INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT INTERNATIONAL DEVELOPMENT ASSOCIATION

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IPN REQUEST RQ99/1

January 8, 1999

NOTICE OF REGISTRATION

Re: Request for Inspection – BRAZIL: Land Reform and Poverty Alleviation Pilot Project (Loan No. 4147BR)

The Inspection Panel (the "Panel") received on December 14, 1998 a Request for Inspection (the "Request") dated December 10, 1998 signed by the Fórum Nacional Pela Reforma Agrária e Pela Justiça No Campo (The National Forum for Agrarian Reform and Justice in Rural Areas), ("the Forum"), and signed by representatives of ABRA – Associação Brasileira de Reforma Agrária (Brazilian Agrarian Reform Association), ANMTR – Articulação Nacional de Mulheres Trabalhadoras Rurais (National Group of Rural Women Workers), Cáritas Brasileira (Brazilian Branch of Caritas), CIMI – Conselho Indigenista Missionário (Missionary Indigents Council), CNASI - Confederação Nacional das Associações dos Servidores do INCRA (National Confederation of Associations of INCRA staff), CONIC - Conselho Nacional de Igrejas Cristás do Brasil (National Council of Christian Churches of Brazil), CONTAG - Confederação Nacional dos Trabalhadores na Agricultura (Nacional Confederation of Agricultural Workers), CPT – Comissão Pastoral da Terra (Pastoral Land Commission), INESC – Instituto de Estudos Sócio-Econômicos (Institute of Socioeconomic Studies), MST -Movimento dos Trabalhadores Rurais Sem Terra (Movement of Landless Rural Workers), Rede Brasil sobre Instituições Financeiras Multilaterais (Brazilian Network on Multilateral Financial Institutions) and 853 individuals (the Requesters).

The Requesters claim that rural workers and landless peasants signing the Request and/or represented by the Forum and/or its member organizations are being materially and adversely affected by the design and execution of this project and are likely to be similarly affected by follow-up loans that the Bank intends to make to support these kind of projects in Brazil.

Specifically, the Requesters claim that the project is not achieving its objectives, is not being implemented as a pilot project, will make it impossible for its alleged beneficiaries to repay the debts they enter into under the project, has increased the prices of agricultural land available to rural workers and is being implemented as an alternative instead of a complement to Brazil's constitutionally mandated agrarian reform program, and the Bank has failed to consult and adequately inform project affected people and their representatives. According to

the Requesters, the foregoing would constitute violations of *inter alia* the following Bank Polices and Procedures:

OD 4.15 on Poverty Reduction BP 17.50 on Disclosure of Operational Information GP 14.70 on Involvement of NGOs in Bank Operations (which is not under the purview of the Panel)

I am notifying you that the Request appears to meet the criteria for registration set forth in paragraphs 17 and 22 of the Panel's Operating Procedures (the "Operating Procedures"), so I have on January 8, 1999, which is also the date of the dispatch of this notice, registered the Request in the Inspection Panel Register.

In accordance with paragraph 18 of IBRD Resolution No. 93-10 and paragraph 18(d) of the Operating Procedures, Bank Management is hereby notified that it must provide the Panel no later than February 9, 1999 with written evidence that it has complied, or intends to comply with the relevant policies and procedures in the implementation of the above-referenced project. The subject matter the Management must deal with in a response to the Request is set out in paragraph 33 of the Operating Procedures. After receiving the Management response, the Panel will, as provided by paragraph 19 of the Resolution, "determine whether the Request meets the eligibility criteria set out in paragraph 12 to 14 and shall make a recommendation to the Executive Directors as to whether the matter should be investigated."

The Request has been assigned IPN Request Number RQ99/1.

Sincerely,

Ernst-Günther Bröder Chairman

To: D. Tomás Balduino
Bispo de Goiãs Velho
Presidente da Comissão Pastoral da Terra
Secretario do the Fórum Nacional Pela Reforma
Agrária e Pela Justiça No Campo

Mr. James D. Wolfensohn President International Development Association Room MC12-750 [by hand against confirmation]

cc: The Executive Directors and Alternates International Development Association