be reversed. A significant effort must therefore be made to establish efficient institutional mechanisms to address environmental matters."

Seeking to respond to this mandate, the Bank has begun to prepare a document of good practices in environmental management, drawing on the pertinent strategy documents the Bank has drawn up for the various sectors in recent years; as well as several studies directly related to environmental management in the region. The study is focused on analyzing factors considered critical to improving the capacity for environmental management of the societies of Latin America and the Caribbean. Identifying the obstacles and challenges faced by environmental institutions in Latin America, the research project responds to the circumstances of the region by offering practical guidelines.

### ***Sustainable Markets for Sustainable Energy***

Complementing efforts to develop an energy policy for the Bank, and in order to promote energy efficiency, non-conventional renewable energy, and sustainable urban transportation in Latin America, the IDB initiated the Sustainable Markets for Sustainable Energy program in late 1996. Instead of focusing on creating a line of current projects, this

program's main objective is to develop long-term and self-sustaining markets for energy efficiency and clean energy. The challenge is to find a way to link industrial competitiveness and economic productivity in the private and public sectors to environmental problems, and to encourage energy-efficient firms to enter that market, in an open and competitive framework.

### ***Action Plan for Natural Disasters***

Preparation has begun of a document that sets forth the Bank's position on natural disasters. This work has stemmed from the Bank's concern over the very high economic, social, and environmental toll natural disasters take on the region. With this effort, the Bank seeks to develop a strategy for breaking the vicious cycle of destruction-reconstruction-destruction that characterizes actions to address natural disasters in many countries of the region, and which continues to impede their development efforts. The document, which will be submitted during the March 2000 IDB/IIC annual meeting, seeks to identify priority areas that the Bank should support to reduce the region's vulnerability to natural disasters, and it will propose an action plan to incorporate these areas into the Bank's operations.

### ***Climate Change Initiative***

The countries of Latin America and the Caribbean face considerable challenges when it comes to defining what role they should play to mitigate climate change. The Bank's initiative, aimed at assisting the region to address this challenge, anticipates strengthening the capacity and ability of the countries to enable them to take advantage of the new opportunities offered by the markets. Therefore, the key issues of a document now being prepared are climate change, energy efficiency, renewable energy, carbon accumulation, carbon financing, and sustainable development in the region.

Furthermore, new opportunities emerging in the climate change markets sector will be analyzed and discussed in order to determine the anticipated efficacy of the Bank's climate change initiative from the perspective of the public and private sectors.

### ***The Forum of Ministers of the Environment***

The Forum of Ministers of the Environment of Latin America and the Caribbean is the main intergovernmental policy forum on the environment. Among its objectives, the Forum seeks to coordinate, evaluate, and follow up on the questions that affect sustainable development in issues of its competence; guide and evaluate regional cooperation actions on environmental issues in the context of sustainable development; coordinate regional positions on issues that are on the international environmental agenda; and consider the issues of international financing associated with implementation of the Agenda 21 commitments in the region.

At its Lima meeting (1998) the Forum accorded priority to four issue areas: the institutional framework, and policies and instruments for environmental management; integrated watershed management; biodiversity and protected areas; and climate change. The Inter-Agency Technical Committee (made up of five agencies: World Bank, UNDP, ECLAC, UNEP--which coordinates

the Committee--and the IDB) was established to support the tasks of the Forum. The Committee held meetings in 1999, actively supporting the Forum of Ministers of the Environment, whose next meeting will be in March 2000 in Bridgetown, Barbados.

Integration and regional cooperation offer the countries opportunities to develop collective mechanisms for taking on the challenges of globalization. In effect, integration and cooperation can facilitate the establishment of fora for the countries to coordinate the development of the physical infrastructure; solve negative externalities that stem from problems associated with the environment, health, migration, and natural disasters; reinforce macroeconomic stability through collective programs of convergence; and create modern and more independent regulatory frameworks. The Bank, as it is a regional organization, and given its history of supporting integration and regional programs, is in a position to foster regional technical cooperation so that the countries of the region can take advantage of the opportunities offered by globalization.

The IDB is committed to strengthen its relationship with the Forum and to establish a dialogue with its members to identify lines of action in which the Bank could become involved. In addition, consideration is being given to the possibility of the Forum functioning as a network to establish a dialogue with the Bank on regional challenges in the context of globalization.

## IV. Quality Control and Mainstreaming Environmental Issues into Bank Activities

### The Committee on Environment and Social Impact (CESI)

In the course of this year, the CESI continued its work of assuring the quality and highlighting the environmental and social aspects of Bank operations. To perform this function, CESI reviews most Bank operations twice during the project cycle. The first review takes place during the project design phase, to determine the type of analysis and procedures required to identify the operation's potential environmental impacts. The second review takes place once the project has been designed and the social and environmental analysis of the project has been summarized in the Environmental and Social Impact Report (ESIR). This ensures that the operation incorporates the measures needed to address and mitigate those impacts.

In 1999, the CESI reviewed 325 project documents, 124 of which were loans (85 in the profile stage and 39 in the approval stage). Of the total number of project documents, 169 were technical cooperations (124 at the profile stage and 45 at the approval stage). The last seven were small projects, all at the approval stage. In addition, 25 documents were returned to the CESI to be reviewed once again prior to their approval. Of the 85 loans considered in the profile stage, 21 required EIAs or ESIA's, 31 required technical studies, eight required terms of reference or minor adjustments to environmental or social procedures, and 25 had no specific requirements. Of the 209 operations reviewed in the profile stage (including the loans and technical cooperations), 44 had to be reviewed again at the approval stage.

As part of the strategy of decentralization and mainstreaming of environmental activities into the Bank's activities, the CESI continued considering

adjustments to its procedures, at the same time as it developed sectoral guidelines and training programs.

A draft of the environmental guide for the operations of financial intermediaries was prepared and tested; it is expected to be concluded in 2000.

### Training

#### *Training in Environmental Impact Assessment for Investment Projects*

A training program for Bank staff was designed and tested in its pilot phase. As a complement, also included is a training program for local counterparts in the poorer countries.

The course, "Training in environmental impact of investment projects," which is offered in the context of the Training Program for the Bank's C and D countries, is offered over three days, at the request of the governments, for public sector employees who design and implement projects subject to the Bank's environmental requirements.

To date, 14 countries have asked that the Bank give the course. Twelve courses have been carried out, benefiting a total of 400 people. The countries where the training has been done are: Belize, Bolivia, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Jamaica, Panama, Suriname, Trinidad and Tobago, and Uruguay. A thirteenth course was given in Argentina in June 1999, paid for by the Government of Argentina. Courses are scheduled to be given in Costa Rica and Paraguay in the first half of 2000.

In general, the course looks at environmental analysis as a systematic process of evaluating the environmental consequences of the projects proposed, to ensure that they are included and adequately considered from the outset.

## Environmental Loans Approved in 1999

### Description of Objectives

#### **Natural Resources Conservation**

##### ***Brazil. Development of Ecotourism in the Amazon Region***

*Objective:* To develop sustainable ecotourism in the Amazon region. To establish the adequate framework and implement the necessary investments to enable nine Brazilian state (Acre, Amapá, Amazonas, Maranhão, Mato Grosso, Pará, Rondônia, Roraima, and Tocantins) to prepare to administer the ecotourism areas they have selected in a responsible and efficient manner.

**US\$ 11 million**

##### ***Jamaica. Land Administration and Management***

*Objective:* To help the Government of Jamaica establish a dynamic land market that promotes the efficient use of land and makes it available to all segments of society on a fair and transparent basis. To incorporate appropriate environmental criteria in the proposed system for land use planning and development of land use and in the design of an efficient system for divestment and reorganization of public lands.

**US\$ 8.4 million**

#### **Environmental Management**

##### ***Panama. National Environmental Program (PAN)***

*Objective:* To develop the capacities of the National Environmental Authority (ANAM) and the Sistema Interinstitucional del Ambiente. To strengthen the priority aspects of environmental management. To implement a financial mechanism to support the communities' environmental initiatives.

**US\$ 15.8 million**

##### ***Nicaragua. Atlantic Coast Local Development Program***

*Objective of the environmental component:* To create community and municipal capacity for identifying projects, land use management, and natural resource management. To introduce participatory planning methods.

**US\$ 8 million**

#### **Urban Environment**

##### ***Argentina. Aguas Argentinas Capital Investments Program***

*Objective:* To expand and renovate water treatment and sewerage systems and to improve the quality of service. To support the reorganization and privatization of the water and sanitation sector. To support implementation of the Integrated Sanitation Plan.

**US\$ 75 million**

##### ***Bahamas. Solid Waste Management***

*Objective:* To support the Government of Bahamas to improve the solid waste management services in the Family Islands and New Providence. To improve the systems, leading to greater efficiency and financial sustainability, and protecting the environment and public health of the Bahamas.

**US\$ 23.5 million**

***Bolivia. Urban Basic Sanitation***

*Objectives:* To increase the coverage and quality of basic sanitation services in population centers with up to 5,000 inhabitants. To strengthen the operational capacity of the municipalities and other implementing agencies and operators of these projects. To seek the self-sustainability of basic sanitation services in the medium and long term, involving the community in the preparation, implementation, and operation of the basic sanitation projects.

**US\$ 40 million*****Brazil. Tietê River Clean-up Project***

*Objectives:* To improve the environmental quality of the Tietê basin, in the São Paulo metropolitan area, conserving and making efficient use of the water resources in the upper part of the basin, including a pilot program to monitor losses.

**US\$ 200 million*****Colombia. Potable Water and Sanitation Program in Pereira***

*Objective:* To support the Empresa de Acueducto y Alcantarillado de Pereira S.A.E.S.P. (AAP: Pereira Water and Sewer) in its development and consolidation as a public services enterprise with technical capabilities and operational efficiency. To promote the operational and financial sustainability of AAP. To foster the conditions that make possible private participation in the construction and operation of a wastewater treatment plant. To increase efficiency in water distribution. To provide access to water service to new settlements within the urban area, including marginal areas. To improve the city's sanitary conditions.

**US\$ 38.6 million*****El Salvador. Environmental Pollution Control in Critical Areas***

*Objective:* To lay the groundwork for environmental clean-up in the country by establishing and consolidating environmental management mechanisms in three critical areas: air pollution, water pollution, and solid waste. To have efficient information and monitoring mechanisms in each of these critical areas, with quality standards and regulations, ensuring that the Ministry of Environment and Natural Resources is endowed with the adequate institutional capacity, including effective permit and environmental audit systems, and specific clean-up strategies and plans. To begin investment in the clean-up of municipal solid waste.

**US\$ 29.8 million*****Guyana. Georgetown Water Supply and Sewerage Program II***

*Objectives:* To improve the sanitary situation of the population of Georgetown and to reduce the current level of environmental degradation by increasing the quality of water supply and sewerage services, improving the availability and quality of drinking water and the reliability of the distribution system. To improve the operation of the sewerage system and to consolidate and improve the operating agency (GS&WC).

**US\$ 27 million**

***Guyana. Low Income Settlement Program***

*Objective of the environmental component:* To install water pipes in the subdivisions of new settlements, whose water connection will be made to depend on the construction of an adequate septic tank for homes that receive lots. (Septic tanks and pit latrines are ecologically appropriate solutions for the low-income settlements in Guyana). To impart knowledge to households regarding the hygienic use of these sanitation solutions in training program in environmental hygiene and home ownership.

**US\$ 27 million*****Honduras. Potable Water and Sanitation Investment Program***

*Objectives:* To contribute to efficient and sustainable water supply and sanitation by promoting and consolidating reform at the local level. To strengthen the capacity of the municipalities as entities with responsibility for providing drinking water and sanitation services. To establish a set of verifiable procedures for preparing and financing drinking water and sanitation projects.

**US\$ 26 million*****Jamaica. Solid Waste Management Program***

*Objectives:* To improve environmental and sanitary conditions at the solid waste disposal site for the Kingston metropolitan area and other dumps elsewhere in the country. To formulate an action plan for a national solid waste management program.

**US\$ 11.5 million*****Nicaragua. Modernization of the Management of Water and Sewerage Services***

*Objective:* To contribute to consolidating the process of reforming the drinking water and sanitation sector, with an operation directed at the Empresa Nicaragüense de Acueductos y Alcantarillados (ENACAL). To support, in the short term, the modernization of ENACAL, through a program for entrepreneurial strengthening. To implement a coherent strategy for greater private-sector participation in the provision of services. To contribute to solving the problem of how to provide drinking water and sewerage services in the marginal neighborhoods of Managua.

**US\$ 13.9 million*****Dominican Republic. Modernization of Potable Water and Sanitation Sector***

*Objective:* To provide drinking water and sanitation services at the national level, with the levels of coverage and quality established by the competent authority, at the least possible cost, and using financially and environmentally sustainable schemes. To get the companies that provide the services to act like private providers operating in competitive markets.

**US\$ 71 million*****Uruguay. Program for the Integration of Irregular Settlements***

*Objectives:* To improve the quality of life of the residents of irregular settlements in Uruguay. The project includes works for drinking water, sanitation, and rainwater drainage, which constitute 25% of the project.

**US\$ 77 million**

## **Natural Disasters**

### ***Belize. Hurricane Rehabilitation and Disaster Preparedness***

*Objective:* To reduce the country's vulnerability and to improve its capacity to respond to natural disasters. To constitute a drainage network to mitigate the problem of urban flooding.

**US\$ 21.3 million**

### ***Colombia. Emergency Reconstruction Mechanism to Respond to the Earthquake in the Central Coffee Region***

*Objective:* To restore basic services to the population affected by the earthquake.

**US\$ 20.0 million**

### ***Honduras. Emergency Road and Water Supply Infrastructure Project***

*Objectives:* To reduce and mitigate the economic, social, and environmental costs associated with the damage caused by Hurricane Mitch to the highway and drinking water infrastructure in Honduras. The water sub-project (US\$ 11 million) includes: providing and installing some 36,400 meters of ductile cast iron pipes for the principal construction and some 14,000 meters of PVC pipes for water and sanitation networks, and supplying and installing pumping equipment and accessories.

**US\$ 18.8 million**

### ***Honduras. Post-Mitch Housing Program***

*Objectives of the environmental components:* To establish a strategy that defines the habitable zones of all the country's municipalities, and in particular, in the municipalities that participate in the housing program. To finance their mapping in easy-to-use maps by formulating guidelines for risk surveys, indicating distinctions between high-risk and moderate-risk areas, where the risk can be mitigated with measures at the community level. To prepare municipal maps of natural hazards, and to define the risks acceptable for human settlements. To prepare informational material for the project designers and the general public.

**US\$ 10.4 million**

### ***Peru. Reconstruction of Infrastructure Damaged by El Niño***

*Objective:* To support the reconstruction of physical infrastructure and the resumption of the services affected by the El Niño event. To apply the resources to the sanitation sector, among others.

**US\$ 120 million**



### Technical Cooperation Projects Approved in 1999

TECHNICAL COOPERATION	COUNTRY	AMOUNT
<b>Natural Resources Conservation</b>		
Development Support for Zona Mata	Brazil	135,000
Forestry and Environmental Studies	Regional	41,500
Strategic Plan Forest Sector in Mexico	Mexico	110,000
Sustainable Forestry Management Project	Guatemala	149,000
Forest Financing: Role of IDB	Regional	150,000
Ecological Reservation Program	Brazil	8,000
Development Master Plan Tota Lake Region	Colombia	150,000
Environmental Planning & Protected Areas	Bolivia	150,000
Meeting to Combat Desertification	Peru	92,000
Sustainable Human Development in Central America	Regional	50,000
	<i>Subtotal</i>	<i>1,035,500</i>
<b>Tourism</b>		
Sustainable Tourism Program: Mundo Maya	Regional	147,500
	<i>Subtotal</i>	<i>147,500</i>
<b>Integrated Water Resources Management</b>		
Sustainable Water Resources Development	Regional	150,000
Inter-American Dialogue on Water Management	Regional	150,000
Review of Dam Performance in Latin America	Regional	150,000
	<i>Subtotal</i>	<i>450,000</i>
<b>Watershed Management</b>		
Trinational Watershed Management Project Lempa	Honduras	150,000
Trinational Watershed Management Project Lempa	El Salvador	150,000
Trinational Watershed Management Project Lempa	Guatemala	150,000
Program to Rescue Amatitlán Lake	Guatemala	639,271
	<i>Subtotal</i>	<i>1089,271</i>
<b>Watershed and Coastal Resources Management</b>		
Vulnerability in Watersheds (Rio Lempa)	El Salvador	150,000
	<i>Subtotal</i>	<i>150,000</i>
<b>Energy</b>		
Renewable Energy Service Delivery	Brazil	2,250,000
Support for Development of Renewable Markets	Brazil	898,950
	<i>Subtotal</i>	<i>3,148,950</i>
<b>Urban Environment</b>		
Potable Water Sector Reform	Haiti	54,240
Potable Water and Sewerage	Honduras	500,000
Urban Drainage Diagnosis	El Salvador	30,000
Private Participation in Water Sector*	Jamaica	422,500



Reform and Modernization Potable Water	Guatemala	16,000
Reform to Potable Water and Sewerage	Dominican Republic	1,080,000
San Jose Wastewater Treatment Plant	Costa Rica	29,700
Design Water Supply and Sewerage for Cuenca	Ecuador	750,000
Strengthening Water Sector Regulatory Entity	Chile	1,100,000
Final Designs 1 Tranche Rehabilitation	Guyana	250,000
Modernization Water and Sanitation Services	Nicaragua	145,700
Design Water and Support Sewerage for Cuenca	Ecuador	750,000
Ministry of Water Support	Jamaica	19,906
Development Strategy for Wastewater Sector	Trinidad & Tobago	151,000
Support to Municipal Solid Waste Management	El Salvador	150,000
Workshop on Solid Waste and Wastewater	Regional	47,000
Solid Waste Collection in Managua	Nicaragua	120,000
Support Solid Waste Treatment	Ecuador	234,738
Productive Recycling Service in Montevideo	Uruguay	250,000
Medium Sized Cities and the Environment	Regional	90,757
Emergency Program Flood Protection Work	Honduras	366,618
	<i>Subtotal</i>	<i>6,558,159</i>
<b>Pollution Control</b>		
Atmospheric Monitoring Network	Ecuador	52,000
Management Industrial Toxic Wastes	Guatemala	120,000
	<i>Subtotal</i>	<i>172,000</i>
<b>Institutional Strengthening</b>		
Institutional Strengthening of Ingala	Ecuador	145,000
Strengthening Dirección de Medio Ambiente	Nicaragua	27,406
Support for Cámara Nacional Forestal	Peru	231,975
Sustainable Model Consolidation	Paraguay	147,865
Environmental Disclosure Program	Regional	130,000
Natural Resources and Environment Program	Regional	115,000
Strengthening Small and Medium Enterprises	Colombia	1,231,000
Model Implementation of ISO 14001 in SME	Mexico	395,000
	<i>Subtotal</i>	<i>2,423,246</i>
<b>Other</b>		
Environmental Assessment Review in LAC	Regional	540,000
GIS Support for National Resources Management	Regional	40,000
Environmental Information System	Uruguay	150,000
Commercialization Hydrometeorological Services	Regional	45,800
Environmental Efficiency Maritime Transportation	Regional	30,000
	<i>Subtotal</i>	<i>805,800</i>
<b>Mitigación of Natural Disasters</b>		
Socioeconomic Impact El Niño (ENOA)	Regional	998,000
Mitigation of Disasters in Central America	Regional	1,110,000
	<i>Subtotal</i>	<i>2,108,000</i>
	<b>TOTAL</b>	<b>17,916,426</b>

\*MIF Projects

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### December 1998 - December 1999

The documents listed below can be obtained by writing to Publications, Environment Division, Inter-American Development Bank, 1300 New York Avenue, Washington, D.C. 20577. They can also be obtained electronically (in PDF or RTF format) at the publications page of the Environment Division at the following Internet address: <http://www.iadb.org/sds/env>

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