

THE INSPECTION PANEL



ANNUAL REPORT

July 1, 2007, to June 30, 2008

THE INSPECTION PANEL



ANNUAL REPORT

July 1, 2007, to June 30, 2008

© 2008 The International Bank for Reconstruction and Development /
The World Bank
1818 H Street, NW
Washington, DC 20433
Telephone 202-473-1000
Internet www.worldbank.org
E-mail feedback@worldbank.org

All rights reserved.

The findings, interpretations, and conclusions expressed herein are those of the author(s) and do not necessarily reflect the views of the Board of Executive Directors of the World Bank or the governments they represent.

The World Bank does not guarantee the accuracy of the data included in this work. The boundaries, colors, denominations, and other information shown on any map in this work do not imply any judgment on the part of the World Bank concerning the legal status of any territory or the endorsement or acceptance of such boundaries.

Rights and Permissions

The material in this work is copyrighted. Copying and/or transmitting portions or all of this work without permission may be a violation of applicable law. The World Bank encourages dissemination of its work and will normally grant permission promptly.

For permission to photocopy or reprint any part of this work, please send a request with complete information to the Copyright Clearance Center, Inc., 222 Rosewood Drive, Danvers, MA 01923, USA, telephone 978-750-8400, fax 978-750-4470, www.copyright.com.

All other queries on rights and licenses, including subsidiary rights, should be addressed to the Office of the Publisher, World Bank, 1818 H Street NW, Washington, DC 20433, USA, fax 202-522-2422, e-mail pubrights@worldbank.org.

A FREE PUBLICATION

TABLE OF CONTENTS

Abbreviations and Acronyms	7
Letter of Transmittal	9
The Panel	11
Message from the Panel	13
The Inspection Panel	17
<i>Panel Process</i>	<i>19</i>
Requests Received in Fiscal Year 2008	21
<i>Request Nos. 47 and 48, Albania</i>	<i>22</i>
Integrated Coastal Zone Management and Clean-Up Project	
<i>Request No. 49, Ghana</i>	<i>27</i>
Second Urban Environmental Sanitation Project	
<i>Request No. 50, Cameroon</i>	<i>30</i>
Urban Development Project (not registered)	
<i>Request No. 51, Argentina</i>	<i>32</i>
Santa Fe Road Infrastructure Project	
<i>Request No. 52, Colombia</i>	<i>39</i>
Bogota Urban Services Project	
Investigations Completed	41
<i>Request No. 37, Democratic Republic of Congo</i>	<i>42</i>
Transitional Support for Economic Recovery Credit Operation (TSERO) and Emergency Economic and Social Reunification Support Project (EESRSP)	
<i>Request No. 38, Honduras</i>	<i>50</i>
Land Administration Project	

Investigations in Process	57
<i>Request No. 40, Nigeria</i>	58
West African Gas Pipeline Project	
<i>Request No. 44, Uganda</i>	64
Private Power Generation Project	
<i>Request No. 46, Albania</i>	69
Power Sector Generation and Restructuring Project	
<i>Request Nos. 47 and 48, Albania</i>	74
Integrated Coastal Zone Management and Clean-Up Project	
<i>Request No. 49, Ghana</i>	75
Second Urban Environmental Sanitation Project	
<i>Request No. 51, Argentina</i>	76
Santa Fe Road Infrastructure Project	
Actions on Earlier Requests and Investigations	79
<i>Request Nos. 32 and 33, India</i>	80
Mumbai Urban Transport Project	
<i>Request No. 34, Pakistan</i>	82
National Drainage Program Project	
Outreach and Other Activities	89
ANNEXES	
Annex 1: Panel Members' and Executive Secretary's Biographies	96
Annex 2: Joint Statement on the Use of Country Systems	99
Annex 3: Memorandum of Understanding, the World Bank Inspection Panel and the Compliance Review and Mediation Unit of the African Development Bank, November 28, 2007	100
Annex 4: Resolution No. IBRD 93-10/Resolution No. IDA 93-6, The World Bank Inspection Panel	103
Annex 5: Review of the Resolution Establishing the Inspection Panel: 1996 Clarification of Certain Aspects of the Resolution	108
Annex 6: 1999 Clarification of the Board's Second Review of the Inspection Panel	110
Annex 7: Operating Procedures	114
Annex 8: The Inspection Panel Budget	146

PROJECT INFORMATION BOXES

TABLES

Table 1: Summary of Inspection Panel Cases, June 30, 2008	131
Table 2: Alleged Violations of Policies and Procedures per Request, June 30, 2008	136

FIGURES

Figure 1: Inspection Panel Process	19
Figure 2: Policies Most Often Raised in Requests, June 30, 2008	142
Figure 3: Financing for Projects Subject to Requests, June 30, 2008	142
Figure 4: Percentage of Requests Received per Region, June 30, 2008	143
Figure 5: Panel's Request Record, June 30, 2008	143

MAP

Map 1: Geographic Distribution of Requests for Inspection, June 30, 2008	144
--	-----

ABBREVIATIONS AND ACRONYMS

AESNP	AES Nile Power Ltd.
AfDB	African Development Bank
APRAP	Assessment of Past Resettlement Activities and Action Plan
APFED	Asia and Pacific Forum for Environment and Development
BEL	Bujagali Energy Ltd.
BP	Bank Procedure
CAO	Compliance Advisor/Ombudsman
CBE	Citizens for a Better Environment
CCARC	Caribbean Central American and Research Council
CDAP	Community Development Action Plans
CLAI	Legal Center for Afro-Indigenous People
CODE	Committee on Development Effectiveness
COHRE	Centre on Housing Rights and Evictions
CRMU	Compliance Review and Mediation Unit
DCA	Development Credit Agreement
DfID	Department for International Development
DPV	Provincial Road Directorate
DRC	Democratic Republic of Congo
DSP	Dam Safety Panel
EBRD	European Bank for Reconstruction and Development
EESRSP	Emergency Economic and Social Reunification Support Project
EIA	Environmental Impact Assessment
EIB	European Investment Bank
EIS	Environmental Impact Study
ELPS	Escravos-Lagos Pipeline System
EMP	Environmental Management Plan
ESA	Environmental and Social Assessment
ESCAP	Economic and Social Commission for Asia and the Pacific
ESMP	Environmental and Social Mitigation Plan
ESSF	Environmental and Social Safeguards Framework
FAO	United Nations Food and Agriculture Organization
FoE	Friends of the Earth–Ghana
GoP	Government of Pakistan
GoU	Government of Uganda
GWP	Global Water Partnership
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
IFC	International Finance Corporation

IFI	International Financial Institution
IGES	Institute for Global Environmental Strategies
ILO	International Labour Organization
INA	<i>Instituto Nacional Agrario</i>
IPDP	Indigenous Peoples Development Plan
IRI	International Research Institute for Climate and Society
IRM	Independent Review Mechanism
IWMI	International Water Management Institute
LBOD	Left Bank Outfall Drain
MEPT	Movement of Education for All
MERI	Mekong Environment and Resource Institute
MIGA	Multilateral Investment Guarantee Agency
MMRDA	Mumbai Metropolitan Region Development Authority
NAPE	National Association of Professional Environmentalists
NDP	National Drainage Program
NTPC	National Thermal Power Corporation
OD	Operational Directive
ODECO	<i>Organización de Desarrollo Étnico Comunitario</i>
OFRANEH	<i>Organización Fraternal Negra Honduras</i>
OMS	Operational Manual Statement
OP	Operational Policy
PAD	Project Appraisal Document
PATH	<i>Programa de Administración de Tierras de Honduras</i>
PIU	Project Implementation Unit
PPA	Power Purchase Agreement
PPAF	Pakistan Poverty Alleviation Fund
PSF	Province of Santa Fe
RAP	Resettlement Action Plan
ROW	right-of-way
RPF	Resettlement Policy Framework
SCAD	Sindh Coastal Areas Development
SCDP	Southern Coastal Development Plan
SDR	Special Drawing Rights
SEA	Social and Environmental Assessment
SEGBA	Servicios Eléctricos del Gran Buenos Aires
TEI	Thailand Environment Institute
TEP	Vlora Thermal Power Plant
TSERO	Transitional Support for Economic Recovery Credit Operation
UESP II	Second Urban Environmental Sanitation Project
USOA	United Shop Owners Association
USTD	U.S. Trade and Development Agency
WAPCo	West African Gas Pipeline Company
WMC	Water Management Center
WSIP	Water Sector Improvement Project
WSSCC	Water Supply and Sanitation Collaborative Council

LETTER OF TRANSMITTAL

The Annual Report of the Inspection Panel for the period July 1, 2007, to June 30, 2008, has been prepared for the International Bank for Reconstruction and Development and the International Development Association in accordance with the 1993 Resolution establishing the Panel. It is being circulated to the President and to the Executive Directors of these institutions.

The Panel wishes to thank the Executive Directors for their steadfast support for the Panel. The Panel also thanks Mr. Robert B. Zoellick, the President of the World Bank Group, and Senior Management for their continued support of the Panel as an essential element in ensuring accountability and transparency by the World Bank. The Panel is also grateful for the continued support of civil society and for their efforts in promoting accountability and transparency. The Panel also expresses special appreciation to Requesters and to Bank staff for their constructive cooperation during the course of the various investigations.

Werner Kiene
Chairperson
June 30, 2008

The Inspection Panel consists of three members who are appointed by the Board for non-renewable periods of five years. As provided for in the Resolution that established the Panel, members are selected on the basis of their ability to deal thoroughly and fairly with the Requests brought to them, their integrity, their independence from Bank Management, and their exposure to developmental issues and to living conditions in developing countries. A Panel member is disqualified from participating in the investigation of any Request related to a matter in which he or she has a personal interest or had significant involvement in any capacity. Panel members may be removed from office for cause, only by decision of the Executive Directors.

The Panel's structure and operations further safeguard its independence. It is functionally independent of Bank Management, and reports solely to the Board. In addition, Panel members are prohibited from ever working for the Bank after their term ends.

Current Members: The current members of the Panel are Tongroj Onchan (member since September 2003), Werner Kiene (member since November 2004), and Roberto Lenton (member since September 2007). Panel members are required to select their chairperson annually. The present chairperson is Mr. Werner Kiene. The chairperson of the Panel works full time, while the two other Panel members work on a part-time basis as the need arises.

Former Members: The former members of the Panel are Richard Bissell (1994–97), Alvaro Umaña (1994–98), Ernst-Günther Bröder (1994–99), Jim MacNeill (1997–02), Edward Ayensu (1998–03), Maartje van Putten (1999–04), and Edith Brown Weiss (2002–07).

Secretariat: The Panel has a permanent Secretariat, headed by Executive Secretary Peter L. Lallas. The office also consists of Deputy Executive Secretary Dilek Barlas, Assistant Executive Secretary Anna S. Herken, Operations Officers Serge Selwan and Tatiana Tassoni, Senior Executive Assistant Francine Coscolluela, and Program Assistant Luis Schunk. The Secretariat provides administrative and operational support to the chairperson and Panel members, and assists the Panel in processing Requests, conducting investigations, and responding to queries from potential Requesters. The Secretariat also organizes and participates in outreach activities, seminars, and other events; disseminates information about the Panel and its activities; and provides general research and logistical support to the members of the Panel.



In Memoriam: Antonia Macedo, the first Assistant Executive Secretary of the Inspection Panel, passed away in April 2008. Antonia had a distinguished career as a legal analyst in the Bank’s Legal Department for more than 13 years before transferring to the Inspection Panel in 1994, when the Panel was starting its operations. She joined the Panel team with great enthusiasm and dedication, and her professional contributions were recognized with successive promotions until reaching the position of assistant executive secretary. Antonia will be remembered for her unique sense of humor and unfailing commitment and important contributions to the Panel’s mission, especially to its administrative set up and initial operations. A talented award-winning photographer, Antonia left a legacy of beautiful and moving pictures taken during her country visits on official travel with the Panel.

MESSAGE FROM THE PANEL

“Bringing our concerns to the Inspection Panel allowed our voices to be heard at the highest level of the World Bank and of our own government. And we are grateful that this process exists.”

These words came from members of indigenous communities on the Caribbean Coast of Honduras following a Panel investigation of a Bank Project. This statement, and others like it received by the Panel, suggest the importance for affected people to have recourse to an accountability mechanism such as the Panel to receive answers to their concerns about World Bank–financed Projects.

The hallmarks of the Panel’s work continue to be independence, integrity, and impartiality. These features are appreciated not only by Project-affected communities, but also by the Bank’s Board of Executive Directors who, throughout the years, have fully supported the Panel’s mandate without interfering in its work and deliberations.

STATUS OF ACTIVITIES: REQUESTS AND INVESTIGATIONS

The past fiscal year was the Panel’s fourteenth year of operations, and one of its busiest: the Panel received six new Requests for Inspection, concluded two investigations, and has been engaged in investigating and following up several cases.

The new Requests received in fiscal year 2007/08 were as follows:

- **Albania Integrated Coastal Zone Management and Clean-Up Project:** The Panel received two separate Requests: the first, raising concerns of residents of a community about demolitions of their residences; and the second, raising concerns from tourist operators about the Project’s impact on tourism. The Panel determined that an inspection into the matters raised in the first Request was warranted and made a recommendation in that sense. The Panel also determined that the main concerns raised in the second Request were covered by an ongoing inspection of the Albania Power Sector Generation and Restructuring Project and, hence, it did not recommend a separate inspection into those concerns. The Panel’s recommendation concerning both Requests was approved on November 1, 2007.
- **Ghana Second Urban Environmental Sanitation Project:** The Request brings up concerns about the location of a proposed sanitary landfill, and potential issues of involuntary resettlement and pollution. The recommendation to investigate was approved on November 9, 2007.

- Colombia Bogotá Urban Services Project: The Request focuses on negative impacts emanating from construction activities. The Panel refrained from making a recommendation to investigate, as the eligibility requirement relating to prior contacts with Bank Management was not met.
- Cameroon Urban Development Project and Douala Infrastructure Development Project: The Request comes from affected people who are concerned about impacts and displacement caused by infrastructure activities. The Panel noted that the Project had already been closed for many years, and thus clearly did not meet one of eligibility requirements for an investigation. As a result, the Panel did not register the Request and sent a note to the Board and Bank Management informing them of the situation.
- Argentina Santa Fe Road Infrastructure Project: The Request raises issues of displacement, lack of consultation, and potential risks of increased flooding as a result of road expansion works. The recommendation to investigate was approved on April 18, 2008.

During the past fiscal year, the Panel worked on several inspections, including some that arose from Requests in the previous period. These included:

- The Honduras Land Administration Project: The Panel completed its Inspection Report on June 12, 2007; the Board meeting was held on October 4, 2007. The Panel's Report addressed a number of issues relating to noncompliance with Bank policies on the rights of indigenous populations that threatened to undermine the success of an otherwise much appreciated national land titling project.
- Democratic Republic of Congo (DRC) Forest Management Reform Projects and Operations: The Panel completed its Inspection Report on August 31, 2007; the Board meeting was held on January 10, 2008. The Request and the Panel's Report, which received worldwide attention, dealt with issues relating to the violation of Bank policies on Indigenous Peoples, Environmental Assessment, Forests, and others, and the resulting potential harm to the indigenous forest dwellers (the Pygmy peoples).
- Ghana West African Gas Pipeline (noted above): The Panel completed its Investigation Report on May 1, 2008. At the time of this publication, the Management Response is not yet completed. After the Response is completed, the Board meeting will be scheduled.
- Uganda Private Power Generation Project (Bujagali Falls): The Request raises a number of significant social, environmental, and economic concerns relating to compliance with Bank policies, and associated harms, arising from the proposed hydropower/dam facility at Bujagali Falls on the upper Nile River. The inspection is ongoing at the time of this publication.
- Albania Power Sector Generation and Restructuring Project: The Request raises concerns about the location of proposed thermal power plant and its potential impacts on tourism, forest, natural habitats, and protection of cultural resources and religious site. The recommendation to investigate was approved on July 18, 2007.

- Albania Integrated Coastal Zone Management and Clean-Up Project (noted above): The inspection is ongoing at the time of this publication.
- Ghana Second Urban Environmental Sanitation Project (noted above): The inspection is ongoing at the time of this publication.
- Argentina Santa Fe Road Infrastructure Project (noted above): The inspection is ongoing at the time of this publication.

PANEL PRACTICES AND INNOVATIONS

During this reporting period, the Panel continued to build on innovations to further enhance the effectiveness of the inspection process while strictly adhering to its mandate. A few of these are mentioned below:

Problem solving: In the case of the Request for Inspection of the Road Construction in Argentina’s Santa Fe province, the Panel followed the suggestions of the parties involved and made sufficient time and negotiating space available for the Requesters, Bank Management, and Project authorities to resolve some of their differences. Only two of the original claims could not be completely resolved leading to “targeted” investigations of the residual claims. The Panel has followed a similar approach in certain past cases in which conditions so justified, including the Romania Mine Closure, Brazil Paraná Biodiversity Project, and Ghana–West African Gas Pipeline. It is the Panel’s plan to continue to experiment with this approach in future investigations.

Follow-up: Based on Board discussions and resulting decisions, the Panel undertakes postinspection missions to explain to the Requesters the outcomes of the Inspection, make them aware of the implications of the Management Action Plans endorsed by the Executive Board, and resolve residual procedural issues.

Joint inspections: Together with its sister inspection mechanism at the African Development Bank, the Panel developed and carried out an effective cooperative approach to the investigation of the proposed hydropower facility at Bujagali Falls in Uganda. The approach enabled cooperation between the sister mechanisms while technical information was gathered and during a joint on-site field visit. It simultaneously respected the mandate requirements of independence and confidentiality of the respective mechanisms. The Panel notes that this provides an effective example and reference point for handling inspections in cases involving joint funding, where requesters submit complaints to more than one institution (so far this has happened only rarely). A dialogue on joint inspections was also initiated between the European Bank for Reconstruction and Development, the European Investment Bank, and the Panel.

OUTREACH ACTIVITIES

Over the years, the Panel has made efforts to increase awareness of the Panel, its availability as a recourse mechanism to affected people, and how it operates. For this purpose, it has created a brochure available in twelve languages. It maintains its own Web site (www.inspectionpanel.org) and is referenced on the World Bank Web site. To support this outreach effort, the Panel also participated in and made presentations at a variety of conferences and meetings held in several countries (most recently in the Democratic Republic of Congo, Kenya, Mozambique, Tunisia, and Zambia).

During the course of its work and these outreach meetings, the Panel has become increasingly aware that a substantial problem remains regarding the lack of awareness of the Panel and its availability to affected people in areas where Bank Projects are under way. The Panel sees a critical need to enhance its awareness building so that affected people know that the World Bank has such an accountability mechanism, and that they have the right to have access to it.

The Panel also conducts outreach to Bank staff, including through preparation and dissemination of a brochure for staff, and meetings with Bank offices, departments, and country offices. The Panel is exploring other ways to ensure that the nature and results of the Panel's work are effectively disseminated within regions and by sectors.

APPRECIATION

The Panel is grateful for the strong and enduring support it receives from the Board. We appreciate the cooperation we receive from the Bank's Management in the conduct of our work. Of particular importance is the support that Panel missions receive from the country offices for the often-complex logistics of field investigation. Similarly, we are grateful to the many official and civil society institutions who share their observations with us.

The staff of the Panel's Secretariat deserves a special mention. Their skills and dedication play a most crucial role in ensuring the high degree of professionalism in the Panel's work and output. Similarly, we thank the Panel experts who have assisted us in our Inspections for their outstanding contributions and advice.

During this past fiscal year, the Panel said farewell to Professor Edith Brown Weiss who had served as the chairperson since fiscal year 2004. We salute and thank her for her outstanding service and her contributions to the Panel's professional standing. The Panel also extends its deepest appreciation and gratitude for the outstanding services and contributions to the Panel of Professor Tongroj Onchan, who is now in his final year as Panel Member.

Werner Kiene, Chairperson

Tongroj Onchan, Panel Member

Roberto Lenton, Panel Member

June 30, 2008

THE INSPECTION PANEL

The World Bank created the Inspection Panel in 1993, on the eve of its 50th anniversary, to serve as an independent mechanism to ensure accountability in Bank operations with respect to its policies and procedures.¹ It was an unprecedented act in the history of international financial institutions. Since its inception, the Panel has provided people affected by Bank-financed Projects with direct access to an international forum where their complaints can be addressed. After almost five years of the Panel's operation, in April 1999, the Board confirmed "the importance of the Panel's function, its independence and integrity."²

Subject to Board approval, the three-member Panel is empowered to investigate problems that are alleged to have arisen as a result of the Bank having failed to comply with its own operating policies and procedures. As directed by the Resolution that established the Panel, the Executive Directors reviewed the Panel's experience after two years of operations. The review was concluded on October 17, 1996, with the approval of certain Clarifications of the Resolution. In March 1998, the Board launched a second review of the Panel's operations, which ended in April 1999 with the approval of the second Clarifications of the Resolution (see annexes 4, 5, and 6, respectively, for the full texts of the 1993 Resolution and the 1996 and 1999 Clarifications).

PANEL PROCESS

The Panel's process is straightforward. Any two or more individuals or groups of individuals who believe that they or their interests have been or are likely to be harmed by a Bank-financed Project can request that the Panel investigate their complaints. After the Panel receives a Request for Inspection, it is processed as follows:

- The Panel determines whether the Request is barred from Panel consideration.
- If not, the Panel registers the Request—an administrative procedure.

¹ See Resolution No. IBRD 93-10; Resolution No. IDA 93-6, establishing "The World Bank Inspection Panel." The Panel's 1994 "Operating Procedures" provide detail to the Resolutions. For the purposes of the Inspection Panel, the World Bank includes the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA).

² *Conclusions of the Board's Second Review of the Inspection Panel* (hereinafter "1999 Clarifications"), IBRD and IDA Board of Executive Directors, April 20, 1999, at paragraph 1.

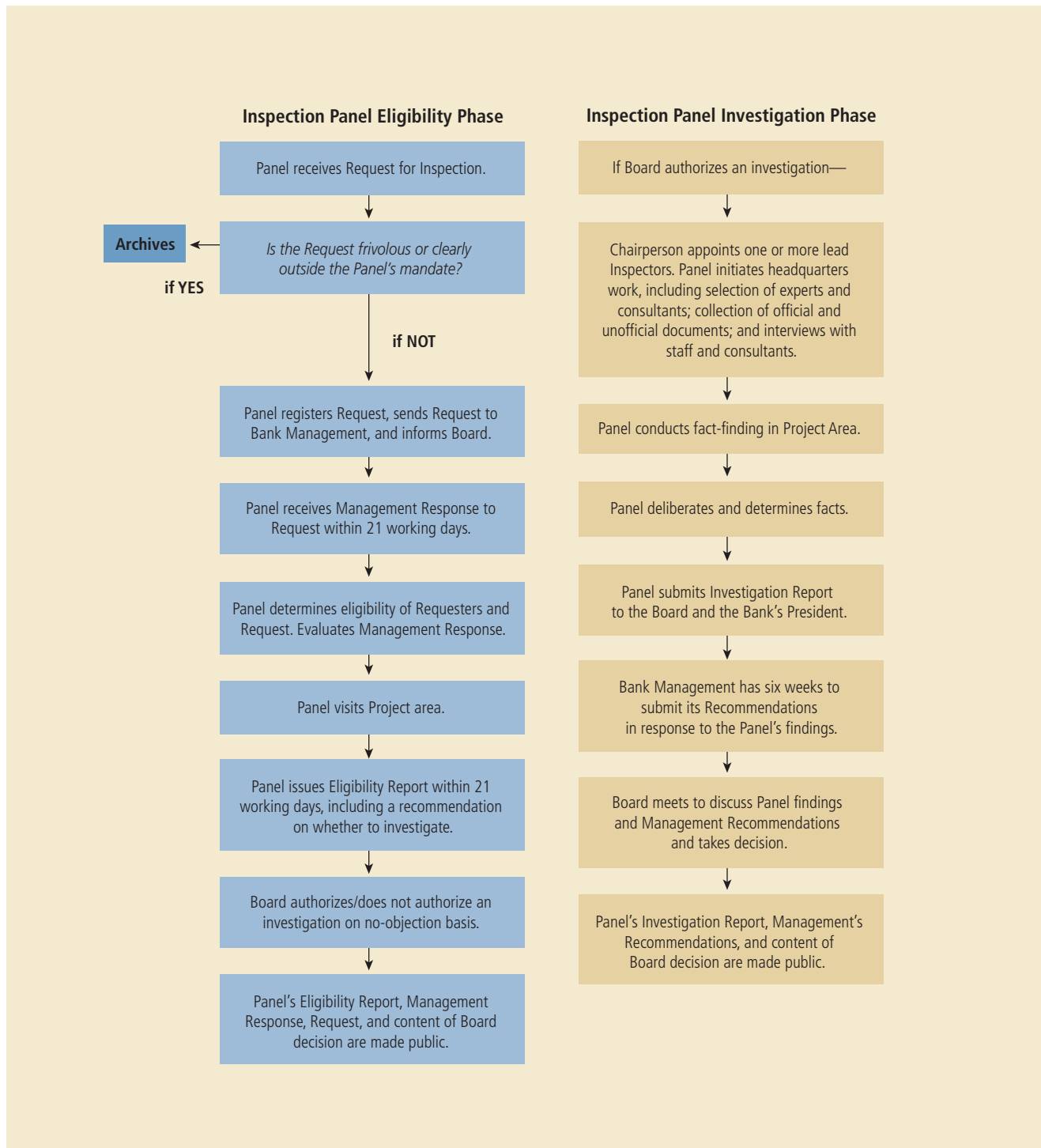
- The Panel promptly notifies the members of the Board that a Request has been received and sends the Request to them and to Bank Management.
- Bank Management has 21 working days to respond to the allegations of the Requesters.
- Upon receipt of Management’s Response, the Panel conducts a review in 21 working days to determine the eligibility of the Requesters and the Request for an Investigation.
- The Panel delivers its Eligibility Report and any recommendation on an Investigation to the Board for its approval on a no-objection basis.
- If the Panel does not recommend an investigation, the Board of Executive Directors may still instruct the Panel to conduct an investigation, if warranted.
- After the Board’s approval of the Panel’s recommendation, the Requesters are notified.
- Shortly after the Board decides whether an investigation should be carried out, the Panel’s Report (including the Request for Inspection and Management’s Response) is made publicly available at the Bank’s InfoShop and the respective Bank Country Office, as well as on the Panel’s Web site (<http://www.inspectionpanel.org>).
- If the Board approves the Panel’s recommendation for an investigation,³ the Panel undertakes an investigation. The investigation is not time bound.
- When the Panel completes an investigation, it sends its findings on the matters alleged in the Request for Inspection to the Board and to Bank Management for its response to the Panel findings.
- Bank Management then has six weeks to submit its recommendations to the Board indicating what, if any, actions the Bank intends to take in response to the Panel’s findings.
- The Board then takes the final decision on what should be done based on the Panel’s findings and Bank Management’s recommendations.
- Shortly after the Board’s decision, the Panel’s Report and Management’s Recommendation are publicly available through the Inspection Panel’s Web site and Secretariat, the Bank’s InfoShop, and the respective Country Office.
- The Panel’s Report, Management’s Response, and the press release concerning the Board’s decision are posted on the Panel’s Web site (<http://www.inspectionpanel.org>).

The following individuals may submit a Request for Inspection:

- Any two or more persons directly affected by a Bank-supported Project
- Local representatives on behalf of directly affected persons with proper proof of authorization

³ See Conclusions of the Board’s Second Review of the Inspection Panel, paragraph 9: “If the Panel so recommends, the Board will authorize an investigation without making judgment on the merits of the claimant’s request.” See 1999 Clarification, available at the Inspection Panel’s homepage (<http://www.inspectionpanel.org>) and included in annex 6 of this report.

FIGURE 1
INSPECTION PANEL PROCESS



- Subject to Board approval, a nonlocal representative on behalf of locally affected persons (in exceptional circumstances in which local representation is not available)
- An Executive Director

Following are the criteria for recommending an Inspection:

- The affected party consists of any two or more persons in the borrower's territory who have common interests or concerns.
- The Request asserts that a serious violation by the Bank of its operational policies and procedures has, or is likely to have, a material adverse effect on the Requester.
- The Request asserts that its subject matter has been brought to Management's attention and that, in the Requester's view, Management has failed to respond adequately in demonstrating that it has followed or is taking steps to follow the Bank's policies and procedures.
- The matter is not related to procurement.
- The related loan has not been closed or more than 95 percent disbursed.
- The Panel has not previously made a recommendation on the subject matter or, if it has, the Request asserts that there is new evidence or circumstances not known at the time of the previous Request.

REQUESTS RECEIVED IN
FISCAL YEAR 2008

Integrated Coastal Zone Management and Clean-Up

PROJECT (IDA CREDIT NO. 4083 ALB)

BOX 1. PROJECT INFORMATION AT A GLANCE

Project Name:	Albania: Integrated Coastal Zone Management and Clean-Up Project
Region:	Europe and Central Asia
Sector:	General water, sanitation and flood protection sector; solid waste management; general public administration
Environmental Category:	F
IDA Credit Amount:	US\$17.5 million equivalent
Board Approval Date:	June 21, 2005
Effective Date:	November 29, 2005
Closing Date:	March 31, 2010

THE REQUEST

On July 30, 2007, the Inspection Panel (the “Panel”) received a Request for Inspection (the “First Request”), dated July 25, 2007, related to the Albania: Integrated Coastal Zone Management and Clean-Up Project (the “Project”). The local representatives of a number of families who are part of a community situated in the area known as Jal, which is part of the larger village of Vuno, Himare (in Albania), submitted the Request.

On August 13, 2007, the Panel received a second Request for Inspection (the “Second Request”), dated August 5, 2007, related to the Project. Mr. Petrit Leventi, on behalf of the Association of Tourist Operators of Vlora, Albania, and other affected individuals who reside in Vlora and in the “*area covering the northern part of the Bay of Vlora, known as Treport Beach, Narta Lagoon Coastal Strip and Bisht Poro,*” submitted the Request for Inspection.

In the First Request, the Requesters stated that from April 17–21, 2007, the Construction Police of the Municipality of Vlora, under the supervision of the Ministry of Public Works and “*in line with the Southern Coastal Development Plan of the World Bank,*” demolished either totally or partially their permanent residences. The Requesters were told that they did not possess building permits. In this regard, the Requesters pointed out that “*approximately 100% of construction*” in coastal Albania lacks these permits and that a summer resort and other houses were left intact.

The Requesters claimed that they requested building permits in the past, but were told that permits were not available in areas lacking an urban plan. The Requesters claimed that the lack of an urban plan is not unique to the village of Jal but rather is

common to much of Albania. They also stated that they had lost confidence that an urban plan could be approved for Jal because the village is a small and isolated one, lacking even basic services such as fresh water. Nevertheless, they stated that in 2006 the government finally passed a law (Law 9482 “On the legalization, urbanization and integration of buildings without permits”) that allowed the Requesters and other families of Jal to apply for building permits. The Requesters claimed that they did so and received confirmation of their applications by local authorities.

In spite of the pending permit applications, the Requesters claimed that they received a notice on April 3, 2007 from the Construction Police informing them that their houses were slated for demolition. They added that they later “*learned from the media and onsite managers of the project that the demolition was a result of executing the Southern Coastal Development Plan of the World Bank for the area.*” The Requesters filed a complaint with local authorities against the demolition notice. The houses were demolished, however, on April 17, 2007. According to the Requesters, “*all court dates were scheduled for after April 17, 2007.*” The house demolitions, the Requesters report, were carried out in an “*unexplained urgency*” at 4:00 a.m. on April 17, and one house resident was also “*hit while inside her house in an attempt to take out her cellular phone.*”

The Requesters claimed that the Project implementation has resulted in displacement of a small number of families, “*human rights violations,*” “*inhumane actions,*” including violence by the police, and a “*complete lack of information and transparency regarding any projects or future plans for the area.*” The Requesters argued that the village of Jal was destroyed as a result of the Bank’s failures and oversights “*to take into consideration legal rights as well as the well being*” of the community. They claimed that the Bank also violated the policies requiring supervision of project activities and those mandating that risks of impoverishment for the community be mitigated.

The Requesters stated that after the demolitions, World Bank officials visited the site at least twice. The first time they talked with the families and asked about the size of the damage but did not provide any information. The second time they did not talk to the community at all.

The Requesters claimed that Government representatives indicated that the demolitions “*were based on the law and were part of a bigger plan drafted by the World Bank for the Coastal Region of Albania.*” The Requesters also claimed that to date they have not received any “*sound explanation*” of why their village was “*targeted*” by the Project. The Requesters claimed that the demolitions not only destroyed their houses, but also destroyed existing sewage structures, roads and other constructions, and centuries-old trees in the area. In addition, following the demolitions, waste covered the valley of Jal for weeks, making the place dangerous, especially for children.

The Requesters claimed that the Project is aimed at enhancing community-driven tourism development along the coastal areas. However, they stated that “*by overnight destroying all of the community assets, the project provides no insights on how it intends to support community-driven tourism activities, or which channels would the community follow to support itself during the project implementation phase.*”

The signatories of the Second Request (Second Requesters) claimed that “*although the Project covers an area of the Albanian coastline from Butrint region in the South*



Demolitions at Jala
(Jala Beach)

(Ionian Sea) to the Porto Romano in the North (Adriatic Sea), it nevertheless excludes from its scope and implementation the area covering the northern part of the Bay of Vlora up to the mouth of River Vjosa,” an area which is south of Porto Romano and is the area where the Second Requesters reside. According to the Second Requesters, the Project’s integrated coastal management and clean-up strategy has artificially divided the Vlora Bay into two regions. They believe that this is “*discriminatory, simply unnatural and fundamentally harmful*” to their interests.

The Second Requesters argued that the Project creates a “*dangerous vacuum*” by excluding the northern part of the Vlora Bay from its scope and, as a result, it will significantly harm tourism development in the Bay and its vicinity. According to the Requesters, the Project’s discriminatory approach “*opens the way for other potentially detrimental development projects with long standing negative consequences*” for the Bay of Vlora and the Albanian Adriatic-Ionian coastline.

The Second Requesters claimed that the “*very purpose, goals and importance of the Project are being undermined*” by focusing on the southern part of the Albanian coast and excluding the north part of the Vlora Bay, which is, according to the Second Requesters, “*widely accepted*” to be the “*real gateway to Albania’s tourism and valorization of cultural heritage.*”

MANAGEMENT RESPONSE

On September 17, 2007, Management submitted its Response to the First and Second Requests for Inspection. With regard to the First Request for Inspection, Management stated that the demolition of the houses was not linked to the Project either directly or

indirectly; adding that the demolitions were in accordance with a government program, pursuant to national law, that had been ongoing since 2001. Management claimed that the demolition of the houses in the Request “*were not limited to the Project area, not caused by or linked to the Project, and were not done in anticipation of the Project or to achieve the Project objectives,*” and that the government confirmed this to the Bank on the Bank team’s visit to the country.

In response to the application and the implementation of the Bank’s Safeguard Policies, Operational Policy (OP) 4.01 and OP 4.12, Management stated that an Environmental and Social Safeguards Framework (ESSF) was prepared with appropriate consultations and disclosure. The Management further stated that the ESSF is in line with Bank policies of Environmental Assessment, Physical Cultural Resources, and Involuntary Resettlement.

Management stated that at the design stage of the Project, the Bank considered several instances in which OP 4.12 might be triggered, including the demolition of illegal buildings under the government’s policy. Management stated that the Bank undertook to investigate and review the potential impact the government’s demolition policy would have on the Project. Management noted that the review indicated that

(i) the Government’s program is aimed at enforcing existing land-use regulations in the country and follows the due process established under Albanian laws and regulations; (ii) the process does not target removing encroachments from specific locations for the purpose of promoting investments; (iii) the process predates the Bank’s involvement in the Project; and (iv) the process is likely to continue regardless of the Bank’s involvement in the Project.

As a consequence, Management stated that the findings indicated that there is no violation of paragraph 4 of OP 4.12 and that the demolitions were unrelated to the Bank’s financing of the Project and would therefore not be subject to the Involuntary Resettlement policy.

The Response stated that the Bank has been working closely with the government to address the issues related to unauthorized structures and the land-use issues for this and other projects in the country, and it is helping to develop “*sustainable, equitable and humane solutions*” to the problem. Management stated that the Bank has given the government its recommendations with respect to the demolitions and has advised the government to postpone any future demolitions until the recommendations are reviewed and discussed.

With regard to the Second Request for Inspection, Management stated that the purpose of the Project was “*expected to serve as a pilot program, to be extended to other areas of the coast in the future.*” Furthermore, Management stated that the Project is a “*new approach in Albania and relatively complex to implement,*” which is why the first phase of the Project concentrates only on one section of the coast—the southern coast—to maximize the chances of success and ensure manageability of the Project. The Response further stated that the second phase will expand and build on the results of first. Management stated that the extension to the areas identified in the Second Request would greatly depend on the outcomes of the pilot project.

THE PANEL'S ELIGIBILITY REPORT AND BOARD DECISION

On October 17, 2007, the Panel submitted to the Board of Executive Directors its Report and Recommendation regarding the eligibility of the Requests. To determine the eligibility of the Requests and the Requesters, the Panel reviewed the Requests for Inspection and Management Response. The Panel also visited Albania from September 21–25, 2007. During their visit, the Panel team met with signatories of both Requests for Inspection. The Panel also met with government officials, and with local authorities in Vlora, with the Project Coordination Unit, and with Bank staff in the Bank Country Office of Tirana.

The Panel determined that the First Request and Requesters met the eligibility criteria set forth in the Resolution establishing the Panel. The Panel noted that the Request and the Management Response contained conflicting assertions and interpretations of the issues, facts, compliance with Bank policies and procedures, and actual and potential harm. The Panel recommended an investigation of the matters raised by the First Request for Inspection.

With regard to the Second Request for Inspection, the Panel noted that a Panel investigation (already approved by the Board of Executive Directors) in relation to a previous Request for Inspection submitted, *inter alia*, by the same Requesters, will cover the main concerns and allegations of noncompliance contained in this Second Request. The contention that the Second Requesters will be harmed as a result of the exclusion of the Vlora Bay area from the Project did not warrant by itself a recommendation to investigate. Consequently, the Panel did not recommend an investigation into the matters alleged in the Second Request. However, the Panel noted that in the event of new evidence or circumstances not known previously, the Second Requesters would be able to submit a new request to the Panel.

On November 1, 2007, the Board of Executive Directors approved, on a no-objection basis, the Panel's recommendation to conduct an investigation into the matters alleged in the First Request for Inspection. The Panel's investigation of the issues raised in the First Request is in process.

Second Urban Environmental Sanitation Project

(IDA CREDIT NO. 3889-GH)

THE REQUEST

On August 16, 2007, the Inspection Panel received a Request for Inspection related to the Ghana: Second Urban Environmental Sanitation Project (UESP II) financed by the International Development Association (IDA). The Request was submitted by the Centre on Housing Rights and Evictions (COHRE) on behalf of the Agyemankata Community. The Panel registered the Request on August 22, 2007.

UESP II is classified as a repeater project to UESP I. The objectives of the Project are to improve urban living conditions in Accra, Kumasi, Sekondi-Takoradi, Tamale, and Tema in regard to environmental health, sanitation, drainage, vehicular access, and solid waste management in a sustainable fashion, with special emphasis on the poor. The Project consists of five components, including one relating to sustainable solid waste management. The Request relates specifically to the subcomponent under the solid waste management component, whereby a sanitary landfill is to be constructed in Kwabenya to meet the sanitation requirements of the Greater Accra region.

The Requesters contend that, because of the Project-funded sanitary landfill, their community will be affected detrimentally. They claim that the landfill will have a negative impact on those living in its proximity and possibly will pollute their water supply. This would result in an involuntary displacement of much of the Agyemankata Community and leave the remainder living in conditions detrimental to their health. The Requesters also claim that the Bank has failed to comply with its policy on Involuntary Resettlement with respect to people living and working within the physical area of the proposed landfill, and that the Project will result in their displacement and harm.

The Requesters claim that the community was not meaningfully consulted during the design phase of the project and that the authorities provided information to them

BOX 2. PROJECT INFORMATION AT A GLANCE

Project Name:	Ghana: Second Urban Environmental Sanitation Project
Region:	Africa
Sector:	Sanitation
Environmental Category:	A
IDA Credit Amount:	US\$62 million equivalent
Board Approval Date:	April 29, 2004
Effective Date:	October 27, 2004
Closing Date:	June 30, 2010



Panel meeting with affected people at quarry site

through local newspapers and radio announcements and often after decisions were made. They add that they wrote the Bank requesting that it withdraw its support for the landfill subcomponent. The Requesters also add that several letters were sent to the authorities, but no response had been received. Additionally, the Requesters claim that they have, on several occasions, expressed their concerns to Bank officials in Accra, but they feel that their concerns have not been dealt with satisfactorily.

The Requesters asserted that the Bank did not comply with various provisions of: Operational Policy/Bank Procedure (OP/BP) 4.01 on Environmental Assessment; OP/BP 4.12 on Involuntary Resettlement; and Operational Manual Statement (OMS) 2.20 on Project Appraisal.

MANAGEMENT RESPONSE

On September 21, 2007, Management submitted its Response to the Request. In this Response, Management asserts that the Project was processed in line with the Bank's requirements, including the Bank's environmental and social safeguard policies.

Management states that the Kwabenya subcomponent was delayed. It adds that on several occasions, it discussed the problems in implementation with the government indicating that unless evidence of satisfactory progress on the drafting of a Resettlement Action Plan (RAP) was available by December 2007, it would likely cancel the financing for the subcomponent. The Response also notes that as part of a December 2007 Mid-Term Review, the Bank and the Borrower will make an in-depth assessment of compli-

ance with agreed actions by the government, which included a commitment to prepare an acceptable RAP not later than March 31, 2008. The Response states that based upon the results of this evaluation, which will pay particular attention to progress on an acceptable RAP, a decision will be made regarding the extent of project restructuring.,

Management's Response indicates that an Environmental Impact Study (EIS) for the proposed landfill was commissioned in 1999 and the construction of a roadway to the site was commenced, both with the financial assistance of United Kingdom's Department for International Development (DfID). It further states that at the time of the EIS, there were practically no resettlement needs. However, with the roadway, people began to move closer to the site, and construction of the landfill was delayed because of land rights claims.

Management states that the EIS was used as the basis for preparing the Environmental and Social Assessment (ESA) for the UESP II. According to Management, the ESA contained an updated Environmental Management Plan (EMP) and the Resettlement Policy Framework (RPF). In relation to the resettlement issues, the Response states that the RPF was reviewed and found to be in line with the Bank's resettlement policy. Management further states that it was aware that further information would be needed to prepare an adequate RAP. Management has stated that the Bank will not proceed with the Kwabinya subcomponent until a RAP for the subcomponent is satisfactorily completed.

Management further states that a great deal of analysis on the environmental impacts of the project was undertaken and publicly disclosed, and the consultations carried out during the drafting of the RPF were considered satisfactory.

ELIGIBILITY PHASE AND BOARD DECISION

From October 9–12, 2007, the Panel visited Ghana to determine the eligibility of the Request. During the visit, the Panel met with numerous members of the affected community, as well as representatives of COHRE. The Panel also met with government officials and local authorities in Accra, with representatives of the Project coordination unit, and with Bank staff. During its visit to the community, the Panel was informed that the authorities came to their communities accompanied by armed policemen, mostly when people were away, and marked their houses to be vacated. This, they claim, was contrary to the RPF.

The Panel noted that the Request met the eligibility criteria for an investigation as set forth in paragraph 9 of the 1999 Clarifications of the Board's Second Review of the Inspection Panel. The Panel also noted that significant concerns and differences of view existed as to whether or not the Bank had complied with core provisions of its operational policies and procedures. On November 9, 2007, the World Bank Board of Executive Directors approved, on a no-objection basis, the Inspection Panel's recommendation to conduct an investigation into the issues raised in the Request for Inspection. The Panel investigation is ongoing.

Urban Development Project and Douala Infrastructure Development Project

(IBRD LOAN NO. 2244-CM AND IBRD LOAN NO. 2999-CM)

BOX 3. PROJECT INFORMATION AT A GLANCE

Project Name:	Cameroon: Urban Development Project
Region:	Africa
Sector:	Urban development
Environmental Category:	N/A
IBRD Loan Amount:	20 million USD
Board Approval Date:	March 15, 1983
Closing Date:	June 30, 1988

Project Name:	Cameroon: Douala Infrastructure Development Project
Region:	Africa
Sector:	Urban development
Environmental Category:	C
IBRD Loan Amount:	146 million USD
Board Approval Date:	October 27, 1988
Closing Date:	June 30, 1994

THE REQUESTS

On September 5, 2007, the Inspection Panel (the “Panel”) received a Request for Inspection (the “Request”) related to the Urban Development Project and the Douala Infrastructure Development Project (also referred to as the “Second Urban Project”). The Request was submitted by inhabitants and people representing inhabitants of the Nylon zone, Douala, Cameroon. They claim to have been harmed and negatively affected by World Bank activities relating to both Projects.

The first project, the Urban Development Project, was approved in March 1983 and closed in June 1988. It included a component for development of Douala-Nylon, the city's least developed area at the time, by (i) providing basic infrastructure for 90,000 residents, as well as community facilities, a pilot health education program, a retail market, and technical assistance to artisans; and

(ii) carrying out a complete “*slum*” upgrading program for 13,000 inhabitants.

The objectives of the Second Urban Project, approved in October 1988 and closed in June 1994, were to consolidate the basis for sustainable urban development through, *inter alia*, priority urban infrastructure. This infrastructure component included the continuation of the development of the Nylon neighborhood undertaken under the Urban Development Project.

In their letter to the Panel, the Requesters claimed that the Projects have led to the destruction of their homes, possessions, and resources and that, as a consequence of the Projects, people were forcefully evicted from their homes. They further stated that many of these people have been without homes since then, and no compensation has been paid nor have they received appropriate housing. Furthermore, they claimed that the Projects

led to social conflicts between the civilian population and the government. The Requesters complained that the World Bank did not consult them, nor did it provide any information about the Projects, which they learned about only in 2003. They also stated that affected people have not benefited from the Project. Overall, they believe, that the Projects have negatively affected the life and social environment of the inhabitants of the Nylon zone. They explained that the Projects have impoverished the affected people and caused negative long-term impacts.

The Requesters claimed that the Bank failed to conduct baseline studies and failed to conduct an adequate analysis of alternatives. They also stated that the Bank agreed to the implementation of the Projects, despite the limited administrative and implementation capacity of Cameroon. In regards to supervision, the Requesters claimed that the Bank has failed to identify the problems that the Requesters describe. More specifically, the Requesters believe the Bank has not complied with Operational Directive (OD) 4.01 on Environmental Assessment, OD 13.05 on Supervision, OD 4.30 on Involuntary Resettlement, OD 4.15 on Poverty Reduction, OD 4.20 on Indigenous Peoples, and the World Bank Policy on Disclosure of Information.

In a subsequent communication, the Requesters noted that they have little means or ability to determine whether the World Bank is still involved in a project that could affect them. Furthermore, they requested that the concerns of *“the 500 families in distress and in the streets for the past 20 years because of the mismanagement of an urban development project”* be considered. They urge the Inspection Panel to assist them in having their issues acknowledged.

In addition, as part of the attachments to the Request for Inspection, the Requesters included a correspondence received from the Bank, dated October 23, 2006, which came as a response to an earlier communications they had sent to the president of the World Bank. The Bank’s correspondence, signed by the director of operations for Cameroon at the time, stated *“[a]s we indicated to you in our previous letter of August 19, 2004, the Bank consistently requested the competent authorities to address the Nylon zone resettlement issue until the Second Urban project closed. Regrettably no satisfactory solution was implemented by the Government (. . .).”* The correspondence further states,

While at this date, the Bank cannot hold any fiduciary responsibility for the Nylon project that was closed in June 1988, and cannot therefore, offer any assistance (. . .) we will continue to raise the resettlement issue with the authorities in the context of our on-going dialogue in the urban sector.

Under the eligibility criteria of the Panel, the Panel may not investigate Projects for which the loan has been closed or more than 95 percent disbursed. Furthermore, paragraph 22 of the Panel’s Operating Procedures provides that the Panel chairperson will not register Requests if he or she finds that the Request is without doubt manifestly outside the Panel’s mandate. Because the Projects closed on June 30, 1988, and June 30, 1994, respectively, the Panel informed the Board of Executive Directors on October 17, 2007, that it did not register the Request in the Panel’s Register and would not process it further, and it advised the Requesters of this decision. The Panel notes, however, the many significant concerns stated by the Requesters, described above, and provided information on these matters in its notice to the Board. The Panel also notes the perception of the Requesters that a promise to deal with their problems has been made in correspondence sent by Management to them.

Santa Fe Road Infrastructure Project

(IBRD LOAN NO. 7429-AR)

BOX 4. PROJECT INFORMATION AT A GLANCE

Project Name:	Argentina: Santa Fe Road Infrastructure Project
Region:	Latin America and Caribbean
Sector:	Roads and highways
Environmental Category:	B
IBRD Loan Amount:	US\$126.7 million
Board Approval Date:	February 13, 2007
Effective Date:	August 17, 2007
Closing Date:	June 30, 2012

THE REQUEST

The Argentina: Santa Fe Road Infrastructure Project (the “Project”) aims to improve transport conditions of a segment of National Route 19 between the Province of Santa Fe (PSF) and the Province of Cordoba, Argentina. According to Project documents, under the Project’s Component 1, Route 19 will be widened from the existing two lanes to a four-lane road (motorway or *autovía*)—two lanes in each direction—between the town of Santo Tomé in the PSF

and the border of the Province of Cordoba. These works are planned to be the first stage of a program aimed at eventually converting Route 19 into a limited-access high-speed freeway (*autopista*). This Project component provides for the alignment of three sharp curves, the construction of four-lane bypasses in the towns of San Jerónimo del Sauce and San Pereyra along Route 19, ground-level interchanges at the intersections with rural and urban roads, and turn lanes and returns at intervals of 6 kilometers each. The Bank supports the Project with a US\$126.7 million loan to the PSF. The loan is guaranteed by the Republic of Argentina. The loan was approved by the Bank’s Board of Executive Directors on February 13, 2007, and the Loan Agreement became effective on August 17, 2007.

In 2006, the Inspection Panel received two Requests for Inspection raising issues about the Project while it was still under preparation and not yet fully appraised. The first Request (the “First Request”) was received on August 28, 2006, and it was submitted by residents of the location known as Chateaux Blanc, district of San Agustín, PSF, Argentina. The Requesters represented residents and users and owners of shops in Chateaux Blanc (Request No. 42). On September 21, 2006, the Panel received a Second Request for Inspection (the “Second Request”) related to same Project. This Request was submitted by residents of San Jerónimo del Sauce, on their own behalf and on be-

half of other people living in San Jerónimo del Sauce, in the Department of Las Colonias, PSF, Argentina. The Panel registered the First Request on September 11, 2006, and the Second Request on September 21, 2006.

The First Requesters stated that they are likely to suffer damages and be prejudiced as a consequence of the deficiencies or omissions of the World Bank in the design and eventual implementation of the Project. The alleged damages and prejudices included loss of jobs and sources of employment, excessive expropriations of agricultural fields and low productivity on the remaining fields, noise and visual pollution, impact on the landscape, lack of communications, dangers from traffic hazards (including heavy transport and increased accident-related mortalities), and lack of police protection. According to the Requesters, the Project was designed without consulting the affected people.

The Second Requesters claimed that the Project is likely to cause significant losses from excessive expropriation of agricultural lands; from diagonal division of dairy farms, making it practically impossible to continue pursuing this activity; and from reduced productivity. The Second Requesters noted that the Project is building on a 40-year-old project that provided for the construction of a provincial motorway parallel to Road 19 to improve the area's inter-communication. However, they argued that realities and needs changed in the intervening years and that these factors were not considered in the design and preparation of the proposed Project.

On October 18, 2006, Management submitted its Response to the Panel. The Response referred both to the First and the Second Request. Management raised concerns about the eligibility of both Requests on the ground that it did not have adequate time to respond to the concerns of the Requesters before the Requests were submitted to the



Panel team meeting with project-affected people in Sante Fe

Panel. Management stated that the First Requesters expressed their concerns to the Bank only five days before submitting the Request, while the Second Requesters brought their concerns to the Bank's attention on the same day they filed the Request.

Management also stated that the consultation process was still ongoing and the design evolving because the Project was still in the preparation phase. It indicated that the relevant Project documents—the Environmental and Social Mitigation Plan (ESMP) and the Resettlement Action Plan (RAP)—were presented and discussed with the communities, along with key issues such as the amount of land to be expropriated and the expropriation process.

With respect to resettlement of residents and businesses, the Response stated that the PSF was preparing a RAP in accordance with OP 4.12 and that most of the properties would be only partially affected. According to Management, expropriated land would be compensated in cash, with the amount corresponding to replacement cost at market price. Compensation was to be provided before any resettlement activities would take place.

To determine the eligibility of both Requests for Inspection, the Panel visited Argentina from November 2–10, 2006. During its visit, the Panel met with signatories of both Requests for Inspection and with other affected people in the area near Santa Fe. The Panel also met with national and provincial government officials, and with local authorities in Santa Fe, with the Project Implementation Unit (PIU) in Santa Fe, and with Bank staff in Buenos Aires and Washington, D.C.

On November 16, 2006, the Panel submitted its Eligibility Report to the Board of Executive Directors. In its Report, the Panel found that the Requesters had legitimate concerns as to whether the Project could cause them harm as a result of the Bank's possible noncompliance with its policies and procedures, particularly if the current road design was maintained.

The Panel also expressed concern about Management's position that the Panel should determine that the Requests were ineligible because "*Management did not have adequate time to address the concerns raised by the Requesters before the Requests were filed.*" Management's statement was based on the timing of the receipt by the Bank of a formal written complaint and the filing of a complaint with the Inspection Panel. The Panel noted that the Resolution and subsequent Clarifications do not require that potential Requesters or affected people submit a formal written complaint to the Bank to meet the criteria for eligibility of the Request. Rather, they require that Requesters have made the Bank aware of their problems and concerns so that the Bank may try to address them and demonstrate that it has complied with Bank policies and procedures.

Management claimed that the registration of the Requests prevented the Bank from demonstrating that the Project design and appraisal phases were proceeding in a Requester-responsive, policy-compliant manner. The Panel emphasized that the submission of a Request for Inspection does not prevent Management from engaging in a constructive dialogue with the Requesters to try to address their concerns.

The Panel noted that the Requesters and other affected people made several attempts to make their concerns about the Project known, but no one from the Bank approached them. The Panel observed that it was difficult for the Requesters to know about the possibility of bringing their problems to the attention of the Bank and how to do it. However, the Panel found no evidence that Bank staff or their consultants had any contact

with the Requesters and other people contacting the Panel, before receiving the formal letters from the Requesters. For this reason, the Panel concluded that although the Requesters were otherwise eligible to submit a Request for Inspection, they did not meet the procedural criterion set forth in paragraph 9(c) of the 1999 Clarifications that “*the subject matter has been brought to Management’s attention.*” The Panel stated that it was therefore not in a position to make a recommendation as to whether an investigation of the matters alleged in the Requests should be carried out. The Board concurred with the Panel’s determination on December 5, 2006.

NEW REQUEST FOR INSPECTION

The Panel received a new Request for Inspection related to the Project on September 13, 2007. The Request was submitted by residents of Franck, a town along the segment of Route 19 to be upgraded under the Project, on behalf of them and of other residents of the Project-affected area. The Requesters believed that, based on the current Route design and expropriation plans, the Project could cause them harm as a result of the Bank’s possible noncompliance with its policies and procedures, in particular OP/BP 4.01 on Environmental Assessment and OP/BP 4.12 on Involuntary Resettlement. They believed that the Project design does not adequately provide for water drainage, and, as a result, the proposed elevation of the new carriageway to be built will increase the risk of flooding of lands surrounding the road, rather than address the existing serious flooding problem. They also claimed that no socioeconomic baseline survey was conducted to assess and eventually restore their economic situation after their land is expropriated, and that the disclosure of information and consultation were not adequate.

MANAGEMENT RESPONSE

On November 20, 2007, the Panel received Management’s Response to the new Request for Inspection. According to the Response, the Bank complied consistently with the policy on Environmental Assessment (OP/BP 4.01) and OP/BP 4.12 on Involuntary Resettlement, and all the studies and simulations conducted and plans designed during Project preparation meet the requirements of all applicable Bank policies and procedures.

Addressing the issue of flooding that may result from the proposed elevation (0.80 meters) of the new carriageway to be constructed under the Project, the Response states that the Requesters’ claims are not “*well founded*” and do not provide any engineering or other evidence in support of their allegations. From a safety and engineering point of view, the proposed elevation is necessary to prevent water from crossing the new improved Route 19, as has happened thus far with the present route during intense rain.

According to Management, the engineering designs were reexamined with respect to the risk of flooding after severe rain and flooding of Route 19 occurred in March 2007. A Bank mission traveled to the area to check the Project designs, while the national authorities withheld the approval of these designs until the PSF again analyzed and reexamined them to ensure “*their robustness.*” The review conducted by both the Bank and the PSF confirmed the soundness of the designs and concluded that the Project will not increase the risk of flooding of the areas surrounding Route 19.

In view of the foregoing, Management claims that the Project will not worsen the hydrological situation of the area, but, to the contrary, it will reduce the risk of flooding compared with the without-project conditions.

In response to the Requesters' claim that the Project design provides for excessive land expropriation and their request to limit the expropriations to 30 meters up to the 18th kilometer, rather than taking land for a 120-meter right-of-way (ROW), Management states that the issue of the amount of land to expropriate was carefully reviewed and that the PSF was asked to study alternatives to reduce land-taking. The PSF decided that it will expropriate lands to reach the planned 120-meter ROW, and justified this decision on three grounds. The first relates to construction costs and potential negative environmental externalities. According to the Response, with a reduced ROW, the soil for the construction of the embankments would have to be partially extracted in a location far from the Route site, where land would have to be purchased and soil transported to the construction site, thus doubling the costs of construction of the embankments. In addition, the extraction of soil from locations outside the ROW could create negative environmental liabilities. The second reason for maintaining the 120-meter ROW is that it will allow the construction of frequent returns to reduce restrictions in accessing roadside properties, as requested by affected communities. The third reason for confirming the project design is that the Provincial Road Directorate (DPV) standards require 120 meters of ROW for eventual construction of a limited-access high-speed freeway, as planned under phase two of the program.

Management further states that in an area where the average size of the properties is 100 hectares, *"fifty percent of the properties less than 4 hectares will be acquired to expand the ROW"* under the Project. The Response states that a RAP was prepared in accordance with OP/BP 4.12 on Involuntary Resettlement and it will be implemented before commencing the physical works. Management adds that the RAP includes an information and communication program. For landowners and households and businesses to be displaced, *"additional programs are included."* For those physically displaced, the program provides support for families and businesses *"to restore their socioeconomic conditions to the level that existed prior to displacement."*

Management's Response describes the valuation methodology followed by the DPV to establish the amount of compensation to be paid. This amount has to be equal to the objective value of the land (*"valor objetivo"*) plus direct or indirect damage caused by the expropriation of the land. Various elements are taken into account to evaluate rural land, such as quality and productivity of the land, soil configuration, and real or presumed rent and income from the land. Other characteristics, including the location of the land and the expropriated surface of affected land, also contribute to determining the final price offered to the landowner. According to Management, evidence shows that the PSF has been conducting this process in an equitable way, taking also into account that *"rural land valuation under the best circumstances inevitably involves a degree of subjectivity . . . [because] [n]o two plots of lands are ever identical so comparisons with neighboring plots as a valuation basis can never be perfect."*

With respect to the consultation process, Management states that project-affected people have had numerous opportunities to express their concerns, including in public meetings and through an electronic mailbox and physical mailboxes in 15 communities. Management notes that the Project design underwent a number of changes thanks to the

consultations with affected peoples, whose concerns were key in the decision-making process regarding, for example, road alignments of bypasses, the location of road crossings, and the types of restoration programs for urban areas. Management also states that the Requesters “*have participated actively in the consultation process and their concerns about access to productive land have been accommodated in the Project.*” Management further states that the Bank’s Project team has participated actively in the consultation by participating in meetings, talking to landowners, and communicating their concerns to the PIU.

ELIGIBILITY PHASE

As part of the eligibility phase, the Panel visited Argentina once more and met with signatories of the Request for Inspection and with other affected people in the area near Santa Fe. The Panel also met with federal and provincial government officials, and with local authorities in Santa Fe. During this phase, it was called to the Panel’s attention the fact that recent changes in the PSF government and possible changes in the PIU could have had an impact on the Project and the Requesters’ concerns. After discussing the matter with the Executive Director for Argentina and with the Requesters, the Panel determined that the interests of all parties would have been better served if the Panel delayed the issuance of its report on the eligibility and its recommendation. Based on the foregoing, the Panel asked the Board of Executive Directors on December 21, 2007, to extend the deadline for submitting the Report and Recommendation for about 90 days.

PANEL REPORT AND RECOMMENDATION

Because no significant changes were made to the Project, the Requesters asked the Panel to proceed with the eligibility process. After reviewing the eligibility of the Request for Inspection and Bank Management Response to the Request, the Panel determined that the Request and the Requesters satisfy the eligibility criteria for an Inspection. The Panel also noted that the Request and Management Response and additional communications of both parties with the Panel contain conflicting assertions and interpretations about the issues, the facts, compliance with Bank policies and procedures, and harm, which could be addressed only with an investigation.

The Panel noted, however, that Management outlined in a communication to the Panel certain actions that Management intends to carry out to improve transparency of land-related information (soil maps and cadastre data), to provide capacity building on resettlement and consultations, to monitor compensation payments, and to ensure continued review of Project design.

The Panel recommended an investigation of the matters raised in the Request for Inspection. The Panel noted that “*the investigation would take into account progress in the implementation of the actions noted in the Management Response and other actions being carried out to address the concerns of the Requesters.*” It added that the investigation, therefore, “*will focus on issues raised in the Request that still remain pending, particularly issues related to route design and flood risks, as well as disclosure of information and consultation with project affected people on resettlement and environmental aspects.*”

The Panel submitted its Report and Recommendation to the Board of Executive Directors on April 18, 2008. The Inspection Panel's recommendation was approved by the Board on May 2, 2008, on a no-objection basis. The Panel is in the early stages of this investigation.

Bogotá Urban Services Project

(LOAN NO. 7162-CO)

THE REQUEST

On October 30, 2007, the Inspection Panel received a Request for Inspection related to the Colombia: Bogotá Urban Services Project, and registered it on October 31, 2007. The Request was submitted by Ms. Mariana Luna Crudo, on behalf of herself and seven other affected people (the “Requesters”).

The objective of the International Bank for Reconstruction and Development (IBRD)-financed Project is to improve the living conditions of those living in urban areas by increasing access, coverage, quality, reliability, and interagency coordination in the provision of public transport, sanitation services, and potable water. The Request relates specifically to the construction of Suba Avenue for the operation of the TransMilenio Mass Transit System. The objective of this component is to improve mobility through the expansion of the second phase of the TransMilenio System and by improving access to public transport.

The Requesters claim that they had been adversely affected by construction along Suba Avenue. They asserted that the Bank did not comply with various provisions of the following Operational Policies and Bank Procedures: OP/BP 4.01 on Environmental Assessment; OP/BP 4.12 on Involuntary Resettlement; and OP/BP 13.05 on Project Supervision.

As part of their claim the Requesters assert that they should have been properly consulted, provided with prompt and effective compensation, offered support after displacement for a reasonable period of time, and provided with development assistance. The Requesters contend that, as a result of the Project, many of them suffered permanent losses, which the implementing agency is neither recognizing nor willing to compensate them for. Additionally, they also claim that the Project has resulted in certain adverse

BOX 5. PROJECT INFORMATION AT A GLANCE

Project Name:	Colombia: Bogotá Urban Services Project
Region:	Latin America and Caribbean
Sector:	General transportation sector, water supply, sanitation
Environmental Category:	B
IBRD Loan Amount:	US\$100 million
Board Approval Date:	March 13, 2003
Effective Date:	August 5, 2003
Closing Date:	July 31, 2008

environmental impacts, such as stagnant pools of water and sewage on the sidewalk that attract insects and rodents, all of which are affecting their lives.

The Requesters indicated that they had made efforts to notify Bank staff of their situation. They contend that they contacted the implementing agency on several occasions seeking solutions to their problems.

MANAGEMENT RESPONSE

On December 3, 2007, Management submitted its Response to the Request for Inspection. In this Response, Management claims that there had been no communications to the Bank or its staff from any of the Requesters except one.

Management states that most of the Requesters' claims are related to indirect impacts of the Project and that OP 4.12 does not apply to situations in which the impact is indirect. Management states that during the preparation of the Project the implementing agency carried out a census and socioeconomic assessment of the affected population. The Resettlement Action Plan (RAP) was prepared based on this data, and all those directly affected by the Project were specifically identified in the RAP.

On the issue of environmental management, Management states that environmental screening was undertaken to classify the Project and based on the nature of the proposed activities and the fact that the potential adverse impacts were determined to be site specific, the Project was placed under environmental Category B.

Management states that several steps were taken to consult with, and inform, those who may have been affected by the Project. Management indicates that several information sessions were held in the project area, information materials were handed out, and kiosks were set up where people could go for advice and information.

Management states that the Bank's approach to supervision was in line with the requirements of OP 13.05 on Project Supervision.

ELIGIBILITY PHASE AND BOARD DECISION

A Panel team visited Colombia from December 11–13, 2007. During their visit, the Panel team met with the signatories of the Request, with national and municipal officials in Bogotá, with representatives of the Project implementation agency, and with Bank staff.

The Panel noted that the Requesters had brought their complaint to the implementing agency, believing that the agency would communicate their concerns to the Bank. In this regard, the Panel observed that it has been difficult for the Requesters to know about the possibility of bringing their problems directly to the attention of the Bank and how to do it. While the Requesters were otherwise eligible to submit a Request for Inspection, the Panel found that the Requesters did not meet the criterion set forth in paragraph 9(c) of the 1999 Clarification that "*the subject matter has been brought to Management's attention.*" The Panel concluded that it could not make a recommendation on whether to investigate the subject matter of the Request for Inspection unless this requirement has been met.

On January 23, 2008, the World Bank Board of Executive Directors approved, on a no-objection basis, the Inspection Panel's Report and Recommendation.

INVESTIGATIONS COMPLETED

Transitional Support for Economic Recovery Credit Operation (TSERO) and Emergency Economic and Social Reunification Support Project (EESRSP)

(CREDIT NO. 3824-DRC AND GRANT NO. H 064-DRC)

BOX 6. PROJECT INFORMATION AT A GLANCE

Project Name: Democratic Republic of Congo: Transitional Support for Economic Recovery Country Project (TSERO) and Emergency Economic and Social Reunification Support Project (EESRSP)

	TSERO	EESRSP
Region:	Africa	Africa
Sector:	General finance	Central government administration
Environmental Category:	N/A	B
IDA Credit Amount:	US\$90 million equivalent	US\$214 million equivalent
Board Approval Date:	December 8, 2005	September 11, 2003
Effective Date:	December 27, 2005	December 5, 2003
Closing Date:	December 31, 2006	September 30, 2008

THE REQUEST

The Panel received a Request for Inspection on the Transitional Support for Economic Recovery Credit Operation (TSERO) project and the Emergency Economic and Social Reunification Support Project (EESRSP) on November 19, 2005. The Request, dated October 30, 2005, was submitted by the Organisations Autochtones Pygmées et Accompagnant les Autochtones Pygmées en République Démocratique du Congo (Indigenous Pygmy Organizations and Pygmy Support Organizations in the Democratic Republic of Congo [DRC]) on their own behalf and on behalf of affected local communities living in the DRC. Representatives of

local communities of Kisangani in the Orientale Province, of Béni and Butembo in the Nord-Kivu Province, of Kinshasa/ Mbandaka and Lokolama in the Equateur Province, of Inongo in the Bandundu Province, of Kindu in the Maniema Province, and of Bukavu in the Sud-Kivu Province were signatories to the Request.

The Panel received the Request in French and registered it on December 1, 2005. The Requesters claimed that they have been harmed and will be harmed by the forestry sector reforms supported by the TSERO project and the EESRSP. They were concerned mainly with the implementation of a new commercial forest concession system and the

approach to preparation of a forest zoning plan for the forests of the Equateur and Orientale Provinces, where the Pygmies have lived for generations. They claimed that if the Projects and these activities are implemented without consulting the indigenous peoples and considering their interests, the Projects may cause irreversible harm and lead to violations of their rights to occupy their ancestral lands, to maintain the integrity of their lands, to access existing resources, to manage their forests and resources according to traditional knowledge and practices, and to protect their cultural and spiritual values. They claimed this would lead to the destruction of their natural living environment and means of subsistence, impose or force change in their way of life, and cause serious social conflict. According to the Requesters, the EESRSP was based on a Forest Code that fails to take their interests into account.

The Requesters contended that, because of the sensitive impacts of the policies to be implemented under the EESRSP on indigenous peoples and on forests, the Project was erroneously classified as Category B under OP 4.01 (Environmental Assessment) and should have been classified as Category A. The Requesters noted that the Environmental Assessment was still not available. The Requesters stated that the Bank ignored the application of OD 4.20 (Indigenous Peoples) despite the presence of indigenous peoples in the Project implementation area, noting that the Pygmies were the first inhabitants of the region and have lived and traveled in the forests of the Equateur and the Orientale Provinces for centuries, even millennia. The Requesters alleged that the Bank prepared terms of reference for a pilot zoning plan covering the axis Maringa-Lopori-Wamba and that these terms of reference recognized the presence of Pygmies' indigenous communities in these forests.

The Requesters further stated that Bank activities pertaining to the forestry sector in the DRC are not consistent with OP 4.36 (Forests). According to the Requesters, the EESRSP is based on the Forest Code, which was adopted without the participation of civil society or the involvement of the indigenous population and without implementation of any safeguards. They claimed that activities are being implemented without adequate consultation and do not respond to indigenous peoples' concerns or to the requirements for sustainable management of the Congolese forests and the development of their inhabitants.

The Requesters feared that the EESRSP would lead to the lifting of the moratorium on granting titles for forest exploitation and the granting of new forest concessions, although the zoning plan would not have been prepared. They noted that no regulation related to the rights and interests of local communities or to environmental protection has been adopted. The Requesters argued that the type of lending instrument used resulted in the Bank's bypassing its safeguard policies and procedures related to environment, forestry, and indigenous peoples. The Requesters also expressed concerns about the TSERO, which includes a component on forestry-sector governance.

The Requesters' claims describe actions or omissions that may constitute violations by the Bank of various provisions of the following Operational Policies and Bank Procedures: OP/BP 4.01 (Environmental Assessment), OP 4.12 (Involuntary Resettlement), OD 4.15 (Poverty Reduction), OD 4.20 (Indigenous Peoples), OP/BP 4.36 (Forestry), OP/BP 8.50 (Emergency Recovery Assistance), OPN 11.03 (Cultural Property), OP/BP 13.05 (Project Supervision), and BP 17.50 (Disclosure of Information).

MANAGEMENT RESPONSE

On January 13, 2005, Management submitted its Response to the Request for Inspection. Management stated in its Response that it believed that the Bank made every effort to apply its policies and procedures. With regard to the environmental categorization of the Project, Management asserted that the EESRSP was classified correctly as Category B and that the “Institutional Strengthening” component of the Project could have been classified as Category C, because it was a technical assistance operation for institutional strengthening. Management stated that Category A would not have been appropriate for this component.

Management challenged the Requesters’ claims regarding the lending instrument (OP 8.50 on Emergency Recovery Assistance) and the direct effect of the delay in implementing OP 4.01 on Environmental Assessment. Management explained that the policy allows the Bank to exempt the Project from its requirements when compliance with any of its provisions would prevent the effective and timely achievement of the objectives of an emergency recovery project. Management emphasized that it did not decide not to implement safeguard policies and that completion of the Environmental Assessment and Environmental and Social Management Framework was delayed because of procurement issues. Management admitted that in this respect it did not comply with OP 4.01 but stated that it intended to be in compliance by February 2006.

Management further explained that OD 4.20 was not triggered because the design of the Project as reviewed at concept stage did not reveal the existence of Pygmy communities in project-affected areas. However, with respect to the EESRSP, Management recognized that it was not in full compliance with certain processing provisions of OP 4.01, and that OD 4.20 should have been triggered during Project preparation when the pilot forest zoning plan was added (even if the zoning element was subsequently dropped from the Project). Management underscored the fact that the pilot forest zoning plan was dropped from the EESRSP in July 2005.

With regard to the infrastructure component of the Project, Management confirmed the existence of Pygmies in the affected area and stated that an Indigenous Peoples Development Plan will be prepared. Management also noted that the moratorium on allocating new concessions was established to avoid having concessions allocated too quickly and in an inappropriate way. Management claimed that the Bank is trying to introduce good governance in a system that has suffered from corruption and in which the majority of the production forests were under some form of logging contract.

Management claimed that its efforts have led to an unprecedented decrease of the areas that are under concessions. Management believes that the Forest Code, which introduces innovations such as traditional users’ rights, serves as a good basis for improving forest management.

Management was mainly concerned with the government’s capacity to develop and enforce the implementing regulations and stated that many of these regulations are still lacking. Management asserted that the pilot zoning plan does not threaten physical cultural property, that four or five forest technical missions have taken place annually since 2002, and that these missions have focused on deepening the Bank’s understanding of forest management in the DRC. With regard to outreach to indigenous peoples, Man-

agement claimed that it understood the importance of reaching out to Pygmy groups but stated that its efforts were restricted to policy dialogue and to contacts with stakeholders in Kinshasa because the forest areas were still inaccessible.

According to Management, Bank efforts were hampered by the difficulty in eliciting a unified response from the various interlocutors who claimed to represent the Pygmies. Management stated that it will consider activities to strengthen institutions for other Bank-supported forest activities in the DRC. It will establish a proactive forest information and outreach program and direct lines of communication with indigenous communities, including the Pygmies, ensuring that in future Bank operations they receive social and economic benefits that are culturally appropriate. Additionally, it will ensure that future Bank lending in the forest sector and other initiatives such as the zoning plan include measures that strengthen legal and customary rights and preserve the cultural heritage of indigenous communities, including the Pygmies.

THE PANEL'S ELIGIBILITY REPORT AND BOARD DECISION

The Panel submitted its Report and Recommendation to the Board on February 16, 2006. In this Report, the Panel states that the *“Requesters and the Request meet the eligibility criteria set forth in the Resolution that established the Inspection Panel and the 1999 Clarifications.”* The Panel adds that the *“Request and Management Response contain conflicting assertions and interpretations about the issues, the facts, and compliance with Bank policies and procedures.”* During the Panel's visit, Requesters and other affected people welcomed World Bank involvement in the forest sector, but highlighted their great concern regarding the destruction of their livelihoods, which depend on the forests.

The Board approved the Panel's recommendation to conduct an investigation into claims made by the Requesters on a no-objection basis on February 28, 2006. The Request, Management's Response, and the Panel's Eligibility Report were made public and are available on the Inspection Panel's Web site at <http://www.inspectionpanel.org>.

THE PANEL'S INVESTIGATION REPORT

As part of its investigation, the Panel reviewed relevant Project documents and other materials presented by stakeholders. The Panel interviewed Bank staff in Washington, D.C., and in the Bank office in Kinshasa. The Panel's investigation visit was delayed twice because of issues and restrictions relating to security and logistics. Between January 31 and February 13, the Panel visited the areas affected by the Project and met with Requesters, the communities, local authorities, representatives of NGOs, and relevant experts. On August 31, 2007, the Panel submitted its Investigation Report to the Board of Executive Directors for their consideration.

As a result of its investigation, the Panel found that while no reliable census data are available, DRC is home to between 250,000 and 600,000 Pygmy people. However, Project documents do not mention Pygmy peoples, or assess potential issues or risks to them posed by Project activities. The Panel found that Management failed to identify the ex-



Clearings in the Congo forest viewed from the air

istence of Pygmy communities in areas affected by Project. The Panel observed that Pygmies in DRC should be considered as indigenous people under OD 4.20. The Panel also found that Project documents did not identify cultural property and spiritual value of forest areas to Pygmy peoples or appropriate measures to avoid impacts to areas that might fall within the definition of cultural property under Bank policy.

The Panel also observed that the economic value from timber production is only a minor part of the total economic value produced from

forests. The Panel further observed that the establishment of “community forests” could have significant positive impacts, if designed to consider the needs of local people.

Concerning the environmental categorization of the Project, the Panel found that there was no Environmental Assessment analysis completed for the pilot zoning and logging concession elements contained in Component 2 of Project. The Panel found that it should have been clear at Project design that the Project’s involvement in the review of the logging concessions carried significant environmental and social implications.

The Panel observed that financing of policy and institutional reforms in a sensitive sector like the forests of DRC can lead to highly significant environmental and social impacts. In that context, the Panel found that the Bank’s determination that there were no significant environmental or social effects of the forest component of the TSERO was not consistent with the objective of Bank policies, especially when the Project essentially carried forward Component 2 of the EESRSP, subject to full Bank safeguard policies.

The Panel noted in its Investigation Report that it heard repeatedly that the 2002 Moratorium on allocation of new forest concessions had been “bypassed” on a large scale. Reportedly, “swaps” of areas deemed unproductive were exchanged for new, higher-quality forest areas. Furthermore, a substantial portion of concession areas cancelled in 2002 reemerged as concession areas under consideration for validation in the concession conversion process supported by EESRSP. These transactions affected an estimated 15 million hectares and involved areas where Pygmies and other vulnerable peoples live. The Panel found that Management did not make timely follow-up efforts at a sufficiently high level to ensure necessary action in response to these Moratorium violations. The Panel also noted that none of supervision documents after July 2005 referred to “swaps” or any potential Moratorium violation.

The Panel identified a number of significant concerns relating to the implementation of the “Concession Conversion Process,” designed to review and make decisions regarding the validity of large-scale logging concessions in the DRC forests. These concerns involved the treatment of existing concessions, time constraints, lack of meaningful participation by Pygmy people and local communities, asymmetrical rights to contest the results

of the process, and others. The Panel noted, in parallel, that a representative of indigenous peoples will be included for each concession under review, if the concession is in proximity to indigenous people. The Panel also understood that under new draft legislation a permanent representative and an alternate representative of indigenous peoples' organizations may be included in the Commission. The Panel commended the Bank for these efforts to encourage participation of indigenous peoples in the process.

The Panel observed that dropping the pilot zoning element instead of bringing it into compliance with Bank policies and procedures delayed the gathering of important information. The Panel noted that the forest concession conversion process served as de facto zoning under which legal and economic interests of logging companies will be considered for long-term recognition, while consideration and recognition of land tenure and livelihood rights of people living in the forests or dependent upon them will be delayed.

In its report, the Panel noted the importance of developing a more balanced approach by emphasizing appropriate models of community forests as well as other actions to support community participation, land tenure, and forest use rights. This approach would be developed by linking to a recently proposed Bank-administered fund to pilot instruments for reducing carbon emissions from deforestation and forest degradation.

The Panel recognized that it is important for the Bank to remain engaged in the forest sector in DRC. It is essential that the Bank comply with its social and environmental safeguard policies, as well as its other policies, to ensure that the forests benefit both present and future generations in DRC.

MANAGEMENT'S REPORT AND RECOMMENDATIONS IN RESPONSE TO THE PANEL'S FINDINGS

The Panel received Management's Report and Recommendation on November 5, 2007. Management stated in its Report that it concurs with a number of the Panel's findings, but it wished to clarify several issues.

Management stated that in 2002, the government cancelled 163 concessions bringing the total area under concessions from 45 million hectares to 20 million hectares and it established a ban on new concession allocations. A review of the legality of remaining concessions and others possibly awarded or exchanged illegally between 2002 and 2005 is now being conducted with a view to rescinding those not in compliance with prevailing legislation. Management noted that it complied with OP 13.05 on Supervision.

Management agreed that with regard to the EESRSP, the quality of the Bank's intervention would have been enhanced by triggering OP 4.01 and thus an Environmental Assessment should have been prepared for Component 2. However, Management clarified that the design of the pilot zoning activity, had it started, included the elements required by OP 4.01, and was setting the stage for multipurpose forest management in the future. Management added that the design of the pilot forest zoning plan would have been expected to pursue natural habitats conservation and improved land use in line with OP 4.04.

Concerning Involuntary Resettlement, Management clarified that OP 4.12 was triggered during project preparation, adding that the preparation of a Resettlement Policy

Framework was not done on time for Component 3 of the EESRSP, and that no resettlement would derive from the forest-related activities supported by the project. Management noted that the Legal Review is designed to cancel illegal concessions and introduce additional social provisions in remaining compliant concessions for the benefit of local communities, including indigenous peoples. Management further clarified that Component 2 of the EESRSP is not intended to deliver schools, clinics, and other facilities.

With regards to indigenous peoples and Component 2 of the EESRSP, Management clarified that (i) the design of the dropped pilot zoning identified the possible presence of Pygmy populations in the pilot area and included the consultation, disclosure, baseline data collection, and analytical work required by OD 4.20; and (ii) a Consultation Protocol was being implemented to ensure full participation of indigenous peoples for the Legal Review. Management also agreed that encouraging participation of indigenous peoples in the Legal Review is consistent with OD 4.20.

Management agreed with the Panel's finding that the EESRSP was consistent with OP 4.36 for (i) not financing any significant conversion of critical forest areas or natural habitats; (ii) advising the government to cancel illegal or expired concessions; (iii) considering the development of a good quality legal framework (including the Forest Code and Moratorium on new concessions) as a high priority; (iv) helping establish an independent observer in the Legal Review of concessions; and (v) promoting independent monitoring by a well-known international NGO to tackle illegal logging.

Management clarified that the policies supported by the Development Policy Operation regarding forests, helped preserve the forests and forest peoples' rights. Management considered that the determination made on the likely significant effects of the Development Policy Operation is fully consistent with the objective of Bank policies. Management clarified that investment lending and development policy lending instruments cannot be used interchangeably and that the choice of a development policy grant to support a small set of policy and institutional actions was appropriate and consistent with the objective of Bank policies.

As part of its Report and Recommendations, Management prepared an Action Plan containing follow-up measures at the country level and within the Africa Region at the World Bank. According to Management, Africa Regional Management is committed to strengthening quality control safeguards to better monitor and manage environmental and social risks, and to undertake more consultations so that the concerns of project-affected persons are adequately considered. The Action Plan includes ongoing and future efforts for addressing indigenous peoples' issues in the Congo Basin, remaining engaged in the forest sector of the DRC, and continuing outreach about Bank sectoral work and lending.

In terms of addressing indigenous peoples' issues, Management plans to integrate indigenous peoples as a cross-cutting theme across the Bank's activities in DRC. As part of its planned actions, Management stated that it will (i) analyze the current situation of vulnerable groups in DRC, including Pygmies, and draw and disseminate lessons from ongoing efforts to reach and support them with access to education, health, and rural infrastructure, and with a dialogue in the context of the forest reform agenda; and (ii) ensure that upcoming Road, Agriculture, and Forest Projects will include capacity building components to strengthen social safeguards and implement indigenous peoples' frameworks.

In terms of forest sector reforms, Management stated that, as part of its actions, it will continue to monitor the Legal Review and the Moratorium and assist the government in ensuring compliance with the 2005 Presidential Decree. Additionally, Management plans to continue to mobilize attention of the highest level of government and ensure that forest governance benchmarks are featured in possible future policy lending or similar instruments. Management further states that it will ensure that capacity building, participatory zoning, customary rights, critical natural habitats, law enforcement, and independent monitoring are featured in forthcoming forest-related operations.

In conclusion, Management welcomed the Panel's finding that the various parties with whom it spoke, including the Requesters and other donors, believed it important, if not essential, that the Bank continue to be involved in the forest sector in the DRC. Management also stated its commitment to support the authorities and other relevant groups in DRC in implementing the work started in 2002 and implement the set out Action Plan. Management proposed that, given the importance of the Action Plan and the broad interest in its successful implementation, it would provide the Board with a Progress Report in December 2008.

BOARD MEETING

On January 10, 2008, the Bank's Executive Directors met to discuss the Panel's Investigation Report and Management Report and Recommendations. At the Board meeting, there was wide agreement with the findings of the Panel, the measures outlined in the Action Plan, and an emphasis on the need to take and further develop specific steps to correct shortcomings and apply lessons learned. It was also agreed that Management would provide a Progress Report on implementation of the Action Plan to the Board within 12 months.

The Panel's Investigation Report and Management's Report and Recommendations were made public and are available on the Inspection Panel's Web site at <http://www.inspectionpanel.org>, along with a press release about the discussions held at the Board meeting.

Between February 27 and March 1, 2008, a two-person Panel team returned to Kinshasa, DRC, to hold meetings with representatives of the Requesters and government officials. The purpose of the meeting was to convey the results of the Panel investigation and the related meeting of the Board of Executive Directors of the Bank.

Land Administration Project

(IDA CREDIT NO. 3858-HO)

BOX 7. PROJECT INFORMATION AT A GLANCE

Project Name:	Honduras: Land Administration Project
Region:	Latin America and Caribbean
Sector:	Rural development
Environmental Category:	B
IDA Credit Amount:	US\$25 million
Board Approval Date:	February 26, 2004
Effective Date:	December 2, 2004
Closing Date:	April 30, 2008

THE REQUEST

On January 3, 2006, the Inspection Panel received a Request for Inspection (the “Request”) related to the Honduras: Land Administration Project (the “Project”; in Spanish, *Programa de Administración de Tierras de Honduras [PATH]*).⁴ The Request claimed that the Project, as a result of violations of Bank policies and procedures, is harming the Garífuna people and their claims to land and endangering the survival of their communities.

The *Organización Fraternal Negra Honduras*

(OFRANEH) submitted the Request on behalf of the indigenous Garífuna population of Honduras. OFRANEH stated that it is a federation whose members are elected every three years by the Garífuna communities as their representatives. The Panel registered the Request on January 10, 2006.

The Project is financed by an IDA Credit of 16,900,000 Special Drawing Rights (SDR), about US\$25 million. The Credit was approved by the IDA Board of Executive Directors on February 24, 2004, and became effective on December 2, 2004. The closing date was April 30, 2008. The Project was developed to facilitate implementation of the government reform strategy to address insecurity of land tenure throughout the country, through establishment and operation of an integrated decentralized land administration system as part of a broader reform program.

⁴ The Project aims to develop a policy framework and a strengthened institutional basis to create and operate a National Property Administration System for the regularization, titling, and registration of lands, including in areas inhabited and claimed by Garífuna communities of Honduras. The Project includes surveys of urban and rural areas to demarcate property boundaries and property rights. It also calls for pilot actions and monitoring and evaluation activities.

The Requesters claimed that in designing and implementing the Project, the Bank did not take into account the rights and interests of the Garífuna communities and, as a result, violated a number of its policies and procedures, such as OD 4.20 (Indigenous Peoples), OP/BP 4.01 (Environmental Assessment), and OP/BP 4.04 (Natural Habitats). The Request also referred to the International Labour Organization (ILO) Convention concerning Indigenous and Tribal Peoples in Independent Countries Convention C169. The Request stated that the convention, ratified by Honduras in 1994, recognized the rights of the peoples with respect to the ownership and tenure of the lands they traditionally occupy, as well as the special protection of the natural resources of these lands.

The Requesters noted that under PATH, ancestral lands are to be regularized in favor of indigenous and Afro-Honduran populations by recognizing communal or individual land rights, based on the preference of each community, and by registering such rights in the land registry. The Requesters did not oppose actions to recognize collective rights to their lands. They feared, however, that the land titling and procedures provided under the Project ultimately would cause the loss of their ancestral lands and the demise of collective property in favor of individual property, which is contrary to the land tenure system they prefer. They also feared that this could give their land, which they consider as their functional habitat, to people outside the Garífuna communities.

The Requesters claimed that the Garífuna communities were not properly informed and consulted in the design and planning of PATH, including in the development of the Indigenous Peoples Development Plan (IPDP) and in the selection of the pilot communities where the Project would be implemented first. The Requesters claim that, in preparing the IPDP, the Bank failed to consider adequately the legal status of the indigenous populations as well as the procedures to issue legal titles to land. They also claim that the Project failed adequately to address the serious concerns of communities about the potential impact of the new Property Law, and its relationship to procedures and actions under the Project.

The Requesters indicated that the Project led to or supported the creation of the Mesa Regional, which is an institution not recognized by OFRANEH, because it claims that the Mesa members were not elected by the Garífuna communities and thus cannot be considered representatives of the Garífuna people. They contend that using the Mesa as the consultation mechanism during implementation has bypassed the existing structures of the Garífuna people and created divisions among the people.

MANAGEMENT RESPONSE

On February 9, 2006, Management submitted its Response to the Request. Management claimed that, as of the date of the Response, no implementation activities involving surveying, demarcation, conflict resolution, or titling had taken place in any Garífuna lands. Management added that, in any event, when these activities occur, appropriate safeguards are built into the Project to protect indigenous peoples' lands.

Management maintained that “*community participation in the Project is voluntary and broad participatory mechanisms are operational.*” The Management Response stated that the Project complied with national legislation, including the 2004 Property Law, as well as with Bank policies. Management also claimed that it has responded to the

Requesters' concerns and *“remains committed to ongoing meaningful consultations that include all interested Garifuna stakeholders.”*

The Management Response presented an overview of the history, socioeconomic conditions, representative organizations, and issues involving the Garifuna people. Management stated that the *“Garifuna communities currently face multiple and long-standing unresolved land conflicts”* among community members, with third parties, and with national and local authorities, because, according to Management, different types of ownership coexist in the region and the titling programs that the National Agrarian Institute carried out in the past decades have not been satisfactory to the Garifuna people.

According to Management, the Mesa Regional is a consultation board that *“includes a broad range of Garifuna stakeholders.”* This Mesa was formed in 2005 following invitations sent by the government to *“representatives of a wide range of Garifuna communities and organizations, including OFRANEH, to participate in a meeting to establish an inter-institutional commission to organize the Mesa Regional.”* Management claims that there is *“broad support for the Project,”* although there is also *“diversity of opinions among various Garifuna stakeholders regarding the role of the Project in addressing their land claims.”*

Management believed that it *“took action to address the Project-specific concerns expressed by the Requesters and notified OFRANEH of these promptly,”* for example with respect to the agreement reached with the government that the communities themselves must decide whether to be part of the Project.

THE PANEL'S ELIGIBILITY REPORT AND BOARD DECISION

The Panel found that the Request met the relevant eligibility requirements for an investigation set forth in paragraph 9 of the 1999 Clarification of the Board's Second Review



Traditional Garifuna structures in Matibo Creek

of the Inspection Panel. The Panel noted the need for factual inquiry into the Requesters' claims that the Bank violated its own operational policies and procedures. The Board approved the Panel's recommendation.

THE INVESTIGATION PROCESS

The Panel carried out an investigation into the matters alleged in the Requests. The Panel conducted a two-part investigation. The first part involved detailed research into Bank records related to the Project, interviews with Bank staff, and a review of relevant documents and scholarly literature. The second part took the form of two in-country fact-finding visits, in June and October 2006. During its visits, the Panel met with Requesters and other individuals and communities, local and national authorities, representatives of nongovernmental organizations, relevant experts, and others. The Panel visited a number of Garífuna villages and communities along the northern coast of Honduras.

The Panel submitted its Investigation Report to the Board of Executive Directors on June 12, 2007.

THE INVESTIGATION REPORT

Garífuna people today live primarily on the Caribbean coast of Central America in Belize, Guatemala, Honduras, and Nicaragua. In Honduras, their 38 communities are mostly located along the northern coast, in the Departments of Atlántida, Colon, Cortes, and Gracias a Dios. The Garífuna maintain their ancestral language, specific religious beliefs, and traditional communal uses of the land and other patterns of work and activity that reflect their origins, home along the northern coast of Honduras, and unique culture.

Ancestral land use patterns, primarily for subsistence, involved simple horticulture, primarily of cassava, some annual vegetables, and plantains, and the propagation and harvesting of tree fruits such as avocados and mangos. The word "Garífuna" means "people who eat cassava." Garífuna people have used the forest not only for planting, but as the source of protein and plant foods, of medicines, and of wood to build houses, canoes, and other objects. The beaches and the sea always have been important to the Garífunas for fishing.

During its investigation, it appeared clear to the Panel that the Garífuna have been and are losing lands once occupied and used by their recent and remote ancestors, as well as by themselves today. Over time, many important external forces have significantly affected the land uses, work patterns, and lands of the Garífuna people, in particular, tourism and industrialized export-crop production, which attract land-buyers and "invaders" of Garífuna ancestral land. Non-Garífuna people have also come to develop vacation homes, cattle ranches, and other land uses and activities, often excluding the Garífuna communities from access to the lands through fences, walls, and gates.

The Panel found that, in many Garífuna communities, parts of the land over which the community has legal title have been illegally occupied, at times even with fraud or violence. The Garífuna people have been pursuing claims to collective title and rights over lands for many years, and have been struggling to address problems of illegal and unjustified occupation of lands that they consider to belong to the community as a whole.

The Panel addressed the important issue of who may be considered a representative organization of the Garífuna people and found that a number of organizations represent Garífuna interests. However, the Panel also found that OFRANEH, the organization that submitted the Request, has remained, over the years, the leading organization representing the Garífuna people. OFRANEH has been, in particular, at the forefront of efforts of the Garífuna people to secure their land rights, alongside with another organization, Organización de Desarrollo Étnico Comunitario (ODECO), which also has played a key role in this effort, especially during the titling process of the 1990s.

In the Panel's judgment, the Project conducted consultation during project preparation in compliance with the Bank policy on Indigenous Peoples, OD 4.20, because several meetings were conducted, and the Requesters and other organizations representing Garífuna peoples participated and had the opportunity to provide comment and express their concerns about the Project. The Panel noted that, during its visits to the Project area, it was told repeatedly by Garífuna people who are not part of any organization or group that little or no PATH information had been made generally available in the communities.

The Panel found issues with the consultation strategy developed in the early Project implementation stages, which provided for the creation of the Mesa Regional, a new organization composed of various Garífuna people belonging to different Garífuna organizations, such as patronatos, churches, and so on. The Panel considered that the initial concept of creating an organization like the Mesa Regional to unite the leaders and representatives of each Garífuna community represented an effort to establish consultations with and engage the participation of affected people. However, the Panel also considered that a consultation framework for Garífuna people in which their leading representative body or bodies are not included and do not give their support and guidance cannot ensure genuine representation of the Garífuna people, as required by OD 4.20. In the Panel's view, the Bank's endorsement of the Mesa Regional as the basic consultation framework for PATH, without the participation of OFRANEH and ODECO, was inconsistent with the core provisions of OD 4.20 on consultation, representation, and participation. The Panel expressed concern that the Mesa Regional implemented a parallel system that is at odds with the way the Garífuna people have established, over the years, to represent themselves on the critical issue of securing their rights over land.

With respect to the Project's legal framework, the Panel found that the Bank conducted an analysis of the legal framework regarding property rights of the indigenous peoples, including the Garífunas living in the Project area, in accordance with OD 4.20 during Project preparation. After approval of the Credit financing the Project, however, a new Property Law was enacted in Honduras. In the Panel's opinion, the Bank did not properly analyze the potential implications of the Law as part of the analysis of the legal framework as required by OD 4.20.

The Panel also noted that, as required by OD 4.20, the Project provided for some measures to protect indigenous peoples' land rights. However, given the relative weakness of indigenous peoples, acknowledged in the Project documents, and the fact that the new Property Law gives specific rights to nonindigenous occupants of Ethnic Lands, the Panel found that these measures were not sufficient to protect indigenous peoples' land rights that may be affected by Project implementation, as required by OD 4.20.

During its investigation, the Panel learned of the existence of the Inter-Sectoral Commission for Protecting Land Rights of Garífuna and Misquito communities. The

Commission was created in 2001 by Executive Order No. 035-2001 signed by the then president of the Republic of Honduras. This Commission is intended to help guarantee the property rights of the Garífuna and Misquito communities. The members of this Commission include key officials of government institutions responsible for land titling and protection issues relating to the Garífuna and Misquito communities, and chosen representative entities for those communities. In the case of the Garífuna, these are specified as OFRANEH (the Requesters) and ODECO.

The Panel noted that the existence of this Commission was mentioned only briefly in the Project documents, while the Inter-Sectoral Commission was designed specifically to defend the interests of indigenous peoples, contained provisions for their adequate representation, and engaged senior, decision-making levels of government. In the Panel's judgment, the failure to identify the Commission in the IPDP and to assess its potential importance in the land-titling process under the Project did not comply with OD 4.20.

To address conflict resolution arising in connection with Project activities in indigenous lands, important positive features were included in the IPDP, including budget allocations for capacity building and training of local community leaders on national laws, as well as for the training of arbitrators and conciliators. The Panel noted these features, but expressed concern that the IPDP did not adequately reflect or address the risks posed to the Garífuna people by its proposed means of resolving conflicts. These include, in particular, risks posed by disparities of power in the process.

The Requesters' concerns about losing their ancestral land refer also to forests and protected areas that the Garífunas have been using for centuries. The Panel found that the provision of the Project Process Framework providing for the recognition and demarcation of land areas in favor of indigenous communities in case of overlap between indigenous lands and protected areas was consistent with the objectives of the OD 4.20 on Indigenous Peoples. It also found that that the commitments referred to in Project documents to have indigenous communities maintain or acquire management and co-management responsibilities over designated protected areas that may include their lands complied with Bank policies.

In general, the Panel recognized the importance of the Project objectives and the fact that the Project included provisions to allow communities to maintain their collective titles. The Panel found merit nonetheless in the concerns of Requesters that the Project may contribute to the demise of titles and claims to their collective lands because the Project, as it stands, may provide individual titles to families in Garífuna and indigenous communities, who may sell their land for prices that are attractive to them but inexpensive to the buyers. Individuals in poor communities may be most tempted. In the Panel's opinion, given the relative economic and political vulnerability of the indigenous peoples, the safeguards provided under the Project were not adequate to protect the Garífuna rights over their Ethnic Lands in the context of Project implementation.

MANAGEMENT REPORT AND RECOMMENDATION—ACTION PLAN

The Management Report in response to the Panel's findings provided an overview of the Project status and noted that on January 10, 2007, in response to noncompliance with several covenants of the Development Credit Agreement (DCA), IDA sent to the government a Notice of Threatened Suspension of Disbursements under the Credit. Among the

issues prompting this Notice was the fact that the government signed a Memorandum of Understanding with OFRANEH in September 2006, which included, among other issues, an agreement purportedly dissolving the Mesa Regional Garífuna, the mechanism established under the Project for broad-based consultations at the local level.

Management indicated that the government met the conditions to avoid suspension of disbursements by April 2007, including confirming its decision to maintain the Mesa Regional Garífuna. The Report noted, however, that the government reactivated the Inter-Sectoral Commission, to be chaired by the National Agrarian Institute (Instituto Nacional Agrario, or INA), and relaunched the consultation process to finalize the Regularization Manual for Ethnic Lands. Management indicated that land regularization activities in Ethnic Lands had not started in Garífuna (or Misquito) communities because the Manual had not been completed or approved by the Bank.

The Report also includes an Action Plan to address the issues of noncompliance identified by the Panel. Management committed to continue enforcing the legal framework for the Project as included in the DCA and to take prompt action under the DCA should events threaten compliance with Project safeguards or other legal covenants. The Action Plan provides that the roles and responsibilities of the Inter-Sectoral Commission and the Mesa Regional Garífuna, as complementary Project consultation mechanisms, will be clarified. Management committed to approve the Regularization Manual and related conflict resolution mechanisms only if the proposed procedures adequately protect the rights of indigenous and Afro-Honduran peoples and after affected parties have been duly consulted. The Action Plan further provided that specialized supervision will be conducted at least twice annually by a senior social scientist working on the Project.

BOARD MEETING AND RETURN VISIT

On October 4, 2007, the Bank's Executive Directors met to discuss the Panel's Investigation Report and Management Report and Recommendations. The President of the World Bank Group welcomed the Investigation Report of the Inspection Panel and the Management Report as important contributions to promoting the use of land titling programs to support equitable development and protect the rights of indigenous communities.

Following the discussion at the Board, the Executive Directors endorsed the Action Plan presented by Management, and it was agreed that Management would provide a Progress Report on implementation of the Action Plan to the Board within 12 months and would consult with the Panel on issues relating to consultation.

From March 6–9, 2008, a Panel team headed by its chairperson, Mr. Werner Kiene, visited Honduras to convey the results of its investigation to the Requesters, Bank staff in the country, and government officials. The Requesters welcomed the Panel's Investigation Report and expressed several times how they value the Panel process.

The Panel's Investigation Report, Management's Report and Recommendations, and the Board's decision were made available in English and Spanish shortly after the above-mentioned Board meeting.

INVESTIGATIONS IN PROCESS

West African Gas Pipeline Project

(IDA GUARANTEE NO. B-006-0-GH)

BOX 8. PROJECT INFORMATION AT A GLANCE

Project Name:	Nigeria: West African Gas Pipeline Project
Region:	Africa
Sector:	Oil and gas
Environmental Category:	A
IDA Credit Amount:	US\$50 million
Board Approval Date:	November 23, 2004
Effective Date:	December 31, 2004
Closing Date:	June 30, 2009

THE REQUEST

On April 27, 2006, the Panel received a Request for Inspection related to the Ghana: West African Gas Pipeline Project (the “Project”). The Project covers four countries, Benin, Ghana, Nigeria, and Togo. However, the Request was submitted by the Ifesowapo Host Communities Forum of the West African Gas Pipeline Project through their representatives from the Olorunda Local Government Area of Lagos State, Nigeria. The Request was submitted on behalf of 12 communities that will be affected by the Project

around the Badagry axis, in Lagos State, southwest Nigeria. These communities are Ajido, Imeke Agemowo, Araromi Ale, Idaghe Iyesi, Ilogbo Eremi and Igbesa, Okoomi, Itori, Oloya/Abiola, Arobieye, Igboliye, and Egushi Benja. On June 9, 2006, the Panel received a letter from Friends of the Earth–Ghana (FoE–Ghana) expressing its support for the above Request and asking to be added to the Request for Inspection.

The Requesters believed that the Project would cause irreparable damage to their land and destroy the livelihoods of their communities. According to the Requesters, the Bank failed to follow its policies and procedures in the preparation of the Environmental Impact Assessment (EIA). They stated that although West African Gas Pipeline Company (WAPCo) periodically consulted landowners, other “*stakeholders*” were wrongly excluded and “*the overwhelming majority of our people were not consulted during the preparation of the Environmental Impact Assessment.*” The Requesters also asserted that they could not comment on the EIA because it was not available. They added that “*it would have been helpful if relevant portions of the large documents [including the EIA and Resettlement Action Plan (RAP)] had been reproduced in Yoruba . . . and distributed to impacted communities.*”

The Requesters claimed that the scope of the EIA was too narrow and should have included the existing Escravos-Lagos Pipeline to which the West African Gas Pipeline will be linked. They considered the pipeline to be unsafe because of its history of poor maintenance and accidents. In addition, they stated that they were unaware of the content and adequacy of the emergency response and contingency plan.

The Requesters claimed that they believed that the Project would negatively affect their livelihoods and provide inadequate compensation. They claimed that *“when the compensations were eventually paid, the rates were in most cases less than 4% of the market rate.”* They asserted that the payment of compensation was left to the discretion of the Project sponsors, resulting in compensation paid only for the actual crops on the affected land and not for the land or loss of future profits from their activities on the land.

The Requesters claimed that many of the stakeholders did not have access to Project information and that the members of the communities could not understand the provided information. They indicated that the Project and the insufficient information about the amount of compensation paid caused serious social conflicts within families.

The Requesters questioned the economic evaluation of the Project and asserted that, although the Project proponent’s claim that associated gas (which is normally being flared) will be the source for the pipeline, they have obtained information demonstrating that this assertion is false. The Requesters claimed that without assurance that the Project will use only associated (otherwise flared) gas, rather than less costly nonassociated gas, the Bank will *“set a precedent of looking solely at profit margins, rather than the best development interest of the people of this country.”*

Moreover, the Requesters claimed that Management failed to comply with the Bank’s policies on supervision. The Requesters asserted that the Bank did not comply with a number of its Operational Policies and Bank Procedures, including OP/BP 4.12 (Involuntary Resettlement), OP/BP 4.01 (Environmental Assessment), OP/BP 10.04 (Economic Evaluation of Investment Operations), OP/BP 13.05 (Project Supervision), OP/BP 4.15 (Poverty Reduction), and the World Bank Policy on Disclosure of Information.

The FoE–Ghana Submission supports the original Request for Inspection and raises concerns about the Project’s economic benefit to Ghana, consultation, safety, and adverse livelihood consequences for fishermen in Ghana as a result of the construction and operation of the pipeline. According to the Submission, although this was initially promised, the economic and financial analysis of the Project was never disclosed.

MANAGEMENT RESPONSE

Management submitted its Response on June 6, 2006, addressing the issues raised by the Ifesowapo Host Communities Forum only, and on June 22, 2006, Management submitted its Clarifications to the Panel on the concerns raised by FoE–Ghana. Management, in its initial Response, stated that the Project is well prepared and meets the Bank’s safeguards requirements.

According to Management, the Environmental Assessment (EA) concluded that the Project would cause no major impacts in Nigeria and that impacts would be limited to the Project’s immediate vicinity. Management also claimed that the EA covers pipeline safety issues but did not include the Escravos-Lagos Pipeline System (ELPS) because it

was not determined to be part of the Project's area of influence. Management added that the ELPS, in operation since the early 1990s, would not be subject to changes as a result of the implementation of the Project and is not owned by WAPCo. Management claimed that an environmental audit, which concluded that the ELPS was in overall good condition, is a more appropriate instrument to assess the existing facility.

Management noted in its Response that the Project will acquire small portions of land from 1,557 private landowners and 928 tenants of the total holdings that they own or cultivate. Management also indicated that the principle for compensation agreed on and applied is the "*replacement value*" for land and assets, considering all future production as required under Bank policies. As for future profits from immovable assets and improvements, Management stated that compensation must take them into account as part of future income. Management indicated its readiness to correct cases in which the principle for compensation "*has been applied inconsistently.*"

On the valuation methods, Management stated that WAPCo did not base compensation rates only on government compensation schedule rates, but instead agreed to different rate increases for land, crops, and buildings. Nevertheless, Management confirmed that it is reviewing the actual payments to ensure that "*the principle of replacement value for lost assets was met.*" Furthermore, Management emphasized in its response that WAPCo has instituted community development programs that include new water systems, schools, and health centers.

In its Response, Management did not agree with the Requesters' claim that consultations about compensation were inadequate. Regarding disclosure of information, Management acknowledged initial difficulties but claimed that the situation was corrected immediately. Management acknowledged that disclosure should have been supplemented with translations of summaries of the RAP and ESMP in the local language, Yoruba.

Management claimed that the economic analysis considered all alternatives, including the "no project" alternative, and adequately evaluated the sustainability of the Project. Additionally, Management believed that the Project Appraisal Document (PAD) draws a realistic picture of the Project's contribution to the reduction of gas flaring, which is not explicitly mentioned as one of the objectives in the PAD.

With regard to the additional problem of pollution and loss of fisheries in the Badagry area, Management concluded that it was unlikely that the harm was related to the Project. With respect to the emergency response system, Management stated that WAPCo held public meetings with all affected communities to discuss the response plans and to clearly describe the actions that all parties need to take in case of accidents.

MANAGEMENT-PROPOSED STEPS

Realizing that some issues still needed to be addressed, Management introduced a set of proposed steps (the "Action Plan") to resolve the situation. These include the facilitation of community development programs and measures to increase transparency and accountability by conducting two supervision missions per year until Project completion. Additionally, Management states that WAPCo will disseminate nontechnical translations of RAP and ESMP summaries, including explanations of the grievance and monitoring mechanisms.

Moreover, Management expected the appointment of an expert panel to, among other things, review social and environmental issues and assess effectiveness of the grievance procedures. Management also states that it will assess whether compensation rates are sufficient to replace acquired assets and whether the grievance redress process is effective in correcting problems. Additionally, WAPCo will conduct professional surveys based on actual field measurements and ratings to assess the current values of each type of lost asset.

Management also expects that systemwide emergency response plans will be disclosed and detailed site plans will be developed. Furthermore, a resettlement audit will review the adequacy of compensation to replace lost assets and the status of income restoration.

THE PANEL'S ELIGIBILITY REPORT AND BOARD DECISION

The Panel submitted its Report and Recommendation to the Board on July 10, 2006. In this Report, the Panel establishes that the Requesters and the Request meet the eligibility criteria set forth in the Resolution establishing the Inspection Panel and the 1999 Clarifications. The Panel adds that *“this Request has special circumstances which affect the Panel’s consideration of whether an Investigation is merited at this time.”* The Panel notes that Management’s Response contains a series of proposed steps to address issues raised. Furthermore, when consulted about these, Requesters with whom the Panel met indicated that they did not want to press for an investigation at this time but rather await further developments and Bank actions regarding their concerns.

In its Report, the Panel states that

In light of Articles 4 and 5 of the 1999 Clarifications and consistent with prior similar recommendations approved by the Board, the Panel recommends to defer the decision on whether to recommend an investigation or not, until the review of compensation and other actions included in Management’s Action Plan have been initiated and to see whether the concerns of the Requesters have been met. This will also include that environmental monitoring is in place and that further adequate response to the above-mentioned fishery issue is provided.

Therefore, the Panel recommended to the Board of Executive Directors that it approve the proposal to refrain from issuing a recommendation on whether an investigation is warranted in this case, but rather await further developments on the matters raised in the Request for Inspection. The Panel expected to be able to make a determination by end of 2006 as to whether to recommend an investigation.

The Board approved the Panel’s recommendation to defer its recommendation on whether an investigation into claims made by the Requesters was warranted, on a no-objection basis on July 27, 2006. The Request, Management’s Response, and the Panel’s Report and Recommendation were made public and are available on the Inspection Panel’s Web site at <http://www.inspectionpanel.org>.



Panel meeting with fishermen in Badagry

FINAL ELIGIBILITY REPORT AND RECOMMENDATION AND BOARD DECISION

To ascertain the need for an investigation, the Panel followed up on the status of the Requesters' concerns and the status of Management's progress in addressing them.

The Panel met with Bank staff and consultants responsible for the Project and asked for Management's elaboration on certain issues related to the Requesters' concerns. From January 24–30, 2007, the Panel made a follow-up field visit to Nigeria to observe firsthand developments relating to the Requesters' concerns and Management's actions before making its recommendation.

During the visit, the Panel met with WAPCo officials, who provided updated information and noted, however, that they had not been adequately informed by Bank Management regarding the content of the Management's Response and the extent to which it required actions on their part. The Panel also observed that there seemed to be a lack of information regarding the compensation issues raised and apparent disagreement regarding the situation of the fishermen and the cause of pollution. The Panel further noted that affected people repeatedly stated that their situation had remained the same in the past six months and they seemed not to have been informed or consulted about actions set forth in the Management Response.

Furthermore, during this visit, a group of persons from the Escravos area of the western Niger Delta submitted a letter to the Panel to express their support for the Request and to ask that their names be added to it. On February 13, 2007, the Panel informed Management of the letter and requested comments. By the time the Panel issued its Final Eligibility Report and Recommendation, Management had not responded to the letter, although the Panel has been informed that comments will be forthcoming.

The Panel submitted its Final Eligibility Report and Recommendation to the Board on March 1, 2007. The Panel states in the Report that it “*finds conflicting assertions of the Requesters and Management about the interpretation of issues, facts, and the compliance with Bank policies and procedures.*” The Panel adds that the important questions regarding the Management’s alleged failure to comply with Bank policies and procedures and the possible harm to the Requesters can only be addressed in the context of an investigation. In light of the foregoing and the facts related to the matters of concern to the Requesters, the Panel “*recommends to the Board of Executive Directors that an investigation be conducted.*”

The Board approved, on a no-objection basis, the Panel’s recommendation to conduct an investigation into claims made by the Requesters on March 13, 2007. The Final Eligibility Report and Recommendation is available on the Inspection Panel’s Web site at <http://www.inspectionpanel.org>.

THE INVESTIGATION PROCESS

As authorized by the Board, the Panel investigated the matters alleged in the Requests. At the time this Report was drafted, the Panel had submitted its Investigation Report to the Board on April 25, 2008. Management, having requested from the Board of Executive Directors an extension for the deadline to submit its Report and Recommendations, submitted this Report on June 30. At the time of drafting of this Report, the Board meeting was expected to take place on August 5, 2008.

Private Power Generation Project

(IDA GUARANTEE B-0130-UG)

BOX 9. PROJECT INFORMATION AT A GLANCE

Project Name:	Uganda: Private Power Generation Project
Region:	Africa
Sector:	Power
Environmental Category:	A
IDA Guarantee:	US\$115 million
Board Approval Date:	April 26, 2007
Effective Date:	January 22, 2008
Closing Date:	November 30, 2023

THE REQUEST

The Inspection Panel (the “Panel”) received a Request for Inspection (the “Request”) related to the Uganda: Private Power Generation Project (the “Project”) on March 5, 2007. The Ugandan National Association of Professional Environmentalists (NAPE) and other local organizations and individuals (the “Requesters”) submitted this Request to the Panel.

The Project is commonly known as the Bujagali Hydropower Project and it provides for the construction of the Bujagali hydropower

plant with an installed capacity of 250 megawatts, on Dumbbell Island on the Nile River, about 8 kilometers downstream from the existing Nalubaale and Kiira Hydropower Plants. Bujagali Energy Ltd. (BEL) is responsible for financing, constructing, and operating the power plant. The total Project cost is estimated to be around US\$750 million. The World Bank Group supports the Project with an International Development Association (IDA) Guarantee of up to US\$115 million for payment of interest and repayment of the principal amount of a loan to BEL, an International Finance Corporation (IFC) loan, and a Multilateral Investment Guarantee Agency (MIGA) Guarantee. At the time the Request was filed, the Board of Executive Directors had not yet approved the proposed Guarantee. Board approval was given on April 26, 2007.

The Requesters raised various concerns related to the Project: hydrological risks; climate change affecting river flows and Lake Victoria; cumulative impact assessment; Kalagala Falls “offsets”; fisheries; the Project’s economic analysis, options, and affordability assessment; information disclosure, transparency, and openness regarding the Project; dam safety; indigenous peoples, and cultural and spiritual issues; and compensation, resettlement, and consultations. They claim that the Bank has not complied with a number of its operational policies and procedures and, as a result of these policies’ violations, the Project will cause harm to the people of Uganda and to the environment.



Panel members meeting with Nabamba Bujagali

The Requesters argue that the Project is based on flawed assumptions and data that have little or no bearing to the current situation. They claim that the Social and Environmental Assessment (SEA) studies that BEL prepared do not adequately address the hydrological risks at the Nalubaale, Kiira, and proposed Bujagali dams as well as the long-term health of Lake Victoria. The Requesters also claim that the SEA did not address climate change impacts on power production, which may cause lower lake levels and lower downstream river flows, and that the studies are based on outdated data, especially with respect to water quality, climate, and airborne particulate. The Request further argues that the commitment of the Government of Uganda (GoU) to establish the Kalagala Falls as an offset for the development of the Bujagali Falls is not binding and thus there is no guarantee that the Falls will never be developed for hydropower.

The Requesters state that a comprehensive economic analysis of the Project is lacking and that the economic analysis does not adequately assess alternative energy options to Bujagali. They further argue that the Project is economically risky, especially in view of the changing hydrology. They note that the Project costs have considerably increased since the original estimate, and the citizens' ability to afford the power has become a contentious issue. According to the Requesters, the Bank refuses to make public the information on the Nile hydrology and the Lake Victoria's hydrological conditions. They call for more transparency and openness from the Bank. The Requesters complain that



Bujagali Falls

the Power Purchase Agreement (PPA), which is a key Project document, was released only recently and is not readily and easily available.

The Request alleges that the design of the Bujagali dam does not consider the safety issues regarding the Nalubaale dam at Owen Falls upstream and that the proposal to form a dam safety panel is not sufficient. Dam safety should have been addressed as an integral part of Project design.

With respect to the social issues, the Requesters state that the Basoga people living in the Project area are not considered as indigenous peoples in the SEA, which contradicts the fact that they are considered indigenous peoples under the Constitution of Uganda. They also believe that the existing compensation and resettlement framework is outdated and does not reflect the current economic conditions. In their view, the social costs and benefits of the compensation and resettlement program should be reassessed in line with current and future realities.

In its Notice of Registration of the Request, the Panel noted that the above claims may constitute noncompliance by the Bank with various provisions of its Operational Policies and Bank Procedures, including the following: OP/BP 4.01 (Environmental Assessment); OP/BP 4.02 (Environmental Action Plans); OP/BP 4.04 (Natural Habitats); OP 4.07 (Water Resource Management); OP/BP 4.10 (Indigenous Peoples); OP/BP 4.11 (Physical Cultural Resources); OP/BP 4.12 (Involuntary Resettlement); OP/BP 4.37 (Safety of Dams); OP/BP 7.50 (Project on International Waterways); OP/BP 10.04 (Economic Evaluations of Investment Operations); OP 1.00 (Poverty Reduction); and World Bank Policy on Disclosure of Information.

This is the second Request concerning the Bujagali power plant received by the Panel. In December 2001, the Board of Executive Directors approved an IDA Guarantee to

support an earlier proposal for the Bujagali Hydropower Project, involving the construction of the Bujagali power plant. Before Board approval, in July 2001, NAPE had submitted a Request for Inspection to the Panel in relation to this previous Bujagali project. The Panel conducted an investigation of the issues raised in the 2001 Request. The Bank subsequently cancelled the IDA Guarantee, and Uganda dropped the Project for a number of reasons, including allegations relating to AES Nile Power Ltd. (AESNP), the private company that was to develop the Project.

MANAGEMENT RESPONSE

On April 5, 2007, Management submitted its Response to the Request for Inspection. The Response states that in the past three years Uganda has been suffering severe power shortages. As a result, the proposed Project is being developed to provide the needed capacity in a “*least-cost and environmentally and socially sustainable manner.*”

In its Response, Management refers to a previously developed Bujagali Hydropower Project, which was subsequently dropped by the GoU. According to Management, if the Bujagali plant had been constructed and operated in the first attempt, the reduction in Lake Victoria water levels due to over-abstraction may not have occurred.

Management states that the GoU has learned “*valuable lessons*” from the previous experience, which have shaped “*the current proposed project.*” Management believes that “*the economic, financial, safeguard, technical, governance, and other required analyses to date are compliant with relevant World Bank Group policies and were undertaken to high professional standards.*” Management claims that the Project preparation followed best practice and took into account the findings of the Inspection Panel investigation of the issues raised in the Request for Inspection submitted to the Panel in 2001. Management believes that environmental and social work carried out thus far has appropriately considered those issues that emerged in the earlier Bujagali Project as well as new issues, through, *inter alia*, a new SEA of the status of the resettlement actions, assessment of the cumulative impacts of multiple dams on the River Nile, and consultations with affected communities.

The Response also argues that the Project analyses considered a wide range of supply options and a wide range of demand scenarios based on the most recent data on the Ugandan economy and the electricity subsector, and assessed the impacts of both low- and high-hydrology scenarios.

With respect to the Kalagala Falls, Management claims that the GoU “*has reiterated the commitment to the Kalagala offset*” made under the earlier Bujagali project and that this commitment will be included as a government obligation in the Project’s IDA Indemnity Agreement. Because the agreement will be binding “*throughout the life of the Indemnity,*” however, the Indemnity Agreement also includes a provision that before termination, the Bank and the GoU will discuss mechanisms or instruments for the continuation of the GoU obligation.

According to the Response, to ensure consistency of the Project with Bank policies, a Dam Safety Panel (DSP) has been created to provide advice on the design, construction, initial filling, and startup of the dam.

Management acknowledges the Requesters' concerns that past resettlement was not completed. In this regard, the Assessment of Past Resettlement Activities and Action Plan (APRAP) and Community Development Action Plan (CDAP) assess the current conditions. In response to the claim that the Basoga people should be considered indigenous peoples under OP/BP 4.10, there is a "*clear demarcation line*" between the Basoga and other African ethnic groups that the Bank has defined as indigenous peoples, and considering the Basoga as indigenous "*would defeat the intended objectives of OP 4.10.*"

Among the Project benefits, Management notes that providing reliable least-cost power is expected to increase the number of connections of residential users to the national grid, including in rural areas, and will allow industrial and commercial users to increase output, efficiency, and thus profits. Management adds that the proposed Project will also have environmental benefits. Because the Bujagali dam will use the same water already released through the Nalubaale/Kiira dams, the pressure to overextract water from Lake Victoria will be reduced. This will help preserve the Lake.

ELIGIBILITY REPORT AND BOARD DECISION

On May 3, 2007, the Panel submitted to the Board of Executive Directors its Report and Recommendation regarding the eligibility of the Request. To determine the eligibility of the Request and the Requesters, the Panel visited Uganda from April 18–25, 2007. During their visit, the Panel team met with the Requesters, other members of civil society and locally affected communities, Bank staff, national and local authorities, Project authorities, members of Parliament, and others. The Panel found that the Request and Requesters met the eligibility criteria set forth in the Resolution establishing the Panel. It also noted that the conflicting claims and assertions noted above merited independent review and investigation.

INVESTIGATION PROCESS

Upon authorization of Board of Directors on May 18, 2007, the Panel is currently conducting its investigation of issues raised in Requests.

To assist it in its investigation, the Panel has hired expert consultants in hydrology, environmental assessment, economic analysis, and social anthropological issues. A Panel team has also visited Uganda in December 2007.

Power Sector Generation and Restructuring Project

(IDA CREDIT NO. 3872 ALB)

THE REQUEST

On April 30, 2007, the Panel received a Request for Inspection related to the Albania Power Sector Generation and Restructuring Project (the “Project”). The Request was submitted by the Civic Alliance for the Protection of the Bay of Vlora, a nongovernmental organization. On May 2, 2007, the Panel received a second document from eight people who live in the city of Vlora and who claim to be affected by the Project.

According to the Request, *“if built, the Vlora Thermal Power Plant [TEP] will destroy environment, tourism, safe fisheries, natural habitat, ecosystem, coral colonies as well as the unique historical and cultural significance of the entire Vlora Bay and Narta Lagoon.”* The Requesters have expressed serious concerns about the adequacy of Management’s consideration of other sites than Vlora. Some of the concerns expressed by the Requesters relate to the potential harm to be caused by the thermal power plant emissions both in the water and air, which, because of prevailing winds and currents, will affect the enclosed Vlora Bay and contaminate the Vlora city air. The Requesters stated that these effects will have a negative impact not only on local population and fishing but also on the tourism industry, which is an important source of employment and income in the area. The Requesters stated that the prospect of economic growth of the area is based precisely on the activities to be harmed by the Project, namely, tourism and fishing.

The Requesters claimed that the Environmental Assessment (EA) misrepresents the Project site. They stated their objection to the representation of the site in the EA as *“green field site . . . relatively barren coastal area with little vegetation or wildlife.”* The Requesters noted the proximity of the Project site to the Narta Lagoon, which is a pro-

BOX 10. PROJECT INFORMATION AT A GLANCE

Project Name:	Albania: Power Sector Generation and Restructuring Project
Region:	Europe and Central Asia
Sector:	Power
Environmental Category:	A
IDA Credit Amount:	US\$25 million equivalent
Board Approval Date:	March 16, 2004
Effective Date:	January 25, 2005
Closing Date:	January 31, 2008



Aerial view of Vlorë and project site

tected area composed of beaches, sand dunes, forests, and wetlands and is home to a number of endangered species. The Requesters asserted that the area is a sanctuary to important animals, plants, and coral colonies, which might be significantly harmed by the Project. They alleged that this was not considered during the preparation of the EA. The Requesters further asserted that the Project site is located only 746 meters from the Narta Lagoon, rather than the 2 kilometers indicated in the Project documents. The Requesters claimed that the Project will have significant negative impacts on the protected area.

The Requesters also asserted that the Bank failed to take into account the future cumulative environmental impact of one or more additional thermal power plants that would raise generation capacity at the selected Vlorë site to as much as 300 megawatts and the other investments already approved by the government in the vicinity of the Project site. They claimed that the Environmental Impact Assessment for the Project referred to only one 100-megawatt thermal power plant, although in the decision of the government (which the Bank is or should have been aware of), it is explicitly written that it is agreed to reach a capacity of 300 megawatts in next phases. The Request further indicated that the government approved a concession agreement to build a large oil storage deposit in the Vlorë Bay just 1 kilometer away from the TEP.

Furthermore, the Requesters claimed that the Bank has failed to ensure public participation and consultation in decision making regarding the Project. According to the Request, “*the procedures concerning the Vlorë Thermal Power Plant were already found in violation of Article 6 of the Aarhus Convention on Access to Information, Public Participation and Access to Justice, as determined by the Aarhus Convention Compliance Committee in its Draft Finding and Recommendations of March 23, 2007.*”

The Requesters indicated that the Project site has important archeological and historical significance. The Requesters stated that the Project site is in proximity to an ancient Mediterranean port city, Treport Cape/Aulona, that has archeological significance. The Requesters stated that the Project site has historical significance to Sephardic Jews escaping from Spain in 1492 who landed and settled in Vlora. The Requesters expressed strong concern that, if the thermal power plant is built, it will destroy the unique historical and cultural significance of the area.

MANAGEMENT RESPONSE

On June 1, 2007, Management submitted its Response. The Response stated that Albania has suffered from electricity shortages since the summer of 2000 because of growth in electricity demand and impacts from adverse hydrology on Albania's predominantly (95 percent) hydropower-based system. Management stated that Albania's electricity needs are supplied almost solely by hydropower, which is subject to considerable variability since it is dependent on rainfall. Management asserted that domestic thermal generation capacity was needed to reduce dependence on the import of electricity and to diversify domestic generation.

Management stated that following the request of the Government of Albania to assist in arranging donor financing for a new thermal electric power plant, the Bank initiated discussions with the European Investment Bank (EIB) and European Bank for Reconstruction and Development (EBRD) regarding cofinancing of a TEP, and informed the government in January 2002 that the three institutions were prepared to assist in financing the Project. Management stated that in 2002 an internationally recognized consulting firm prepared a siting and feasibility study of the proposed TEP with financing from the U.S. Trade and Development Agency (USTDA), and that this consulting firm also prepared the environmental assessment of the Project in 2003.

Management indicated that the Project was assigned a Category A rating for EA, because it recognized the potential significant impacts on the environment and the need for avoidance, mitigating, and monitoring measures. Particular areas of concern included the impacts on air quality from stack emissions, water quality from cooling water discharge, and any ancillary impacts on the Narta Lagoon, which according to Management is located about 2 kilometers from the Project site.

According to Management, an analysis of alternatives was carried out as part of the Project appraisal process. Management further noted that the Project feasibility study considered other sites and it also considered other fuels as alternatives to the use of distillate oil in a combined-cycle generating unit at Vlora. Management noted that there was a close correspondence between the ordering of the sites on the basis of the 10 criteria and the ordering on the basis of "levelized" cost alone. Management stated that, in both cases, the recommended Vlora site was ranked first over the Fier site, which was ranked second. Management indicated that the option of a natural gas-fired combined-cycle unit at each of the proposed sites was found to be more costly than the distillate fuel option; however, if and when imported natural gas is brought to Albania, the Vlora plant could be readily converted to gas.

Management stated that the Vlora site could physically accommodate additional units for a total installed capacity of 300 megawatts. Management further stated that “*the Project being financed by the Bank, EBRD and EIB is limited to one facility of 97 MW capacity and the final EA focused on that only.*” Management added that “*if the Government decides to proceed with additional generation units (either at the Vlora site or another location), then a new comprehensive EA will be required.*”

With respect to public consultation, Management stated that a public meeting was held in Vlora in October 31, 2002, to discuss the findings of the final siting study (dated October 21, 2002), and the draft feasibility study (dated August 6, 2002), including a detailed preliminary environmental analysis and a draft outline of an EA. Management indicated that following the standard Bank procedures for Category A projects, public consultations were held at the early EA preparation stage on April 2, 2003, and draft EA report stage on September 3, 2003.

With respect to the Requesters’ concern of the Project’s potential impacts on ecosystems (that is, “*fisheries, natural habitat, ecosystem, coral colonies*”), Management stated that the EA and measures to be taken during implementation are adequate. Management indicated that the Project site is outside the protected area around the Narta Lagoon, designated as such in 2004 by the government, and is not anticipated to have an impact on this area.

In its Response, Management agrees that the EA did not sufficiently cover the review of potential cultural property. Management indicated that when this issue was subsequently raised, it carried out a supervisory visit in July 2006. Management noted that as a result of the visit, it was concluded

[T]hat the site is not of archaeological significance due to the known locations of the ancient city sites in the Vlora Bay region and the lack of any evidence of human habitation during digging for the adjacent fishing harbor in the early 1980s and beyond. Consequently a surface survey of the selected site prior to the start of construction is neither necessary nor justifiable.

Management also stated that monitoring of excavations during construction of the plant and related civil works to identify and protect “chance finds” was deemed the only action that needed to be taken, consistent with established Bank practice.

THE PANEL’S ELIGIBILITY REPORT AND BOARD DECISION

To determine the eligibility of the Request and the Requesters, the Panel reviewed the Request for Inspection and Management Response. The Panel also visited Albania from June 24–30, 2007. During their visit, the Panel team met with a wide array of Project stakeholders and visited the Project site, the city of Vlora, and the Fier site. The Panel team noted that the selection of Vlora as the Project site is a source of significant dispute and controversy for the local community.

The Panel determined that the Request and Requesters met the eligibility criteria set forth in the Resolution establishing the Panel. On July 2, 2007, the Panel submitted to the Board of Executive Directors its Report and Recommendation regarding the eligibility of the Request. The Panel noted that the Request and the Management Response

contained conflicting assertions and interpretations of the issues, facts, compliance with Bank policies and procedures, and actual and potential harm.

On July 18, 2007, the Board of Executive Directors approved, on a no-objection basis, the Panel's recommendation to conduct an investigation into the matters alleged in the Request for Inspection. The Request, Management Response, and the Panel's Report and Recommendation were made public shortly after the Board of Executive Directors authorized the inspection sought by the Requesters. They are available on the Inspection Panel's Web site at <http://www.inspectionpanel.org>.

THE INVESTIGATION PROCESS

As authorized by the Board of Executive Directors, the Panel is in the process of investigating the matters alleged in the Request. As of the end of June 2007, the Inspection Panel was finalizing the Investigation Report.

Integrated Coastal Zone Management and Clean-Up Project

(IDA CREDIT NO. 4083 ALB)

BOX 1. PROJECT INFORMATION AT A GLANCE

Project Name:	Albania: Integrated Coastal Zone Management and Clean-Up Project
Region:	Europe and Central Asia
Sector:	General water, sanitation and flood protection sector; solid waste management; general public administration
Environmental Category:	F
IDA Credit Amount:	US\$17.5 million equivalent
Board Approval Date:	June 21, 2005
Effective Date:	November 29, 2005
Closing Date:	March 31, 2010

THE REQUEST

As described elsewhere in this Report, the Panel received a Request for Inspection dated July 25, 2007, related to the Albania: Integrated Coastal Zone Management and Clean-Up Project. The local representatives of a number of families who are part of a community situated in the area known as Jal, which is part of the larger village of Vuno, Himare, in Albania, submitted the Request. The Requesters claimed that the Project resulted in demolition of their houses.

THE PANEL'S ELIGIBILITY REPORT AND BOARD DECISION

On October 17, 2007, the Panel submitted to the Board of Executive Directors its Report and Recommendation regarding the eligibility of this Request.

On November 1, 2007, the Board approved the Panel's recommendation, on a no-objection basis, to conduct an investigation of the issues raised in this Request for Inspection. The panel's investigation is ongoing. The Requests, Management Response, and the Panel's Report and Recommendation were made public shortly after the Board of Executive Directors approval. They are available on the Inspection Panel's Web site at <http://www.inspectionpanel.org>.

Second Urban Environmental Sanitation Project

(IDA CREDIT NO. 3889-GH)

THE REQUEST

As stated previously in this report, on August 16, 2007, the Centre on Housing Rights and Evictions (COHRE), on behalf of the Agyemankata Community, submitted a Request for Inspection to the Inspection Panel related to the Ghana: Second Urban Environmental Sanitation Project (UESP II) financed by an International Development Association (IDA) (Credit No. 3889-GH). The Requesters raised various environmental and social issues related to a subcomponent of UESP II for the construction of a sanitary landfill in Kwabenya. Among their claims, the Requesters contend that they were neither informed of the construction and the involvement of the Bank, nor were they meaningfully consulted during the design phase of the project on the environmental or social impacts that would affect them. Furthermore, they claim that the lack of capacity in the local Municipal Authorities to manage such a sanitary landfill would leave many of the community who are not resettled living in detrimental conditions.

BOX 2. PROJECT INFORMATION AT A GLANCE

Project Name:	Ghana: Second Urban Environmental Sanitation Project
Region:	Africa
Sector:	Sanitation
Environmental Category:	A
IDA Credit Amount:	US\$62 million equivalent
Board Approval Date:	April 29, 2004
Effective Date:	October 27, 2004
Closing Date:	June 30, 2010

THE PANEL'S ELIGIBILITY REPORT AND BOARD DECISION

The Panel submitted to the Board of Executive Directors its Report and Recommendation regarding the Eligibility of the Request on October 24, 2007.

On November 9, 2007, the World Bank Board of Executive Directors approved, on a no-objection basis, the Inspection Panel's recommendation to conduct an investigation into the issues raised in the Request for Inspection. This investigation is ongoing.

Santa Fe Road Infrastructure Project

(IBRD LOAN NO. 7429-AR)

BOX 4. PROJECT INFORMATION AT A GLANCE

Project Name:	Argentina: Santa Fe Road Infrastructure Project
Region:	Latin America and Caribbean
Sector:	Roads and highways
Environmental Category:	B
IBRD Loan Amount:	US\$126.7 million
Board Approval Date:	February 13, 2007
Effective Date:	August 17, 2007
Closing Date:	June 30, 2012

THE REQUEST

The Panel received a new Request for Inspection related to the Santa Fe Road Infrastructure Project on September 13, 2007. The Request was submitted by residents of Franck, a town along the segment of Route 19 to be upgraded under the Project, on behalf of the signatories and of other residents of the Project-affected area. The Requesters believe that, based on the current Route design and expropriation plans, the Project will cause them

harm as a result of the Bank's noncompliance with its Operational Policies and Bank Procedures, in particular OP/BP 4.01 on Environmental Assessment and OP/BP 4.12 on Involuntary Resettlement. They believe that the Project design includes excessive expropriation of land from farms along the Route and does not provide for adequate water drainage facilities, which—combined with the proposed elevation of the new carriage-way to be built under the Project—will increase the risk of flooding of lands surrounding the road and compound an existing serious flooding problem in the area. They also claim that no socioeconomic baseline survey was conducted to assess and eventually restore their economic situation after their land is expropriated, and that the Project disclosure of information and consultation activities have not been adequate to inform affected people about the Project and its effects on environment and local people.

MANAGEMENT RESPONSE

Management provided a detailed response to the Requesters' concerns and claimed that it had followed all applicable Operational Policies and Bank Procedures in the design, appraisal, and initial implementation of the Project. After a careful review of the Request

for Inspection and Management Response and a field visit to the Project area, the Panel concluded that there are a number of conflicting claims and assertions about the Project and its impact that merit an independent investigation.

THE PANEL'S ELIGIBILITY REPORT AND BOARD DECISION

The Panel submitted its Eligibility Report and Recommendation to the Board of Executive Directors on April 18, 2008, recommending an investigation. The Inspection Panel's recommendation was approved by the Board on May 2, 2008, on a no-objection basis. The Panel is in the early stages of this investigation.

ACTIONS ON EARLIER REQUESTS
AND INVESTIGATIONS

Mumbai Urban Transport Project

(LOAN NO. 4665-IN; CREDIT NO. 3662-IN)

BOX 11. PROJECT INFORMATION AT A GLANCE

Project Name:	India: Mumbai Urban Transport Project
Region:	South Asia
Sector:	Railways, roads and highways, other social services
Environmental Category:	A
IBRD Loan Amount:	US\$463 million
IDA Credit Amount:	US\$79 million
Board Approval Date:	June 18, 2002
Effective Date:	November 6, 2002
Closing Date:	June 30, 2008

BACKGROUND

On April 28, 2005, the Panel received the first of four successive and jointly processed Requests for Inspection related to the India: Mumbai Urban Transport Project. The Panel issued its Investigation Report on December 21, 2005. Management submitted its Report and Action Plan in Response to the Panel's findings to the Board on February 27, 2006.

On March 1, 2006, the Bank suspended disbursement to the road and resettlement component of the Project. The State

of Maharashtra agreed to a 10-condition strategy for lifting the suspension of disbursements. The Board of Executive Directors discussed the Panel's Investigation Report and Management's Report and Recommendation in response to the Inspection Panel Investigation Report and approved both Reports and endorsed the Management Action Plan. It was agreed that Management would submit a Progress Report to the Board within six months and that the Panel would report on progress to the Board.

On June 29, 2006, the Bank lifted the suspension of disbursement because the State of Maharashtra had substantially met the conditions set by International Bank for Reconstruction and Development/ International Development Association (IBRD/IDA) for lifting the suspension.

On March 1, 2007, Management submitted its Progress Report to the Board of Executive Directors. The Panel submitted its progress review on June 5, 2007. Although the Panel observed that the overall situation at the resettlement sites seemed to have improved, it noted that a number of issues still needed to be resolved and that many target dates listed in Management's Action Plan had not been met. More specifically, the Panel

noted that the situation of the first group of Requesters, the United Shop Owners Association (USOA) had still not been resolved and that acceptable solutions for the shopkeepers had not been found. The Panel also noted ongoing discussions between the USOA and the local agency Mumbai Metropolitan Region Development Authority (MMRDA) about a proposal for in-situ development. However, the Panel was also informed about land reservations that would have to be removed to develop the area and to realize the in-situ development.

NEW DEVELOPMENTS

On May 1, 2008, the first group of Requesters, the USOA, submitted a letter to the chairperson of the Inspection Panel expressing “[T]hanks for your kind support for expediting of our in-situ project.” They also expressed their thankfulness toward the local agencies involved as well as the World Bank for “expediting our in-situ project as per your promise.” In their letter they informed the Panel that they had vacated Project-affected land as agreed and that the developer had supported them in setting up the necessary infrastructure. With regard to the land reservations on the land needed for the in-situ development, the USOA wrote that they “would appreciate the Government of Maharashtra and all component departments if the necessary clearance will be provided at the priority basis to expedite the in-situ project.”

National Drainage Program Project

(CREDIT NO. 2999-PAK)

BOX 12. PROJECT INFORMATION AT A GLANCE

Project Name:	Pakistan: National Drainage Project
Region:	South Asia
Sector:	Irrigation and drainage, central government administration, subnational government administration
Environmental Category:	B
IDA Credit Amount:	US\$285 million
Board Approval Date:	November 4, 1997
Effective Date:	February 25, 1998
Closing Date:	December 31, 2004

BACKGROUND

On September 10, 2004, the Inspection Panel received a Request for Inspection related to the Pakistan: National Drainage Program (NDP) Project, which was partly financed by the International Development Association (IDA). The Request was submitted by Khadim Talpur, Mohammad Ali Shah, Mustafa Talpur, Munawar Hassan Memon, Iqbal Hyder, Mir Mohammad Buledi, and Najma Junejo on their own behalf and on behalf of “*others who live in the area known as district Badin, Sindh, Pakistan*” in the Indus Riv-

er Basin. On September 17, 2004, the Panel registered the Request for Inspection.

The Request raised issues related to the NDP and, in particular, to the disposal of saline effluent and the proposed construction of the National Surface Drainage System (NSDS), a northward extension of the existing Left Bank Outfall Drain (LBOD) system in Sindh Province. On December 13, 1984, IDA approved the LBOD Project to address flooding and salinity problems. By December 31, 1997, the closing date of the LBOD Project, some work was yet to be completed and was transferred to the NDP. The IDA approved the NDP on November 4, 1997.

According to the Requesters, the northward extension of drains under the NDP and the use of the disposal system through a tidal link were not sustainable. The Requesters asserted that more than 50 villages in the district of Badin, Sindh Province, could suffer a permanent threat of flooding from the disposal of upstream saline effluents. The Requesters further alleged that the Project would cause the destruction of the dhands (coastal wetlands). The Requesters also considered that the majority of the coastal communities are home to the Mallah’s indigenous people. The Requesters also claimed that

the Project is affecting cultural sites The Requesters finally alleged that the Project’s planning process “*remained non-transparent and hence failed to obtain informed consent or meaningful participation since the inception.*”

The Requesters’ allegations of Bank actions and omissions may have constituted violations of various provisions of Operational Policies and Bank Procedures, including the following: OD 4.01 (Environmental Assessment); OP 4.04 (Natural Habitats); OD 4.20 (Indigenous Peoples); OD 4.30 (Involuntary Resettlement); OPN 11.03 (Management of Cultural Property in Bank-Financed Projects); OD/OP/BP 13.05 (Project Supervision); and BP 17.50 (Disclosure of Information).

MANAGEMENT RESPONSE

On October 19, 2004, Management submitted its Response to the Request. Management stated that the NDP Project was driven by the thought that the lack of an effective drainage system was a threat to the sustainability of agriculture in the Indus River Basin.

Management stated that it believed that the NDP Project is in compliance with many of the requirements for OD 4.01 (Environmental Assessment). Nevertheless, Management acknowledged that the Project failed to comply with the disclosure requirements for BP 17.50 (Disclosure of Operational Information) “*since the DSEA [Drainage Sector Environmental Assessment] was not disclosed prior to appraisal at the InfoShop and no records of disclosure in country could be located.*” Management further stated that OP 4.04 (Natural Habitats), OD 4.20 (Indigenous Peoples), and OPN 11.03 (Management of Cultural Property in Bank-Financed Projects) are not applicable to the Project, adding that because of disagreement with the Government of Pakistan (GoP) over the resettlement policy, the IDA did not finance any subprojects involving resettlement and therefore OD 4.30 (Involuntary Resettlement) is not applicable.

Management added that a Bank-fielded Panel of Experts reviewed the 2001–02 prefeasibility study of the NSDS and recommended its deferral. The Bank and the GoP endorsed these recommendations. Management also added in its response that the Bank will take three specific actions regarding the Project: (i) assemble a panel of experts to review ecological, hydrological, and water-quality monitoring data in the LBOD outfall area and propose a course of action; (ii) conduct a diagnostic study of livelihood improvements in the area to determine the losses suffered and formulate an assistance program; and (iii) assist the GoP with a Country Water Resources Assistance Strategy and a Strategic Country Environmental Assessment.

THE PANEL’S ELIGIBILITY REPORT AND BOARD DECISION

The Panel submitted its Report and Recommendation to the Board on November 17, 2004, with a recommendation to conduct an investigation into claims made by the Requesters. On December 8, 2004, the Board approved on a no-objection basis the Panel’s recommendation. The Request, Management’s Response, and the Panel’s Eligibility Report were made public a few days later and are available on the Inspection Panel’s Web site at <http://www.inspectionpanel.org>.

THE PANEL'S INVESTIGATION REPORT

As part of its investigation, the Panel reviewed relevant Project documents and other materials presented by stakeholders. The Panel interviewed Bank staff in Washington, D.C., and in the Bank office in Islamabad. In May 2005, the Panel visited the areas affected by the Project and met with Requesters, the communities, local authorities, representatives of nongovernmental organizations (NGOs), and relevant experts. On July 6, 2006, the Panel submitted its Investigation Report to the Board of Executive Directors for their consideration.

As a result of its investigation, the Panel found that the design of the LBOD Project underestimated prevailing conditions and the risk of extreme meteorological events and that the main drain should have been designed with a higher safety margin. According to the Panel, this failure contributed to the breakdown of the LBOD outfall system and the suffering of local people in lower Badin district, as well as to significant adverse impacts on important fisheries and the dhands. Although the LBOD project had closed in 1997, the Panel found that the NDP included the task of completing the LBOD system and had advanced proposals to expand it significantly. This work depended on the functioning of the LBOD tidal link. As a result, the Panel found that the NDP inherited the task of responding to the environmental and social implications of breakdowns in the tidal link that have occurred during the course of the Project. Concerning the expansion of the LBOD, the Panel found that the NDP Project did not extend the LBOD spinal drain any farther north and understood that such expansion was no longer planned.

In its investigation Report, the Panel noted Management's acknowledgment that a Category A designation of the Project would have been more appropriate than the Category B assigned under OD 4.01. The Panel noted a noncompliance with OD 4.01 in that respect. The Panel found the same noncompliance in regards to the Drainage Master Plan, which is likely to have major environmental and social implications for a long time. In regards to the dhands and the Ramsar sites, the Panel found that the Project paid little attention to impacts on, or means to rehabilitate, dhands as a habitat and ecosystem. This was not consistent with OP 4.04. The Panel also found that negative effects on dhands amounted to a "*significant conversion or degradation*" within the meaning of OP 4.04. Although it is difficult to separate the impacts of the LBOD system from the NDP Project, evidence indicates that the two, in combination, had contributed to significant adverse impacts on internationally recognized sites.

Concerning claims of the presence of indigenous peoples, the Panel found that the Mallah seemed to fit some of the criteria of OD 4.20 and that Management did not initiate a process to determine whether the NDP Project would affect any group of people who would qualify as indigenous peoples under OD 4.20. The Panel considered that failure to do so does not comply with OD 4.20.

The Panel was not able to substantiate claims of Requesters that the Project has affected cultural property. However, the Panel considered that by not undertaking even a brief reconnaissance survey of cultural heritage in areas potentially affected by the Project, and by assuming that no important cultural sites would be affected adversely by the Project, Management did not comply with the requirements of the policy on Management of Cultural Property in Bank-Financed Projects, OPN 11.03.

The Panel observed that the Bank, at appraisal, failed to identify emerging risks that LBOD/tidal link problems could lead to significant harms and even displacement of local people, even though the Project had plans to complete and expand LBOD. The Panel found no evidence, however, of planning for protective resettlement. The Panel found that Management failed to take the necessary actions under OD 4.30 to identify and prepare for the possibility of such displacement and to assess the extent to which it has occurred.

The Panel noted that Management made efforts during NDP Project preparation to try to consult with and solicit the participation of a wide range of stakeholders. The Panel identified, however, serious problems with consultation and participation for the people living downstream of LBOD. The Panel found that while the Bank complied with policy provisions on consultation and participation with regard to the direct irrigation beneficiaries under the NDP, it did not comply with the provisions with regard to those adversely affected by the drainage systems investments under the LBOD and the NDP.

Regarding project supervision, the Panel found that the lack of response to the failure of the tidal link did not comply with OD 13.05. Management was slow to visit the site of the tidal link failure and did not have a consistent approach to interacting with the local population to understand and address social and environmental implications of this failure.

MANAGEMENT'S REPORT AND RECOMMENDATIONS IN RESPONSE TO THE PANEL'S FINDINGS

The Panel received Management's Report and Recommendation on September 21, 2006. Management stated in its Report that it was diligent in the application of its policies and procedures during NDP implementation. It also stated that it attempted to assist the Borrower in addressing two distinct problems with specific inherent complexities: the technical challenges of an outfall system in southern Sindh presented by LBOD, and the challenges of the national reform process taken up by NDP. Management considered that it had responded to the concerns of the Requesters by incorporating them into its dialogue with the government of Sindh and by formulating a comprehensive Action Plan, which incorporates a set of short-, medium-, and long-term actions.

Management's short-term actions included (i) implementing an US\$18 million program, through the Pakistan poverty alleviation fund, to strengthen livelihoods in the highly vulnerable coastal talukas (local administrative divisions) of Badin and Thatta; (ii) preparing a specific flood management plan for the area of concern to the Requesters; and (iii) conducting a socioeconomic and environmental diagnostic study of the dhands.

As for its medium-term actions, Management proposed to undertake a "*comprehensive flood management master plan for the left bank of the Indus River*" and a "*coastal and Indus Delta development program*." Management stated that it had prepared a background and strategy note for that development program and that particular attention would be given to developing a strategy that would recognize the environmental importance of the region and its considerable economic potential.

Concerning its long-term actions, Management proposed to strengthen and deepen its partnership with Pakistan in the water sector. Management considers that at the heart

of many of these issues are poor governance and lack of accountability and transparency in water management organizations and water entitlements, and lack of farmer empowerment. According to Management, reforms will be strengthened and deepened under the ongoing Development Policy Loan in Punjab and the Sindh Water Sector Improvement Project. Management also states that its long-term partnership with Pakistan in the water sector recently has been strengthened, with the preparation of a Country Water Resources Assistance Strategy.

However, Management raised in its report a set of risks associated with the implementation of the Action Plan. According to Management, the flood management plan for the left bank of the Indus River runs the risk of delays because of the failure to reach consensus and to build sufficient capacity in the planning, design, operations, and management of the plan. Concerning the coastal and Indus Delta development program, Management stated that it would require that the downstream release of water below Kotri Barrage meet the environmental flow requirements in the Indus Delta, and that the government of Sindh would be able to decide on a satisfactory plan to utilize the flow. Additionally, according to Management, the poverty reduction program will present important challenges, because options are limited to alleviate poverty and improve livelihoods. In its Report, Management also presented some lessons learned.

On October 30, 2006, Management issued its Elaboration of the Short-Term Action Plan. The elaborated short-term plan stated that the Sindh coastal areas development program, which will target all areas potentially affected by the LBOD, will be implemented through NGOs with extensive rural and community development experience. In its supervision of the Action Plan, Management will monitor and report on the program implementation. Management also stated that the Socioeconomic and Environmental Assessment of the dhands will determine the extent and severity of the adverse impacts on people's livelihoods and the present physical and ecological condition of the dhands. The study will formulate immediate actions to be undertaken. Management further stated that the rapid assessment of existing local government systems for managing flood risk will identify gaps in the systems and formulate a program to fill those gaps with plans, systems, facilities, and equipment as appropriate.

BOARD MEETING

On October 31, 2006, the Bank's Executive Directors met to discuss the Panel's Investigation Report and Management Report and Recommendations. The Board endorsed Management's Action Plan and Elaboration of the Short-Term Action Plan. It was also agreed that Management would submit an update to the Board by June 2007 and a Progress Report within 12 months concerning implementation of the plans. The Panel's Investigation Report and Management's Report and Recommendations, including its Action Plan and Elaboration of the Short-Term Action Plan, were made public and are available on the Inspection Panel's Web site at <http://www.inspectionpanel.org>, along with a press release about the discussions held at the Board meeting.

Between November 27 and December 1, 2006, a three-person Panel team returned to Islamabad and Karachi, Pakistan, to hold meetings with representatives of the Requesters and provincial and federal government officials. The purpose of the meeting

was to convey the results of the Panel investigation and the related meeting of the Board of Executive Directors of the Bank.

MANAGEMENT FIRST PROGRESS REPORT

On July 6, 2007, Management submitted its first Progress Report to the Board and to the Panel. In this Report Management stated that several agreed-upon activities were progressing. First, the Pakistan Poverty Alleviation Fund (PPAF) was intervening, and with the help of 10 NGOs, 290 community projects were prepared, approved, and being implemented with a commitment of about US\$2.8 million. Also, a rapid assessment of ecological and livelihood conditions of the dhands in the vicinity of the outfall system has progressed, although less than expected, and the first phase was to be made available in September, 2007. Additionally, progress was made in assessing and improving local government flood management systems for the district governments of Badin and Mirpurkhas. Concerning the assessment of the functionality of the outfall system, Management stated that it was carried out in April/May 2007. A maintenance program was expected to be effective by November 2007 and would be supported under the Water Sector Improvement Project (WSIP). Finally, the appraisal and negotiations of the Sindh WSIP were completed in March 2007 and Board presentation was expected in September 2007.

Management added that while immediate actions were taken to address the main issues affecting the area as a consequence of the floods of 2003 and 2006, flood risks in the coastal zone of the Indus river system would continue to be high.

MANAGEMENT SECOND PROGRESS REPORT

On November 30, 2007, Management submitted its second Progress Report to the Board and to the Panel. Management, in this report, stated that the Sindh Coastal Areas Development (SCAD) Program is in place and significant progress is made in addressing the harsh conditions of the local population. It adds that direct actions to alleviate poverty are in progress through an inclusive, participatory, and demand-driven consultation process with the communities. The PPAF is currently implementing development activities in 336 settlements and SCAD has initiated 218 community infrastructure schemes. Management further adds that a Water Management Center (WMC) has been established and will provide technical expertise and overall coordination for SCAD activities and would cover 3,300 settlements in coastal Sindh by 2011. PPAF will give priority to settlements in the LBOD region and PPAF III is currently under preparation and will be the major source of funds to support the identified livelihood interventions.

Concerning the conditions of the dhands in the vicinity of the outfall system, Management states that a rapid assessment of ecological and livelihood conditions was undertaken. The data showed, on one hand, that salinity in the dhands has decreased significantly in 2007, compared with 2001–03. On the other hand, biological and chemical pollution from the nearby cities and sugar mills is significant. Overall the wetlands are highly productive and rich in nutrients, supporting numerous species of animal and plant life, and local shrimp fisheries have growth potential.

Following on the outfall assessment undertaken in April/May 2007, Management states that the risk of floods has been reduced by enlarging the flow capacity of the outfall drains from 4,400 to 9,000 cusecs. On June 23, 2007, cyclone Yemyin 03B hit the coastal areas of Pakistan; however, because of the rapid response of the Government of Sindh (GoS), no major damages occurred in Badin and the LBOD system capably handled the water flows. This was a clear result of the implementation of the Flood Management Plan.

Concerning the Flood Management Plan, progress was made in improving local government flood management systems. The assessment carried out in April/May 2007 and discussed with the government was updated in November 2007. Also, the district governments of Badin and Mirpurkhas, with the help of the Bank, developed a “Contingency Plan to Combat Cyclones and Floods.” Management added that the Bank will continue to assist the government in supporting the related capacity building over the medium to long term.

Management stated that the WSIP was approved by the Board on September 2007. The WSIP incorporated the major lessons learned during the last 10 years of the Bank’s involvement in the water sector. The WSIP would initiate plans to address flooding issues in the area on the Left Bank of the Indus River and the functioning of the complex drainage infrastructure of the outfall system of LBOD. The plans would be prepared in consultation with the Project-affected people and stakeholders in the area. Management finally stated that efforts to reduce such flood risks need to be sustained through structural and nonstructural measures in the medium and long term, some of which are being implemented under the WSIP and potential follow-up operations.

OUTREACH AND OTHER ACTIVITIES

ACCOUNTABILITY INSTITUTIONS MEETING

Fifth Meeting of Accountability Mechanisms, Gammarth, Tunisia

On June 24–25, 2008, the Inspection Panel participated in the Fifth Meeting of Principals of Independent Accountability Mechanisms in International Financial Institutions (IFIs) and Related Institutions hosted by the Compliance Review and Mediation Unit (CRMU) of the African Development Bank near its Headquarters in Tunis, Tunisia. The meeting also included representatives from accountability mechanisms of the African Development Bank, Asian Development Bank, European Bank for Reconstruction and Development, European Investment Bank, Inter-American Development Bank, International Finance Corporation, Japan Bank for International Cooperation, Nippon Export and Investment Insurance, and the U.S. Overseas Private Investment Corporation. The first day of the meetings addressed “*Lessons Learned and the Effectiveness*” of accountability mechanisms, and the second day consisted of Panel discussions and an exchange of perspectives on “*Future Outlook*.” On the opening day, Panel Chairperson Werner Kiene delivered remarks on experiences in the investigation of cofinanced projects, and on day two, Panel Member Tongroj Onchan and Executive Secretary Peter Lallas moderated a discussion on country systems and accountability mechanisms.

On June 26–27, 2008, immediately after the Fifth Meeting of Accountability Mechanisms described above, the Inspection Panel and Executive Secretary participated in a civil society seminar on “*Independent Accountability Mechanisms: Community Awareness and Accessibility*.” The participants in the meeting included representatives from a number of countries in Africa, internationally based nongovernmental organizations (NGOs), and representatives of several accountability mechanisms of international financial institutions. The discussion included a sharing of experiences with the accountability mechanisms, perspectives from civil society, and issues of the accessibility of the mechanisms and the way ahead.

OUTREACH MEETINGS

Workshop on Land Rights on Indigenous Peoples, Washington, D.C.

Panel Operations Officer Tatiana Tassoni participated in July 2007 at a workshop on Indigenous Land Rights held in Washington, D.C., and organized by the Caribbean Central American and Research Council (CCARC), which is an organization of social scientists carrying out research and supporting education activities throughout the Americas, with a special emphasis on Central America. Among the participants were a number of indigenous persons from different Central American countries. Ms. Tassoni introduced the Panel to the participants and answered questions focused in particular on Requests to the Panel that dealt with indigenous peoples’ issues in Bank-financed operations.

Workshop with Members of Civil Society in Nairobi, Kenya

On November 23, 2007, Panel Member Tongroj Onchan, assisted by Panel Operations Officer Serge Selwan, participated in an outreach workshop organized by the Kenya Youth Education and Community Program and the Global Call Against Poverty (supported by Action Aid Kenya). The workshop was entitled “The Role of Civil Society in the Compliance Review and Mediation Mechanisms of International Financial Institutions” and included the



Outreach workshop in Nairobi

participation of accountability mechanisms from other financial institutions, such as the CRMU of the African Development Bank, the Compliance Advisory Ombudsman from the World Bank’s International Financial Corporation, and the Office of Accountability from the Overseas Private Investment Corporation of the U.S. government. The workshop, which was introduced by a representative from the Kenyan Ministry of Planning and National Development, included a roundtable discussion on the process and history of each mechanism and a dialogue on dissemination of information regarding the different mechanisms and coordination and exchange of information among NGOs and accountability mechanisms.

Meeting with Country Office Bank Staff in Nairobi, Kenya, and Kampala, Uganda

On November 26, 2007, Panel Member Tongroj Onchan, assisted by Panel Operations Officer Serge Selwan, presented the Inspection Panel’s case record, history, and process to Country Office Bank staff in Nairobi, Kenya. On November 29, 2007, Panel Chairperson Werner Kiene and Panel Member Tongroj Onchan, assisted by Panel Operations Officer Serge Selwan, made a similar presentation to Country Office Bank staff in Kampala, Uganda.

Rome and Naples, Italy

Panel Operations Officer Tatiana Tassoni and consultant Eduardo Abbott participated in three events in Rome and Naples, Italy. Two of these events were held on December 13 and the third on December 18, 2007. Consultant Eduardo Abbott was invited by the Italian Senate, Foreign Affairs Commission, as an independent expert on accountability mechanisms and former Executive Secretary of the Inspection Panel to present the Inspection Panel. Ms. Tassoni and Mr. Abbott also participated in an event held at the University Roma Tre and organized by an Italian NGO, the Campaign for the Reform of the World Bank, to introduce the Panel to a group of economic students of the Master on Human Development and Food Security. Ms. Tassoni also participated in an event in



Panel chairperson meeting with members of civil society in Kinshasa, Democratic Republic of Congo

Naples on December 18, 2007, organized by the CLAI (Legal Center for Afro-Indigenous Peoples). Both events in Rome and Naples focused on the issue of accountability in general and in Bank-financed projects and the role and functions of the Inspection Panel.

Workshop with Requesters and Members of Civil Society in Kinshasa, Democratic Republic of Congo (DRC)

On February 28–29, 2008, Panel Chairperson Werner Kiene and Executive Secretary Peter Lallas participated in a workshop on

“The Inspection Panel and Accountability at the World Bank: The Results of the DRC Investigation.” The workshop was attended by Requesters in the Panel’s Investigation into forest-related projects in DRC, representing Pygmy peoples and organizations in DRC. During the afternoon segment, it was expanded to involve other members of civil society and the public in the DRC. The meetings with Requesters focused on presenting the results of the Panel’s investigation and the Response and Action Plan developed by World Bank Management and approved by its Board of Executive Directors. The broader meetings provided an opportunity to review and discuss the Inspection Panel’s work, its procedures, and its role once an investigation report is completed.

Meeting with Civil Society, Washington, D.C.

On April 10, 2008, Panel Chairperson Werner Kiene, Panel Member Roberto Lenton, and members of the Panel’s Secretariat participated in an outreach and informational meeting with members and representatives of civil society around the time of the Spring Annual Meetings of the World Bank. As in previous years, the meeting provided an opportunity for the Panel to provide information on, and build awareness about, its role as an accountability mechanism and its ongoing activities to interested members of civil society and the public.

Seminar with Civil Society, Maputo, Mozambique

On May 19, 2008, the Independent Review Mechanism (IRM) of the African Development Bank (AfDB), in cooperation with MEPT (Movement of Education for All), a Mozambican NGO forum, organized a seminar entitled “Independent Review Mechanisms—Raising Awareness and Improving Access to Accountability Mechanisms for Communities and Civil Society Organizations” in Maputo, Mozambique. Approximately 30 representatives of NGOs and 10 speakers and accountability professionals participated in the event. Mr. Werner Kiene, chairperson of the Inspection Panel, delivered a presentation entitled “World Bank Inspection Panel: Lessons Learned and Implications for Governance in Africa.” In addition to Mr. Kiene, Mrs. Willye Mai King of AfDB’s regional office; Reverend Reinaldo Jorge Sive, president of MEPT; Dr. Maarje

Van Putten, member of the IRM's Roster of Experts; Mr. Per Eldar Sovik, director of the Compliance Review and Mediation Unit of AfDB; Ms. Meg Taylor, vice president of the Compliance, Advisor, Ombudsman of the International Finance Corporation (IFC); and Ms. Jean Aden, director of the U.S. Overseas Private Investment Corporation, participated in the seminar.

*Workshop with Civil Society,
Lusaka, Zambia*

On May 23, 2008, the Compliance, Advisor, Ombudsman (CAO) of the IFC and Citizens for a Better Environment (CBE), a Zambia-based civil society organization, jointly hosted a civil society workshop in Lusaka, Zambia, on "Improving Access to the Accountability Mechanisms of the International Development Banks." The event was attended by representatives from about 70 organizations representing a wide range of interests in Zambia (local communities, trade unions, farming, tourism, finance, mining, government accountability, and media). The workshop was designed to raise awareness with local civil society organizations surrounding accountability issues and the work of the international development banks, providing an accessible overview of the accountability mechanisms and how they work. The workshop was followed by a question-and-answer session and group discussions. In addition Mr. Kiene, Panel chairperson, Mr. Peter Sinkamba, CBE; Ms. Meg Taylor, vice president, CAO; and Ms. Gina Barbieri and Ms. Emily Horgan, CAO staff, also participated in the event.

Discussion at the High-level Segment of the Meeting of the Parties to the Aarhus Convention, Riga, Estonia

On June 13, 2008, Mr. Werner Kiene, Panel chairperson, participated in a Panel on "Global and Regional Initiatives to Promote Principle 10 of the Rio Declaration on Environment and Development" held during the High-Level Segment of the third meeting of the Parties to the Aarhus Convention (the Convention on Access to Information, Public Participation in Decision-Making and Access to Justice in Environmental Matters). The panel was moderated by Ms. Rita Annus, deputy minister for the environment, Estonia. A message on rights to information and participation in the context of human rights and the environment was also delivered on behalf of Professor Okechukwu Ibeanu, the United Nations special rapporteur of the Human Rights Council, on the adverse effects of the illicit movement and dumping of toxic and dangerous products and wastes on the enjoyment of human rights. In addition to Mr. Kiene, the panel included Mr. Christophe Bouvier, director of the Regional Office for Europe, United Nations Environment Programme; Mr. Lalanath de Silva, director, The Access Initiative, World Resources Institute; and Mr. Craig Boljkovac, manager, Chemicals and Waste Management Programme, on behalf of the Environmental Governance Programme, United Nations Institute for Training and Research. The presentations were followed by a general debate.

Meeting with the Academia and Law Students

The Inspection Panel regularly outreaches to legal scholars, advocates, and law school students. During this past fiscal year, the Panel met with advocates and students from several academies and universities, including from the Academy on Human Rights and Humanitarian Law of American University, the Center for the Global South of American University, the Faculty of Law of the University of Western Ontario, the Human Rights Advocates Program of Columbia University, the Law School of George Washington University, and the Law School of Georgetown University. Staff from the Panel Secretariat met with the advocates and scholars, and during the past year, Panel Executive Secretary Peter Lallas, Deputy Executive Secretary Dilek Barlas, Panel Operations Officers Serge Selwan and Tatiana Tassoni, and Panel Consultant Eduardo Abbott participated in the introduction of the Panel, including its role, operations, procedures, and experience. Following the presentations, a question-and-answer session usually is held relating to the Panel's effectiveness and impact on people who consult the Panel when they feel harmed by a Bank-funded project, and on the Bank's operations in general.



Columbia University's Human Rights Advocates meeting with the Inspection Panel

ANNEXES

ANNEX 1

PANEL MEMBERS' AND EXECUTIVE SECRETARY'S BIOGRAPHIES



Mr. Werner Kiene was appointed to the Panel in November 2004. He holds a master of science degree and a doctorate in agricultural economics from Michigan State University. He has held leadership positions with the Ford Foundation and German Development Assistance. In 1994, Mr. Kiene became the founding director of the Office of Evaluation of the United Nations World Food Programme (UN WFP). He was the WFP country director for Bangladesh from 1998 through 2000 and also served as UN resident coordinator during this period. From 2000 to 2004, he was a representative of the UN WFP in Washington, D.C. Mr. Kiene's focus has been on the design, implementation, and assessment of sustainable development initiatives. His professional writings have dealt with issues of rural poverty and social services delivery; food security, agricultural, and regional development; emergency support and humanitarian assistance; international trade; and international relations. Mr. Kiene is involved in professional organizations such as the American Evaluation Association; the Society for International Development; the American Association for the Advancement of Science; and the International Agriculture Economics Association.



Mr. Tongroj Onchan was appointed to the Panel in September 2003. He has a doctorate in agricultural economics from the University of Illinois. Professor Onchan taught in the faculty of economics at Kasetsart University in Thailand for 26 years, including a term as dean. He later served as vice president of Huachiew Chalermprakiat University and then joined the Thailand Environment Institute (TEI) as vice president. In 1998, Mr. Onchan was appointed president of TEI. He helped establish and was appointed president of the Mekong Environment and Resource Institute (MERI) in 2000. He has served as advisor to the Prime Minister and to the Minister of Science, Technology, and Environment; as member of the National Environmental Board; chairman of the National Environmental Impact Assessment Committee; chairman of the Committee on the Preparation of the State of the Environment Report for Thailand; member of the National Audit Committee; and member of the National Research Council for economics. Mr. Onchan was on many editorial boards, among them the *Asian Journal of Agricultural Economics* and the *International Review for Environmental Strategies*. He has consulted for a number of international organizations, including the Asian Productivity Organization, the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), the World Bank, the Asian Development Bank, the

Food and Agriculture Organization, the International Labour Organization, U.S. Agency for International Development, and the Ford Foundation. He has been project director of many research projects and author or coauthor of numerous technical and research papers on rural development, natural resources, and environmental management. Currently, he serves in several capacities, including chairman of the Board of Directors of the MERI, and a director of the Institute for Global Environmental Strategies (IGES) based in Japan. In 2002, Mr. Onchan was appointed as eminent person to serve as a member of the Asia and Pacific Forum for Environment and Development (APFED), on which he continues to serve.

Mr. Roberto Lenton was appointed to the Panel in September 2007. He is currently chair of the Technical Committee of the Global Water Partnership (GWP) and chair of the Water Supply and Sanitation Collaborative Council (WSSCC). He is also a member of the Board of Directors for WaterAid America and senior advisor at the International Research Institute for Climate and Society (IRI) at Columbia University. For three years, he coordinated the Task Force on Water and Sanitation for the UN Millennium Project. Mr. Lenton has worked in development for more than 30 years and has considerable experience in Asia, Latin America, and Africa. Earlier in his career, he was director for Sustainable Energy and Environment at the United Nations Development Programme, director general of the International Water Management Institute (IWMI), and program officer in the Rural Poverty and Resources Program of the Ford Foundation. Mr. Lenton earned a civil engineering degree from the University of Buenos Aires and a doctorate in hydrology and water resource systems from the Massachusetts Institute of Technology. He is coauthor of *Applied Water Resources Systems* and a lead author of *Health, Dignity and Development: What Will It Take?* He has published extensively on topics related to the management of natural resources. He has served as assistant professor in the Department of Civil and Environmental Engineering at the Massachusetts Institute of Technology, and as adjunct professor in the School of International and Public Affairs at Columbia University.



Mr. Peter Louis Lallas became the Inspection Panel's executive secretary on January 1, 2007, following the retirement of the Panel's long-time executive secretary Mr. Eduardo Abbott. Mr. Lallas has nearly two decades of experience in the fields of international cooperation and law, working in a variety of institutions, settings, and countries. He has held positions as legal advisor on international law and organizations in the United Nations Food and Agriculture Organization (FAO) in Rome; as director of the International Environmental Law Office of the U.S. Environmental Protection Agency in Washington, D.C.; in the Commission of the European Communities in Brussels; and in an active Brussels law practice in international law, trade law, and European Community law. Mr. Lallas served as the Inspection Panel's deputy executive secretary before becoming executive secretary. He holds a juris doctor from Harvard University Law School and a bachelor's degree in eco-



nomics with distinction and honors from Stanford University. Over the years, Mr. Lallas has taught international law and policy issues, including as adjunct professor on international environmental policy in the masters of science program at Georgetown University. He has authored and coauthored a number of publications on topics of international law, cooperation, and sustainable development and has been honored many times for his work.

JOINT STATEMENT ON THE USE OF COUNTRY SYSTEMS

*Mexico Decentralized Infrastructure Reform and Development Project
(R2004-0077, 0077/3)*

**CHAIRPERSON OF THE INSPECTION PANEL
AND
SENIOR VICE PRESIDENT AND GENERAL COUNSEL**

We are in agreement that the country systems strategy would not change the role of the Inspection Panel as set forth in the 1993 Resolutions establishing the Panel. The Inspection Panel will continue to investigate whether Management is in compliance with its policies and procedures in the design, appraisal, and implementation of projects and programs. This means that if a request were filed with the Inspection Panel in the context of the Mexico Decentralized Infrastructure Reform and Development Loan Project, the Inspection Panel could, with regard to the issues raised, examine Management's assessment of the equivalence of the relevant Bank policies and procedures with the country system (and any additional measures agreed upon to achieve equivalence) in materially achieving the objectives of Bank policies and procedures, as well as Management's supervision of the project. The operational framework for the specific project or program agreed upon with the borrower would be the frame of reference for the borrower's performance and the Bank's supervision.⁵

Edith Brown Weiss
Chairperson
The Inspection Panel

Roberto Danino
Senior Vice President and General Counsel
The World Bank

June 8, 2004

⁵ The Bank would continue to be bound by OP/BP 13.05 on Supervision, and the Inspection Panel would review Bank compliance with OP/BP 13.05. The Borrower will be supervised by the Bank, based on its implementation of the contractual arrangements reflected in the legal agreements.

November 28, 2007

MEMORANDUM OF UNDERSTANDING

1. The World Bank Inspection Panel and the Compliance Review and Mediation Unit (CRMU) of the African Development Bank (AfDB) Group intend to cooperate in certain aspects of their respective investigations into the Uganda: Private Power Generation Project (Bujagali)/Bujagali Hydropower and Bujagali Interconnection Projects (the “Project”). This memorandum of understanding (MOU) sets forth the elements of this cooperation, which focus on the use of consultants to assist the Inspection Panel and CRMU in carrying out the investigations of the Project.
2. This cooperation is intended to promote efficiency so that each entity can carry out its investigation in an effective manner, consistent with the mandate and independence of each. The nature of cooperation described below is feasible and desirable given the respective mandates of the institutions, the similarities in process that they follow, and the similar nature of the matter which is subject to investigation. At all times, the cooperation must remain within the requirements and constraints of their respective mandates, rules and procedures, including requirements of confidentiality and disclosure of information.

General

3. The Inspection Panel is conducting an investigation, authorized by the World Bank’s Board of Executive Directors on May 18, 2007, into whether the Bank observed its policies and procedures during the design, appraisal and supervision of the Uganda: Private Power Generation Project (Bujagali).
4. The CRMU is conducting a compliance review, authorized by the AfDB Groups’ Boards of Directors on 7 September 2007, into whether the Bank Group has complied with its own policies and procedures in the design, appraisal and implementation of the Uganda: Bujagali Hydropower and Bujagali Interconnection Project.

The Consultants

5. It is anticipated that the following consultants (“the Consultants”) will be involved to assist in the investigations of the Project:

The Inspection Panel and the CRMU, as required, have provided these consultants with separate terms of reference for their assignments, which address a number of matters and issues of common concern to the investigations.

a. Sharing of Information Developed by Consultants

6. Set forth below are the elements of cooperation between the Inspection Panel and the CRMU in sharing information developed by the Consultants. It is understood at all times that each entity, the Inspection Panel and the CRMU, will apply its own policies and procedures in their respective investigations and will arrive independently at its own finding and conclusions regarding the application of the policies and procedures of the World Bank/IDA and the African Development Bank Group, respectively, and related issues of harm.

(i) The Investigation Visit in Uganda

7. The Inspection Panel and the CRMU intend to carry out a joint inspection visit to the Project area as part of the investigation process. The visit is expected to take place at a mutually agreeable time sometime in November or December 2007. The visit will include, among other elements, meetings and interviews with requesters and project-affected people and communities, government officials, the Project sponsor, members and representatives of civil society, and others. The visit is likely to last around 7 to 12 days.
8. Is it expected that four of the Consultants, noted above, would participate in the joint inspection visit. One or more of the Consultants may be able to stay for a shorter or longer period of time, based on the needs of the investigation and the respective Terms of Reference (TORs).
9. The Inspection Panel and the CRMU agree that it would be equitable to split the time and the travel costs of the Consultants for their participation in the joint inspection visit. The modalities of their terms will be developed in line with the procedures and requirements of the respective institutions.

(ii) Draft Reports Prepared by Consultants (the “Common Report”)

10. The Inspection Panel and the CRMU intend to each pay an equitable share of the analysis of the Consultants to cover the development by each Consultant of a draft report on factual and technical issues addressed in their TORs. This shall be known as the “Common Report,” and it will address matters of common interest and concern to the respective investigations.

(iii) Additional Analysis and other Related Tasks by Consultants



11. As needed, each entity may decide to use and pay for additional time for one or more of the Consultants for purposes of follow-up analysis, interviews of staff members, report writing and other related tasks. It is agreed that these activities of the Consultants will be arranged and paid for by each entity individually, in accordance with the relevant terms of reference and internal contracting procedures.

(iv) Participation of Consultants in Interviews (other than in-country visit)

12. Each institution will carry out separately and independently interviews of relevant staff and Consultants of the respective institutions involved in the Project, in line with its own procedures. The contents of these interviews will remain fully confidential, and their use and disclosure is protected by the individual contracts between the institutions and the Consultants.

13. The Inspection Panel and the CRMU may use one or more of the Consultants to participate in their respective interviews. It is agreed that these activities of the Consultants will be arranged and paid for by each entity individually, in accordance with the relevant terms of reference.

b. Confidentiality

14. The cooperation and sharing of information between the Inspection Panel and CRMU shall be subject to the confidentiality and disclosure of information requirements of each respective institution. While the reports and follow-up analysis provided by the Consultants may be shared among the two entities, such reports and analysis and all other information gathered and produced by Consultants shall otherwise remain subject to all applicable confidentiality requirements, including those specified in the respective terms of reference and letters of appointment or contracts.

Modifications, Unforeseen Circumstances

15. The Inspection Panel and the CRMU enter the above arrangements in good faith and in a spirit of cooperation, in support of their respective missions and mandates. Both entities appreciate that this effort at cooperation is perhaps the first of its kind, and that unforeseen circumstances or other factors might arise that pose difficulties in relation to one or more of the elements noted above. The cooperation also will depend on the ability of the Consultants to work effectively in the above-described manner of cooperation.

16. Accordingly, each entity considers that the above elements should be applied with a degree of flexibility to allow for change and adjustment as may be needed, and in light of circumstances as they arise. Any such changes or adjustments should be considered and carried out in a spirit of cooperation and consultation.

For the Inspection Panel
Peter Lallas
Executive Secretary

For the CMRU
Per Eldar Sovik
Director

September 22, 1993

**INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION**

Resolution No. IBRD 93-10

Resolution No. IDA 93-6

"THE WORLD BANK INSPECTION PANEL"

The Executive Directors:

Hereby resolve:

1. There is established an independent Inspection Panel (hereinafter called the Panel), which shall have the powers and shall function as stated in this resolution.

COMPOSITION OF THE PANEL

2. The Panel shall consist of three members of different nationalities from Bank member countries. The President, after consultation with the Executive Directors, shall nominate the members of the Panel to be appointed by the Executive Directors.
3. The first members of the Panel shall be appointed as follows: one for three years, one for four years, and one for five years. Each vacancy thereafter shall be filled for a period of five years, provided that no member may serve for more than one term. The term of appointment of each member of the Panel shall be subject to the continuity of the inspection function established by this Resolution.
4. Members of the Panel shall be selected on the basis of their ability to deal thoroughly and fairly with the requests brought to them, their integrity and their independence from the Bank's Management, and their exposure to developmental issues and to living conditions in developing countries. Knowledge and experience of the Bank's operations will also be desirable.

5. Executive Directors, Alternates, Advisors, and staff members of the Bank Group may not serve on the Panel until two years have elapsed since the end of their service in the Bank Group. For purposes of this Resolution, the term “staff” shall mean all persons holding Bank Group appointments as defined in Staff Rule 4.01, including persons holding consultant and local consultant appointments.
6. A Panel member shall be disqualified from participation in the hearing and investigation of any request related to a matter in which he/she has a personal interest or had significant involvement in any capacity.
7. The Panel member initially appointed for five years shall be the first Chairperson of the Panel, and shall hold such office for one year. Thereafter, the members of the Panel shall elect a Chairperson for a period of one year.
8. Members of the Panel may be removed from office only by decision of the Executive Directors, for cause.
9. With the exception of the Chairperson who shall work on a full-time basis at Bank headquarters, members of the Panel shall be expected to work on a full-time basis only when their workload justifies such an arrangement, as will be decided by the Executive Directors on the recommendation of the Panel.
10. In the performance of their functions, members of the Panel shall be officials of the Bank enjoying the privileges and immunities accorded to Bank officials, and shall be subject to the requirements of the Bank’s Articles of Agreement concerning their exclusive loyalty to the Bank and to the obligations of subparagraphs (c) and (d) of paragraph 3.1 and paragraph 3.2 of the Principles of Staff Employment concerning their conduct as officials of the Bank. Once they begin to work on a full-time basis, they shall receive remuneration at a level to be determined by the Executive Directors upon a recommendation of the President, plus normal benefits available to Bank fixed-term staff. Prior to that time, they shall be remunerated on a *per diem* basis and shall be reimbursed for their expenses on the same basis as the members of the Bank’s Administrative Tribunal. Members of the Panel may not be employed by the Bank Group, following the end of their service on the Panel.
11. The President, after consultation with the Executive Directors, shall assign a staff member to the Panel as Executive Secretary, who need not act on a full-time basis until the workload so justifies. The Panel shall be given such budgetary resources as shall be sufficient to carry out its activities.

POWERS OF THE PANEL

12. The Panel shall receive requests for inspection presented to it by an affected party in the territory of the borrower which is not a single individual (i.e., a community of persons such as an organization, association, society, or other grouping of individuals), or by the local representative of such party or by another representative in the exceptional cases where the party submitting the request contends that appropriate representation is not locally available and the Executive Directors so agree at the

time they consider the request for inspection. Any such representative shall present to the Panel written evidence that he is acting as agent of the party on behalf of which the request is made. The affected party must demonstrate that its rights or interests have been or are likely to be directly affected by an action or omission of the Bank as a result of a failure of the Bank to follow its operational policies and procedures with respect to the design, appraisal, and/or implementation of a project financed by the Bank (including situations where the Bank is alleged to have failed in its follow-up on the borrower's obligations under loan agreements with respect to such policies and procedures) provided in all cases that such failure has had, or threatens to have, a material adverse effect. In view of the institutional responsibilities of Executive Directors in the observance by the Bank of its operational policies and procedures, an Executive Director may in special cases of serious alleged violations of such policies and procedures ask the Panel for an investigation, subject to the requirements of paragraphs 13 and 14 below. The Executive Directors, acting as a Board, may at any time instruct the Panel to conduct an investigation. For purposes of this Resolution, "operational policies and procedures" consist of the Bank's Operational Policies, Bank Procedures and Operational Directives, and similar documents issued before these series were started, and does not include Guidelines and Best Practices and similar documents or statements.

13. The Panel shall satisfy itself before a request for inspection is heard that the subject matter of the request has been dealt with by the Management of the Bank and Management has failed to demonstrate that it has followed, or is taking adequate steps to follow, the Bank's policies and procedures. The Panel shall also satisfy itself that the alleged violation of the Bank's policies and procedures is of a serious character.
14. In considering requests under paragraph 12 above, the following requests shall not be heard by the Panel:
 - (a) Complaints with respect to actions which are the responsibility of other parties, such as a borrower, or potential borrower, and which do not involve any action or omission on the part of the Bank.
 - (b) Complaints against procurement decisions by Bank borrowers from suppliers of goods and services financed or expected to be financed by the Bank under a loan agreement, or from losing tenderers for the supply of any such goods and services, which will continue to be addressed by staff under existing procedures.
 - (c) Requests filed after the Closing Date of the loan financing the project with respect to which the request is filed or after the loan financing the project has been substantially disbursed.⁶
 - (d) Requests related to a particular matter or matters over which the Panel has already made its recommendation upon having received a prior request, unless justified by new evidence or circumstances not known at the time of the prior request.

⁶ This will be deemed to be the case when at least 95 percent of the loan proceeds have been disbursed.

15. The Panel shall seek the advice of the Bank's Legal Department on matters related to the Bank's rights and obligations with respect to the request under consideration.

PROCEDURES

16. Requests for inspection shall be in writing and shall state all relevant facts, including, in the case of a request by an affected party, the harm suffered by or threatened to such party or parties by the alleged action or omission of the Bank. All requests shall explain the steps already taken to deal with the issue, as well as the nature of the alleged actions or omissions and shall specify the actions taken to bring the issue to the attention of Management, and Management's response to such action.
17. The Chairperson of the Panel shall inform the Executive Directors and the President of the Bank promptly upon receiving a request for inspection.
18. Within 21 days of being notified of a request for inspection, the Management of the Bank shall provide the Panel with evidence that it has complied or intends to comply with the Bank's relevant policies and procedures.
19. Within 21 days of receiving the response of the Management as provided in the preceding paragraph, the Panel shall determine whether the request meets the eligibility criteria set out in paragraphs 12 to 14 above and shall make a recommendation to the Executive Directors as to whether the matter should be investigated. The recommendation of the Panel shall be circulated to the Executive Directors for decision within the normal distribution period. In case the request was initiated by an affected party, such party shall be informed of the decision of the Executive Directors within two weeks of the date of such decision.
20. If a decision is made by the Executive Directors to investigate the request, the Chairperson of the Panel shall designate one or more of the Panel's members (Inspectors) who shall have primary responsibility for conducting the inspection. The Inspector(s) shall report his/her (their) findings to the Panel within a period to be determined by the Panel taking into account the nature of each request.
21. In the discharge of their functions, the members of the Panel shall have access to all staff who may contribute information and to all pertinent Bank records and shall consult as needed with the Director General, Operations Evaluation Department, and the Internal Auditor. The borrower and the Executive Director representing the borrowing (or guaranteeing) country shall be consulted on the subject matter both before the Panel's recommendation on whether to proceed with the investigation and during the investigation. Inspection in the territory of such country shall be carried out with its prior consent.
22. The Panel shall submit its report to the Executive Directors and the President. The report of the Panel shall consider all relevant facts, and shall conclude with the Panel's findings on whether the Bank has complied with all relevant Bank policies and procedures.

23. Within six weeks from receiving the Panel's findings, Management will submit to the Executive Directors for their consideration a report indicating its recommendations in response to such findings. The findings of the Panel and the actions completed during project preparation also will be discussed in the Staff Appraisal Report when the project is submitted to the Executive Directors for financing. In all cases of a request made by an affected party, the Bank shall, within two weeks of the Executive Directors' consideration of the matter, inform such party of the results of the investigation and the action taken in its respect, if any.

DECISIONS OF THE PANEL

24. All decisions of the Panel on procedural matters, its recommendations to the Executive Directors on whether to proceed with the investigation of a request, and its reports pursuant to paragraph 22, shall be reached by consensus and, in the absence of a consensus, the majority and minority views shall be stated.

REPORTS

25. After the Executive Directors have considered a request for an inspection as set out in paragraph 19, the Bank shall make such request publicly available together with the recommendation of the Panel on whether to proceed with the inspection and the decision of the Executive Directors in this respect. The Bank shall make publicly available the report submitted by the Panel pursuant to paragraph 22 and the Bank's response thereon within two weeks after consideration by the Executive Directors of the report.
26. In addition to the material referred to in paragraph 25, the Panel shall furnish an annual report to the President and the Executive Directors concerning its activities. The annual report shall be published by the Bank.

REVIEW

27. The Executive Directors shall review the experience of the inspection function established by this Resolution after two years from the date of the appointment of the first members of the Panel.

APPLICATION TO IDA PROJECTS

28. In this resolution, references to the Bank and to loans include references to the Association and to development credits.

REVIEW OF THE RESOLUTION ESTABLISHING THE INSPECTION PANEL 1996 CLARIFICATION OF CERTAIN ASPECTS OF THE RESOLUTION

The Resolution establishing the Inspection Panel calls for a review after two years from the date of appointment of the first panel members. On October 17, 1996, the Executive Directors of the Bank and IDA completed the review process (except for the question of inspection of World Bank Group private sector projects) by considering and endorsing the clarifications recommended by Management on the basis of the discussions of the Executive Directors' Committee on Development Effectiveness (CODE). The Inspection Panel and Management are requested by the Executive Directors to observe the clarifications in their application of the Resolution. The clarifications are set out below.

THE PANEL'S FUNCTION

Since the Resolution limits the first phase of the inspection process to ascertaining the eligibility of the request, this phase should normally be completed within the 21 days stated in the Resolution. However, in cases where the Inspection Panel believes that it would be appropriate to undertake a "preliminary assessment" of the damages alleged by the requester (in particular when such preliminary assessment could lead to a resolution of the matter without the need for a full investigation), the Panel may undertake the preliminary assessment and indicate to the Board the date on which it would present its findings and recommendations as to the need, if any, for a full investigation. If such a date is expected by the Panel to exceed eight weeks from the date of receipt of Management's comments, the Panel should seek Board approval for the extension, possibly on a "no-objection" basis. What is needed at this preliminary stage is not to establish that a serious violation of the Bank's policy has actually resulted in damages suffered by the affected party, but rather to establish whether the complaint is *prima facie* justified and warrants a full investigation because it is eligible under the Resolution. Panel investigations will continue to result in "findings" and the Board will continue to act on investigations on the basis of recommendations of Management with respect to such remedial action as may be needed.

ELIGIBILITY AND ACCESS

It is understood that the “affected party” which the Resolution describes as “a community of persons such as an organization, association, society or other grouping of individuals” includes any two or more persons who share some common interests or concerns.

The word “project” as used in the Resolution has the same meaning as it generally has in the Bank’s practice, and includes projects under consideration by Bank management as well as projects already approved by the Executive Directors.

The Panel’s mandate does not extend to reviewing the consistency of the Bank’s practice with *any* of its policies and procedures, but, as stated in the Resolution, is limited to cases of alleged failure by the Bank to follow its operational policies and procedures *with respect to the design, appraisal, and/or implementation of projects*, including cases of alleged failure by the bank to follow up on the borrowers’ obligations under loan agreements, with respect to such policies and procedures.

No procurement action is subject to inspection by the Panel, whether taken by the Bank or by a borrower. A separate mechanism is available for addressing procurement-related complaints.

OUTREACH

Management will make its response to requests for inspection available to the public within three days after the Board has decided on whether to authorize the inspection. Management will also make available to the public opinions of the General Counsel related to Inspection Panel matters promptly after the Executive Directors have dealt with the issues involved, unless the Board decides otherwise in a specific case.

Management will make significant efforts to make the Inspection Panel better known in borrowing countries, but will not provide technical assistance or funding to potential requesters.

COMPOSITION OF THE PANEL

No change in the composition of the Panel is being made at this time.

ROLE OF THE BOARD

The Board will continue to have authority to (i) interpret the Resolution; and (ii) authorize inspections. In applying the Resolution to specific cases, the Panel will apply it as it understands it, subject to the Board’s review. As stated in the Resolution, “[t]he Panel shall seek the advice of the Bank’s Legal Department on matters related to the Bank’s rights and obligations with respect to the request under consideration.”

October 17, 1996

1999 CLARIFICATION OF THE BOARD'S SECOND REVIEW OF THE INSPECTION PANEL

The Executive Directors approved today, April 20, 1999, with immediate effect, the report of the Working Group on the Second Review of the Inspection Panel, as revised in light of the extensive consultations that took place after the report was first circulated.

The report confirms the soundness of the Resolution establishing the Inspection Panel (IBRD Resolution No. 93-10, IDA Resolution No. 93-6 of September 22, 1993, hereinafter “the Resolution”) and provides clarifications for its application. These clarifications supplement the clarifications issued by the Board on October 17, 1996, and prevail over them in case of conflict. The report’s recommendations approved by the Board are as follows:

1. The Board reaffirms the Resolution, the importance of the Panel’s function, its independence and integrity.
2. Management will follow the Resolution. It will not communicate with the Board on matters associated with the request for inspection, except as provided for in the Resolution. It will thus direct its response to the request, including any steps it intends to take to address its failures, if any, to the Panel. Management will report to the Board any recommendations it may have, after the Panel completes its inspection and submits its findings, as envisaged in paragraph 23 of the Resolution.
3. In its initial response to the request for inspection, Management will provide evidence that
 - i. it has complied with the relevant Bank operational policies and procedures; or that
 - ii. there are serious failures attributable exclusively to its own actions or omissions in complying, but that it intends to comply with the relevant policies and procedures; or that

- iii. the serious failures that may exist are exclusively attributable to the borrower or to other factors external to the Bank; or that
- iv. the serious failures that may exist are attributable both to the Bank's noncompliance with the relevant operational policies and procedures and to the borrower or other external factors.

The Inspection Panel may independently agree or disagree, totally or partially, with Management's position and will proceed accordingly.

- 4. When Management responds, admitting serious failures that are attributable exclusively or partly to the Bank, it will provide evidence that it has complied or intends to comply with the relevant operating policies and procedures. This response will contain only those actions that the Bank has implemented or can implement by itself.
- 5. The Inspection Panel will satisfy itself as to whether the Bank's compliance or evidence of intention to comply is adequate, and reflect this assessment in its reporting to the Board.
- 6. The Panel will determine the eligibility of a request for inspection independently of any views that may be expressed by Management. With respect to matters relating to the Bank's rights and obligations with respect to the request under consideration, the Panel will seek the advice of the Bank's Legal Department as required by the Resolution.
- 7. For its recommendation on whether an investigation should be carried out, the Panel will satisfy itself that all the eligibility criteria provided for in the Resolution have been met. It will base its recommendation on the information presented in the request, in the Management response, and on other documentary evidence. The Panel may decide to visit the project country if it believes that this is necessary to establish the eligibility of the request. In respect of such field visits, the Panel will not report on the Bank's failure to comply with its policies and procedures or its resulting material adverse effect; any definitive assessment of a serious failure of the Bank that has caused material adverse effect will be done after the Panel has completed its investigation.
- 8. The original time limit, set forth in the Resolution for both Management's response to the request and the Panel's recommendation, will be strictly observed except for reasons of force majeure, i.e. reasons that are clearly beyond Management's or the Panel's control, respectively, as may be approved by the Board on a no-objection basis.
- 9. If the Panel so recommends, the Board will authorize an investigation without making a judgment on the merits of the claimants' request, and without discussion except with respect to the following technical eligibility criteria:
 - a. The affected party consists of any two or more persons with common interests or concerns and who are in the borrower's territory (Resolution para. 12).

- b. The request does assert in substance that a serious violation by the Bank of its operational policies and procedures has or is likely to have a material adverse effect on the requester (Resolution paras. 12 and 14a).
 - c. The request does assert that its subject matter has been brought to Management's attention and that, in the requester's view, Management has failed to respond adequately demonstrating that it has followed or is taking steps to follow the Bank's policies and procedures (Resolution para. 13).
 - d. The matter is not related to procurement (Resolution para. 14b).
 - e. The related loan has not been closed or substantially disbursed (Resolution para. 14c).
 - f. The Panel has not previously made a recommendation on the subject matter or, if it has, that the request does assert that there is new evidence or circumstances not known at the time of the prior request (Resolution para. 14d).
10. Issues of interpretation of the Resolution will be cleared with the Board.
11. The "preliminary assessment" concept, as described in the October 1996 Clarification, is no longer needed. The paragraph entitled "The Panel's Function" in the October 1996 "Clarifications" is thus deleted.
12. The profile of Panel activities, in-country, during the course of an investigation, should be kept as low as possible in keeping with its role as a fact-finding body on behalf of the Board. The Panel's methods of investigation should not create the impression that it is investigating the borrower's performance. However, the Board, acknowledging the important role of the Panel in contacting the requesters and in fact-finding on behalf of the Board, welcomes the Panel's efforts to gather information through consultations with affected people. Given the need to conduct such work in an independent and low-profile manner, the Panel—and Management—should decline media contacts while an investigation is pending or under way. Under those circumstances in which, in the judgment of the Panel or Management, it is necessary to respond to the media, comments should be limited to the process. They will make it clear that the Panel's role is to investigate the Bank and not the borrower.
13. As required by the Resolution, the Panel's report to the Board will focus on whether there is a serious Bank failure to observe its operational policies and procedures with respect to project design, appraisal, and/or implementation. The report will include all relevant facts that are needed to understand fully the context and basis for the Panel's findings and conclusions. The Panel will discuss in its written report only those material adverse effects, alleged in the request, that have totally or partially resulted from serious Bank failure of compliance with its policies and procedures. If the request alleges a material adverse effect and the Panel finds that it is not totally or partially caused by Bank failure, the Panel's report will so state without entering into analysis of the material adverse effect itself or its causes.

14. For assessing material adverse effect, the without-project situation should be used as the base case for comparison, taking into account what baseline information may be available. Non-accomplishments and unfulfilled expectations that do not generate a material deterioration compared to the without-project situation will not be considered as a material adverse effect for this purpose. As the assessment of material adverse effect in the context of the complex reality of a specific project can be difficult, the Panel will have to exercise carefully its judgment on these matters, and be guided by Bank policies and procedures where relevant.
15. A distinction has to be made between Management's report to the Board (Resolution para. 23), which addresses Bank failure and possible Bank remedial efforts, and "action plans," agreed between the borrower and the Bank, in consultation with the requesters, that seek to improve project implementation. The latter "action plans" are outside the purview of the Resolution, its 1996 clarification, and these clarifications. In the event of agreement by the Bank and borrower on an action plan for the project, Management will communicate to the Panel the nature and outcomes of consultations with affected parties on the action plan. Such an action plan, if warranted, will normally be considered by the Board in conjunction with the Management's report, submitted under Resolution para. 23.
16. The Panel may submit to the Executive Directors for their consideration a report on their view of the adequacy of consultations with affected parties in the preparation of the action plans. The Board should not ask the Panel for its view on other aspects of the action plans nor would it ask the Panel to monitor the implementation of the action plans. The Panel's view on consultation with affected parties will be based on the information available to it by all means, but additional country visits will take place only by government invitation.
17. The Board underlines the need for Management to make significant efforts to make the Inspection Panel better known in borrowing countries, as specified in the 1996 "Clarifications."
18. The Board emphasizes the importance of prompt disclosure of information to claimants and the public, as stipulated in the Resolution (paras. 23 and 25) and in its 1996 Clarifications. The Board requires that such information be provided by Management to claimants in their language, to the extent possible.
19. The Board recognizes that enhancing the effectiveness of the Inspection Panel process through the above clarifications assumes adherence to them by all parties in good faith. It also assumes the borrowers' consent for field visits envisaged in the Resolution. If these assumptions prove to be incorrect, the Board will revisit the above conclusions.

ANNEX 7

OPERATING PROCEDURES

AS ADOPTED BY THE PANEL ON AUGUST 19, 1994

CONTENTS

INTRODUCTION

- Composition
- Purpose
- Functions
- Participants
- Administration

SUBJECT MATTER OF REQUESTS

- Scope
- Limitations

PREPARATION OF A REQUEST

- A. Who Can File a Request
- B. Contents of a Request
- C. Form of a Request
 - Written
 - Format
 - Language
 - Representatives
 - Documents
- D. Delivery of Request
- E. Advice on Preparation

PROCEDURES ON RECEIPT OF A REQUEST

- A. Register
 - Contents of Notice
- B. Request Additional Information
- C. Outside Scope
 - Records
- D. Need for Review
- E. Revised Request

MANAGEMENT RESPONSE

Clarification

PANEL RECOMMENDATION

- A. Basis
- B. Required Criteria
 - Criteria for Satisfactory Response
 - Preliminary Review
 - Initial Study
- C. Contents
- D. Submission

BOARD DECISION AND PUBLIC RELEASE

Notification
Public Information

AN INVESTIGATION

- A. Initial Procedures
- B. Methods of Investigation
 - Consent Required
- C. Participation of Requester
- D. Participation of Third Parties

PANEL REPORT

Contents
Submission

MANAGEMENT RECOMMENDATIONS

BOARD DECISION AND PUBLIC RELEASE

GENERAL

Business Days
Copies
Consultations
Access to Bank Staff and Information
Legal Advice
Confidentiality
Information to Requester and Public

GUIDANCE ON HOW TO PREPARE A REQUEST FOR INSPECTION

Model Form

INTRODUCTION

The Inspection Panel (the “Panel”) is an independent forum established by the Executive Directors of the International Bank for Reconstruction and Development (“IBRD”) and the International Development Association (“IDA”) by IBRD Resolution No. 93-10 and the identical IDA Resolution No. 93-6, both adopted by the Executive Directors of the respective institutions on September 22, 1993 (collectively the “Resolution”). The text of the Resolution is in annex 4. References in these procedures to the “Bank” includes the IBRD and IDA.

The Panel’s authority is dictated by the Resolution; within that framework, these Operating Procedures are adopted by the Panel to provide detail to the operational provisions. The text is based on the Resolution and takes into account suggestions from outside sources.

In view of the unprecedented nature of the new inspection function, the current procedures are provisional: the Panel will review them within 12 months, and in light of experience and comments received, will revise them if necessary; and will recommend to the Executive Directors (“Executive Directors”) amendments to the Resolution that would allow a more effective role for the Panel.

Composition

The Panel consists of three Inspectors. At the outset, one Inspector, the Chairperson, will work on a full-time basis; the other two will work part-time. This arrangement is provisional. The Panel’s workload will be dictated by the number and nature of requests received. If necessary, the Panel will recommend alternative arrangements to the Executive Directors.

Purpose

The Panel has been established for the purpose of providing people directly and adversely affected by a Bank-financed project with an independent forum through which they can request the Bank to act in accordance with its own policies and procedures. It follows that this forum is available when adversely affected people believe the Bank itself has failed, or has failed to require others, to comply with its policies and procedures, and only after efforts have been made to ask the Bank Management (“Management”) itself to deal with the problem.

Functions

The role of the Panel is to carry out independent investigations. Its function, which will be triggered when it receives a request for inspection, is to inquire and recommend: it will make a preliminary review of a request for inspection and the response of Management, independently assess the information, and then recommend to the Board of Executive Directors whether the matters complained of should be investigated. If the Board decides that a request shall be investigated, the Panel will collect information and provide its findings, independent assessment, and conclusions to the Board. On the basis of the Panel’s findings and Management’s recommendations, the Executive Directors will consider the actions, if any, to be taken by the Bank.

Participants

During the preliminary review period—up to the time the Panel makes a recommendation to the Board on whether the matter should be investigated—the Panel will accept statements or evidence from (a) the Requester, i.e., either the affected people and/or their duly appointed representative, or an Executive Director; (b) Management; and (c) any other individual or entity invited by the Panel to present information or comments.

During an investigation, any person who either is a party to the investigation or provides the designated Inspector(s) with satisfactory evidence that he/she has an interest, apart from any interest in common with the public, will be entitled to submit information or evidence relevant to the investigation.

Administration

The Panel has approved separate Administrative Procedures, which are available from the Office of the Inspection Panel.

Please note that all headings are for ease of reference only. They do not form part of these procedures and do not constitute an interpretation thereof.

SUBJECT MATTER OF REQUESTS

Scope

1. The Panel is authorized to accept requests for inspection (“Request(s)”) which claim that an actual or threatened material adverse effect on the affected party’s rights or interests arises directly out of an action or omission of the Bank as a result of a failure by the Bank to follow its own operational policies and procedures during the design, appraisal, and/or implementation of a Bank-financed project. Before submitting a Request steps must have already been taken (or efforts made) to bring the matter to the attention of Management with a result unsatisfactory to the Requester.

Limitations

2. The Panel is not authorized to deal with the following:
- (a) complaints with respect to actions which are the responsibility of other parties, such as the borrower, or potential borrower, and which do not involve any action or omission on the part of the Bank;
 - (b) complaints against procurement decisions by Bank borrowers from suppliers of goods and services financed or expected to be financed by the Bank under a loan/credit agreement, or from losing tenderers for the supply of any such goods and services, which will continue to be addressed by Bank staff under existing procedures;
 - (c) Requests filed after the Closing Date of the loan/credit financing the project with respect to which the Request is filed or when 95 percent or more of the loan/credit proceeds have been disbursed; or

- (d) Requests related to a particular matter or matters over which the Panel has already made its recommendation after having received a prior Request, unless justified by new evidence or circumstances not known at the time of the prior Request.

PREPARATION OF A REQUEST

- 3. The Panel's operational proceedings begin when a Request is received. This section of the procedures is primarily designed to give further guidance to potential Requesters on what facts and explanations they should provide.

A. Who Can File a Request

- 4. The Panel has authority to receive Requests which complain of a violation of the Bank's policies and procedures from the following people or entities:
 - (a) any group of two or more people in the country where the Bank-financed project is located who believe that as a result of the Bank's violation their rights or interests have been, or are likely to be, adversely affected in a direct and material way. They may be an organization, association, society, or other grouping of individuals; or
 - (b) a duly appointed local representative acting on explicit instructions as the agent of adversely affected people; or
 - (c) in exceptional cases, referred to in paragraph 11 below, a foreign representative acting as an agent of adversely affected people; or
 - (d) an Executive Director of the Bank in special cases of serious alleged violations of the Bank's policies and procedures.

B. Contents of a Request

- 5. In accordance with the Resolution, Requests should contain the following information:
 - (a) a description of the project, stating all the relevant facts including the harm suffered by or threatened to the affected party;
 - (b) an explanation of how Bank policies, procedures, or contractual documents were seriously violated;
 - (c) a description of how the act or omission on the part of the Bank has led or may lead to a violation of the specific provision;
 - (d) a description of how the party was, or is likely to be, materially and adversely affected by the Bank's act or omission and what rights or interests of the claimant were directly affected;
 - (e) a description of the steps taken by the affected party to resolve the violations with Bank staff, and explanation of why the Bank's response was inadequate;
 - (f) in Requests relating to matters previously submitted to the Panel, a statement specifying what new evidence or changed circumstances justify the Panel's revisiting the issue; and
 - (g) if some of the information cannot be provided, an explanation should be included.

C. Form of a Request

Written

6. All Requests must be submitted in writing, dated and signed by the Requester, and contain his/her name and contact address.

Format

7. No specific form is necessary: a letter will suffice. A Requester may wish to refer to the guidance and use the model form specifying required information. (Included at the end of this annex, "Guidance on How to Prepare a Request for Inspection.")

Language

8. The working language of the Panel is English. Requests submitted directly by affected people themselves may be in their local language if they are unable to obtain a translation. If requests are not in English, the time needed to translate and ensure an accurate and agreed translation may delay acceptance and consideration by the Panel.

Representatives

9. If the Requester is a directly affected person or entity representing affected people, written signed proof that the representative has authority to act on their behalf must be attached.
10. If the Request is submitted by a non-affected representative, he/she must provide evidence of representational authority, and the names and contact address of the party must be provided. Proof of representational authority, which shall consist of the original signed copy of the affected party's explicit instructions and authorization, must be attached.
11. In addition, in the cases of non-local representation, the Panel will require clear evidence that there is no adequate or appropriate representation in the country where the project is located.

Documents

12. The following documents should be attached:
 - (a) all correspondence with Bank staff;
 - (b) notes of meetings with Bank staff;
 - (c) a map or diagram, if relevant, showing the location of the affected party or area affected by the project; and
 - (d) any other evidence supporting the complaint.
13. If all the information listed cannot be provided, an explanation should be included.

D. Delivery of a Request

14. Requests must be sent by registered or certified mail or delivered by hand in a sealed envelope against receipt to the Office of the Inspection Panel at 1818 H Street, NW, [MSN 10-1007,] Washington, D.C. 20433, USA, or to the Bank's resident representative in the country where the project is located. In the latter case, the resident representative shall, after issuing a receipt to the Requester, forward the Request to the Panel through the next pouch.

E. Advice on Preparation

15. People or entities seeking advice on how to prepare and submit a Request may contact the Office of the Inspection Panel, which will provide information or may meet and discuss the requirements with potential requesters.

PROCEDURES ON RECEIPT OF A REQUEST

16. When the Panel receives a Request the Chairperson, on the basis of the information contained in the Request, shall either promptly register the Request, or ask for additional information, or find the Request outside the Panel's mandate.

A. Register

17. If the Request appears to contain sufficient required information the Chairperson shall register the Request in the Panel Register; promptly notify the Requester, the Executive Directors, and the Bank President ("President") of the registration; and transmit to the President a copy of the Request with the accompanying documentation, if any.

Contents of Notice

18. The notice of registration shall
 - (a) record that the Request is registered and indicate the date of the registration and dispatch of that notice;
 - (b) include the name of the project, the country where the project is located, the name of the Requester unless anonymity is requested, and a brief description of the Request;
 - (c) notify the Requester that all communications in connection with the Request will be sent to the address stated in the Request, unless another address is indicated to the Panel Secretariat; and
 - (d) request Management to provide the Panel, within 21 days after receipt of the notice and Request, with written evidence that it has complied or intends to comply with the Bank's relevant policies and procedures. The notice shall specify the due date of the response.

B. Request Additional Information

19. If the Chairperson finds the contents of the Request or documentation on representation insufficient, he/she may ask the Requester to supply further information.
20. Upon receipt of a Request, the Chairperson shall send a written acknowledgment to the Requester, and will specify what additional information is required.
21. The Chairperson may refuse to register a Request until all necessary information and documentation is filed.

C. Outside Scope

22. If the Chairperson finds that the matter is without doubt manifestly outside the Panel's mandate, he/she will notify the Requesters of his/her refusal to register the Request and of the reasons therefore; this will include but not be limited to the following types of communications:
- (a) Requests which are clearly outside the Panel's mandate including those listed above at paragraph 2;
 - (b) Requests which do not show the steps taken or effort made to resolve the matter with Management;
 - (c) Requests from an individual or from a non-authorized representative of an affected party;
 - (d) any correspondence, including but not limited to letters, memoranda, opinions, submissions, or requests on any matter within the Panel's mandate which are not requests for an inspection; and
 - (e) Requests that are manifestly frivolous, absurd, or anonymous.

Records

23. The number of such Requests and communications received shall be noted in the Register on a quarterly basis and the yearly total included in the Annual Report.

D. Need for Review

24. In cases where additional information is required, or where it is not clear whether a Request is manifestly outside the Panel's mandate, the Chairperson shall designate a Panel member to review the Request.

E. Revised Request

25. If the Requester receives significant new evidence or information at any time after the initial Request was submitted, he/she may consider whether it is serious enough to justify the submission of a revised Request.
26. If a revised Request is submitted, the time periods for Management's response and the Panel recommendation will begin again from the time such Request is registered.

MANAGEMENT RESPONSE

27. Within 21 days after being notified of a Request, Management shall provide the Panel with evidence that it has complied or intends to comply with the Bank's relevant policies and procedures. After the Panel receives Management's response, it shall promptly enter the date of receipt in the Panel Register.
28. If there is no response from Management within 21 days, the Panel shall notify the President and the Executive Directors and send a copy to the Requester.

Clarification

29. In order to make an informed recommendation, the Panel may request clarification from Management; in the light of Management's response, request more information from the Requester; and provide relevant portions of Management's response for comment. A time limit for receipt of the information requested shall be specified; and
- (a) whether or not such clarification or information is received within the time limit, make its recommendation to the Executive Directors within 21 days after receipt of Management's response; or
 - (b) in the event it is not possible for the Requester to provide the information quickly, the Panel may advise the Requester to submit an amended Request; the Executive Directors and Bank management will be notified that the process will begin again when the amended Request is received.

PANEL RECOMMENDATION

30. Within 21 days after receiving Management's response, the Panel shall make a recommendation to the Executive Directors as to whether the matter should be investigated.

A. Basis

31. The Panel shall prepare its recommendation to the Board on the basis of the information contained in:
- (a) the Request;
 - (b) Management's response;
 - (c) any further information the Panel may have requested and received from the Requester and/or Management and/or third parties; and
 - (d) any findings of the Panel during this stage.

B. Required Criteria

32. If, on the basis of the information contained in the Request, it has not already been established that the Request meets the following three conditions required by the Resolution, the Chairperson, in consultation with the other Panel members may, if necessary, designate a Panel member to conduct a preliminary review to determine whether the Request:
- (a) was filed by an eligible party;
 - (b) is not time-barred; and
 - (c) relates to a matter falling within the Panel's mandate.

Criteria for Satisfactory Response

33. The Panel may proceed to recommend that there should not be an investigation, if, on the basis of the information contained in the Request and Management's response, the Panel is satisfied that Management has done the following:

- (a) dealt appropriately with the subject matter of the Request; and
- (b) demonstrated clearly that it has followed the required policies and procedures;
or
- (c) admitted that it has failed to follow the required policies and procedures but has provided a statement of specific remedial actions and a timetable for implementing them, which will, in the judgment of the Panel, adequately correct the failure and any adverse effects such failure has already caused.

Preliminary Review

34. If, on the basis of the information contained in Management's response and any clarifications provided, the Panel is satisfied that Management has failed to demonstrate that it has followed or is taking adequate steps to follow the Bank's policies and procedures, the Panel will conduct a preliminary review in order to determine whether conditions required by provisions of the Resolution exist.
35. Although it may not investigate Management's actions in depth at this stage, it will determine whether Management's failure to comply with the Bank's policies and procedures meets the following three conditions:
- (a) whether such failure has had, or threatens to have, a material adverse effect;
 - (b) whether the alleged violation of the Bank's policies and procedures are, in the judgment of the Panel, of a serious character; and
 - (c) whether remedial actions proposed by Management do not appear adequate to meet the concerns of the Requester as to the application of the Bank's policies and procedures.

Initial Study

36. If the Chairperson considers, after the preliminary review and consultation with the other Panel members, that more factual data not already provided by the Requester, Management, or any other source is required to make an informed recommendation to the Executive Directors, he/she may designate a Panel member to undertake a preliminary study. The study may include, but need not be limited to, a desk study and/or a visit to the project site.

C. Contents

37. On the basis of the review, the Panel shall make its recommendation to the Board as to whether the matter should be investigated. Every recommendation shall include a clear explanation setting forth reasons for the recommendation and be accompanied by:
- (a) the text of the Request and, where applicable, any other relevant information provided by the Requester;
 - (b) the text of Management's response and, where applicable, any clarifications provided;
 - (c) the text of any advice received from the Bank's Legal Department;
 - (d) any other relevant documents or information received; and

- (e) statements of the majority and minority views in the absence of a consensus by the Panel.

D. Submission

- 38. The recommendation shall be circulated by the Executive Secretary of the Panel to the Executive Directors for decision. The Panel will notify the Requester that a recommendation has been sent to the Executive Directors.

BOARD DECISION AND PUBLIC RELEASE

- 39. The Board decides whether to accept or reject the Panel's recommendation; and, if the Requester is a nonlocal representative, whether exceptional circumstances exist and suitable local representation is not available.

Notification

- 40. The Panel shall promptly inform the Requester of the Board's decision on whether to investigate the Request and shall send the Requester a copy of the Panel's recommendation.

Public Information

- 41. After the Executive Directors have considered a Request, the Bank shall make such Request publicly available together with the Panel's recommendation on whether to proceed with the inspection and the decision of the Executive Directors in this respect.

AN INVESTIGATION

A. Initial Procedures

- 42. When a decision to investigate a Request is made by the Board, or the Board itself requests an investigation, the Chairperson shall promptly:
 - (a) designate one or more of the Panel's members (Inspector(s)) to take primary responsibility for the investigation;
 - (b) arrange for the Panel members to consult, taking into account the nature of the particular Request, on:
 - (i) the methods of investigation that at the outset appear the most appropriate;
 - (ii) an initial schedule for the conduct of the investigation;
 - (iii) when the Inspector(s) shall report his/her (their) findings to the Panel, including any interim findings; and
 - (iv) any additional procedures for the conduct of the investigation.
- 43. The designated Inspector(s) shall, as needed, arrange for a meeting with the Requester and schedule discussions with directly affected people.
- 44. The name of the Inspector(s) and an initial work plan shall be made public as soon as possible.

B. Methods of Investigation

45. The Panel may, taking into account the nature of the particular Request, use a variety of investigatory methods, including but not limited to the following:
- (a) holding meetings with the Requester, affected people, Bank staff, government officials and project authorities of the country where the project is located, or representatives of local and international nongovernmental organizations;
 - (b) holding public hearings in the project area;
 - (c) visiting project sites;
 - (d) requesting written or oral submissions on specific issues from the Requester, affected people, independent experts, government or project officials, Bank staff, or local or international nongovernmental organizations;
 - (e) hiring independent consultants to research specific issues relating to a Request;
 - (f) researching Bank files; and
 - (g) any other reasonable methods the Inspector(s) consider appropriate to the specific investigation.

Consent Required

46. In accordance with the Resolution, physical inspection in the country where the project is located will be carried out with prior consent. The Chairperson shall request the Executive Director representing such country to provide written consent.

C. Participation of Requester

47. During the course of the investigation, in addition to any information requested by the Inspector(s), the Requester (and affected people if the Requester is a non-affected Representative or an Executive Director) or Bank staff may provide the Inspector(s) either directly or through the Executive Secretary with supplemental information that they believe is relevant to evaluating the Request.
48. The Inspector(s) may notify the Requester of any new material facts provided by Bank staff or by the Executive Director for, or authorities in, the country where the project is located.
49. To facilitate understanding of specific points, the Panel may discuss its preliminary findings of fact with the Requester.

D. Participation of Third Parties

50. During the course of the investigation, in addition to any information requested by the Inspector(s), any member of the public may provide the Inspector(s), either directly or through the Executive Secretary, with supplemental information that they believe is relevant to evaluating the Request.
51. Information should not exceed ten pages and include a one-page summary. Supporting documentation may be listed and attached. The Inspector(s) may request more details if necessary.

PANEL REPORT

Contents

52. The report of the Panel (the “Report”) shall include the following:

- (a) a summary discussion of the relevant facts and of the steps taken to conduct the investigation;
- (b) a conclusion showing the Panel’s findings on whether the Bank has complied with relevant Bank policies and procedures;
- (c) a list of supporting documents which will be available on request from the Office of the Inspection Panel; and
- (d) statements of the majority and minority views in the absence of a consensus by the Panel.

Submission

53. Upon completion of the Report, the Panel shall submit it to:

- (a) the Executive Directors: accompanied by notification that the Report is being submitted to the President on the same date; and
- (b) the President: accompanied by a notice against receipt that within six weeks of receipt of the Report, Management must submit to the Executive Directors for their consideration a report indicating Management’s recommendations in response to the Panel’s findings.

MANAGEMENT RECOMMENDATIONS

54. Within six weeks after receiving the Panel’s findings, Management will submit to the Executive Directors for their consideration a report indicating its recommendations in response to the Panel’s findings. Upon receipt of a copy of the report, the Panel will notify the Requester.

BOARD DECISION AND PUBLIC RELEASE

55. Within two weeks after the Executive Directors consider the Panel’s Report and the Management’s response, the Bank shall inform the Requester of the results of the investigation and the action decided by the Board, if any.

56. After the Bank has informed the Requester, the Bank shall make publicly available:

- (a) the Panel’s Report;
- (b) Management’s recommendations; and
- (c) the Board’s decision.

These documents will also be available at the Office of the Inspection Panel.

57. The Panel will seek to enhance public awareness of the results of investigations through all available information sources.

GENERAL

Business Days

58. “Days” under these procedures means days on which the Bank is open for business in Washington, D.C.

Copies

59. Consideration of Requests and other documents submitted throughout the process will be expedited if an original and two copies are filed. When any document contains extensive supporting documentation, the Panel may ask for additional copies.

Consultations

60. The borrower and the Executive Director representing the borrowing (or guaranteeing) country shall be consulted on the subject matter before the Panel’s recommendation and during an investigation.

Access to Bank Staff and Information

61. Pursuant to the Resolution and in discharge of their functions, the members of the Panel shall have access to all Bank staff who may contribute information and to all pertinent Bank records and shall consult as needed with the Director General, Operations Evaluation Department, and the Internal Auditor.

Legal Advice

62. The Panel shall seek, through the Vice President and General Counsel of the Bank, the written advice of the Bank’s Legal Department on matters related to the Bank’s rights and obligations with respect to the Request under consideration. Any such advice will be included as an attachment to the Panel’s recommendation and/or Report to the Executive Directors.

Confidentiality

63. Documents, or portions of documents of a confidential nature, will not be released by the Panel without the express written consent of the party concerned.

Information to Requester and Public

64. The Executive Secretary shall record in the Register all actions taken in connection with the processing of the Request, the dates thereof, and the dates on which any document or notification under these procedures is received in or sent from the Office of the Inspection Panel. The Requester shall be informed promptly. The Register will be publicly available.

65. A notice that a Request has been registered and all other notices or documents issued by the Panel will be available to the public through the Bank’s PIC in Washington, D.C.; at the Bank’s Resident Mission in the country where the project is located or at the relevant regional office; at the Bank’s Paris, London, and Tokyo offices; or on request from the Executive Secretary of the Panel.

GUIDANCE ON HOW TO PREPARE A REQUEST FOR INSPECTION

The Inspection Panel needs some basic information in order to process a Request for Inspection:

1. Name, contact address, and telephone number of the group or people making the request.
2. Name and description of the Bank project.
3. Adverse effects of the Bank project.
4. If you are a representative of affected people, attach explicit written instructions from them authorizing you to act on their behalf.

These key questions must be answered:

1. Can you elaborate on the nature and importance of the damage caused by the project to you or those you represent?
2. Do you know that the Bank is responsible for the aspects of the project that has or may affect you adversely? How did you determine this?
3. Are you familiar with Bank policies and procedures that apply to this type of project? How do you believe the Bank may have violated them?
4. Have you contacted or attempted to contact Bank staff about the project? Please provide information about all contacts, and the responses, if any, you received from the Bank. You must have done this before you can file a request.
5. Have you tried to resolve your problem through any other means?
6. If you know that the Panel has dealt with this matter before, do you have new facts or evidence to submit?

Please provide a summary of the information in no more than a few pages. Attach as separate documents as much other information as you think necessary. Please note and identify attachments in your summary.

You may wish to use the accompanying model form.

**MODEL FORM:
REQUEST FOR INSPECTION**

To: Executive Secretary, The Inspection Panel
1818 H Street NW, MSN 10-1007, Washington, DC 20433, USA
Fax No. 202-522-0916;
or c/o The Inspection Panel, P.O. Box 27566, Washington, DC 20038, USA
or c/o the appropriate World Bank Country Office

1. We [insert names] live and/or represent others who live in the area known as [insert name of area]. Our addresses are attached.
2. We have suffered, or are likely to suffer, harm as a result of the World Bank's failures or omissions in the [insert name and/or brief description of the project or program] located in [insert location/country].
3. [Describe the damage or harm you are suffering or are likely to suffer from the project or program]
4. [List (if known) the World Bank's operational polices you believe have not been observed]
5. We have complained to World Bank staff on the following occasions [list dates] by [explain how the complaint was made]. We have received no response, [or] we have received a response and we are not satisfied that the explanations and answers solve our problems for the following reasons:
6. We request the Inspection Panel recommend to the World Bank's Executive Directors that an investigation of these matters be carried out.

Signatures:

Date:

Contact address, telephone number, fax number, and email address:

List of attachments

We [do/do not] authorize you to disclose our identities

TABLE 1

SUMMARY OF INSPECTION PANEL CASES^a

JUNE 30, 2008

REQUEST (SHORT FORM)	REQUEST RECEIVED	REQUEST REGISTERED	INSPECTION PANEL RECOMMENDATION	RECOMMENDATION APPROVED BY THE BOARD	PANEL'S ACTIVITY
1. Nepal: Arun III Proposed Hydroelectric Project and Restructuring of IDA Credit	October 24, 1994	Yes	Investigation	Yes	Eligibility Report and Investigation Report
2. Ethiopia: Compensation for Expropriation and Extension of IDA Credits to Ethiopia	May 2, 1995	No	—	—	—
3. Tanzania: Power VI Project	May 16, 1995	Yes	No investigation	Yes	Eligibility Report
4. Brazil: Rondônia Natural Resources Management Project	June 16, 1995	Yes	Investigation	No	Eligibility Report, Additional Review report, and Review of Progress in Implementation
5. Chile: Financing of Hydroelectric Dams in the Bío-Bío River	November 17, 1995	No	—	—	—
6. Bangladesh: Jamuna Multipurpose Bridge Project	August 23, 1996	Yes	No investigation	Yes	Eligibility Report, and Report on Progress on Implementation of Action Plan
7. Argentina/Paraguay: Yacyretá Hydroelectric Project (1996)	September 30, 1996	Yes	Investigation	No	Eligibility Report and Review of Present Project Problems and Assessment of Action Plans
8. Bangladesh: Jute Sector Adjustment Credit	November 13, 1996	Yes	No investigation	Yes	Eligibility Report
9. Brazil: Itaparica Resettlement and Irrigation Project	March 12, 1997	Yes	Investigation	No	Eligibility Report and Action Plan review
10. India: NTPC Power Generation Project	May 1, 1997	Yes	Investigation	Yes	Eligibility Report and Report on Desk Investigation

Note: IDA = International Development Association

continued

a. Normally, the Panel advises the Executive Directors and the President when it receives a Request for Inspection that it cannot process (as it did in the Requests regarding Chile: Bio-Bio River; India: NTPC, Second Request; Cameroon: Pipeline Project, Second Request; Burundi: Public Works and Employment Creation Project; and Cameroon: Urban Development). The Inspection Panel received a letter, dated August 27, 1999, also addressed to the President and the Executive Directors of the World Bank, requesting for the second time the "installation of an Inspection Panel" to investigate the Itaparica Resettlement and Irrigation Project in Brazil. Because the Bank's loans for this project were then long closed, the Panel was precluded from processing this Request. Furthermore, as the Request had been already addressed to the President and Executive Directors, no action on the part of the Panel was necessary. However, some regard this extemporaneous request as a formal Request for Inspection that should be added to the Panel's records.

REQUEST (SHORT FORM)	REQUEST RECEIVED	REQUEST REGISTERED	INSPECTION PANEL RECOMMENDATION	RECOMMENDATION APPROVED BY THE BOARD	PANEL'S ACTIVITY
11. India: Ecodevelopment Project	April 2, 1998	Yes	Investigation	No	Eligibility Report
12. Lesotho/South Africa: Phase 1B of Lesotho Highlands Water Project (1998)	May 6, 1998	Yes	No investigation	Yes	Eligibility Report
13. Nigeria: Lagos Drainage and Sanitation Project	June 17, 1998	Yes	No investigation	Yes	Eligibility Report
14. Brazil: Land Reform Poverty Alleviation Project	December 14, 1998	Yes	No investigation	Yes	Eligibility Report
15. Lesotho: Highlands Water Project (1999)	April 26, 1999	Yes	No investigation	Yes	Eligibility Report
16. China: Western Poverty Reduction Project	June 18, 1999	Yes	Investigation	Yes	Eligibility Report and Investigation Report
17. Argentina: Special Structural Adjustment Loan	July 26, 1999	Yes	No investigation	Yes	Eligibility Report
18. Brazil: Land Reform Poverty Alleviation Project, Second Request	September 14, 1999	Yes	No investigation	Yes	Eligibility Report
19. Kenya: Lake Victoria Environmental Management Project	October 12, 1999	Yes	Investigation	Yes	Eligibility Report and Investigation Report
20. Ecuador: Mining Development and Environmental Control Technical Assistance Project	December 13, 1999	Yes	Investigation	Yes	Eligibility Report and Investigation Report
21. India: NTPC Power Generation Project, Second Request	November 27, 2000	No	—	—	—
22. Chad: Petroleum Development and Pipeline Project, Management of the Petroleum Economy Project, and Petroleum Sector Management Capacity Building Project	March 22, 2001	Yes	Investigation	Yes	Eligibility Report and Investigation Report
23. India: Coal Sector Environmental and Social Mitigation Project and Coal Sector Rehabilitation Project	June 21, 2001	Yes	Investigation	Yes	Eligibility Report and Investigation Report
24. Uganda: Third Power Project, Fourth Power Project, and proposed Bujagali Hydropower Project	July 27, 2001	Yes	Investigation	Yes	Eligibility Report and Investigation Report
25. Papua New Guinea: Governance Promotion Adjustment Loan	December 6, 2001	Yes	No investigation	Yes	Eligibility Report

continued

REQUEST (SHORT FORM)	REQUEST RECEIVED	REQUEST REGISTERED	INSPECTION PANEL RECOMMENDATION	RECOMMENDATION APPROVED BY THE BOARD	PANEL'S ACTIVITY
26. Paraguay/Argentina: Reform Project for the Water and Telecommunication Sectors, SEGBA V Power Distribution Project (Yacyretá 2002)	May 17, 2002	Yes	Investigation	Yes	Eligibility Report and Investigation Report
27. Cameroon: Petroleum Development and Pipeline Project, and Petroleum Environment Capacity Enhancement Project	September 25, 2002	Yes	Investigation	Yes	Eligibility Report and Investigation Report
28. Philippines: Manila Second Sewerage Project (MSSP)	September 26, 2003	Yes	No recommendation, as the Requesters failed to satisfy a procedural criterion—that is, that the Requesters had brought the subject matter to Management's attention and that, in the Requester's view, Management failed to respond adequately.	Yes	Eligibility Report
29. Cameroon: Petroleum Development and Pipeline Project	November 26, 2003	No	—	—	—
30. Mexico: Indigenous and Community Biodiversity Project (COINBIO)	January 26, 2004	Yes	In fairness to all parties concerned, the Panel could not take a position on whether the Request merits an investigation and awaits further developments.	Yes	Eligibility Report
31. Colombia: Cartagena Water Supply, Sewerage, and Environmental Management Project	April 20, 2004	Yes	Investigation	Yes	Eligibility Report and Investigation Report
32. India: Mumbai Urban Transport Project	April 28, 2004	Yes	Investigation	Yes	Eligibility Report and Investigation Report
33. India: Mumbai Urban Transport Project—Gazi Nagar	June 29, 2004	Yes	Investigation as part of Request number 32, India: Mumbai Urban Transport Project	Yes	Eligibility Report and Investigation Report completed as part of case Request number 32, India: Mumbai Urban Transport Project
34. Burundi: Public Works and Employment Creation Project	September 17, 2004	No	—	—	—
35. Pakistan: National Drainage Program Project	September 10, 2004	Yes	Investigation	Yes	Eligibility Report and Investigation Report
36. Cambodia: Forest Concession Management and Control Pilot Project	January 28, 2005	Yes	Investigation	Yes	Eligibility Report and Investigation Report

continued

REQUEST (SHORT FORM)	REQUEST RECEIVED	REQUEST REGISTERED	INSPECTION PANEL RECOMMENDATION	RECOMMENDATION APPROVED BY THE BOARD	PANEL'S ACTIVITY
37. Democratic Republic of Congo: Transitional Support for Economic Recovery Credit Operation (TSERO) and Emergency Economic and Social Reunification Support Project (EESRSP)	November 19, 2005	Yes	Investigation	Yes	Eligibility Report and Investigation Report
38. Honduras: Land Administration Project	January 03, 2006	Yes	Investigation	Yes	Investigation Report
39. Romania: Mine Closure and Social Mitigation Project	January 06, 2006	Yes	In fairness to all parties concerned, the Panel could not take a position on whether the Request merits an investigation and awaits further developments.	Yes	Eligibility Report
40. Nigeria: West African Gas Pipeline Project	April 27, 2006	Yes	Investigation	Yes	(First) Eligibility Report and Final Eligibility Report Investigation Ongoing
41. Brazil: Paraná Biodiversity Project	July 10, 2006	Yes	No investigation	Yes	(First) Eligibility Report and Final Eligibility Report
42. Argentina: Santa Fe Infrastructure Project and Provincial Road Infrastructure Project	August 28, 2006	Yes	No recommendation, as the Requesters failed to satisfy a procedural criterion—that is, that the Requesters had brought the subject matter to Management's attention and that, in the Requester's view, Management failed to respond adequately.	Yes	Eligibility Report
43. Argentina: Santa Fe Infrastructure Project and Provincial Road Infrastructure Project	September 21, 2006	Yes	Eligibility as part of Request number 42, Argentina: Santa Fe Infrastructure Project and Provincial Road Infrastructure Project	Yes	Eligibility Report completed as part of Request number 42, Argentina: Santa Fe Infrastructure Project and Provincial Road Infrastructure Project
44. Uganda: Private Power Generation Project	March 5, 2007	Yes	Investigation	Yes	Eligibility Report Investigation Ongoing
45. India: Uttaranchal Decentralized Watershed Development Project	March 7, 2007	Yes	In fairness to all parties concerned, the Panel could not take a position on whether the Request merits an investigation and awaits further developments.	Yes	Eligibility Report
46. Albania: Power Sector Generation and Restructuring Project	April 30, 2007	Yes	Investigation	Yes	Eligibility Report Investigation Ongoing

continued

REQUEST (SHORT FORM)	REQUEST RECEIVED	REQUEST REGISTERED	INSPECTION PANEL RECOMMENDATION	RECOMMENDATION APPROVED BY THE BOARD	PANEL'S ACTIVITY
47. Albania: Integrated & Coastal Zone Management and Clean-Up Project	July 30, 2007	Yes	Investigation	Yes	Eligibility Report Investigation Ongoing
48. Ghana: Second Urban Environment Sanitation Project (UESP II)	August 13, 2007	Yes	Investigation	Yes	Eligibility Report Investigation Ongoing
49. Cameroon: Urban Development Project and Second Urban Project	August 16, 2007	Yes	Investigation	Yes	Eligibility Report Investigation Ongoing
50. Argentina: Santa Fe Infrastructure Project and Provincial Road Infrastructure Project	September 05, 2007	No	—	—	—
51. Colombia: Bogotá Urban Services Project	September 13, 2007	Yes	No recommendation, as the Requesters failed to satisfy a procedural criterion, that the Requesters had brought the subject matter to Management's attention and that, in the Requester's view, Management failed to respond adequately.	Yes	Eligibility Report

Source: Inspection Panel.

TABLE 2

ALLEGED VIOLATIONS OF POLICIES AND PROCEDURES PER REQUEST

JUNE 30, 2008

DATE REQUEST RECEIVED	REQUEST	POLICIES AND PROCEDURES RAISED IN THE REQUEST FOR INSPECTION
1. 10/24/1994	Nepal: Arun III Proposed Hydroelectric Project and Restructuring of IDA Credit	Economic evaluation of investment operations (OP/BP 10.04) Disclosure of operational information (BP 17.50) Outline for a project information document (BP 10.00, Annex A) Environmental assessment (OD 4.01) Involuntary resettlement (OD 4.30) Indigenous peoples (OD 4.20)
2. 05/2/1995	Ethiopia: Compensation for Expropriation and Extension of IDA Credits to Ethiopia (not registered)	Dispute over defaults on external debt, expropriation, and breach of contract (OMS 1.28)
3. 05/16/1995	Tanzania: Power VI Project	Article V Section 1(c), IDA Articles of Agreement Article V Section 1(d), IDA Articles of Agreement Article V Section 1(g), IDA Articles of Agreement Environmental aspects of Bank work (OMS 2.36) Environmental assessment (OD 4.01)
4. 06/16/1995	Brazil: Rondônia Natural Resources Management Project	Project supervision (OD 13.05) Forestry policy (OP 4.36) Wildlands policy (OPN 11.02) Indigenous peoples (OD 4.20) Involving Nongovernmental Organizations in Bank-Supported Activities (GP 14.70) Project monitoring and evaluation (OD 10.70) Investment lending—identification to the Board presentation (BP 10.00) Suspension of disbursements (OD 13.40) Accounting, financial reporting, and auditing (OD 10.60) Procurement (OD 11.00) Use of consultants (OD 11.10) Borrower compliance with audit covenants (OD 13.10)
5. 11/17/1995	Chile: Financing of Hydroelectric Dams in the Bio-Bio River (not registered)	Environmental policy for dam and reservoir project, Annex B (OD 4.00) Indigenous peoples (OD 4.20) Wildlands policy (OPN 11.02) Management of cultural property in Bank-financed projects (OPN 11.03) Involuntary resettlement (OD 4.30) Project supervision (OD 13.05)

continued

DATE REQUEST RECEIVED	REQUEST	POLICIES AND PROCEDURES RAISED IN THE REQUEST FOR INSPECTION
6. 08/23/1996	Bangladesh: Jamuna Multipurpose Bridge Project	Environmental assessment (OD 4.01) Involuntary resettlement (OD 4.30) Involving Nongovernmental Organizations in Bank-Supported Activities (GP 14.70)
7. 09/30/1996	Argentina/Paraguay: Yacyretá Hydroelectric Project	Environmental policy for dam and reservoir projects (OD 4.00, Annex B) Environmental assessment (OD 4.01) Indigenous peoples (OD 4.20) Involuntary resettlement (OD 4.30) Project monitoring and evaluation (OD 10.70) Project supervision (OD 13.05) Wildlands policy (OPN 11.02) Management of cultural property in Bank-financed projects (OPN 11.03) Environmental aspects of Bank work (OMS 2.36) Suspension of disbursements (OD 13.40)
8. 11/13/1996	Bangladesh: Jute Sector Adjustment Credit	Adjustment lending policy (OD 8.60) Project supervision (OP 13.05) Suspension of disbursements (OP 13.40)
9. 03/12/1997	Brazil: Itaparica Resettlement and Irrigation Project	Environmental policy for dam and reservoir projects (OD 4.00, Annex B) Environmental assessment (OD 4.01) Involuntary resettlement (OD 4.30) Indigenous peoples (OD 4.20) Project supervision (OD 13.05)
10. 05/01/1997	India: NTPC Power Generation Project	Economic evaluation of investment operations (OD 10.04) Environmental assessment (OD 4.01) Involuntary resettlement (OD 4.30) Indigenous peoples (OD 4.20) Project supervision (OD 13.05)
11. 04/02/1998	India: Ecodevelopment Project	Indigenous peoples (OD 4.20) Involuntary resettlement (OD 4.30) Forestry policy (OP 4.36)
12. 05/06/1998	Lesotho/South Africa: Phase 1B of Lesotho Highlands Water Project	Environmental policy for dam and reservoir projects (OD 4.00, Annex B) Economic evaluation of investment operations (OD 10.04) Poverty alleviation (OD 4.15) Water resources and management (OP 4.07)
13. 06/17/1998	Nigeria: Lagos Drainage and Sanitation Project	Involuntary resettlement (OD 4.30) Poverty alleviation (OD 4.15) Gender dimensions of development (OD 4.20) Project monitoring and evaluation (OD 10.70) Economic evaluation of investment operations (OP/BP 10.04) Article V, Section 1(g), IDA Articles of Agreement
14. 12/14/1998	Brazil: Land Reform Poverty Alleviation Project	Poverty alleviation (OD 4.15) Disclosure of operational information (BP 17.50) Environmental assessment (OD 4.01) Involving Nongovernmental Organizations in Bank-Supported Activities (GP 14.70)
15. 04/26/1999	Lesotho: Highlands Water Project	Disputes over defaults on external debt, expropriation, and breach of contract (OP/BP 7.40) Disclosure of operational information (BP 17.50)

continued

DATE REQUEST RECEIVED	REQUEST	POLICIES AND PROCEDURES RAISED IN THE REQUEST FOR INSPECTION
16. 06/18/1999	China: Western Poverty Reduction Project	Disclosure of operational information (BP 17.50) Involuntary resettlement (OD 4.30) Environmental assessment (OD 4.01) Indigenous peoples (OD 4.20) Pest management (OP 4.09) Safety dams (OP/BP 4.37) Retroactive financing (OD 12.10) Investment lending (OD 10.00)
17. 07/26/1999	Argentina: Special Structural Adjustment Loan	Project supervision (OD 13.05) Poverty alleviation (OD 4.15) Project monitoring and evaluation (OP/BP 10.70) Suspension of disbursements (OP/BP 13.40) Disclosure of operational information (BP 17.50)
18. 09/14/1999	Brazil: Land Reform Poverty Alleviation Project, Second Request	Poverty alleviation (OD 4.15) Project supervision (OD 13.50) Disclosure of operational information (BP 17.50)
19. 10/12/1999	Kenya: Lake Victoria Environmental Management Project	Environmental assessment (OD 4.01) Poverty alleviation (OD 4.15) Economic evaluation of investment projects (OP 10.04) Project supervision (OD 13.05)
20. 12/13/1999	Ecuador: Mining Development and Environmental Control Technical Assistance Project	Environmental assessment (OD 4.01) Wildlands policy (OPN 11.02) Indigenous peoples (OD 4.20) Project supervision (OD 13.05)
21. 11/27/2000	India: NTPC Power Generation Project, Second Request (not registered)	Involuntary resettlement (OD 4.30) Project supervision (OD 13.05) Environmental assessment (OD 4.01)
22. 03/22/2001	Chad: Petroleum Development and Pipeline Project, Management of the Petroleum Economy Project, and Petroleum Sector Management Capacity Building Project	Environmental assessment (OD 4.01) Natural habitats (OP/BP 4.04) Pest management (OP 4.09) Poverty alleviation (OD 4.15) Indigenous peoples (OD 4.20) Forestry policy (OP 4.36) Disclosure of operational information (BP 17.50) Economic evaluation of investment operations (OP 10.04) Management of cultural property in Bank-financed projects (OPN 11.03) Project supervision (OD 13.05)
23. 06/21/2001	India: Coal Sector Environmental and Social Mitigation Project and Coal Sector Rehabilitation Project	Environmental assessment (OD 4.01) Indigenous peoples (OD 4.20) Involuntary resettlement (OD 4.30) Disclosure of operational information (BP 17.50) Management of cultural property in Bank-financed projects (OPN 11.03) Project supervision (OD 13.05)

continued

DATE REQUEST RECEIVED	REQUEST	POLICIES AND PROCEDURES RAISED IN THE REQUEST FOR INSPECTION
24. 07/27/2001	Uganda: Third Power Project, Fourth Power Project, and proposed Bujagali Hydropower Project	Environmental assessment (OD/OP 4.01) Natural habitats (OP 4.04) Indigenous peoples (OD 4.20) Involuntary resettlement (OD 4.30) Safety of dams (OP 4.37) Management of cultural property of Bank- financed projects (OPN 11.03) Economic evaluation of investment operations (OP 10.04) Poverty alleviation (OD 4.15) Disclosure of operational information (BP 17.50) Project monitoring and evaluation (OD 10.70) Project supervision (OD 13.05)
25. 12/06/2001	Papua New Guinea: Governance Promotion Adjustment Loan	Forestry policy (OP 4.36) Adjustment lending policy (OD 8.60) Project supervision (OD/OP/BP 13.05)
26. 05/17/2002	Paraguay: Reform Project for the Water and Telecommunication Sectors Argentina: SEGBA V Power Distribution Project	Environmental policy for dam and reservoir projects (OD 4.00, Annex B) Environmental assessment (OD 4.01) Involuntary resettlement (OD 4.30) Project supervision (OD/OP/BP 13.05) Project monitoring and evaluation (OD 10.70) Suspension of disbursements (OD 13.40)
27. 09/25/2002	Cameroon: Petroleum Development and Pipeline Project, and Petroleum Environment Capacity Enhancement Project	Environmental assessment (OD 4.01) Natural habitats (OP/BP 4.04) Poverty reduction (OD 4.15) Indigenous peoples (OD 4.20) Involuntary resettlement (OD 4.30) Disclosure of operational information (BP 17.50) Project supervision (OD 13.05)
28. 09/26/2003	Philippines: Manila Second Sewerage Project	Environmental assessment (OD 4.01) Economic evaluation of investment operations (OP 10.04) Disclosure of operational information (BP 17.50) Project supervision (OD 13.05)
29. 11/26/2003	Cameroon: Petroleum Development and Pipeline Project (not registered)	Involuntary resettlement (OD 4.30)
30. 01/26/2004	Mexico: Indigenous and Community Biodiversity Project (COINBIO)	Indigenous peoples (OD 4.20) Project supervision (OD/OP/BP 13.05)
31. 04/20/2004	Colombia: Cartagena Water Supply, Sewerage, and Environmental Management Project	Environmental assessment (OD 4.01) Natural habitats (OP/BP 4.04) Water resources management (OD 4.07) Poverty reduction (OD 4.15) Indigenous peoples (OD 4.20) Financial management (OD 10.02) Economic evaluation of investment operations (OP 10.04) Project supervision (OD/OP/BP 13.05)
32. 04/28/2004	India: Mumbai Urban Transport Project	Environmental assessment (OP/BP 4.01) Involuntary resettlement (OD 4.30) Disclosure of information (January 2002) Project supervision (OP/BP 13.05)
33. 06/29/2004	India: Mumbai Urban Transport Project—Gazi Nagar	Environmental assessment (OP/BP 4.01) Involuntary resettlement (OD 4.30) Disclosure of information (January 2002) Project supervision (OP/BP 13.05)

continued

DATE REQUEST RECEIVED	REQUEST	POLICIES AND PROCEDURES RAISED IN THE REQUEST FOR INSPECTION
34. 09/17/2004	Burundi: Public Works and Employment Creation Project (not registered)	Project supervision (OP/BP 13.05) Procurement (OP/BP 11.00)
35. 09/09/2004	Pakistan: National Drainage Program Project	Environmental assessment (OD 4.01) Natural habitats (OP 4.04) Indigenous peoples (OD 4.20) Involuntary resettlement (OD 4.30) Management of cultural property in Bank-financed projects (OPN 11.03)
36. 01/28/2005	Cambodia: Forest Concession Management and Control Pilot Project	Environmental assessment (OP/BP 4.01) Natural habitats–1995 (OP/BP 4.04) Management of cultural property in Bank-financed projects (OPN 11.03) Indigenous peoples (OD 4.20) Forestry policy (OP/BP 4.36) Technical assistance (OP/BP 8.40) Project supervision (OP/BP 13.05) Disclosure of operational information (BP 17.50)
37. 11/19/2005	Democratic Republic of Congo: Transitional Support for Economic Recovery Credit Operation and Emergency Economic and Social Reunification Support Project	Environmental assessment (OP/BP 4.01) Poverty reduction (OD 4.15) Indigenous peoples (OD 4.20) Forestry policy (OP/BP 4.36) Emergency recovery assistance (OP/BP 8.50) Management of cultural property in Bank-financed projects (OPN 11.03) Project supervision (OP/BP 13.05) Disclosure of information (January 2002)
38. 01/03/2006	Honduras: Land Administration Project	Environmental assessment (OP/BP 4.01) Natural habitats (OP/BP 4.04) Tribal people in Bank-financed projects (OMS 2.34) Indigenous peoples (OD 4.20) Indigenous peoples (OP/BP 4.10) Disclosure of operational information (BP 17.50)
39. 01/06/2006	Romania: Mine Closure and Social Mitigation Project	Environmental assessment (OD 4.01) Project supervision (OD/OP/BP 13.05) Disclosure of information (January 2002)
40. 04/27/2006	Nigeria: West African Gas Pipeline Project	Environmental assessment (OP/BP 4.01) Involuntary resettlement (OP/BP 4.12) Poverty reduction (OD 4.15) Economic evaluation of investment operations (OP/BP 10.04) Project supervision (OP/BP 13.05) Disclosure of information (January 2002)
41. 07/10/2006	Brazil: Paraná Biodiversity Project	Environmental assessment (OP/BP 4.01) Natural habitats (OP/BP 4.04) Forestry policy–1993 (OP/BP 4.36) Project supervision (OP/BP 13.05)
42. 08/28/2006	Argentina: Santa Fe Infrastructure Project and Provincial Road Infrastructure Project	Environmental assessment (OP/BP 4.01) Involuntary resettlement (OP/BP 4.12) Disclosure of information (January 2002)
43. 09/21/2006	Argentina: Santa Fe Infrastructure Project and Provincial Road Infrastructure Project	Environmental assessment (OP/BP 4.01) Involuntary resettlement (OP/BP 4.12)

continued

DATE REQUEST RECEIVED	REQUEST	POLICIES AND PROCEDURES RAISED IN THE REQUEST FOR INSPECTION
44. 03/05/2007	Uganda: Private Power Generation Project	Environmental assessment (OP/BP 4.01) Natural habitats (OP/BP 4.04) Environmental action plans (OP 4.02) Water resource management (OP 4.07) Indigenous peoples (OP/BP 4.10) Physical cultural resources (OP/BP 4.11) Involuntary resettlement (OP/BP 4.12) Safety of dams (OP 4.37) Projects on international waterways (OP/BP 7.50) Economic evaluation of investment operations (OP/BP 10.04) Poverty reduction (OP 1.00) Disclosure of information (January 2002)
45. 03/07/2007	India: Uttaranchal Decentralized Watershed Development Project	Environmental assessment (OP/BP 4.01) Natural habitats (OP/BP 4.04) Poverty reduction (OD 4.15) Forests policy (OP/BP 4.36) Project supervision (OP/BP 13.05)
46. 04/30/2007	Albania: Power Sector Generation and Restructuring Project	Project appraisal (OMS 2.20) Environmental assessment (OP/BP 4.01) Natural habitats (OP/BP 4.04) Involuntary resettlement (OP/BP 4.12) Economic evaluation of investment operations (OP/BP 10.04) Management of cultural property in Bank-financed projects (OPN 11.03) Project supervision (OP/BP 13.05)
47. 07/30/2007	Albania: Integrated Coastal Zone Management and Clean-Up Project	Poverty reduction (OP 1.00) Project appraisal (OMS 2.20) Environmental assessment (OP/BP 4.01) Involuntary resettlement (OP/BP 4.12) Project supervision (OP/BP 13.05)
48. 08/13/2007	Albania: Integrated Coastal Zone Management and Clean-Up Project	Project appraisal (OMS 2.20) Environmental assessment (OP/BP 4.01) Management of cultural property in Bank-financed projects (OPN 11.03)
49. 08/16/2007	Ghana: Second Urban Environment Sanitation Project (UESP II)	Project appraisal (OMS 2.20) Environmental assessment (OP/BP 4.01) Involuntary resettlement (OP/BP 4.12)
50. 09/05/2007	Cameroon: Urban Development Project and Second Urban Project (not registered)	Environmental assessment (OD 4.01) Poverty reduction (OD 4.15) Indigenous peoples (OD 4.20) Involuntary resettlement (OD 4.30) Project supervision (OD 13.05) Disclosure of operational information (BP 17.50)
51. 09/13/2007	Argentina: Santa Fe Infrastructure Project and Provincial Road Infrastructure Project	Poverty reduction (OP 1.00) Environmental assessment (OP/BP 4.01) Involuntary resettlement (OP/BP 4.12) Project supervision (OP/BP 13.05) Disclosure of information (January 2002)
52. 10/30/2007	Colombia: Bogotá Urban Services Project	Environmental assessment (OP/BP 4.01) Involuntary resettlement (OP/BP 4.12) Project supervision (OP/BP 13.05)

Source: Inspection Panel

Note: BP = Bank Procedure; IDA = International Development Association; OD = Operational Directive; OMS = Operational Manual Statement; OP = Operational Policy; OPN = Operational Policy Note

FIGURE 2

FIGURE 2: POLICIES MOST OFTEN RAISED IN REQUESTS AS OF JUNE 30, 2008

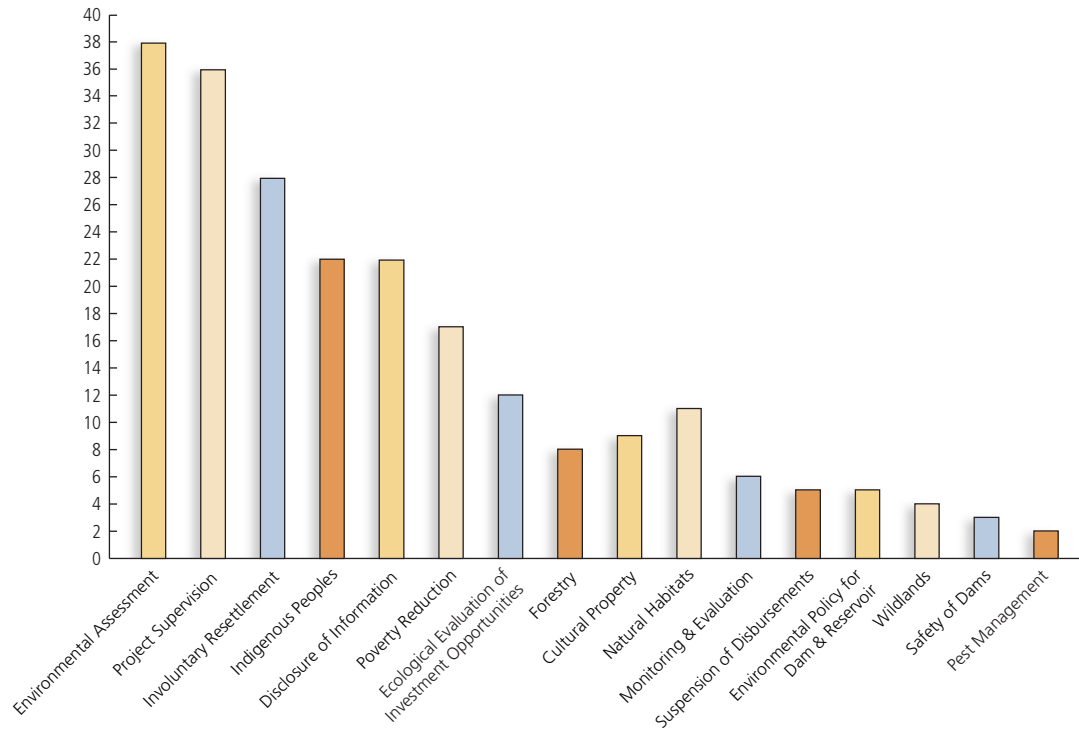


FIGURE 3

FINANCING FOR PROJECTS SUBJECT TO REQUESTS JUNE 30, 2008

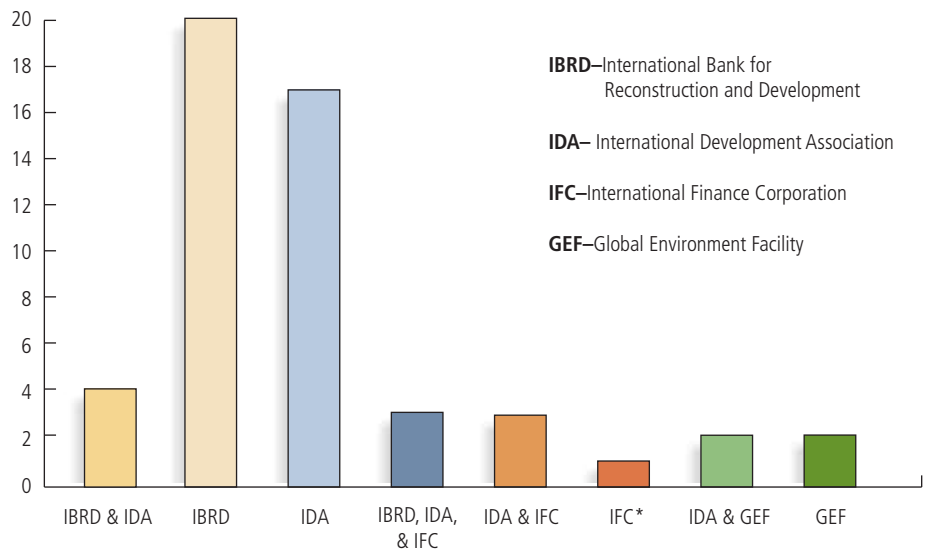


FIGURE 4
PERCENTAGE OF REQUESTS RECEIVED PER REGION
JUNE 30, 2008

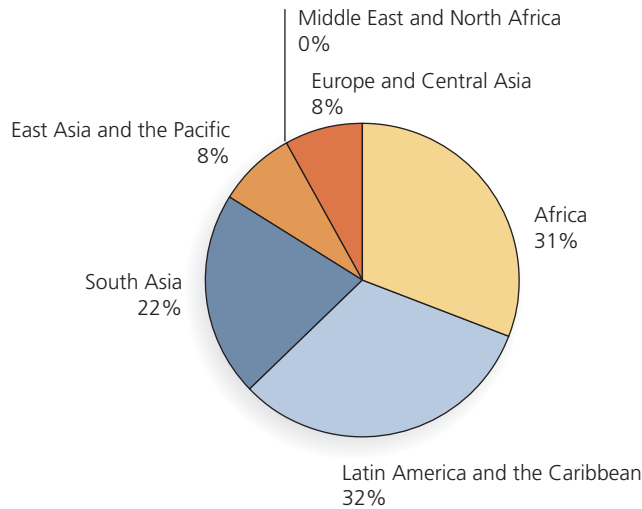
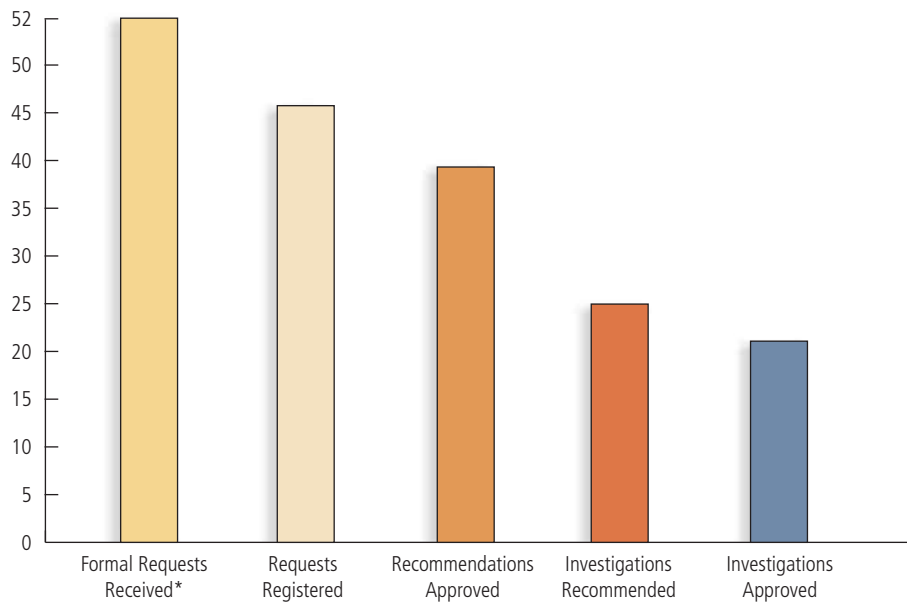


FIGURE 5
PANEL'S REQUEST RECORD
AS OF JUNE 30, 2008

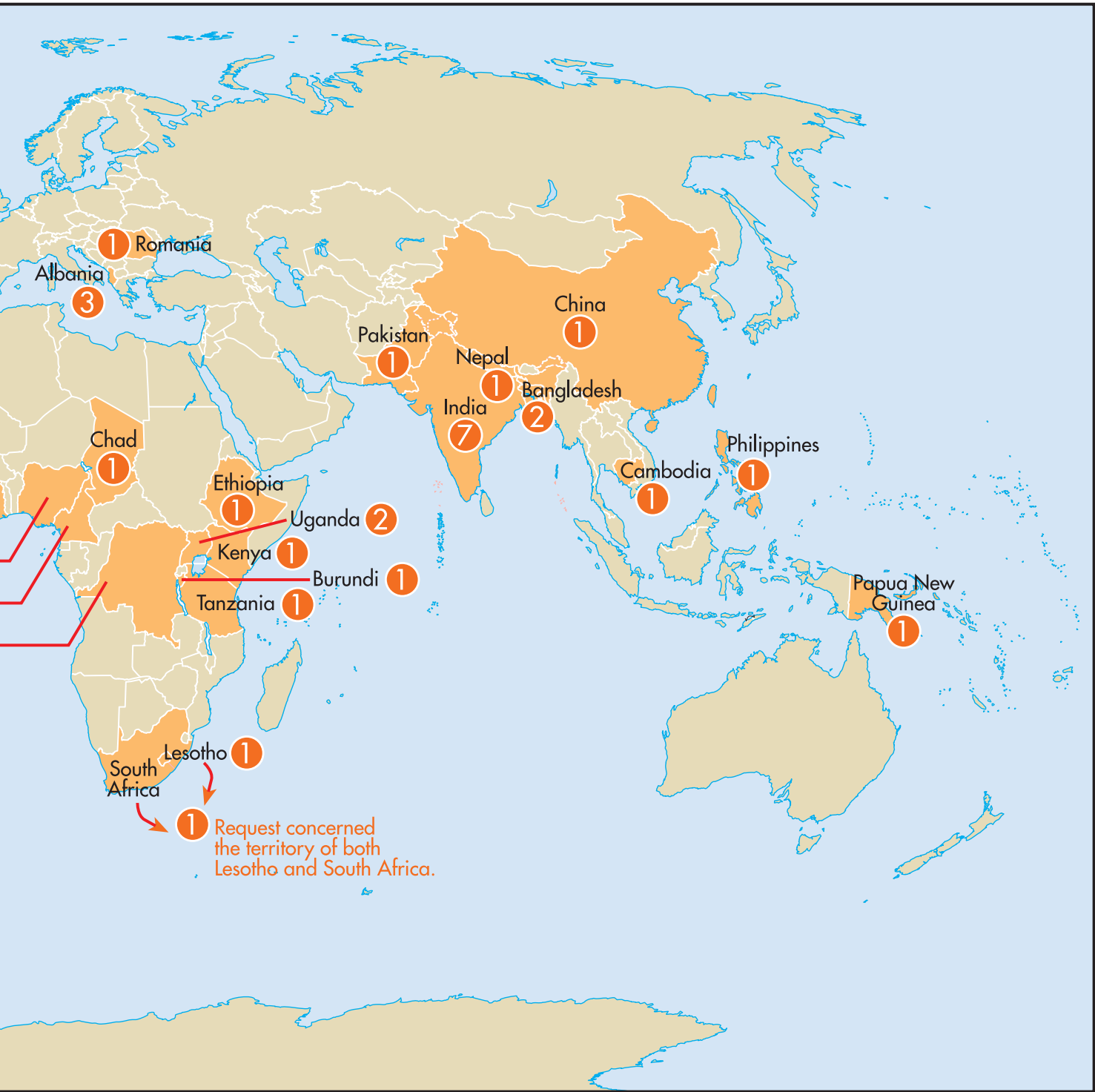


*Since Requests 42 and 43 related to the same Project, the Argentina—Santa Fe Infrastructure Project and Provincial Road Infrastructure Project (Loan No. 7301-AR), they were processed in the same Eligibility timeframe and the Recommendations to both Requests were issued in the same Eligibility Report. Concerning Requests 47 and 48, which related to the same Project, the Albania: Integrated Coastal Zone Management and Clean-Up Project (Credit No. 4083-ALB) they were processed in the same Eligibility timeframe and the Recommendations to both Requests were issued in the same Eligibility Report.

GEOGRAPHICAL DISTRIBUTION OF REQUESTS FOR INSPECTION



JUNE 30, 2008



IBRD 32336R13

ANNEX 8

THE INSPECTION PANEL BUDGET

JULY 1, 2007–JUNE 30, 2008

	(THOUSANDS OF U.S. DOLLARS)
Consultants ^a	830.7
Salaries ^b	1,029.7
Temporaries	54.0
Publications	53.9
Travel	417.1
Benefits	514.8
Communications and IT Services	104.1
Equipment and Building Services	0.2
Representation and Hospitality	3.5
Contractual Services	49.5
Other Expenses	7.7
Office Occupancy	170.3
Total Expenses	3,235.5
Current Budget	3,211.9

Note: Numbers may not add to totals because of rounding.

a. Includes Panel Members' fees

b. Includes Chairperson's Salary

The Inspection Panel 

1818 H Street, NW
Washington, DC 20433 USA

Telephone: 202.458.5200
Facsimile: 202.522.0916
E-mail: ipanel@worldbank.org
Internet: www.inspectionpanel.org



THE WORLD BANK

A free publication

SKU 32112