

THE INSPECTION PANEL

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IPN REQUEST RQ99/3

June 18, 1999

NOTICE OF REGISTRATION

Dear Sir:

Re: Request for Inspection – Proposed China Western Poverty Reduction Project

On June 18, 1999, the Inspection Panel (the "Panel") received a Request for Inspection (the "Request") dated June 18, 1999 related to the above-mentioned proposed project. The Project will be carried out in the Gansu and Qinghai Provinces and Inner Mongolia Autonomous Region in China. The project has eight components. The first supports land and household development by providing improved agricultural and livestock technology packages--seeds, fertilizer, insecticides, plastic mulches, breeding/fattening stock; developing forests; and upgrading agricultural and livestock support services. The second component improves irrigation and land by building a new dam, renovating an existing dam, and constructing irrigation and drainage systems. The other six components 1) improve rural roads, build drinking water supply facilities, and extend electric power lines; 2) provide credit to establish non-state owned and household-based rural enterprises; 3) organize and place on a voluntary basis surplus rural laborers in off-farm employment; 4) support voluntary placement of some of the absolute poor living in mountains and local herders and farmers; 5) construct and upgrade basic education and health facilities; and 6) fund institution building and project management.

The Requesters claim that if the project is approved and implemented, it will affect the lives and livelihoods of Tibetan and Mongolian ethnic peoples who will suffer potentially irreversible harm. Specifically, they maintain that the resettlement of the new migrants will directly adversely impact 4,000 local people and will have indirect impacts on the entire county including a serious risk of escalation of ethnic tension and resource conflicts. The Requesters claim that the potential alleged harm is a result of failures or omissions in the preparation and appraisal of the project by Bank staff in violation of the following Bank policies:

- BP 17.50 on Disclosure of Operational Information
- OD 4.01 on Environmental Assessment
- OD 4.20 on Indigenous Peoples
- OD 4.30 on Involuntary Resettlement
- OP 4.09 on Pest Management

The Request was submitted by the International Campaign for Tibet (ICT), an U.S. based non-governmental organization acting on behalf of people who live in the project area. ICT claims that its representational authority "is based on its long-standing involvement in the project area and

its mandate to advocate on behalf of the interests of the Tibetan people. In this capacity, ICT has received letters from inside the project area seeking international assistance in raising concerns about the devastating impacts of this project on local peoples. In addition, the Tibetan Government in Exile and a Tibetan spiritual center in New York have sought ICT's assistance in filing a claim to the World Bank Inspection Panel. Given the location of this project and the situation faced by local people, this claim meets the exceptional circumstances requirement for non-local representation."¹

According to ICT "this project meets the criteria of "exceptional circumstances set forth in the Resolution creating the Inspection Panel, such that non-local representation is permissible."

Pursuant to paragraph 12 of the Resolution that established the Panel ("the Resolution"), foreign representatives may be allowed to act on behalf of affected parties "in the exceptional cases where the party submitting the Request contends that appropriate representation is not locally available and the Executive Directors agree with this contention at the time they consider the Request for Inspection."

I am notifying you that I have on June 18, 1999, which is also the date of the dispatch of this notice, registered this Request in the Inspection Panel Register. Due to the fact that the Panel's "registration" process is often misunderstood, I would like to emphasize that "registration" is an administrative procedure established by the Panel and that it implies no judgment whatsoever concerning the eligibility of the request.

In accordance with paragraph 18 of the Resolution and paragraphs 2 and 8 of the "*Conclusions of the Board's Second Review of the Inspection Panel*", Bank Management is hereby notified that it must provide the Panel no later than July 20, 1999 with written evidence that it has complied, or intends to comply with the relevant policies and procedures in the design and implementation of the above-referenced project. The subject matter the Management must deal with in a response to the Request is set out in paragraph 3 and 4 of the "*Conclusions of the Board's Second Review of the Inspection Panel*."

After receiving the Management response, the Panel will, as provided by paragraph 19 of the Resolution, "determine whether the Request meets the eligibility criteria set out in paragraphs 12 to 14 and shall make a recommendation to the Executive Directors as to whether the matter should be investigated".

The Request has been assigned IPN Request Number RQ99/3.

Sincerely,

Jim MacNeill
Chairman

¹ Each of these elements is further explained in Annex B1 to the Request

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[by hand against confirmation]

cc: The Executive Directors and Alternates
IBRD and IDA