

Orsolya Szekely Accountability Mechanism SecretaryWorld Bank The World Bank

April 12, 2022

Case No. 21/04/DRS

NOTICE OF AGREEMENT TO PURSUE DISPUTE RESOLUTION

Nepal: Nepal-India Electricity Transmission and Trade Project (P115767) and its Additional Financing (P132631) (NIETTP)

- 1. On March 3, 2022, the Board of Executive Directors approved an Inspection Panel recommendation to investigate the Nepal-India Electricity Transmission and Trade Project (P115767) and its Additional Financing (P132631) (NIETTP) in Nepal.
- 2. On March 6, 2022, I wrote to the Parties in this case, offering the opportunity for dispute resolution, pursuant to paragraph 11(a) of Resolution No. IBRD 2020-0005/Resolution No. IDA 2020-0004 (the "AM Resolution") and paragraph 30 of Resolution No. IBRD 2020-0004/Resolution No. IDA 2020-0003 (the "Panel Resolution").
- 3. To facilitate the Parties' ability to make an informed decision, as AM Secretary, acting as head of the Dispute Resolution Service (DRS), I led a DRS team on a mission to Nepal to meet with the Parties from March 21 to March 26, 2022, in accordance with paragraph 7 of the DRS Interim Operating Procedures.
- 4. Pursuant to paragraph 11(b) of the AM Resolution and paragraph 31 of the Panel Resolution, I hereby inform the Executive Directors, the Inspection Panel and World Bank Management that the Parties voluntarily agree to pursue dispute resolution.
- 5. Pursuant to paragraph 12(a) of the AM Resolution, I hereby convene the dispute resolution process and the Inspection Panel shall hold its investigation in abeyance as set forth in paragraph 32 of the Panel Resolution. The process will be facilitated by the DRS in order to reach a mutually agreed solution between the Parties. Pursuant to paragraph 12(e) of the AM Resolution, at any stage in the process the Parties will have an opportunity to agree whether Bank Management may be present as observers.
- 6. Pursuant to paragraph 12(g) of the AM Resolution, the maximum length of the dispute resolution process is one year from the date of this notification, April 12, 2022. If both Parties agree, the process may be extended for up to an additional six months.

7. This matter has been assigned Case Number 21/04/DRS.

Yours sincerely,

Orsolya Szekely

The Executive Directors and Alternates International Development Association

Mr. David Malpass President, International Development Association

Ms. Ramanie Kunanayagam Chair, The World Bank Inspection Panel

Mr. Edward Mountfield Vice President, OPSVP