

THE INSPECTION PANEL

PARTICIPATION AND ACCOUNTABILITY FOR
BETTER DEVELOPMENT OUTCOMES



The Inspection Panel

THE WORLD BANK
IBRD • IDA | WORLD BANK GROUP

Gonzalo Castro de la Mata
Chairman, The Inspection Panel

July 29th, 2015

ORIGINS

- Created by the Board in 1993 to:
 - ✓ Provide opportunity for affected people to complain when Bank projects cause harm to them or their environment, and
 - ✓ Ensure compliance with Bank policies and procedures.
- Independent process and findings.
- First of its kind across IFIs.
 - ✓ Today there are 17 mechanisms.
- Has fact finding, not decision-making role.



OVERVIEW



Reports only to the Board of Executive Directors. Independent from Bank Management

Three Panel Members, appointed for five-year non-renewable term. Small Permanent Secretariat at World Bank

Focus on World Bank as institution. Does not investigate governments or implementing agencies

Requesters must bring their concerns to Management prior to presenting Request

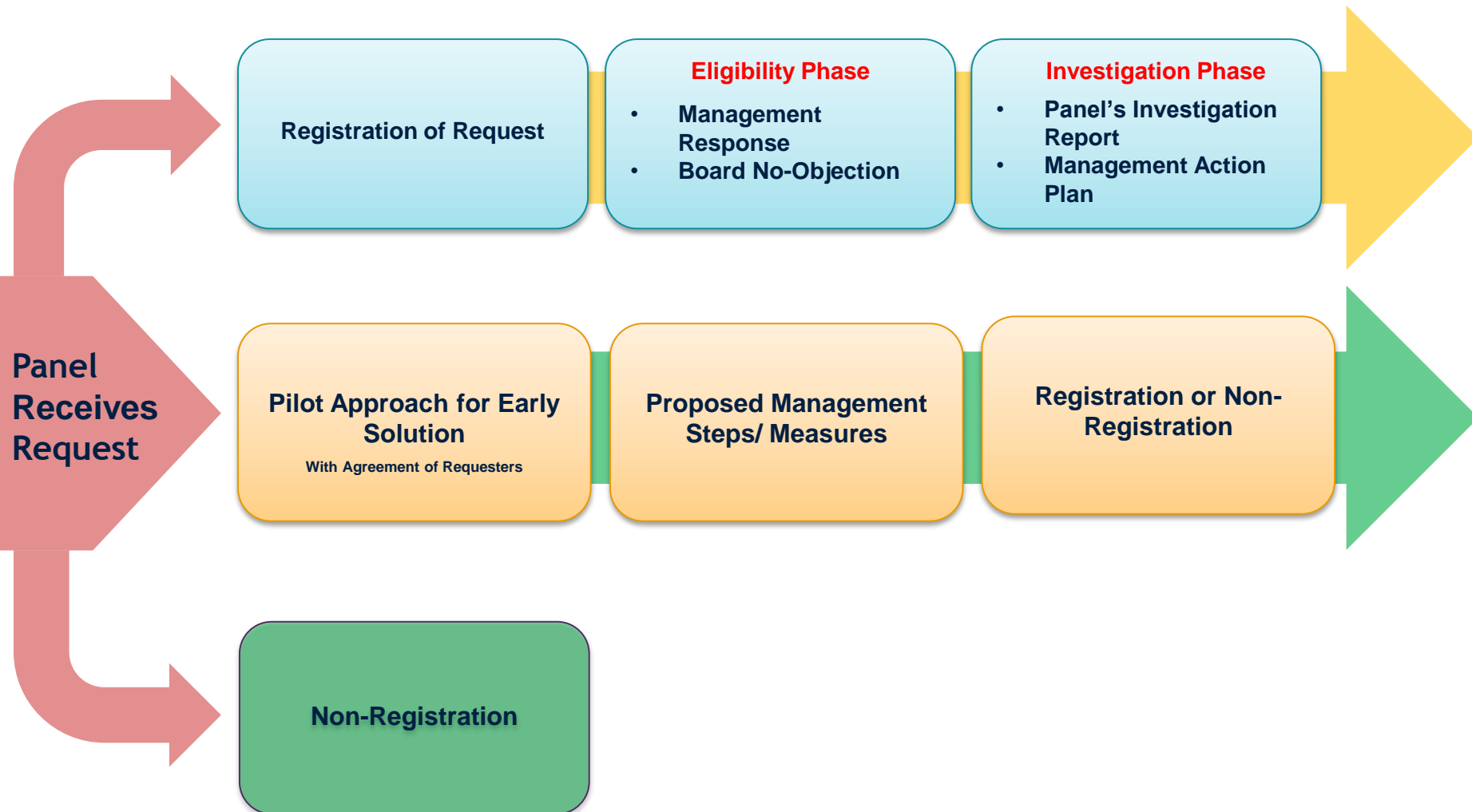
All reports prepared by Panel and Management as part of Panel process are made public

REQUESTERS

- Local community of at least two people or local organization, or representative, on behalf of affected people.
- Foreign organization, on behalf of affected people, in exceptional circumstances, if local representation is not available.
- An Executive Director of the World Bank.



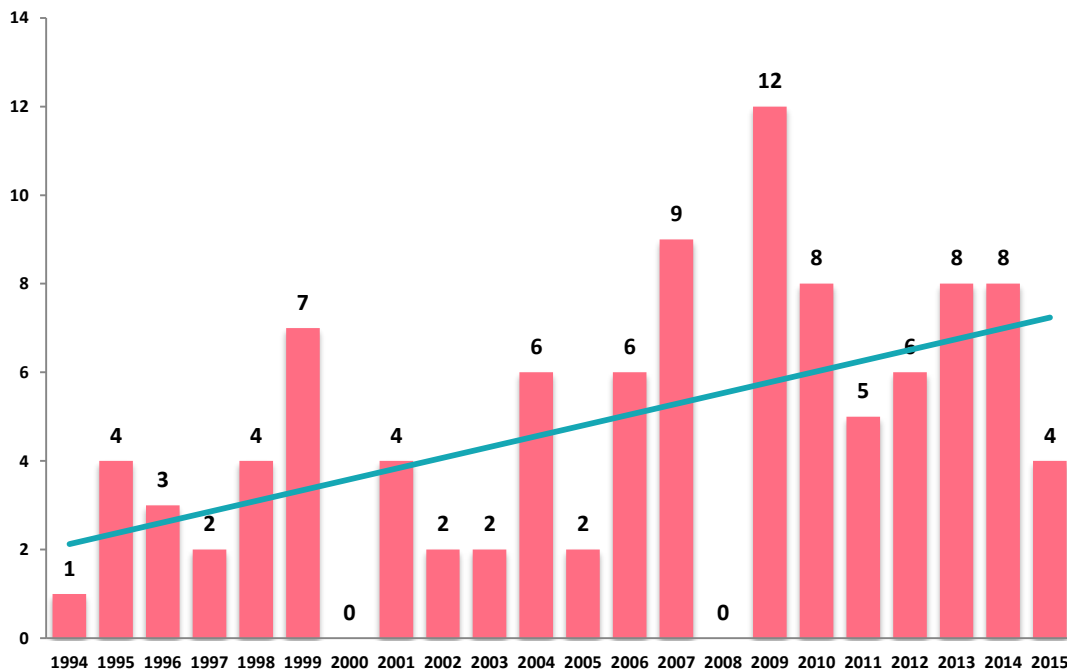
INSPECTION PANEL PROCESS



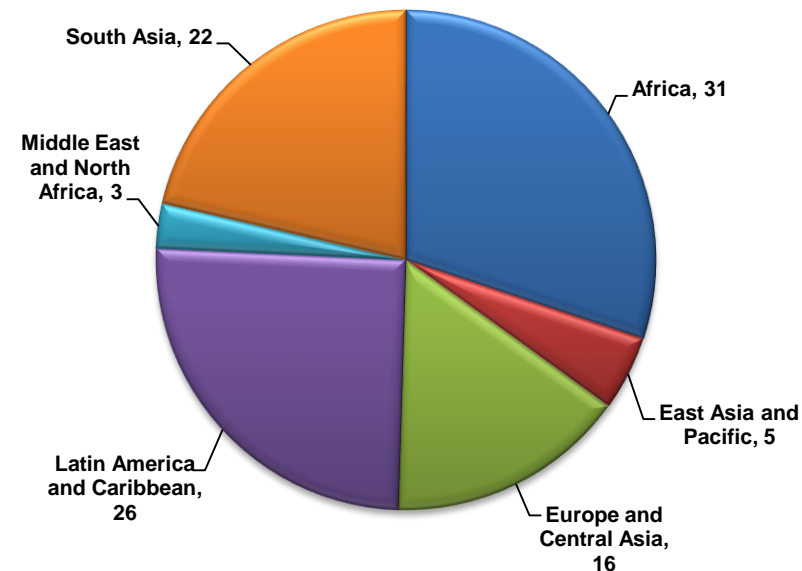
PANEL CASES

103 Requests Received as of July 2015
4 Ongoing Cases

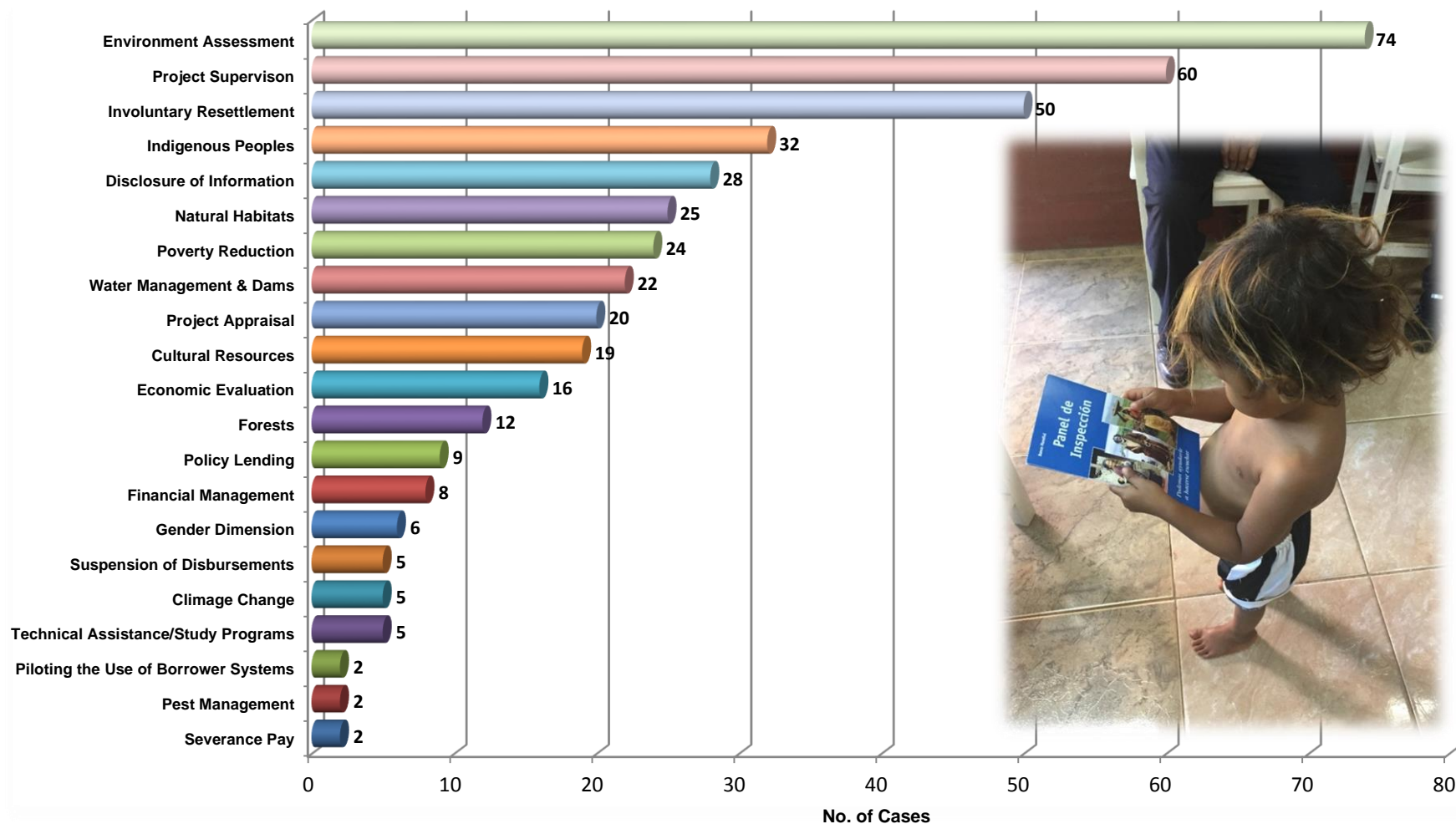
Requests Received per Year



Regional Distribution of Requests



Panel Cases by POLICY AREAS *(As of July 2015)*



HOW DOES THE PANEL DEFINE A POSITIVE OUTCOME OF ITS PROCESS?

1. Redress of Harm

To affected people through a robust “Management Action Plan.”

2. Lessons Learned

- ✓ Policy clarifications,
- ✓ Improved guidance to staff,
- ✓ Strengthened safeguard capacity,
- ✓ Review of broader development issues at Board level (land management and administration, indigenous peoples, consultation, supervision),
- ✓ Highlighting issues at highest political levels and identifying possible solutions beyond the Panel’s mandate

In short, **ensuring** accountability through adherence to policies and reducing harm caused by projects and portfolio.



UZBEKISTAN SECOND RURAL ENTERPRISE SUPPORT PROJECT

1. Summary

- Allegation of project contribution to “Organized Forced and Child Labor.” Projects (ca. US\$108M) provide sub-loans through FIs to agribusinesses in 7 regions.
- Management acknowledged weak Social Assessment. Action Plan:
 - All legal documents adjusted to conform with regulations on forced labor (including ILO),
 - Training materials modified,
 - Third-Party Monitoring across portfolio and GRMs,
 - Scaled up supervision,
 - Enhanced Policy Dialogue.
- Panel delayed recommendation by 12 months for Action Plan to proceed.

2. Results and Challenges

- IPN did not recommend investigation because significant progress with Action Plan including marked reduction of child labor, although TPM not yet in place. Management will update Board in 12 months.



HAITI MINING TECHNICAL ASSISTANCE

1. Summary

- Request alleging support for new Mining Law without consultation, participation, or safeguards.
- Supported by a US\$650,000 grant from the Extractive Industries Technical Advisory Facility (EI-TAF) - Bank-Executed TF (BETF).

2. Results and Challenges

- BETFs comply only with Bank's Performance and Administrative Manuals (not safeguards). Panel could not investigate as there are no policies against to measure compliance.
- “Notice of Non-Registration and Observations Regarding the Policy Framework Applicable to Technical Assistance”:
 - Recognition of credibility of Request,
 - Need to develop mining law adhering to highest social and environmental standards, consultation and participation,
 - Identified Policy Gap for BETFs; Management agreed to review its TA policy with objective of closing policy gap.
- Existence of a Policy Gap, continued civil society campaign using IPN NNR



PARAGUAY PRODERS (SECOND PILOT)

1. Summary

- Indigenous organizations from San Pedro and Caaguazu alleging breakdown in participation in agricultural and rural development Project.
- Management aware of problems and had developed Action Plan.
- Requesters interested in solving the problem, agreed to process under the Pilot approach.

2. Results and Challenges

- Successful implementation of Action Plan, as expressed in writing by Requesters. Panel visited to verify that participation problem resolved.
- IPN enhanced status and visibility of IPs through field visit,
- IPN concludes that Pilot was the proper tool.



NEPAL POWER DEVELOPMENT PROJECT

1. Summary

- 103 families from Sindhuli District alleging problems with resettlement, compensation, livelihood restoration, cultural heritage, health, disclosure, and consultation in relation to transmission line.
- Panel deferred investigation by 5 months to enable implementation of Action Plan. Some progress made, but certain actions remain.
- Panel Investigation Report and Management Report and Recommendation (with Action Plan) submitted and discussed on July 9th.



2. Results and Challenges

- Clear findings, methodologically straightforward.
- Requesters refused to discuss Action Plan with management until IPN Report disclosed.
- Dialogue underway, but risk of violence around location of transmission towers.



RECURRENT ISSUES IN PANEL'S CASES



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The ancient Romans had a tradition: whenever one of their engineers constructed an arch, as the capstone was hoisted into place, the engineer assumed accountability for his work in the most profound way possible: he stood under the arch.

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