



THE INSPECTION PANEL UPDATE

November 2008

LAUNCH OF THE "UPDATE"

Dear friends and colleagues,

I would like to launch this new Inspection Panel newsletter with a personal note thanking staff for their contribution in making it a reality but also you, the reader, for your interest in the Panel. I hope this Update will be a useful source of information for you to learn about the Panel's work, outreach events and activities, and efforts to promote accountability at the World Bank. We also and especially want to help build awareness that the Panel is available as an independent recourse mechanism for people who believe that they might be harmed by a World Bank-funded project. We plan to issue the Update periodically, and look forward to the opportunity to be in touch and share views. Please send us any suggestions for future editions, and let us know about events and activities that might be of interest to other readers or the Panel.

Sincerely,
Werner Kiene

NEW INSPECTION PANEL MEMBER

The Inspection Panel is pleased to announce the appointment of Mr. Alf Jerve as a new Member of the Panel. Mr. Jerve replaces Mr. Tongroj Onchan, whose term expired on August 31, 2008.



Mr. Jerve, a national of Norway, brings to the Panel close to three decades of work in the field of development. As a Social Anthropologist by training, he has been engaged in a wide range of development activities including extensive field research in Africa and Asia. Among his assignments was a three year posting to Tanzania with the Norwegian Agency for Development

Cooperation as coordinator of a rural development program. From 1993-95 he was responsible for resettlement and rehabilitation issues with projects in Bangladesh during an assignment with the World Bank. In 1995 he became Assistant Director, and served as Director in 2005 and 2006, at the Christian Michelsen Institute in Norway, an internationally recognized development research institution where he has also devoted his energies and expertise to do research and analysis of a wide variety of policy and program issues affecting people in developing countries. Over the years, Mr. Jerve also has led and participated in numerous independent evaluations commissioned by bilateral and multilateral development agencies, and served as a Member of the Roster of Experts for the Asian Development Bank's Inspection Function.

He earned his Magister Degree in Social Anthropology from the University of Bergen and his Bachelor's degree is in areas of Environmental Science and Biology. His publications have focused on rural development, decentralization and poverty reduction and most recently on issues of ownership in development aid cooperation.

Mr. Jerve brings outstanding analytical skills, broad development experience, and indisputable integrity to his new position. The Panel is pleased to welcome him as its newest member.

RE-ELECTION OF THE PANEL CHAIRPERSON

Dr. Werner Kiene was re-elected unanimously to serve another year as Panel Chairperson, beginning on September 1, 2008. Dr. Kiene has been a Member of the Inspection Panel since November 2004.



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The Inspection Panel

The Inspection Panel is an independent vehicle for people who believe they have been, or may be, harmed by a World Bank-funded project. The Panel is designed to promote accountability at the World Bank, and to ensure that the voices of affected people are heard at the Bank's highest decision-making levels.

The Panel process is triggered by Requests for Inspection from affected people. Click [here](#) for a template Request for Inspection.



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REQUESTS FOR INSPECTION

West African Gas Pipeline (WAGP) Project

Earlier this year, the Panel completed an investigation in response to a Request for Inspection from communities in Nigeria relating to a 678 km pipeline to transport natural gas from Nigeria to Benin, Togo, and Ghana. The Request claimed that the project would adversely impact their safety, environment and livelihoods, and that the rights of affected people were not being protected as required by Bank policies.

In its Report, the Panel noted the importance of the Project as a regional initiative in West Africa. The Panel found, however, that Bank Management failed to comply with key safeguard policies, and identified systemic weaknesses in supervision of the Project. Among other things, the Panel found that the Project did not properly arrange for livelihood restoration of vulnerable people who lost assets, and that affected people had been significantly under-compensated for the value of their land. On the critical issue of gas flaring, the Panel observed that some Project documents suggested a greater reduction in flaring than the Project could deliver, leading to expectations on the part of affected people that would not be met. The Panel separately concluded that there was no scientific foundation for the contention that pipeline construction at the coast of Nigeria damaged fishing nets.

The Bank's Board of Executive Directors met on August 5, 2008 to discuss the Panel's Report, and approved Bank Management's Action Plan, which includes:

- Consultations, disclosure, and additional compensation to restore livelihoods to project-affected people
- Community development programs for livelihoods and skills development, targeting the special needs of vulnerable groups
- Grievance procedures, including appointment of an independent civil society monitor to document and witness the payment process for additional compensation to restore livelihoods
- Documenting the lessons learned, disseminating project information to communities in English and Yoruba, and developing a "best practice" tool kit to improve project design and implementation of regional projects.

For more information about this Request, click [here](#). The Panel will travel to Nigeria and Ghana in November 2008, to convey the results of its work and Management's Action Plan to the communities affected by the Project.

UGANDA – BUJAGALI FALLS DAM PROJECT

On September 2, 2008, the Inspection Panel submitted the Investigation Report relating to the [Uganda – Private Power Generation \(Bujagali\) Project](#) to the Board of Executive Directors. The Bank Management Response and Action Plan is expected on November 7, 2008.

Argentina – Santa Fe Road Infrastructure Project

On September 13, 2007, the Panel received a Request for Inspection relating to a World Bank-financed road expansion project in Argentina. The Request came from local people who believe that they will be harmed by the Project due to failures by the Bank to comply with its safeguard policies, particularly on Environmental Assessment and Involuntary Resettlement. The Request claims that the Project design includes excessive expropriation from farms along the road, and will worsen an already existing serious flooding problem in the area. It also claims that disclosure of information and consultations have not been adequate to inform local people about the Project.

Based on discussions with Requesters, the Panel deferred its initial decision on whether to recommend a full investigation in order to give time for new steps proposed by the Bank to address Requesters' concerns. While certain steps were taken, other issues remained unresolved. As a result, the Panel recommended an investigation of the unresolved matters, which was approved by the Board on May 2, 2008, on a non-objection basis. The Investigation is ongoing. For more information about this Request, click [here](#).



OTHER REQUESTS AND INVESTIGATIONS

Further information is available on other recent Requests and Investigations, including on projects in [Albania \(Coastal Zone Management, Thermal Power Plant\)](#), [Ghana, Democratic Republic of Congo, Honduras, Cambodia](#) and [Pakistan](#) (please click on link).



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OUTREACH ACTIVITIES

Panel events during the 2008 World Bank Annual Meeting

In the context of the 2008 World Bank Annual Meeting, on October 9 and 10, 2008, the Inspection Panel held two public events to correspond to gatherings of representatives and members of civil society from around the world.

The **first event** was a seminar on Community-led Accountability in Development Efforts - Practices and Experiences. This event, sponsored by the Inspection Panel, was moderated by its Chair, Mr. Werner Kiene. Speakers included; Mr. Felix Camarasa, World Bank Executive Director, Mr. Roberto Lenton, Member of the Panel, Mr. Peter Lallas, Executive Secretary of the Panel, Mr. Leonardo Crippa, Indian Law Center, and Mr. Robert Chase, World Bank Lead Social Development Specialist.

The **second event** was an open house held in the offices of the Inspection Panel. During this event, representatives and members of civil society had the opportunity to see how the Panel operates and share their own stories and ideas.



Civil Society Seminar on Independent Accountability Mechanisms Community Awareness and Accessibility, Gammarth, Tunisia

On June 26-27, 2008, immediately after the Meeting of Accountability Mechanisms in Tunisia (see above), the Panel participated in a civil society seminar on "*Independent Accountability Mechanisms: Community Awareness and Accessibility*" hosted by the CRMU. The participants included representatives from a number of countries in Africa, from civil society and non-governmental organizations, and from representatives of several accountability mechanisms. The meeting included a sharing of experiences with accountability mechanisms, perspectives from requesters and civil society, and consideration of ways to enhance the accessibility of the mechanisms so that they are better known and available to affected people and communities.

Accountability Mechanisms Fifth Annual Meeting 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, hosted by the Compliance Review Mechanism (CRMU) of the African Development Bank near its Headquarters in Tunis, Tunisia. The meeting 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, Export Development Canada, Nippon Export and Investment Insurance, North American Commission for Environmental Cooperation, 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 issues and challenges for the future. On the opening day, Panel Chairperson Werner Kiene delivered remarks on experiences in the investigation of co-financed projects, and on day two Panel Member Tongroj Onchan and Executive Secretary Peter Lallas moderated a discussion on country systems and accountability mechanisms.



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FREQUENTLY ASKED QUESTIONS

Q. What is the Inspection Panel?

A. The Inspection Panel is an independent vehicle for people who believe that they have been, or are likely to be, harmed by World Bank-funded projects to bring their concerns directly to the Bank's Board of Executive Directors. The Board created the Panel in 1993 to promote accountability at the Bank and to ensure that the voices of people who may be adversely affected by Bank-financed projects will be heard.

The Panel carries out this mandate through its work as an impartial fact-finding body, independent of Bank Management. In response to requests by affected people, the Panel has the power to review Bank-funded projects and determine whether Management is following its own operational policies and procedures. These policies and procedures are designed to ensure that Bank-financed projects provide social and economic benefits, and avoid harm to people or the environment.

The Panel is composed of three members of different nationalities who serve five-year terms. Members of the Panel are selected based on their ability to deal thoroughly and fairly with requests brought to them, their integrity and their independence from Bank's Management, and their exposure to developmental issues and to living conditions in developing countries. Members of the Panel may not be employed by the Bank Group, following the end of their service on the Panel.

Q. For which kinds of projects can affected people or an affected community submit a Request for Inspection to the Panel?

A. Requests can be submitted with regard to any project or program financed at least in part by the International Bank for Reconstruction and Development (IBRD) or International Development Association (IDA). This means that a Request may relate to projects such as:

- Projects financed by an investment loan or credit, such as infrastructure projects (roads, dams, pipelines etc), natural resource management (e.g. forestry) and rural development (e.g. land tenure).
- Programs funded through development policy lending (formerly known as structural adjustment operations), such as economic, sector, legal and/or regulatory reforms (e.g. public reform, land administration programs, etc.).
- Projects financed through a trust fund administered by the Bank, e.g. Global Environmental Facility-funded projects;
- Project/programs for which IBRD or IDA has provided only a guarantee, (not actual loan/credit).
- Projects/programs co-financed with other International Financial Institutions (IFIs).

Q. For which types of potential harm and impacts can a Request for Inspection be submitted to the Panel?

A. The Panel has the authority to investigate many different types of harm or potential harm to people or the environment that result from a failure by the World Bank to comply with its operational policies and procedures. These can include harms or potential harms to: people and livelihoods resulting from displacement and resettlement (e.g., by a dam, road, pipeline, landfill, or other infrastructure project); indigenous peoples, their culture, traditions, lands tenure and development rights; cultural property, including sacred places; natural habitats and the environment (e.g., wetlands, forests, fisheries, protected areas, etc.); dam safety; pesticides; etc...

Q. Can the Request be submitted in languages other than English?

A. Yes. A Request can be submitted in any language. For working purposes, the Panel will translate the Request into English.

Q. Does the Request need to be in writing?

A. Yes. The Request must be in writing with original signatures. Any other document, such as correspondence and attachments to the Request, may be sent electronically.