Fifteen years ago the Board of Directors of the World Bank established the Inspection Panel as an independent accountability mechanism. This action marked an important contribution to strengthening World Bank governance, and was also a pioneering step in broader efforts to strengthen the role and voice of affected people in international decision-making. For the first time, private citizens were offered a way to access directly the Bank's highest levels of governance.

When the Panel was created, the World Bank faced intense criticism and controversy over the social and environmental impacts of some Bank-financed operations. A core concern was that the Bank was not complying with its own policies and procedures designed to prevent such impacts. The Panel was established in this context as a result of remarkable efforts of civil society, governments, and members of the Board to bring greater accountability, participation and transparency at the World Bank.

Fifteen years later, many other international financial organizations have established their own accountability mechanisms, and discussions are ongoing to adapt the concept in other contexts (see “Straight talk on Accountability” page 3). Signs all around indicate that this work is as important as ever. In line with its founding purposes, the Panel is committed to hold strong to its independence, give voice to affected people, and impartially follow facts wherever they lead.

To mark its 15th year, the Panel is launching a new publication, “The Inspection Panel at 15 Years” next month at the World Bank annual meetings.

To receive a hardcopy please contact: ipanel@worldbank.org
A digital version will also be available on the webpage, at www.inspectionpanel.org.
In August 2007 the Panel received a Request for Inspection on behalf of the Agyemankata Community concerning a proposed sanitary landfill in Greater Accra, which was a subproject of the Second Urban Environmental Sanitation Project (UESP II) in Ghana. The objectives of the Project are to improve urban living conditions in Accra, Kumasi, Sekondi-Takoradi, Tamale, and Tema with regard to environmental health, sanitation, drainage, vehicular access, and solid waste management in a sustainable fashion, with special emphasis on the poor.

The Requesters contended that the sanitary landfill would have a negative impact on those living in its proximity and would result in an involuntary displacement of much of the Agyemankata Community. They claimed that the Bank failed to comply with several Bank safeguard policies to avoid social and environmental harm to affected people.

The Board approved the Panel’s recommendation to carry out an Investigation. The Panel submitted its Investigation Report to the Board in March 2009. The Report determined that the Bank did not comply with several provisions of Bank policies on Environmental Assessment, Involuntary Resettlement, and Project Supervision.

In April 2009, the World Bank’s Management presented its Response to the Investigation Report. It proposed a two-pronged Action Plan that would address the findings of the Panel and the need for adequate solid waste management in Accra. Under the first set of actions, Management proposed to continue the dialogue with the government to work on capacity building and planning for an Integrated Solid Waste Management Strategy to address medium- and long-term problems. In this context, the Bank would also support the preparation of a Strategic Environmental Assessment.

The second set of actions is more Project-specific and relates to the preparation of the Environmental Assessment which will evaluate, among other things, alternative sites for the landfill.

In June 2009 the Board approved the Action Plan proposed by Management and it was agreed that Management would report back to the Board in six months regarding progress in implementing these measures. All reports and further information are available on the IPN website by clicking here.

Albania: Panel Report triggers Major Reviews

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Panel visits Uganda to convey Investigation results

In May 2009 a Panel team headed by Panel Chairperson Werner Kiene returned to Uganda after the end of the Panel’s investigation into the Uganda Bujagali Hydroelectric Project. The Project provides for the construction of a hydro-power plant on Dumbell Island on the Nile river, a few kilometers downstream of Lake Victoria. In its investigation, the Panel found that while the Bank had complied with a number of key policy requirements, there were also several significant instances of non-compliance, including on Environmental Assessment, Cultural Properties, Natural Habitats, Involuntary Resettlement and Economic Evaluation.

It is now an established practice of the Panel to visit the Requesters after the investigation has been completed, and the Board has met to discuss the Panel’s report and the Bank Management Response. The purpose of this visit is to convey the results of the investigation to the Requesters and other affected people, answer questions, and discuss in some detail the commitments made by Bank Management in response to the Panel’s findings that need to be implemented.

The visit was carried out jointly with a team from the African Development Bank’s Independent Recourse Mechanism, which had received a similar request for inspection and conducted its own investigation, albeit in close cooperation with the Panel.

The Panel team visited the Project area, the communities resettled under the project and other communities which will be affected by the power transmission line. It also went to the site of the Kalagala Falls, an area designated as an offset to the loss of the Bujagali Falls, which will be inundated once the dam is completed and starts operating.

Remaining issues include conveyance of land titles in the resettlement site, income restoration activities and cultural and spiritual aspects of the Project. The Panel also was surprised to see that fences had been built, and other construction and commercial activities were taking place, at the Kalagala Falls offset site before a sustainable management plan for the area is completed.

Bank Management recently has prepared a progress report on actions being taken to address these and other issues.

The Panel’s investigation report and other documents are available on the Panel’s website here.

Straight talk on Accountability

Asia-wide Conference on Strengthening Governance and Accountability for Sustainable Development convened in Bangkok

On July 9, 2009, the Inspection Panel, in collaboration with the Mekong Environment and Resource Institute, Save the Children, Kasetsart University’s Economics Faculty, and other institutions, held an international conference on “Strengthening Governance and Accountability for Sustainable Development: Lessons Learned and Future Prospects” at the United Nations Conference Center in Bangkok.

Around 90 participants from Thailand and other countries attended the day-long conference; among them were leading members of the private and public sectors, academic institutions, civil society, and International organizations.

The conference aimed to share knowledge and foster a dialogue on good governance, accountability, and transparency. Particular attention was given to the need for accountability of all actors engaged in sustainable development, especially international development institutions, private corporations, and non-governmental organizations.

Keynote speakers included Mr. Sanjay Pradhan, Vice President of the World Bank and Director of the World Bank Institute in Washington DC, and Mr. Edilberto C. de Jesus, Former President of the University of Cordilleras in the Philippines.

Further information is available on the Inspection Panel website here.

Sixth Annual Meeting of Accountability Mechanisms in Washington, DC

Over the last six years, annual meetings have been held among international accountability mechanisms to identify and foster means for cooperation, and to exchange experiences and lessons learned in the course of their work.

This year the event took place on May 21-22, 2009 and was hosted by the IFC/MIGA’s Compliance Advisor Ombudsman (CAO). Thirty representatives of the independent accountability mechanisms of eight international financial institutions participated.

The meeting addressed a variety of topics, including case studies; lessons learned; opportunities for cooperation and coordination among mechanisms in awareness-building activities; the use of a country-systems approach in Bank operations; and experiences in cofinanced projects.
The following table contains updates to recent cases and new requests. The actions taken and the next steps follow the Panel's Process, as stated in the Panel's Establishing Resolution (1993), the Review of 1996 and the Clarification of 1999. Detailed Information on all Cases is provided on the Inspection Panel’s Homepage.

<table>
<thead>
<tr>
<th>Name</th>
<th>Description</th>
<th>Actions Taken</th>
<th>Next Steps</th>
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<tbody>
<tr>
<td>Panama: Land Administration Project</td>
<td>Requesters believe the land demarcation to be unfair and harmful to indigenous peoples.</td>
<td>1. Two Requests Registered on March 11 and 20, 2009  2. Management Response issued on March 31, 2009  3. Eligibility Report submitted on May 27, 2009</td>
<td>Board approved Panel’s recommendation to investigate with a delayed start in October 2009</td>
</tr>
<tr>
<td>Democratic Republic of Congo: Private Sector Development and Competitiveness Project</td>
<td>Requesters believe this parastatal reform was done improperly, resulting in harm to them.</td>
<td>1. Two Requests Registered on March 12 and 19, 2009  2. Management Response issued on March 31, 2009  3. Eligibility Report submitted on May 27, 2009</td>
<td>Due to Management attempts to address the issues, and with the requester’s agreement, the Panel will wait until November 2010 to determine whether the case warrants an investigation.</td>
</tr>
<tr>
<td>Yemen: Institutional Reform Development Policy Financing</td>
<td>Requesters claim the process has lacked transparency and disclosure of information and will cause negative economic effects.</td>
<td>1. Registered on April 20, 2009  2. Management Response issued on May 11, 2009  3. Eligibility Report submitted on June 1, 2009</td>
<td>Due to a significantly enhanced action plan submitted by Management the Board agreed on September 15, 2009 to the Panel’s proposal to defer its recommendation to investigate till June 2010.</td>
</tr>
<tr>
<td>India: Mumbai Urban Transport Project</td>
<td>The requesters claim they were asked to demolish their property before receiving compensation. The Panel has carried out an investigation on the project in 2004.</td>
<td>1. Registered on June 9, 2009  2. Management Response issued on June 30, 2009  3. Eligibility Report issued on July 21, 2009</td>
<td>Concerns have been resolved.</td>
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