



The Inspection Panel

Lessons from Panel Cases:

**Inspection Panel
perspectives**

CODE seminar October 22, 2012

Introduction

- What lessons of relevance for the Bank's modernization agenda?
 - investment in practical knowledge to improve delivery - “science of delivery”
 - focus on the poor and vulnerable – inclusive development
 - emphasis on results - solutions

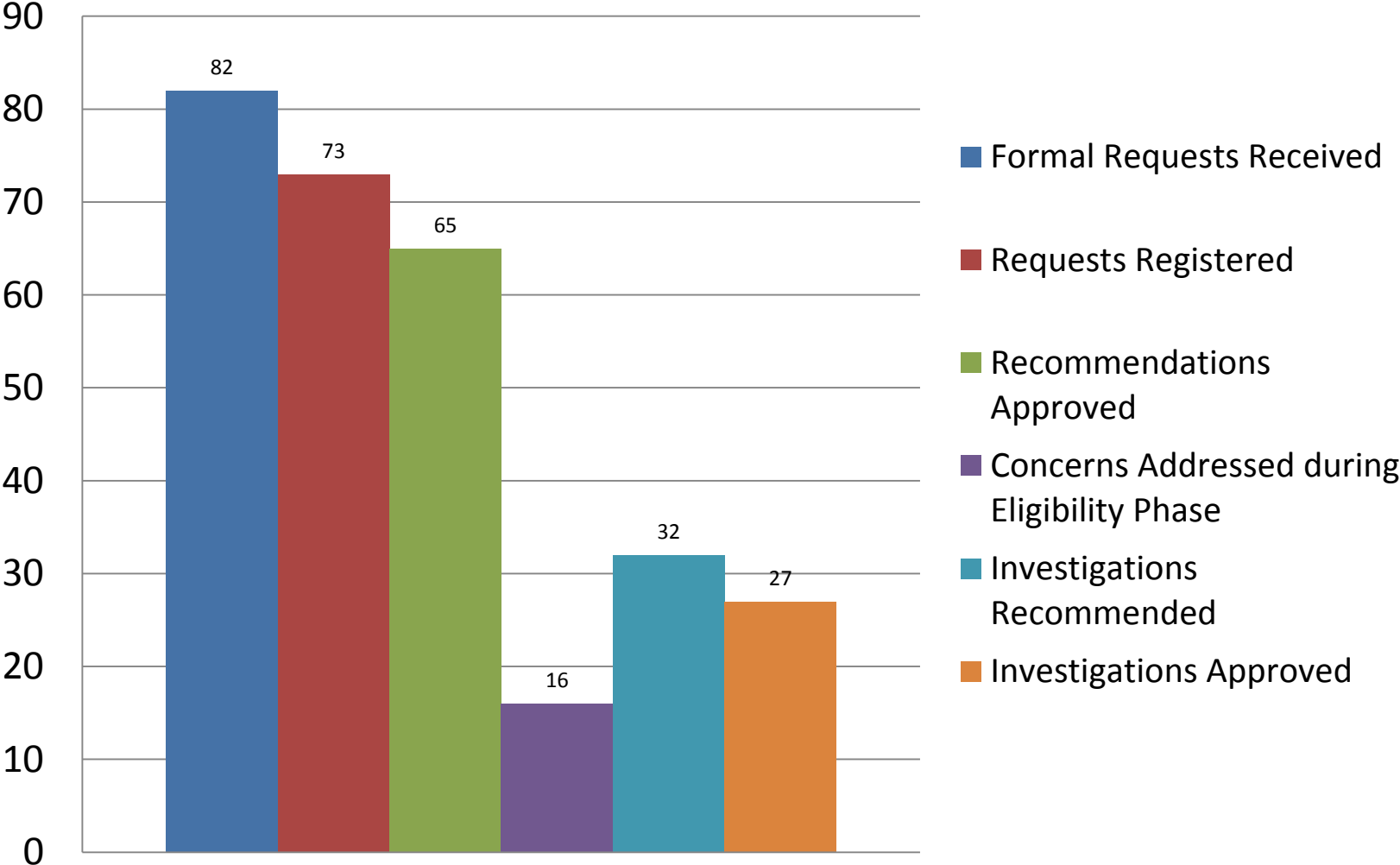
Panel experience highlights

- Importance of safeguards for development outcomes and tackling poverty
 - Panel provides incentive to apply safeguards
 - Generates lessons on policy application and compliance in important areas
- Importance of access to recourse – citizen-driven accountability
 - Effective access to recourse enables risk-taking; risks not transferred to the most vulnerable
 - Opportunity for problem solving and redress

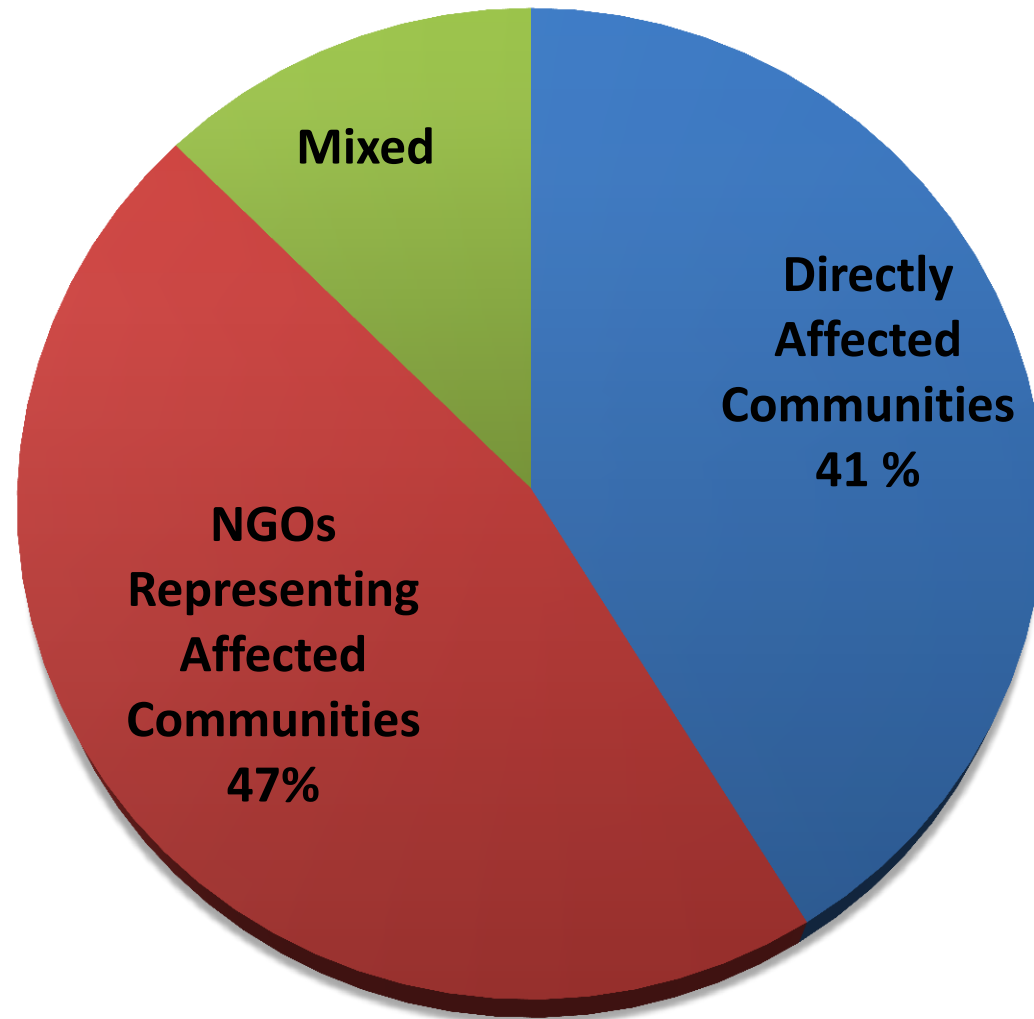
A few words on the «sample»

- Limited number: 82 – 27
- Great diversity: requesters as well as issues of compliance and harm
- Tip of an iceberg or isolated incidences?
- Panel cases triggered by citizen complaints – not an evaluation **but:**
 - Trends over time point at systemic issues that warrant attention:
 - Individual cases illustrate problems as well as solutions

Requests Received As of October 2012



Distribution of Requesters (as of October 2012)

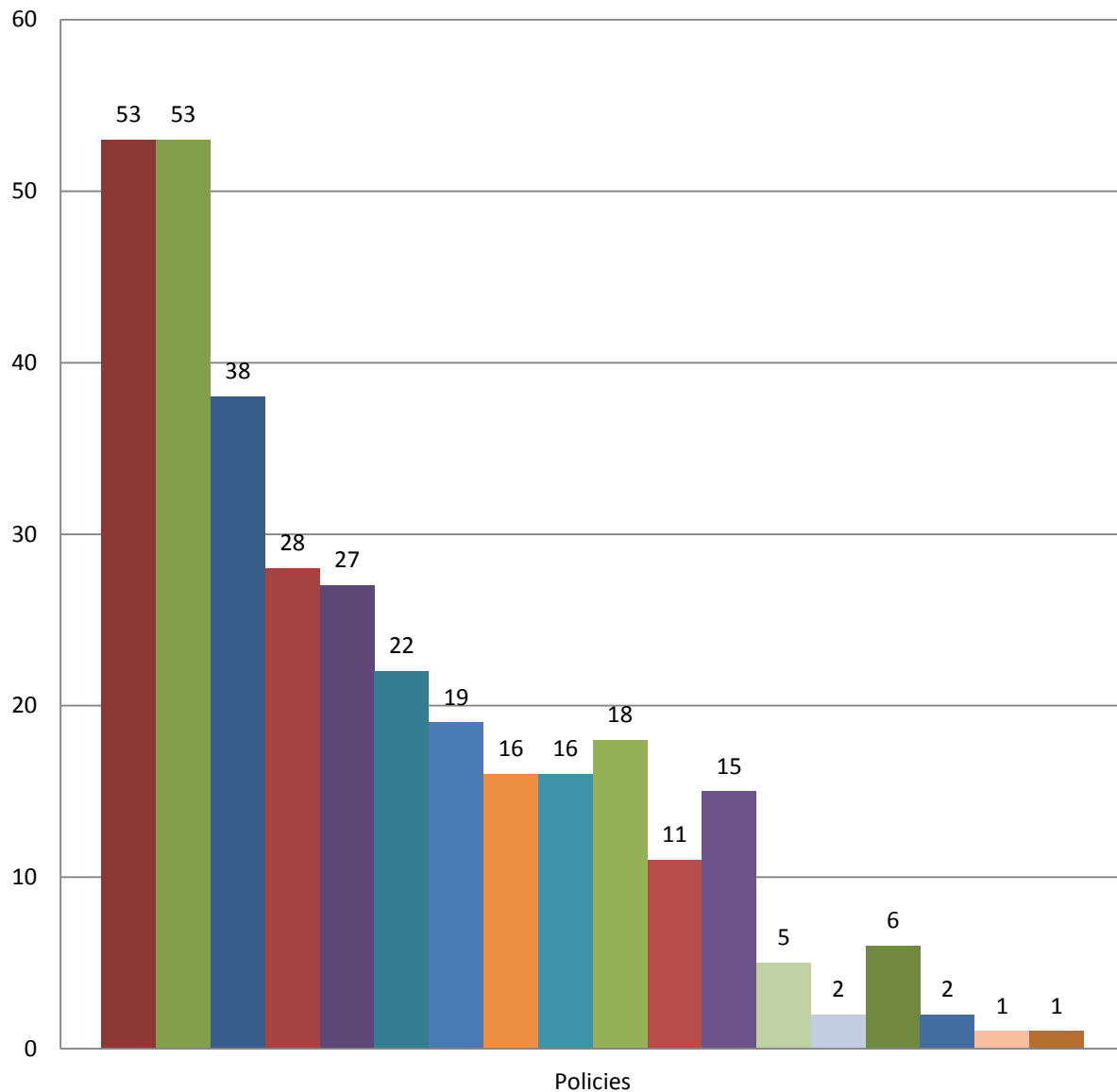


Mixed: The Request was made by an NGO on behalf of some of the affected community. Community members without representation were also part of the Request.

NGOs Representing Affected Communities: The Request was made by an NGO on behalf of the affected community.

Directly Affected Communities: The Request was brought directly by members of the affected community .

Policy-Related Issues Most Often Raised in Requests As of October 2012



- Project supervision
- Environmental assessment
- Involuntary resettlement
- Indigenous peoples
- Disclosure of Information
- Poverty reduction
- Natural habitats
- Economic evaluation
- Cultural resources
- Water management & dams
- Forests
- Project appraisal
- Suspension of disbursements
- Financial management
- Policy lending
- Severance pay
- Gender dimensions
- Piloting the Use of Borrower Systems

Lessons on policy application and compliance

- Two broad themes of relevance for the Bank's modernization agenda where Panel cases have provided relevant systemic lessons
 - On best practice in ***risk management***:
Defining scope during assessment
Responding when risks materialize
 - On application of ***safeguards standards***:
Panel findings on compliance in specific cases

Four issues that warrant attention

- On defining the scope of risk assessment: determining **area of influence** of project
- On obligations and approach in **supervision**: how to respond when risks materialize
- On **consultation**: when “meaningful”
- On **land management**: a policy gap?

On area of influence:
Policy provisions

«Project area of influence: The area likely to be affected by the project, including all its ancillary aspects ... as well as unplanned developments induced by the project ...»

On area of influence: *Panel findings*

- Scope of EIA too narrowly defined:
 - Part of affected people and affected areas overlooked
- Inadequate identification of “induced” impacts:
 - Road embankment causing flooding
 - Change in traffic flow
- Lack of clear definition of associated facility/activity
- Inadequate identification of impacts of religious, ceremonial or customary nature
 - Need for broader consultation

On supervision of safeguards issues:

Policy provisions

« ... identify problems promptly as they arise during implementation and recommend to borrower ways to resolve them ...»

On supervision of safeguards issues: Panel findings

- Lack of follow-up on pre-identified problems
- Inattention to warning signs
- Lack of resources for supervision
- Composition of supervision missions: too few social specialists
- Supervision from a distance: lack of field presence

On consultation: *Policy provisions*

Access to information

- *Timeliness and comprehension of information*

Cultural resources, Forests, Natural Habitats

- *Participatory information collection*

Environmental impact assessment

- *Views to be taken into account*

Involuntary resettlement

- *Consultation on alternatives. Active participation in resettlement*

Indigenous peoples

- *Free, prior, informed consultation. Broad community support*

On consultation: *Panel findings*

- Certain groups not included
- Traditional leaders overlooked
- Inadequate sharing of information – language
- Outcome of consultations poorly documented and not reported back («taking views into account»)

On land management projects:

Policy provisions

- A policy gap? How to address consequences for people's livelihoods from changes in rights to land and land based resources
- Clarification that Involuntary resettlement policy does **not** apply
 - Guidance Note on Land Use Planning issued

On land management projects:

Panel findings

- Risk assessment: Analysis in general comprehensive
 - Impacts of titling/land regulations on people with collective tenure rights need more attention
- Risk management: Vague strategies for how to respond
 - Greater attention to changing social, political, institutional and legal circumstances needed

Lessons on access to recourse - redress

- Giving people a voice – empowerment:
“jump starts” problem solving
- Grievances of affected people addressed
through Management and Borrower actions:
at different stages of the process

Examples of redress

Examples of actions after investigation	
Philippines: Manila Sewerage project	Project component objected by the Requesters cancelled
Argentina: Santa Fe road project	Road design changes to avoid flooding in the area
India: Mumbai urban transport project	Increased compensation for middle income shop owners and establishment of a project level grievance redress mechanism
Congo (DRC): Forestry project	Recognition of Pygmy groups as Indigenous People and inclusion of pygmy representatives in review of logging concessions
Nigeria: West Africa Gas Pipeline	Re-evaluation of all assets listed in resettlement documents, leading to significant enhanced compensation and increased investment in community development
Uganda: Bujagali hydropower	Better solutions in respect of cultural and spiritual rights of the Busoga

Examples of redress

Examples of actions earlier in the Panel process – cases without investigation

Congo (DRC): Restructuring of parastatals	Recognition of delays in payment of retrenchment packages and of amounts outstanding. Establishment of a process to mediate.
Yemen: Institutional reform program	Translation of Program document into Arabic and establishment of processes to enhance consultation with CSOs on regular basis and on relevant topics
Kazakhstan: Road project	Revised road design to take into account affected communities' concerns. Recognition of additional compensation where due. Improvement in grievance mechanism. Improvement in consultation processes during the EIA for sections of the road still under design
Chile: Quilleco hydropower	Increased consultation with affected communities on access to water

Examples of cases where requesters were not pleased with outcome – i.e. no investigation

Liberia: Forestry project	Requesters claim that Bank played a key role in design of forest concession policy which resulted in adverse impacts on communities
Kenya: Electrification project	Requesters claim Bank has to share responsibility for illegal siting of substation

Moving forward

- Changes within Bank and outside require some adaptations in the way the Panel process functions
- Current dialogue with Management:
 - How to make the process less adversarial and more solutions oriented
 - How best to contribute to institutional learning
- Strengthen dialogue with the Board and CODE – e.g. through this type of seminar
- Drawing on emerging lessons globally from citizen-driven accountability mechanisms of international development agencies
 - Hosting 2013 meeting of IAMs in Washington