

THE WORLD BANK INSPECTION PANEL

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

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Statement of Mr. Werner Kiene, Chairman of the Inspection Panel September 14, 2009, Yemen

Mr. Chairman, Distinguished Members of the Board,

We are pleased to take this opportunity to update the Board on the Panel's final recommendation with respect to the Yemen – Institutional Reform Policy Development Grant.

With me are fellow Panel Members Roberto Lenton and Alf Jerve.

I would like first to express our thanks for the written statements submitted by Executive Directors in advance of this Board meeting. We appreciate their indications of support, and also their important questions for the discussion. I also wish to express our thanks for the very constructive meetings already held with Board members and Management.

As the Chairman just said, on April 13, 2009, the Panel received a Request from the Yemen Observatory for Human Rights, which is a civil society organization (CSO) working, *inter alia*, on issues of transparency and access to information in Yemen.

Management submitted its response to this Request on May 19, 2009, indicating certain proposed actions to address the Requesters' concerns. The Panel notes that these actions proposed by Bank Management in its Response address the important issue of translation of documents raised by Requesters. This is a significant step of much importance to the affected people, and highlights the importance of translation of key documents that form part of the policy preparation process.

However, significant issues of consultation and participation remained. Based on the Request, the Management Response and the Panel's field visit, the Panel presented its Eligibility Report and Recommendation to the Board, which recommended an investigation that would not further deal with the issues of "Translation" and "Development Impact" but concentrate on the issue of "Consultation."

The Panel notes that during its eligibility visit a number of civil society organizations approached the Panel to raise concerns similar to those in the Request for Inspection.

After careful evaluation of all issues at hand during the past several weeks, the Panel considers that its recommendation in its Eligibility Report is fully supported and justified.

In the past several days we have seen new developments and the Panel would like to inform the Board that it has been approached by Bank Management to discuss additional actions and ways forward.

Yesterday, Bank Management submitted a proposal with additional steps to address the concerns of Requesters on remaining issues. In the Panel's judgment, these steps complement and expand upon actions proposed in the original Management Response.

We appreciate this new proposal. We have contacted the Requesters, who indicated their interest in exploring opportunities for additional actions to address their concerns.

This is not the first time that such a situation has arisen. In similar cases the Panel deferred its recommendation regarding an investigation (for a set period of time), where Bank Management has proposed meaningful steps to address the concerns of Requesters and where the Requesters indicate an interest in pursuing this approach.

In the present case and in view of the foregoing, the Panel proposes to defer its recommendation on an investigation. As agreed in principle with Bank Management, Management will report to the Board and the Panel on progress on the implementation of the enhanced action plan by June 2010, after which the Panel will recommend to the Board whether an investigation is still warranted based on its own independent review of the situation.

We consider this a constructive way forward, since it enables the parties involved to improve the communication base for the Yemen DPG in line with Bank Policy.

To conclude, I would like to add a couple of thoughts to our written statement that was just distributed.

The Bank is a global leader in giving access for recourse to citizens who might be adversely affected by Development Financing. Recent data seem to suggest that around 30 % of World Bank financing goes into Policy Loans or through similar windows.

It would be a pity and also a reputational risk for the Bank if opportunities for listening and for recourse would be unduly restricted for an increasing percentage of the Bank's portfolio.

The Panel is convinced that ways must and can be found to intelligently and responsibly deal with these issues.

We are committed to bring our share to this worthwhile challenge.

We are ready to answer questions raised in the ED statements in the discussion. We can elaborate on them in writing later on.

Thank you Mr. Chairman,
Thank you to all.