



## **The Inspection Panel**

**Lessons from Panel cases:  
reflections for the Bank's  
safeguards review**

**Seminar Tokyo October 13, 2012**

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## Two kinds of lessons

- Lessons on safeguard policies as an accountability framework
- Lessons on application of policies



## AS AN ACCOUNTABILITY FRAMEWORK

- A foundation for accountability. Without this policy framework people would not know what to expect from the Bank
- Articulate key principles the Bank wishes to be held accountable for, and procedures that help ensuring fulfillment of principles
- Policies confirm that intended beneficiaries and people potentially affected by Bank-supported have certain basic rights. Safeguards policies outline what the Bank's commitments are



## Key principles invoked in Panel cases

- Access to **information** – the right to know
- Opportunity to **participate** – the right to be consulted and be involved
- Access to **recourse** – the right to redress and remedy
- Not to have ones livelihood deteriorated – the right to **restoration** of livelihood
- Right to **share** in benefits
- **Avoid** or **mitigate** negative environmental impacts, and preference for avoiding



# Principles in Bank policies on right to information and consultation

- Access to information
  - Transparency; timeliness and **comprehension** of information
- Cultural resources, Forests, Natural Habitats
  - Participatory **information collection**
- Environmental impact assessment
  - Views to be taken **into account**
- Involuntary resettlement
  - **Consultation** on alternatives. Active **participation** in resettlement
- Indigenous peoples
  - Free, prior, informed consultation. Broad community **support**



## Principle in Bank policy on right to restoration of livelihood

Policy in involuntary resettlement (OP4.12):

“to improve their livelihoods and standards of living or **at least to restore them**, in real terms, to pre-displacement levels”



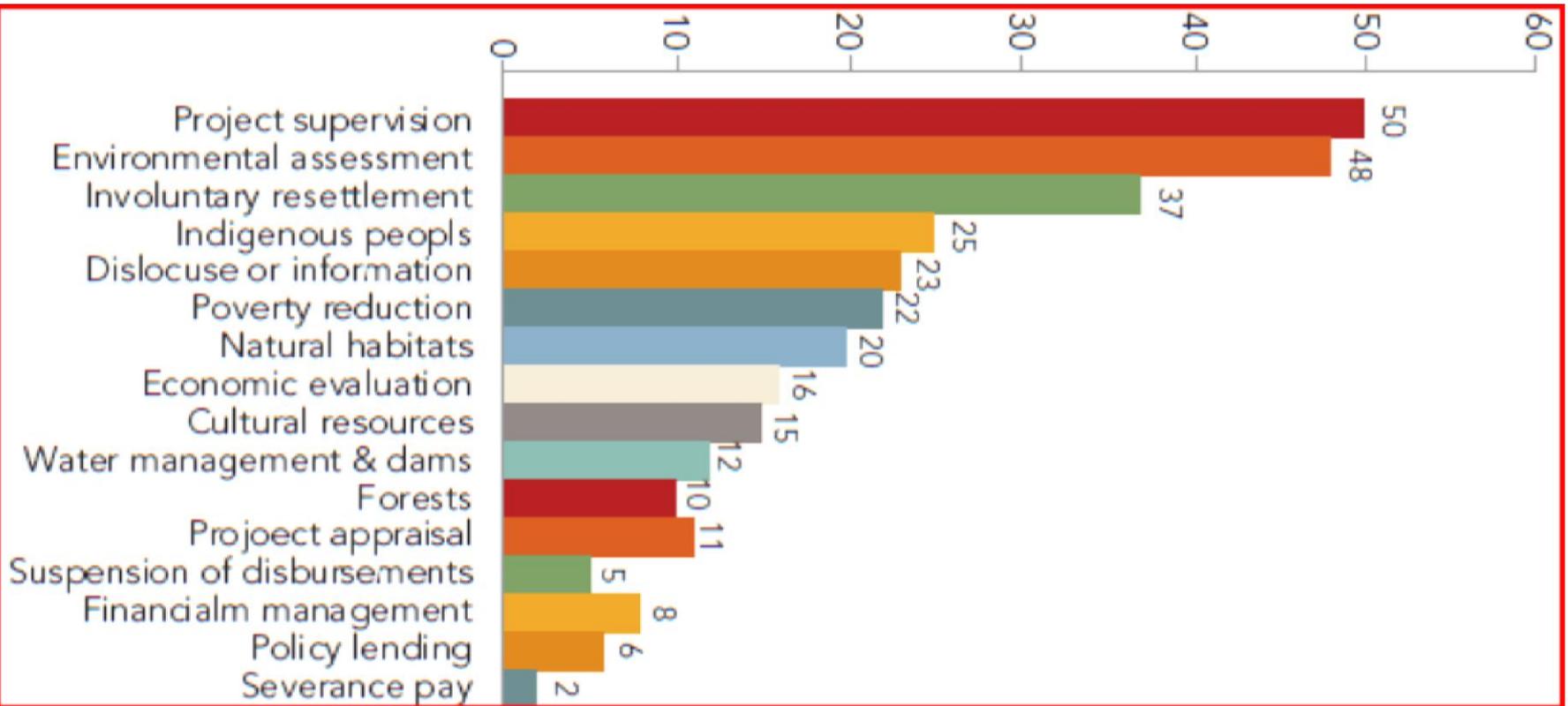
## Principle in Bank policy on right to benefit

Policy in indigenous peoples (OP 4.10):

“ensure that the Indigenous Peoples **receive social and economic benefits** that are culturally appropriate and gender and intergenerationally inclusive”



# Operational Polices reviewed in Panel investigations





# Lessons for safeguards review

- Principles and standards are important for accountability. People can relate to them.
- People's complaints mostly come when projects are being implemented. They see the consequences.
- Need for **outcome** oriented principles
- Need to discuss what this means for accountability of IFIs moving forward
  - The safeguards review should focus on articulation of key outcome oriented principles



## ON APPLICATION OF POLICIES

- Four areas of relevance for the safeguards review where Panel cases have provided relevant lessons
  - On defining the scope of risk assessment: determining **area of influence**
  - On **consultation**: when meaningful
  - On **land management**: a policy gap?
  - On obligations and approach in **supervision**: how to respond when risks materialize



# Panel findings on area of influence

- Scope of EIA too narrowly defined:
  - Part of affected people and affected areas overlooked
  - Area of influence should be considered in terms of short, medium and long term impacts of projects
- Lack of clear definition of associated facility/activity (EA policy only mentions “ancillary”)
- Influence to include indirect social and cultural effects
- Commulative impacts



## Panel findings on land management projects

- In projects involving land use and management, the assessment of social, political, institutional and legal risks should be an important part of project preparation
- Application of policies on involuntary resettlement and indigenous peoples need careful consideration
- Projects involving indigenous peoples should carefully assess the social and legal importance of collective titles for certain groups



## Panel findings on consultation

- Certain groups not included
- Traditional leaders overlooked
- Inadequate sharing of information – language
- Outcome of consultations poorly documented and not reported back («taking views into account»)



## On supervision of safeguards issues

- Lack of Follow-up on pre-identified Problems/Inattention to Warning Signs
- Lack of resources for supervision
- Composition of supervision missions: too few social specialists
- Supervision from a distance: lack of field presence



# Lessons for safeguards review

- Procedures and guidelines to staff **on how to** are critical
- Need for flexibility, and avoid making procedural details issues of compliance.
- But also a need to confirm standards of «good management» staff should be guided by