

RAMANIE KUNANAYAGAM Chairperson The Inspection Panel

> IPN REQUEST RQ 21/01 June 5, 2023

#### **Request for Inspection**

# **Uganda: Second Kampala Institutional and Infrastructure Development Project** (KIIDP-2) (P133590)

#### **Closing Memorandum**

#### The Request

On June 17, 2021, the Inspection Panel received a Request for Inspection (the "Request") of the Second Kampala Institutional and Infrastructure Development Project (KIIDP-2) (the "Project") in Uganda. The Request was submitted by Witness Radio Uganda, a non-profit and non-partisan registered advocacy organization for the protection and promotion of human rights in development, on behalf of 24 community members and representatives living in the project area in Kampala (the "Requesters"). The Requesters asked the Panel to keep their identities confidential and authorized Witness Radio Uganda to represent them during the Panel process. Accountability Counsel, a legal non-profit organization that supports communities around the world to protect their human rights and environment, also supports this Request. The Panel further received seven signatures of local council leaders supporting the Request.

The Requesters raised concern about works on the Lubigi Primary Drainage Channel financed under KIIDP-2. They alleged that some community members were evicted, and others were later part of a rushed, coercive and threatening resettlement process that did not follow due process. The Requesters also raised several concerns related to impact from the First Kampala Institutional and Infrastructure Development Project (KIIDP-1). According to the Requesters, community members had been informed that anything left unaddressed would be resolved under KIIDP-2, but they claimed that this did not happen.

#### The Panel Process and the Referral to Dispute Resolution

The Panel registered the Request on July 26, 2021, and received Management's response to the issues raised in the Request on August 24, 2021. On October 4, 2021, the Panel recommended an investigation into the alleged issues of harm and related non-compliance. The Panel noted that the Requesters and the Request for Inspection met the technical eligibility criteria set forth in the Panel Resolution, including the plausible link between the alleged harm and the Project, and that the Request raised important issues of alleged harm and policy non-compliance.

On October 20, 2021, the Board approved the Panel's recommendation to investigate. Following Board approval, the Accountability Mechanism Secretary (AMS) offered the opportunity for dispute resolution to the Borrower and the Requesters (the "Parties").

### **The Dispute Resolution Process**

On December 2, 2021, the AMS informed the Executive Directors, the Inspection Panel, and Bank Management that the parties voluntarily agreed to pursue dispute resolution. The Panel thus held its compliance process in abeyance until conclusion of the dispute resolution process in accordance with the Inspection Panel and Accountability Mechanism Resolution. On December 2, 2022, the AMS informed the Executive Directors, the Inspection Panel, and Bank Management that with the agreement of both Parties, the AMS extended the dispute resolution process, for an additional period of up to six months.

On May 31, 2023, the AMS issued a Notice of Dispute Resolution Agreement stating that the dispute resolution process concluded on May 31, 2023, with a signed dispute resolution agreement. According to the Notice, the signatories have stated that the agreement is reached in full and final settlement of their dispute. It added that the signatories agreed to keep the details of the settlement confidential.

The Notice annexes an Outcome Report, which states that 15 elected community representatives and more than 100 other community members signed the final agreement.

## **Closing of the Case**

As per paragraph 33(b) of the Panel Resolution, which states that "[i]f the AMS informs the Executive Directors that the Parties have reached agreement and signed a Dispute Resolution Agreement, the case shall be considered closed", the Panel is issuing this memorandum closing the case and takes no further action with respect to the Request.

Yours Sincerely,

Ramanie Kunanayagam Chairperson

The Executive Directors and Alternates International Development Association

Mr. Ajay Banga, President International Development Association

Requesters (confidential)