

December 11, 2023

Case No. 23/03/DRS

NOTICE– NO AGREEMENT TO PURSUE DISPUTE RESOLUTION

Tanzania: Resilient Natural Resource Management for Tourism and Growth Project (P150523)

1. In the context of the Accountability Mechanism process (“AM process”), on November 15, 2023, the World Bank Board of Directors approved an Inspection Panel recommendation to investigate the *Tanzania Resilient Natural Resource Management for Tourism and Growth Project* (P150523) in response to a Request for Inspection that was submitted regarding the project.
2. On November 16, 2023, the Accountability Mechanism Secretary (AM Secretary) 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, the AM Secretary offers to meet with each Party, in accordance with paragraph 11 of the AM Operating Procedures. The AM Secretary is designated by the Board to offer the option of dispute resolution with an emphasis on this choice being entirely the decision of the Parties.
4. The Government of Tanzania registered its willingness to accept the offer of the AM Secretary and engage in dispute resolution and requested this to be noted. The Requesters opted to proceed directly to an investigation. Pursuant to paragraph 11(b) of the AM Resolution and paragraph 31 of the Panel Resolution, the AM Secretary hereby informs the Executive Directors, the Inspection Panel and World Bank Management that there is no agreement from both Parties to enter dispute resolution. In accordance with paragraph 11(b) of the AM Resolution and paragraph 33(a) of the Panel Resolution, following this notification the Inspection Panel will now commence its investigation.

Context

5. As per the Resolutions, the AM Secretary offers the Requesters and the Borrower the option of dispute resolution after the Board has authorized a compliance investigation upon recommendation of the Inspection Panel. When the AM Secretary offers the Parties dispute resolution, the Dispute Resolution Service (“DRS”) facilitates an informed decision-making process regarding this option. According to the AM process, the Inspection Panel eligibility recommendation (“Report and Recommendation”) identifies eligible issues for both compliance and dispute resolution options. To facilitate effective decision-making, the DRS relies on establishing and maintaining communication and trust with the Parties directly. Due to the specificities of this case the AM Secretary’s offer to meet was also extended to the Requesters’ advisor and special measures were taken into consideration to protect the identities of the requesters, and to ensure safe spaces for potential meetings. The AM Secretary recalls the AM-wide policy on threats and reprisals and encourages the creation of safe spaces for the AM process, in either option offered, and finding solutions to problems.

6. As stated in the AM Operating Procedures, the Accountability Mechanism recognizes that local communities and vulnerable groups may benefit or be harmed by a project and seeks to work directly with the Requesters and project-affected people. In a DR process, including the DR-decision phase, the Parties make their own decisions and are encouraged to participate directly. In this case, as described in the Report and Recommendation, the alleged impact is upon several communities.
7. On November 16, the AM Secretary made a formal offer to the Parties through email. In response to her email, the requesters supported by their advisers told the AM Secretary that they do not wish to receive any further information and they do not wish to pursue dispute resolution. The AM Secretary asked for this to be confirmed in a letter signed by both requesters, which was duly received on November 23.
8. The AM Secretary also communicates directly with the Borrower, who becomes a party in the AM process with the DR offer. After receiving initial information about the process, the Government of Tanzania indicated its intention to respond through the appropriate channels. On December 11, the AM Secretary was informed in writing that the Government of Tanzania would have wished to pursue dispute resolution however it understands that the other party does not and remains ready to be guided on the next step/s available to resolve this matter.
9. In all cases, and following the AM operating procedures, the AM Secretary informs the Board of the Parties' decision at the earliest possible opportunity and within the 30-working day period.

Yours sincerely,



Orsolya Szekely
Accountability Mechanism Secretary

The Executive Directors and Alternates
International Development Association

Mr. Ajay Banga
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Ms. Ramanie Kunanayagam
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