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## **NEWS RELEASE**

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## World Bank Board Discusses Inspection Panel Investigation of the Second Urban Environmental Sanitation Project in Ghana and Approves Action Plan

**WASHINGTON, DC, June 19, 2009** — The World Bank's Board of Executive Directors met yesterday to discuss the Management's Response to an Inspection Panel investigation into the Second Urban Environmental Sanitation Project in Ghana (UESP II).

The UESP II aims to improve urban living conditions in five cities, including Accra. One key issue the project aims to address is inadequate environmental sanitation services. Over the past two decades, poor environmental sanitation — resulting from inadequate solid waste management — has remained a major urban and environmental issue in Ghana. The situation is becoming more critical because of rapid population growth in metropolitan areas, in particular Accra. Accra's need for a sanitary landfill was identified in the Strategic Plan for the Greater Accra Metropolitan Areas over 17 years ago. The Board approved an International Development Association (IDA) Credit (US\$62.0 million) in April 2004 to support the project, which includes the following key components: storm drainage improvements; household and public sanitation facilities; solid waste management, including support for sanitary landfills in three communities; community infrastructure upgrades; and institutional strengthening for environmental sanitation.

The investigation was requested in August 2007 by the Centre on Housing Rights and Evictions (COHRE) on behalf of the Agyemankata Community, which resides in the Kwabenya township in Greater Accra. The Request focused on a specific project subcomponent, the proposed Kwabenya sanitary landfill, which was to be constructed to serve the solid waste management requirements of Greater Accra. The Requesters claimed that they would be adversely affected by the Bank's failure to comply with its own operational policies and procedures.

The Inspection Panel noted the importance of the UESP II for the residents of Accra and the need to develop a fully integrated solid waste management strategy for the City as a matter of some urgency. The Panel found that the Environmental and Social Assessment (ESA) conducted in 2003 did not adequately examine alternatives for a future landfill and there was an overreliance on outdated environmental and social assessments which did not take into account changed conditions, including new settlements in the close

vicinity of the landfill site. It also found that the ESA did not adequately identify the potential impacts of the landfill site beyond the immediate "area of influence". While some attempts were made to open channels of communication with the wider affected population the Panel found that consultation was not "meaningful" as envisaged under the Bank policies. The Panel identified a number of shortcomings in the Resettlement Policy Framework (RPF) prepared at the time of appraisal. This included an absence of specific measures to bridge the gap between Bank policy and Ghanaian laws and practice on issues of compensation; risks related to land acquisition and compensation not being fully addressed. In addition, the draft RPF was not disclosed as required by Bank policy. Other findings relate to the inadequate supervision of the Kwabenya subcomponent, particularly in regard to social concerns.

The **Chairman of the Inspection Panel, Mr. Werner Kiene**, said that "*Not enough attention was given to known social issues and risks at the time of project approval, and to ensure strict adherence to Bank policies, and thus protect the rights and interests of the affected people.... In retrospect the Bank underestimated the complexity of the landfill component when it made this component part of the larger Project, and did not sufficiently "safeguard" itself against accusations of non-compliance.* "He added that the Panel appreciates that the Management Action Plan addresses the issues raised in the Panel's report in a proactive way and expresses hope that the Requesters will choose to participate in the consultation process envisaged in the Action Plan.

Management accepted most of the findings of the Panel and emphasized that no development of the proposed Kwabenya landfill has taken place since the Bank began its involvement. In this regard, it added that a new Environmental Assessment and a new Resettlement Action Plan are under preparation. Management noted, however, that during the consultation process, some stakeholders had declined to participate or to allow consultants or government officials on the site until recently as an expression of their strenuous objection to the landfill. This in turn has led to delays in implementing this component of the project, including the preparation of the Resettlement Action Plan and Environmental Management Plan. The Board acknowledged during its discussion of the proposed Action Plan that there are no simple answers or easy solutions to address the concerns of some stakeholders or local citizens who vehemently oppose a project or project component and refuse to engage in consultations.

"Solid waste management is a difficult and challenging activity in developing countries and the difficulties will increase as population and waste generation increase with economic growth," said Ms. Obiageli K. Ezekwesili, World Bank Vice President for Africa Region. "While we understand the opposition of the communities to have landfills in their neighborhood, it is crucial to site these facilities in technically and financially feasible locations, provided that potentially affected people are properly consulted and compensated. The Bank should not be risk averse towards such projects but rather continue its commitment to support solid waste management as a key part of the broader health agenda in Africa," she said.

Management stated that its Action Plan pursues a two-pronged approach to addressing the need for responsible solid waste management in Accra. The first is an ongoing dialogue with the Government to accelerate work to prepare an Integrated Solid Waste Management Strategy that addresses the needs of the Municipality in the medium and long term. The second is to provide support to the Borrower to prepare a new Environmental Assessment (EA), which will benefit from the advice of an independent panel of experts. The new EA will focus its attention on meeting urgent needs for solid waste management in the near term, including as one alternative the Kwabenya site. Additional measures of the Action Plan include assisting the government in developing a consultation and communications strategy for the forthcoming EA, Resettlement Action Plan, and Integrated Solid Waste Management Strategy for Accra; and strengthening support for activities that will enhance institutional capacity, community awareness, and social accountability.

The Executive Directors welcomed and thanked the Panel and Management for their reports and the constructive interactions during the Panel's process. The Board approved the Action Plan proposed by Management and it was agreed that Management will report back to the Board in six months regarding progress in implementing these measures.

For a full copy of the Inspection Panel report and Management Recommendation, please visit www.inspectionpanel.org

For more information on the World Bank's work in Ghana, visit www.worldbank.org/ghana

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