

**Lima Urban Transport Project – Inspection Panel Investigation Report**  
**June 16, 2011**  
**U.S. Position**

The United States commends the Inspection Panel for its clear and balanced report and thanks Management for their proactive engagement and response to the Panel's findings. Management's actions since 2009 have brought project supervision, dissemination of information, and consultations with the Requesters into compliance with World Bank policy. The United States expects that Management's continued engagement via the proposed actions will lead to improved outcomes for the citizens of Barranco and the broader Lima community.

The United States acknowledges that bringing bus rapid transit to one of the most congested cities in the world is both a complex and much needed project. The Panel report and Management's response acknowledge the complexity of this project and the value of the World Bank's engagement. The United States also acknowledges the Panel's findings of non-compliance with Bank policies (OP 4.01 and OP 11.03). The Panel's findings and subsequent actions proposed by Management should lead to better risk management on this project and future projects.

The United States offers the following specific comments:

Many of the issues raised by the Requesters relate not to the direct impacts of the project – which were well documented and disclosed for the most part – but rather to indirect impacts, including some that were temporary during the construction period yet directly impacted the residents' quality of life. Identifying and managing the full extent of risks and impacts in a socially and environmentally sustainable manner must be key components of the Bank's environmental assessments.

Similarly, the Requesters believed they were not adequately consulted and that the relevant documents were not disclosed to the local communities. The United States commends Management's extensive efforts to improve consultation and disclosure since 2008 and urges Management in all regions to take a more proactive role in reaching out to affected communities early and often. The United States welcomes the proposal by Management to improve staff capacity in this area.

Regarding the negative impact on Barranco's historic architecture district, the United States defers to Management regarding its reliance on the National Institute of Culture to approve the station design as required by Peruvian law. The United States welcomes the 2011 traffic study which will assess the impact on Barranco's cultural heritage.