

**Eimi Watanabe
Chairperson**

IPN REQUEST RQ 13/06

July 24, 2013

**MEMORANDUM TO THE EXECUTIVE DIRECTORS OF INTERNATIONAL BANK
FOR RECONSTRUCTION AND DEVELOPMENT**

Request for Inspection

**Romania: Mine Closure, Environmental and Socio-Economic Regeneration Project
(P087807)**

Notice of Receipt of a Request for Inspection and Decision Not to Register the Request

Introduction

In accordance with paragraph 17 of the Resolution¹ establishing the Inspection Panel (the “Panel”), I hereby inform you that on May 22, 2013, the Panel received a Request for Inspection related to the Romania: Mine Closure, Environmental and Socio-Economic Regeneration Project (P087807) (the “Project”). The Request for Inspection is herein attached.

The Request

The Request was submitted by Mr. Georgel Merlusca as representative of affected people from the neighborhoods of Sipoteni and Vermesti in Comanesti, Bacau County, Romania (“the Requesters”).

The Project and Previous Submission

The Mine Closure, Environmental and Socio-Economic Regeneration Project was approved on December 16, 2004, and closed on October 31, 2012. The Project was supported by an IBRD Loan of US\$120 million.

The objectives of the Project included the strengthening of the Government of Romania’s ability to undertake mining sector reform by: (i) building capacity for closing uneconomic mines and ancillary facilities in an environmentally sustainable manner; and (ii) providing support to

¹ The World Bank Inspection Panel, International Bank for Reconstruction and Development and International Development Association, Resolution No. IBRD 93-10 and Resolution No. IDA 93-6, dated September 22, 1993.

mining communities and local public authorities for socio-economic regeneration. The Project comprised the completion of civil works on different environmentally hazardous former mining sites, including the one at Vermesti.

The Panel notes that on January 6, 2006, it received a Request for Inspection related to the same Vermesti mine closure site, alleging that Project activities had resulted in flooding of private property. According to Project documents, the Project team at the time responded promptly and discovered that the flooding was not due to project activities but rather the failure of preexisting drainage channels incapable of discharging high volumes of water. The team and the community agreed on replacing the existing channels with a much larger cemented canal even though the mine closure works had not contributed to the flooding. Given this agreement, the community advised the Panel during its site visit in March 2006 to wait six months and then examine whether the matters of concern had been resolved. At the end of the six months period, given their satisfactory assessment, the community sent a “*letter of contentment*” and advised the Panel to close the case.

On September 29, 2006, the Panel submitted its Recommendation to the Board in which it reported the affected community’s satisfaction with the solutions that had been put in place. The community noted that 2006 was the first year in which their land had not flooded after a period of heavy rains and that this was the result of the building of a water channel which collects and assures the transit of the water from the “*waste dam of Vermesti.*” In light of the affected community’s position and the satisfactory resolution of the matters of concerns to them, the Panel recommended to the Board that the case be closed.

Concerns raised in the Request

The attached Request concerns the construction works at the channel on Emil Rebreanu Street. The local residents consider that their houses and the street itself were adversely affected after the deepening of a water channel using heavy machinery. They claim that their houses are no longer safe to live in.

The Requesters add that incomplete or improperly done construction works resulted in wastewater and sewage infiltrating into surrounding soil, affecting the drinking water and the health of the people and their animals. They state that in addition to the damage to their houses caused by the deep channel, the construction work also damaged annexes to the houses, fences, and orchards. The Requesters add that the asphalt layer on the Crinului, Emil Rebreanu, Moldovei and Ciresoia streets has slid and cracked because of the poor quality of construction.

The Requesters noted that the policies of the World Bank are designed to ensure that projects and programs bring economic and social benefits to people and the environment. Hence, they ask the Inspection Panel to conduct “*an examination in order to find out the irregularities and the problems caused by the improper execution of the project.*”

Panel’s Determination

Following the receipt of the Request for Inspection, the Panel has reviewed the Project documentation and ascertained that the Project closed in October 31, 2012.

In light of the foregoing, and in accordance with paragraph 14 (c) of the Resolution establishing the Panel, which stipulates that “[R]equests filed after the Closing Date of the loan financing the project with respect to which the request is filed” shall not be heard by the Panel, the Panel is not registering the Request for Inspection.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Eimi Watanabe". The signature is fluid and cursive, with the first name "Eimi" and the last name "Watanabe" clearly distinguishable.

Eimi Watanabe
Chairperson

Attachment

Mr. Jim Yong Kim, President
International Bank for Reconstruction and Development

The Executive Directors and Alternates
International Bank for Reconstruction and Development

Mr. Georgel Merlusca
Comanesti, Romania