

NEWS RELEASE

World Bank Board Approves Action Plan for Uganda Inspection Panel Case

WASHINGTON, November 22, 2016 – The World Bank’s Board of Executive Directors today discussed the Inspection Panel’s investigation of the [Uganda Transport Sector Development Project \(TSDP\)](#) and approved the [Management Action Plan](#) presented in the Management Response. The TSDP’s additional financing included the upgrading and rehabilitation of the 66-kilometer Kamwenge-Fort Portal road and was approved by the Board in December 2011.

The Inspection Panel’s investigation responded to a complaint from the Bigodi and Nyabubale-Nkingo communities living along the road. They expressed concern about serious harm to their children and communities, including many cases of child sexual abuse and teenage pregnancies caused by road workers, an increased presence of sex workers, the spread of HIV/AIDS, sexual harassment of female employees, inadequate resettlement practices, a lack of road safety, and negative construction impacts. The Inspection Panel confirmed the claims, and identified a substantial number of instances of the Bank not complying with its own policies and procedures. The Panel found that Bank management’s oversight was not sufficiently robust, its supervision missions did not result in effective problem-solving, and it was late in recognizing and responding to issues after receiving an initial complaint from the communities in December 2014.

World Bank Group President Jim Yong Kim said, *“The multiple failures we’ve seen in this project – on the part of the World Bank, the government of Uganda, and a government contractor – are unacceptable. It is our obligation to properly supervise all investment projects to ensure that the poor and vulnerable are protected in our work. As a result of this case, we are now undertaking systemic institutional changes in how we respond to violations of our safeguard policies. Since we canceled this project last December, we have taken concrete actions to prevent similar events from occurring in World Bank projects. We have also worked to support the affected communities – particularly the girls and women who suffered from sexual violence. In addition, we recently launched a Global Gender-Based Violence Task Force to strengthen our work in identifying threats and improving approaches to prevent gender-based violence in Bank-financed projects. We are pleased that President Museveni has personally instructed his government to actively support the joint action plan and to address deeply rooted social and governance problems.”*

Panel Chairman Gonzalo Castro de la Mata said, *“The Panel’s investigation has revealed numerous instances of serious and long-lasting harm and suffering to the communities living along the road. These have resulted from management’s failures to implement its own policies, in addition to several systemic failures. Management has acknowledged all of these and proposed a wide-ranging set of actions at the local, national and global levels. The Panel welcomes this comprehensive set of actions, and emphasizes that meaningful redress of the harm requires effective and sustained implementation of the proposed actions, availability of proper resources, deployment of the right skills, ongoing consultations with the affected communities, and continued commitment of many stakeholders over an extended period of time.”*

The World Bank Management’s Action Plan, outlined in its response to the Inspection Panel report, commits to working to support the Government of Uganda in its implementation of a series of measures, including:

- Ensuring delayed resettlement compensation is paid
- Implementing corrective measures for construction defects that have livelihood and safety impacts
- Ensuring the contractor meets its obligations on wages and working conditions
- Strengthening community response to gender-based violence within project communities
- Supporting counseling for child survivors of sexual violence and their families, together with provision of health care support, adolescent sexual and reproductive health services and treatment of sexually transmitted infections, plus support in seeking legal redress.
- Working with the Government to address endemic social issues
- Reviewing environmental and social safeguards implementation in all relevant projects in Uganda

World Bank management will report back to the Board in no later than six months' time on progress in implementation of the Action Plan, and thereafter annually.

The Bank has received a commitment from Ugandan President Yoweri Museveni that priority will be given to ensuring all these measures are fully implemented.

Triggered by the problems that emerged in the TSDP, the Board and Bank management had a separate meeting to discuss in-depth broader [lessons learned](#) and the proposed agenda for action through which the Bank seeks to address internal systemic issues, strengthen oversight of high-risk projects and prevent recurrence of the types of failures that emerged in the TSDP.

This includes strengthening environmental and social provisions for tendering, bidding and contract awarding in Bank-supported operations; issuing new staff guidance to manage risk related to labor influx; further strengthening oversight arrangements and staffing for safeguards; and better tracking and responding to community complaints.

The Board confirmed the Panel's important role in promoting accountability at the Bank and its value in redressing harm to affected communities and providing valuable opportunities for institutional learning in order to prevent problems from recurring.

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