

Civil Society Statement on the October 31 Decision of the World Bank’s Board of Directors on the Review of the Inspection Panel’s Toolkit

On October 31, 2018, the World Bank Group Board of Directors [approved new additions](#) to the Inspection Panel’s “Toolkit” and extended the review period for six months to further consider three additional measures. While the reforms adopted by the Board are welcome, they fall far short of the stated goal to “modernize” the world’s first independent accountability mechanism (IAM). We, the undersigned civil society organizations, wish to express our disappointment that three important measures—monitoring, dispute resolution, and extending the overly restrictive time limit on eligibility—were not approved within the initial timeline of the review, and urge the Board to use the additional time to ensure these measures are adopted. Now the only IAM that lacks monitoring and dispute resolution functions, the Inspection Panel can no longer be considered a leading innovation in development finance unless these changes are made.

The functions that were approved—including adding an advisory role to the Panel’s mandate and allowing the Panel to share additional information with Requesters—represent a commendable first step by the Board of Directors in demonstrating its commitment to enhancing accountability at the World Bank Group. However, adding monitoring and dispute resolution functions and extending the narrow time limit for Requesters to file a complaint, would have gone much further in addressing the serious deficiencies and conflicts of interest inherent in the current system. Putting off further discussion on these more important measures calls into question the Board’s commitment to strengthening the system overall and could undermine the effort entirely if they are not ultimately agreed upon.

While the Panel remains under-equipped as an independent accountability mechanism, the Board’s decision on October 31 did include language intended to bolster the management-controlled “Grievance Redress Service (GRS), including the ability to maintain a roster of expert mediators to facilitate resolution of complaints and to add a new escalation point to the World Bank’s CEO.” We are concerned that this indicates a misunderstanding of the purpose and practice of dispute resolution versus a management-led grievance office. While both have their strengths and important roles to play, dispute resolution and a management-led grievance office are very different and should not be viewed as interchangeable. In its Bank Procedure, the GRS is described as “led by Management,” and its mandate is to help Bank staff develop a response to concerns presented by project-affected people, either through a complaint or not. It is not an independent or voluntary dispute resolution process where the parties—the complainant(s) and the Bank’s client—may directly negotiate with each other to find a lasting solution to a conflict that will outlive the Bank’s involvement in the project.

As stated in civil society [comments](#) on the review of the Inspection Panel’s Toolkit, a high degree of independence from Bank management and the Bank’s client is also necessary to

convene a dispute resolution process that communities will trust, like the dispute resolution processes convened by the Compliance Advisor Ombudsman (CAO), the IAM for the International Finance Corporation (IFC) and Multilateral Insurance Guarantee Agency (MIGA). As an extension of management and the CEO, the GRS is simply not designed to provide a neutral space for the parties to a dispute to negotiate a lasting agreement that engenders buy-in from all sides.

The Inspection Panel was once a leading innovation in development finance, giving communities a voice where it had not previously existed. We call on the Board to reinstate the Panel's position as a leader by ensuring that all remaining recommendations below are implemented:

1. The Panel should be authorized to monitor all instances of non-compliance to ensure that harm is remedied.
2. The Panel should have a dispute resolution function similar to the CAO's.
3. The cut-off date for filing complaints should be extended to at least two years following project completion or loan closure, whichever comes later.

In the wake of the Inspection Panel's 25th anniversary, we hope that the Board will renew its interest in ensuring that the Panel has the basic tools it needs to provide meaningful redress and institutional accountability.

Signatories

Africa

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Justice Pour Tous, Democratic Republic of Congo

Observatoire d'Etudes et d'Appui à la Responsabilité Sociale et Environnementale (OEARSE),
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Action des Chrétiens Activistes des Droits de l'Homme a Shabunda (ACADHOSHA),
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Action Paysanne Contre la Faim, Democratic Republic of Congo

Conseil Regional des ONG de Développement, Democratic Republic of Congo

Jamaa Resource Initiatives, Kenya

Narasha Community Development Group, Kenya

Oxfam International, Kenya

Save Lamu, Kenya

Le Collectif des Organisations de Défense des Droits de l'Homme et de la Démocratie (CODDHD), Niger

Lumière Synergie pour le Développement, Senegal

African Coalition for Corporate Accountability (ACCA), South Africa

WoMin Alliance, South Africa

Foundation for Environmental Management and Campaign Against Poverty (FEMAPO), Tanzania

Learning Minds Africa (LeMA), Tanzania

Mazingira Network Tanzania (MANET), Tanzania

Tanganyika Law Society, Tanzania

Africa Centre for Policy Facilitation (ACPF), Uganda

Buliisa Initiative for Rural Development Organisation (BIRUDO), Uganda

Friends with Environment in Development (FED), Uganda

Initiative for Social and Economic Rights (ISER), Uganda

Uganda Consortium on Corporate Accountability (UCCA), Uganda

World Voices Uganda (WVU), Uganda

Asia

Access Bangladesh Foundation, Bangladesh

Equitable Cambodia, Cambodia

Centre for Financial Accountability, India

Oyu Tolgoi Watch, Mongolia

Rivers without Boundaries Coalition Mongolia

Pakistan Fisher Folks Forum, Pakistan

Participatory Development Initiatives (PDI), Pakistan

Umeedenoo, Pakistan

NGO Forum on ADB, Philippines

Centre for Environmental Justice, Sri Lanka

Sri Lanka Nature Group, Sri Lanka

Manushya Foundation, Thailand

Europe

EcoLur, Armenia

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Za Zemiata - Friends of the Earth Bulgaria

CEE Bankwatch Network, Czech Republic

Green Alternative, Georgia

Urgewald, Germany

National Society of Conservationists - Friends of the Earth Hungary

Bank Information Center Europe, Netherlands

Both ENDS, Netherlands

Centre for Research on Multinational Corporations (SOMO), Netherlands

SLUG/Debt Justice Norway

Focus Association for Sustainable Development, Slovenia

Ecoaction, Ukraine

Bretton Woods Project, United Kingdom

Forest Peoples Programme, United Kingdom

Gender & Development Network, United Kingdom

Latin America

FARN, Argentina

Foundation for the Development of Sustainable Policies (FUNDEPS), Argentina

Conectas Human Rights, Brazil

Middle East & North Africa

ArabWatch Regional Coalition for Just Development, Regional

North America

MiningWatch Canada

Accountability Counsel, United States

Bank Information Center, United States

Center for International Environmental Law, United States

Crude Accountability, United States

Friends of the Earth U.S., United States

Gender Action, United States

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