

**Eimi Watanabe
Chairperson**

IPN REQUEST RQ 13/08

October 30, 2013

**MEMORANDUM TO THE EXECUTIVE DIRECTORS OF INTERNATIONAL
DEVELOPMENT ASSOCIATION**

Request for Inspection

Nepal: Enhanced Vocational Education and Training Project (P104015)

Notice of Non-Registration

In accordance with paragraph 17 of the Resolution¹ establishing the Inspection Panel (the “Panel”), I hereby inform you that on September 25, 2013 the Inspection Panel received a Request for Inspection related to the Nepal: Enhanced Vocational Education and Training Project (P104015) (the “Project”). The Request for Inspection is herein attached.

Summary

As described below, the Panel has decided not to register this Request. The principal basis for this decision is two-fold. First, the Panel has determined that the Request does not fully meet certain basic admissibility criteria for registration with regard to the link between the Project and material adverse effects (harm), and informing the Bank Management prior to submission of the Request, as described below. In addition, once informed about the Request, Management took immediate action to meet with the Requesters and proposed steps to address and resolve their concerns; the Requesters have confirmed this to the Panel and further action by the Panel is no longer needed at this stage.

The Request

The Request was submitted by Mr. Sunil Babu Pant, Founder and President of the Blue Diamond Society, a non-governmental organization in Nepal, on behalf of the Lesbian, Gay, Bisexual, Transgender and Intersex (LGBTI) community of Nepal (“the Requesters”).

The Project

The Enhanced Vocational Education and Training Project is a Specific Investment Loan approved by the Board on March 28, 2011. It is a category B project financed through an IDA credit in the amount

¹ The World Bank Inspection Panel, International Bank for Reconstruction and Development and International Development Association, Resolution No. IBRD 93-10 and Resolution No. IDA 93-6, dated September 22, 1993.

of \$29.75 million equivalent and IDA grant in the amount of \$20.25 million equivalent. The Ministry of Education and Sports is responsible for implementing the Project. The Project is scheduled to close in October 2015, and is being restructured.

The Project Development Objective is to expand the supply of skilled and employable labor by increasing access to quality training programs, and by strengthening the technical and vocational education and training system in Nepal.

The Project has four components: (i) strengthening Technical Education and Vocational Training regulatory structures through a results-based mechanism; (ii) strengthening Technical School Leaving Certificate and Diploma level training, (iii) supporting short term training and the certification of prior learning, and (iv) project management, and monitoring and evaluation. The Project, according to its Project Appraisal Document (PAD), has triggered the Environmental Assessment (OP 4.01) and Indigenous Peoples (OP/BP 4.10) policies. Project disbursement on the date of receipt of the Request was 34.16% for the IDA Grant (H6730-NP) and zero % for the IDA Credit 49240-NP.

Concerns raised in the Request

The Request states that the LGBTI community of Nepal will suffer as a result of World Bank's "omissions or failures" related to the Project. The Request alleges that by only inviting men and women to apply for the trainings offered under the Project, the Project discriminates against the LGBTI community who, due to their sexual orientation, prefer to be classified as "other" when a gender option has to be selected. The Requesters believe the LGBTI community will therefore be deterred from applying for the training, and discrimination, marginalization, and a pattern of possible exclusion may result from the Project, thereby possibly hindering the future empowerment of the LGBTI community in Nepal.

The Request states that the World Bank was notified about the concerns, and that the complaint was sent to Bank staff in Washington. The Requesters claim that the complaint was forwarded to the World Bank Nepal Country Office. However, the Requesters had not heard back from the Country Office when they submitted their Request for Inspection.

The Request asks the Inspection Panel to recommend "*to investigate not only this case but a pattern of possible systemic exclusion of LGBTI in the world bank system and its aid program*".²

Panel's Determination

Following the receipt of the Request for Inspection, the Panel reviewed relevant Project documentation, and informed Management of the receipt of the Request. A Panel team, which coincidentally happened to be in Nepal for a mission related to another Request for Inspection, met with staff of the Blue Diamond Society in Kathmandu on September 30. At this meeting, the Panel team explained the Panel process and sought additional information related to the allegations of harm mentioned in the Request and further details about the Requesters' prior efforts to raise their concerns with Management.

The Panel team received clarification during this meeting that because Nepal since 2011 has officially recognized a third gender, namely "other", in addition to male and female, the LGBTI

² The Panel's mandate enables it to undertake an investigation based on a complaint about material adverse effects resulting from Bank's actions and omissions in projects, and it does not review issues encompassing the totality of the Bank's programs or system.

community feels discriminated against if this third gender option is not provided as a selection choice in application forms for training supported by the Project, and that this was the basis of their complaint. The Requesters were not, however, aware of an incident where a member of a LGBTI community had been discriminated against under the Project. The Panel team was also informed that a meeting had taken place on September 29 between Bank Management and the Blue Diamond Society and that Bank Management was initiating action to address the concerns raised in the Request.

On October 15, the Panel met with Bank Management in Washington and at this meeting Management confirmed that the World Bank, Blue Diamond Society, and the Ministry of Education and Sports had met to discuss the concerns raised in the Request, and the Ministry had agreed that subsequent calls for applications related to vocational training delivered under the auspices of the Project will be revised to address Blue Diamond Society's concerns. The Blue Diamond Society subsequently confirmed this development to the Panel.

The Panel notes that the Requesters did not bring out when and how their concerns were brought to the attention of Bank Management to seek a resolution to their concerns, prior to the submission of the Request. However, this is immaterial as Management took immediate action to address their concerns once this became known to them.

In light of the foregoing, including in particular the quick action taken by Management, the Panel is not registering this Request for Inspection.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Eimi Watanabe". The signature is fluid and cursive, written in a professional style.

Eimi Watanabe
Chairperson

Attachment

Mr. Jim Yong Kim, President
International Development Association

The Executive Directors and Alternates
International Development Association

Mr. Sunil Babu Pant
Blue Diamond Society, Nepal