

IPN REQUEST RQ06/1

January 10, 2006

NOTICE OF REGISTRATION

**Re: Request for Inspection
HONDURAS: Land Administration Project (IDA Credit No. 3858-HO)**

On January 3, 2006, the Inspection Panel (the “Panel”) received a Request for Inspection (the “Request”) related to the Honduras: Land Administration Project (the “Project” – in Spanish, Programa de Administración de la Tierra-PATH). The Request was submitted by the Organización Fraternal Negra Honduras (OFRANEH) on behalf of the indigenous Garifuna population of Honduras. OFRANEH states that it is a federation, whose members are elected every three years by the Garifuna communities as their representatives, as it is provided in the articles of agreements of the organization. The Requesters claim that the communities they represent have been harmed and are likely to suffer further harm from the above-referenced Project, which is partially financed by a credit of the International Development Association (IDA¹) of US\$ 25 million equivalent.

According to the Project Appraisal Document (PAD), the Project’s objective is an integrated and decentralized land administration system, including public and private entities, to provide people in the Project area with accurate information on urban and rural land parcels, as well as effective land administration services (purchase, mortgages, cadastral² and registry certifications, etc.) in a timely and cost-effective manner.³ The PAD states that the Project’s second component provides for the regularization and registration of rural and urban land and covers a “*diverse cross-section of Honduran society, including the rich and the poor, men and women, ladino, indigenous, and Afro-Honduran.*”⁴

¹ IDA is also referred to as the “Bank”

² The cadastre is an official register of the quantity, value, and ownership of real estate, which is used in apportioning taxes.

³ Project Appraisal Document for a Land Administration Project in support of the first phase of a Land Administration Program (PAD), January 22, 2004, p. 3.

⁴ PAD, p. 5.

The Requesters state that ancestral lands are to be regularized in favor of indigenous and Afro-Honduran populations by recognizing communal or individual land rights, based on the preference of each community, and by registering such rights in the land registry. In addition, they note that properties and possessions supported by ancestral title or certification can be registered as private property and enjoy full ownership rights. However, the Requesters fear that the land titling and procedures provided under the Project will ultimately cause the demise of collective property in favor of individual property, which is contrary to the land tenure system they prefer, and could give their land, which they consider as their functional habitat, to people outside the Garifuna communities. They fear that the new titling program under the Bank-financed project will cause a “*severe damage to the Garifuna people and a serious violation of their rights.*”

The Requesters claim that, in designing and implementing the Project, the Bank did not take into account the rights and interests of the Garifuna communities and, as a result, violated a number of its policies and procedures, such as OD 4.20 on Indigenous People, OP/BP 4.01 on Environmental Assessment and OP/BP 4.04 on Natural Habitats.

The Requesters fear that their collective rights will not be recognized. They claim that, in preparing the IPDP, the Bank did not consider the legal status of the indigenous populations as well as the procedures to issue collective legal titles, as defined in the country’s Constitution and legislation. The Requesters also claim that the IPDP provides for the issuance of regulations to delimit and demarcate indigenous peoples’ lands, but these were never issued.

According to the Request, Bank staff did not consult with affected people prior to preparing the Indigenous Peoples Development Plan (IPDP), and did not distribute Project background material. The Requesters assert that the Bank disseminated the text of the plan only a short time before the single consultative meeting that took place with the Garifuna people. The Requesters state that, on that occasion, the representatives of all the Garifuna communities of Honduras signed a document that presented a firm rejection of the IPDP, and proposed several alternatives. The Requesters claim that the Bank did not take into account any of the people’s proposals or their criticisms about inconsistencies in applying the titling arrangements provided under the Project. They maintain that these arrangements do not reflect the special legal situation of the Garifuna people or their preferred land tenure options.

The Requesters state that, although Bank staff were aware during Project preparation that the Government was to enact a Property Law, which was to be the centerpiece of the land titling program, they did not mention this law in the legal framework section of the Project documents. According to the Requesters, the Garifuna people opposed this law. The failure to reference the Property Law and the lack of consultation meetings with the affected people have generated confusion within the Garifuna communities, because the Project documents, including the IPDP, on the one side, and the Property Law on the other, provide for two different sets of procedures for land titling and conflicts resolution. In any event, the Requesters claim that both sets of procedures are inadequate because they do not respond to their social and political reality.

According to the Request, the Bank did not comply with OP 4.01 on Environmental Assessment because, although the environmental analysis addresses the problems affecting the Garifuna land, it does not provide that the Garifuna communities may manage or co-manage their land to restore their control over the “functional habitat” that they have preserved for centuries. According to the Request, the management of these areas is left to institutions defined in the Project’s manual and to NGOs with no participation of indigenous communities provided or required. The Request further claims that the Project did not take into account the importance of natural habitats for the livelihood of the Garifuna communities, as required by OP 4.04 on Natural Habitats.

The Requesters state that they brought their concerns to Bank Management in several occasions but did not find the solutions proposed by the Bank satisfactory. They believe that implementing the Project will endanger the survival of the Garifuna people “*because they cannot agree to solutions unless they are based on a concrete will to resolve the conflicts and recognize the rights over the lands that ancestrally belong to them.*” They therefore request that the Panel recommend an investigation to the Board of Executive Directors.

The Requesters claim that the Bank has failed to comply with various provisions of the following operational Policies and Procedures:

OP/BP 4.01	Environmental Assessment
OP/BP 4.04	Natural Habitats
OMS 2.34 (1982), OD 4.20 (1991) and OP/BP 4.10 (2005) Indigenous Peoples	
World Bank policy on Disclosure of Information	

All communications with the Requesters in connection with the Request will be sent until further notice to Luiz Fernandez at OFRANEH, 2d0 Piso Libreria el Trebol, Barrio El Centro, La Ceiba, Honduras.

In accordance with paragraph 17 of the Panel’s Operating Procedures (the ‘Operating Procedures’), I am notifying you that I have, on January 10, 2006, which is also the date of the dispatch of this notice, registered this Request in the Inspection Panel Register.

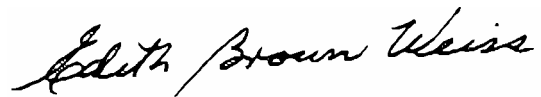
In accordance with paragraph 18 of the IDA Resolution that established the Panel (‘Resolution’), paragraphs 2 and 8 of the “*Conclusions of the Board’s Second Review of the Inspection Panel*” (the ‘1999 Clarifications’), and paragraph 18 (d) of the Operating Procedures, Bank Management must provide the Panel, no later than February 9, 2006, with written evidence that it has complied, or intends to comply, with the Bank’s relevant policies and procedures in relation to the above-referenced Project. The subject matter that Management must deal with in a response to the Request is set out in paragraphs 3 and 4 of the 1999 Clarifications.

After receiving the Management response, the Panel will, as outlined in the 1999 Clarifications and as provided by paragraph 19 of the Resolution, “*determine whether the Request meets the eligibility criteria set out in paragraphs 12 to 14 [of the Resolution] 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 RQ06/1.

Yours sincerely,

A handwritten signature in black ink that reads "Edith Brown Weiss". The signature is written in a cursive style with a large initial 'E' and 'W'.

Mr. Luiz Fernandez
Organización Fraternal Negra Honduras - OFRANEH
2do Piso Libreria el Trebol,
Barrio El Centro
La Ceiba, Honduras

Mr. Paul D. Wolfowitz
President
International Development Association
Room MC12-750

The Executive Directors and Alternates
International Development Association