

**THE INSPECTION PANEL
AT THE WORLD BANK**

**OPERATING PROCEDURES
APRIL 2014**

(WITH ANNEX 2 ADDED IN FEBRUARY 2016)

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Introduction and Background

These Operating Procedures replace the Operating Procedures issued by the Inspection Panel in 1994. They provide details on how the Inspection Panel operates, and aim to make the process user-friendly, transparent, predictable and up-to-date.

The Panel was established by the Board of Executive Directors (referred to as the “Board”) of the World Bank (referred to as the “Bank”), through IBRD¹ Board Resolution No. 93-10 and an identical IDA² Board Resolution No. 93-6 on September 22, 1993 (collectively referred to as “the Resolution”). The Resolution has been reviewed twice by the Board, in 1996 (referred to as “the 1996 Review”) and again in 1999 (referred to as “the 1999 Clarification”). The Resolution, the 1996 Review and the 1999 Clarification establish the governing framework of the Panel (see Annex 1 for the complete text of these documents).

Particularly, the new Operating Procedures:

- a. Specify what the Panel looks at to determine whether to register a complaint and receive a formal response from the Management of the Bank.
- b. Specify what factors the Panel will assess prior to making its recommendation to the Board on whether an investigation is warranted.
- c. Note the scope for solution-seeking by Bank Management built into the Panel process.
- d. Describe how the Panel process fosters interaction between its different stakeholders.
- e. Describe ways in which outputs from the Panel process contribute to institutional learning.
- f. Outline measures that reduce the time the process may take.

In the event of any potential inconsistency between these Operating Procedures and the Inspection Panel governing framework, the governing framework prevails.

The text below is organized in four sections:

Section 1 provides a brief overview of the role of the Panel and key features of the Panel process.

Section 2 explains how people who feel negatively affected by a project supported by the Bank may submit a complaint to the Panel to request an investigation into their concerns.

Section 3 describes the four main phases of the Panel process (see Figure 1), and explains the roles and responsibilities of the Requesters, the Panel, Management, the Board, and the Borrower in each phase. These phases are:

¹ International Bank for Reconstruction and Development: established in 1944, IBRD is the lending-arm of the World Bank which serves middle-income countries with capital investment and advisory services.

² International Development Association: established in 1960, IDA is the part of the World Bank that helps the world’s poorest countries.

- a. Receipt and registration of a Request for Inspection.
- b. Confirmation of technical eligibility of the Request and recommendation of whether an investigation is warranted.
- c. Investigation of claims raised by the Request.
- d. Actions following an investigation.

Section 4 describes measures to make the Panel better known in borrowing countries and to facilitate learning for the institution based on lessons drawn from Panel cases.

1 THE PANEL AND THE PANEL PROCESS

1.1 The Panel's role

1. The Inspection Panel serves as an independent forum to provide accountability and recourse for people affected by IBRD and IDA-financed projects. They can bring their concerns to the Panel in the form of a written complaint. A complaint is referred to as a “Request for Inspection” and those who submit a Request are referred to as “Requesters”. When it carries out an investigation, the Panel reports to the Board on whether the harm, as alleged by the Requesters, has totally or partially resulted from failure of the Bank to comply with its policies and procedures, including social and environmental safeguard policies, during design, appraisal and implementation of Bank-financed projects (also where the Bank is alleged to have failed in its follow-up on the borrower's obligations under loan agreements with respect to such policies and procedures).

2. The Inspection Panel serves two important accountability functions:

- a. It provides a forum for people, including those who are often poor and vulnerable, to seek recourse for harm which they believe result from Bank-supported operations. As such, the Panel is a “bottom-up” or citizen-driven accountability mechanism that responds to grievances and demands for redress. This promotes more inclusive and sustainable development by giving project-affected people a greater voice in Bank-financed projects that impact them.
- b. It provides an independent and impartial assessment of claims about harm and related non-compliance with Bank policies as a check-and-balance for the Board and other concerned stakeholders. This contributes towards institutional learning and helps to improve development effectiveness of World Bank operations.

1.2 The Panel process

3. The Panel's governing framework outlines a phased and interactive process involving actions by the Requesters, the Panel, the management of the Bank (referred to as “Management”), and the Board, and also includes consultation with the borrowing government (referred to as “Borrower”). The process includes four main phases (see Figure 1) and is referred to as the “Panel process”.

4. The Panel process is part of a wider set of remedies to address grievances stemming from Bank-supported operations; such remedies may be available within a project itself, be part of a borrowing country's own systems, or be part of a wider set of options available within the Bank to respond to grievances at various levels. The Panel process provides an avenue for grievance redress as a result of an independent investigation, and also at earlier stages in the process. The Panel does not, however, directly engage in mediation, and does not provide recommendations for remedial actions to be taken by Management or the Borrower.

5. The following are some key features of the Panel process of importance to people who consider making use of this accountability mechanism:

- a. **Accessibility.** The Panel is accessible to people who are concerned about actual or potential harm resulting from Bank operations. Any two or more affected persons can submit a Request for Inspection to the Panel; they will be treated fairly and their confidences will be kept.
- b. **Independence and impartiality.** The Panel is independent from Bank Management and reports directly to the Board, and conducts its work impartially.
- c. **Informing the Bank.** A key requirement is that the issue of concern to the Requesters is brought to the attention of Bank Management to seek a resolution to the concern, prior to the submission of a Request.
- d. **Focus on the Bank.** The Panel process focuses on the Bank. The Panel does not investigate other parties, such as the Borrower. The process places a responsibility on Bank Management to address the Panel's findings resulting from its investigations.
- e. **Broad interaction.** The Panel interacts with all stakeholders involved during all stages of the process, as consistent with its basic principles of independence and impartiality.
- f. **Solution-seeking.** The Panel process provides opportunities for constructive interaction between Bank Management and Requesters to address and resolve problems at different stages of the process.
- g. **Transparency.** The Panel process promotes transparency in Bank operations through publication of its reports.

1.3 The Panel's organization

6. The Panel reports to the Board. The Board's Committee on Development Effectiveness (CODE) is designated as the main interlocutor for the Panel.

7. The Panel is composed of three members of different nationalities who serve non-renewable five-year terms. Members of the Panel are selected based on their ability to deal thoroughly and fairly with the Requests brought to them, their integrity and their independence from the Bank's Management, and their exposure to development issues and to living conditions in developing countries. Members of the Panel may not be employed by the World Bank Group following the end of their service on the Panel. In addition, staff of the World Bank Group, including Executive Directors and their advisors, can only be appointed as Panel members two years after the end of their service with the World Bank Group. The Members of the Panel elect the Chairperson of the Panel.

8. The Panel is supported by a Secretariat which assists and advises the Panel in the execution of its duties. The Secretariat is headed by an Executive Secretary and includes a team of operations officers and support personnel. In carrying out its work, the Panel also retains independent expert consultants to assist in its fact-finding, investigations and analysis.

1.4 Decisions of the Panel

9. All decisions of the Panel on procedural matters, its recommendations to the Board on whether to proceed with the investigation of a Request, and its findings reported to the Board, shall be reached by consensus and, in the absence of a consensus, the majority and minority views shall be stated.

The Inspection Panel process

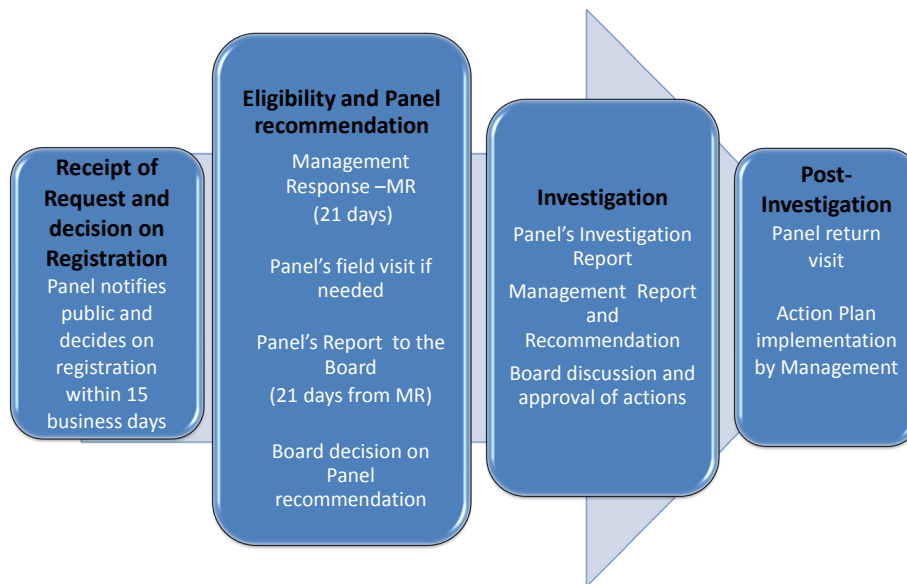


Figure 1: The four phases of the Panel process involve actions by the Panel, Management, the people who submitted the complaint, the Board, and includes consultation with the Borrower.

Box 1: Definitions

Bank Management or Management. World Bank as an institution involved in the design, appraisal and/or implementation of Bank-financed projects, as distinct from the Board of Executive Directors.

Bank-financed project. Any IBRD/IDA project or program approved by the Executive Directors or under consideration by Bank Management. The Panel's governing framework states that the word "project" has the same meaning as it generally has in Bank's practice, and includes operations under consideration by Bank Management as well as those already approved by the Executive Directors.

Requests may relate to projects financed by an investment loan or credit; or programs funded through development policy lending (formerly known as structural adjustment operations); or projects financed through a trust fund administered by the Bank (e.g. Global Environmental Facility-funded projects); or projects/programs for which IBRD or IDA has provided only a guarantee (not actual loan/credit); or projects/programs co-financed with other International Financial Institutions; or Program-for-Results operations. This is not a restrictive list and there might be other financing instruments of IBRD/IDA that might be subject to an Inspection Panel process.

Board. The Board of Executive Directors of the IBRD and IDA.

Borrower. In these procedures the borrowing or guaranteeing country, or potential borrower or guaranteeing country, project or implementing agency, the trustee, etc., as the context requires.

Business days. Days on which the Bank is open for business in Washington, D.C.

Operational policies and procedures. Bank's Operational Policies, Bank Procedures, and Operational Directives, and similar documents issued before these series were started, and do not include Guidelines and Best Practices and similar documents or statements. Operational policies and procedures include not only the Bank's safeguard policies, but also all other policies and procedures applicable to the design, appraisal and implementation of a Bank-financed project. The Bank's operational policies and procedures are subject to revisions, and new types of documents may be considered relevant for the Panel process.

Panel process. This term refers to the four-phase process that involves the Panel, the Management of the Bank, the Board, and the people who have submitted a complaint, as depicted in Figure 1.

Request for Inspection or Request. A written complaint submitted to the Inspection Panel raising issues of harm resulting from alleged non-compliance with Bank operational policies and procedures.

Requesters. Refers to signatories to a Request. In these procedures 'Requesters' means those who have submitted a Request.

World Bank or Bank. These terms refer interchangeably to the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA).

2 PREPARATION AND SUBMISSION OF A REQUEST FOR INSPECTION

2.1 Who can submit a Request for Inspection and when

10. A Request for Inspection may be submitted to the Panel by:
 - a. two or more people with common interests and concerns who claim that they have been or are likely to be adversely affected by a Bank-financed operation, and who are in the country where the Bank-financed project is located; or
 - b. a duly appointed local representative acting on behalf of affected people; or
 - c. in exceptional cases, referred to below, a non-local representative where the party submitting the Request contends that appropriate representation is not locally available and the Board so agree at the time they consider the Request; or
 - d. an Executive Director of the Bank in special cases of serious alleged violations of the Bank's policies and procedures; or
 - e. the Executive Directors acting as a Board. The Resolution provides that the Board, at any time, may instruct the Panel to conduct an investigation.³
11. A Request may be submitted at any time, starting at the stage at which a Project is under consideration by Management and as long as the disbursement of the financing is less than 95%.

2.2 Contents of a Request for Inspection

12. A Request for Inspection should contain, in substance, the following information:
 - a. **Harm.** A description of how the Requesters believe that their rights or interests may be adversely affected by a Bank-financed project, and the material adverse effects (harm) that they believe they are suffering, or are likely to suffer as a result.⁴
 - b. **The project.** A description of the Bank-financed project or proposed project⁵ as far as it may be known to the Requesters, stating how, in their view, the harm suffered or likely to be suffered by them is linked to the project activities that the Requesters believe may be relevant to their concerns.
 - c. **Actions or omissions of the Bank.** A description of actions or omissions of the Bank with respect to the design, appraisal and/or implementation of the Bank-financed project (including situations where the Bank is alleged to have failed in its follow-up on the Borrower's obligations under loan agreements with respect to such policies and

³ 1993 Resolution, paragraph 12.

⁴ Past cases of the Inspection Panel have addressed different types of harm or potential harm to people or the environment. These have included harm to: people and environment resulting from infrastructure projects or from involuntary resettlement in such projects (e.g., by a dam, road, pipeline, landfill, or other infrastructure project); indigenous peoples, their culture, traditions, lands tenure and development rights; cultural property, including sacred places; and the environment and natural habitats (e.g., air and water pollution, stress on water supplies, adverse impacts on wetlands, forests, fisheries, protected areas, etc.). Panel cases have also addressed peoples' rights and interests related to consultation, participation and access to information for affected peoples and communities.

⁵ See Box 1 for definition of the term 'Bank-financed project'.

- procedures). Requesters are not required to mention or quote specific Bank operational policies and procedures, but if known, may elaborate upon how that action or omission is a result of a failure by the Bank to follow its operational policies and procedures, including, but not limited to, the Bank's safeguard policies.
- d. **Informing the Bank.** A Request should describe steps taken or efforts made to bring the issue to the attention of Bank staff (if possible, with dates, people contacted, and copies of the correspondence with the Bank), and a statement explaining why, in the Requesters' view, the Bank's response was inadequate.
13. If some information cannot be provided at the time of submitting the Request, an indication should be included as to when such information may be made available to the Panel.

2.3 How can a Request for Inspection be submitted

14. **Format.** All Requests must be submitted in writing, but no specific form or format is necessary. The Request should be dated and signed by the Requesters or their representative. Requests with original signatures, and any supporting documentation, may be sent via mail or may also be submitted electronically. Requesters may ask for confidentiality in the handling of the Request (see paragraph 18). For additional guidance, a Requester may wish to refer to the Inspection Panel website (www.inspectionpanel.org).
15. **Language.** Requests may be submitted in the Requesters' local language. The working language of the Panel is English. If Requests are not in English, the time needed to translate and ensure the accuracy of the translation may add some days to the Panel's initial determination of whether to register the Request.
16. **Representatives.** If the Request is submitted by a local representative of the affected people, s/he must provide written evidence that s/he is acting on behalf of the people submitting the Request. Non-local representatives are also allowed in exceptional cases where the party submitting the Request contends that appropriate representation is not locally available and the Board so agrees at the time it considers the Request for Inspection. In such cases the Panel will bring the issue to the attention of the Board. The Request must include an explanation of the reasons for why there is no available representation in the country where the project is located or where the harm has or may occur.
17. **Supporting information.** If available, the Requesters may include any other evidence that documents their concerns.
18. **Confidentiality.** If Requesters wish that their names and personal information remain confidential, the Panel will keep all such information strictly within the Panel. However, for purposes of correspondence, the name of a contact person that can be made public should be provided.
19. **Submission of the Request.** Requests may be submitted in hard copy by mail or electronically to ipanel@worldbank.org. Requests by mail should be sent to the Executive Secretary of The Inspection Panel, Mail Stop MC 10-1007, 1818 H Street, N.W., Washington, D.C. 20433, U.S.A. or to the Bank's country office in the country where the project is located. In

the latter case, the country office shall, after issuing a receipt to the Requester, forward the Request to the Panel unopened through the next pouch.

20. **Questions and additional information.** People who have questions about the Inspection Panel process or the procedures for submitting a Request for Inspection may contact the office of the Inspection Panel, which will provide information about the relevant requirements. Such inquiries may be made by mail or electronically at the addresses indicated above, or by direct contact at tel. +1-202-458-5200. Additional information about the Inspection Panel and its process is available on the Panel website www.inspectionpanel.org.

3 PANEL PROCESS FOR HANDLING REQUESTS

21. As described in more detail in this section, the Panel process may involve four phases:

- a. Receipt of Request and decision on registration of the Request.
- b. Confirmation of technical eligibility and making a recommendation on whether to investigate.
- c. Investigation of the claims raised in the Request.
- d. Actions following an investigation.

3.1 First Phase: Receipt of a Request and decision on registration of the Request

Panel actions

Initial review and verification of admissibility

22. The Panel process formally begins when the Panel receives a Request for Inspection. The date of receipt of the Request gets recorded on the Panel website.

23. The Panel promptly makes an initial review to check that the Request is submitted by a qualified party as stipulated in Section 2.1 above, and contains the basic information stipulated in Section 2.2.

24. The Panel may ask the Requesters for further information. The Panel may also request information and clarification about the Project from Management.

25. The Panel verifies the following as a basis for registration:

- a. The Request is not frivolous, absurd or anonymous.
- b. The project/program, which is the subject of the Request, appears to be supported, or is being considered for support, at least in part, by the Bank.
- c. At least one component of the project/program which is the subject of the Request can be plausibly linked to the alleged harm.
- d. The Bank's financing for the project/program (e.g. loan, credit, grant etc.) is not closed.
- e. The disbursement of the Bank's financing is less than 95%.

- f. The subject matter of the Request does not concern issues of procurement, which is the process of acquisition of goods, work and services required for a project.
- g. The Request is not the same as a previous Request on which the Panel has already made a recommendation. If the Request raises similar matters as a previous Request, then the new complaint must present new evidence or circumstances related to the Requesters' concerns.

26. On the basis of this review, within 15 business days of receipt of the Request, the Panel decides whether: (a) to ask for additional information from Requesters; (b) to issue a Notice of Registration; or (c) to find the Request not to be admissible. The decision is recorded on the Panel website, and the Panel will keep Requesters, Management and the Borrower (through the Executive Director representing it) informed on next steps in its process.⁶

Ask for additional information

27. If the Panel determines that the Request is insufficient or unclear in meeting the requirements for registration, it may ask the Requesters to supply further information. In this case, the Panel sends an acknowledgement to the Requesters that the Panel has received the Request, and specifies what additional information is required. This additional information may be considered part of the Request.

Issue a Notice of Registration

28. If the Panel determines that the Request meets the basic requirements for registration, the Panel sends a Notice of Registration to the Requesters, the Board, the Bank President ("President") and the Borrower (through the Executive Director representing it). The Panel also transmits to the President, as head of Management, a copy of the Request itself with accompanying documentation, if any. If Requesters have asked that their identities be kept confidential, any information that may identify them is not disclosed in the Notice of Registration and in any accompanying documentation transmitted to Bank Management and the Board, as well as to the Borrower (through the Executive Director representing it).

29. The Notice of Registration triggers the requirement of a response to the Request by Bank Management within twenty-one business days..

30. The Notice of Registration:

- a. Records the date of receipt of the Request and the date of its registration.
- b. Presents the Requesters and their names, or that of their representative, unless confidentiality is requested.

⁶ The Panel is piloting a new approach to enhance opportunities for early solutions to the concerns raised by the Requesters. The process is described in Annex 1, "*Piloting a new approach to support early solutions in the IP process.*" This approach can apply to certain types of cases that may be amenable to early resolution in the interest of the affected community. The Panel, as part of its fiduciary duties, informs the Requesters of the existence of the Pilot, its nature and conditions. The Requesters then inform the Panel if they support a postponement of the decision on registration to explore this opportunity for early solutions. The Panel informs the Board through a Notice of Receipt of a Request, that it is postponing its decision on registration, attaching Management's proposal of remedial actions.

- c. Includes a brief description of the project, including its location.
- d. Summarizes the concerns of and claims by the Requesters.
- e. Includes a summary description of steps that have been taken to bring the issue to the attention of the Bank prior to approaching the Panel, as explained by the Requesters.
- f. May include other relevant information in particular with respect to efforts made to address the issues raised in the Request.
- g. Specifies the due date of the Management response.

Request considered not admissible

31. If the Panel finds, on the basis of the initial review or after seeking additional information, that the Request does not meet one or more of the criteria outlined in paragraph 23-25 above, it will issue a Notice of Non-Registration and will notify the Board, the Bank President, and the Requesters.

3.2 Second Phase: Confirmation of technical eligibility and recommendation on whether to investigate

32. This phase of the Panel process begins when the Panel sends a Notice of Registration to the Board and Management, as well as to the Borrower (through the Executive Director representing it). In this phase, Management is required to prepare a response to the Request for Inspection (called “Management Response”). The main outcome of this phase is the Board’s approval, or non-approval, of the Panel recommendation of whether the matters presented in the Request warrant an investigation. The steps in this second phase of the Panel process are elaborated below.

Management actions

33. Management, within twenty-one business days after receiving the Notice of Registration, submits to the Panel the Management Response. After the Panel receives the Management Response, it enters the date of receipt on the Panel website. The time limit for the Management Response is strictly observed except in circumstances clearly beyond the Management’s control. In practice, in such situations, and after consulting with the Panel, Management seeks Board approval for any proposed extension of the deadline.

34. This Response, in line with the governing framework of the Panel process, provides:

- a. Management’s view of whether the claims raised by the Requesters with respect to harm or potential harm are attributable, at least in part, to Management’s own actions or omissions in complying with the relevant policies and procedures, or are exclusively attributable to the borrower or to other factors external to the Bank.
- b. Evidence that Management has complied with the relevant Bank operational policies and procedures, or that it intends to comply with the policies and procedures relevant to the Requesters’ claims.

35. As and when appropriate, the Management response may include a description of measures to address the concerns raised in the Request that have been implemented or are being planned.

Panel actions

36. Once it receives the Management Response, the Panel has twenty-one business days to decide whether to recommend an investigation to the Board. The Panel's recommendation is presented in a report called "Report and Recommendation". The time limit for this report is strictly observed except for reasons clearly beyond the Panel's control. In such cases the Panel consults with Management and will request the Board for an extension of the period in which it presents its report.

37. During the twenty-one day period, a Panel team normally conducts a field visit to the project area to help confirm the technical eligibility of the Request and inform the Panel's recommendation to the Board. During the field visit, the Panel team meets with the Requesters, and briefs them orally about relevant information in the Management Response, including any proposed remedial actions, as relevant to the Panel's recommendation to the Board. Bank staff of the country office, officials of the implementing agency and other interested parties may provide relevant information. The Panel also meets with representatives of the Borrower and the Executive Director at the Board representing the country or countries where the project is planned or is being implemented to seek further views and inputs that may be important to inform the Panel's decision on whether to recommend an investigation. The Borrower is provided with information about the Panel and its process.

38. In order to make an informed recommendation, the Panel may also request further clarification from Management or from the Requesters. Such a request for information does not affect the requirement of the Panel to submit its Report and Recommendation to the Board within twenty-one days after receipt of the Management Response.

The Panel's confirmation of technical eligibility

39. As set forth in the 1999 Clarifications (paragraph 9), a basic responsibility of the Panel during this phase of its process is to confirm whether the six technical eligibility criteria are met. Some of these criteria will have been fully or partly reviewed during the receipt and registration phase of the Panel process (see Section 3.1 above). The Panel's confirmation is guided by the following:

Criterion (a): *"The affected party consists of two or more persons with common interests and concerns who are in the Borrower's territory."*

Criterion (b): *"The Request asserts in substance that a serious violation by the Bank of its operational policies and procedures has or is likely to have a material adverse effect on the requester."* The Panel confirms that the Request includes a description of the harm or potential harm (material adverse effects) that, according to Requesters, is the result of a serious violation by the Bank of its policies and procedures.

Criterion (c): “*The Request asserts that its subject matter has been brought to the attention of Management and that, in the Requesters’ view, Management has failed to respond adequately demonstrating that it has followed or is taking steps to follow the Bank’s policies and procedures.*” The Panel confirms that, prior to the submission of the Request, steps were taken to bring the concerns raised in the Request directly to the attention of Bank Management, and that Management had a reasonable opportunity to respond. Requesters need not approach the Bank themselves, but the Request should describe what steps and actions were taken to make sure that the issues included in the Request were brought to the attention of the Bank, as well as Management’s response to these actions. Requesters can ask to maintain their confidentiality.

Criterion (d): “*The matter is not related to procurement.*” The Panel’s confirmation is based on Bank policy OP/BP 11.00 which refers to procurement as “the procurement by World Bank borrowers of all goods, works, non-consulting services, and consulting services required for the Project and financed in whole or in part out of the proceeds of Bank loans”.

Criterion (e): “*The related loan has not been closed or substantially disbursed.*” The Panel confirms that disbursement of the loan is less than 95% by the date of receipt of the Request.

Criterion (f): “*The Panel has not made a recommendation on the subject matter or, if it has, that the request does assert that there is new evidence or circumstances not known at the time of the prior request.*” If a Request raises concerns about the same project and substantive matter as in a previous Request about which the Panel already made a recommendation on whether an investigation was warranted, the Panel confirms that new facts or circumstances are submitted to the Panel that distinguish the new Request from the previous one.

40. The Panel confirms the technical eligibility of the Request independently of any views that may be expressed by Management.

The Panel’s recommendation on whether an investigation is warranted

41. After confirming the technical eligibility of the Request, the Panel further assesses the Request and Management Response and exercises its judgment in deciding whether the matters presented in the Request warrant an investigation. The Panel may decide not to recommend an investigation even if it confirms that the technical eligibility criteria for an investigation are met, based on the considerations indicated in paragraph 43 below. The Panel explains the basis for its decision in its report.

42. The Panel prepares its recommendation on the basis of:

- a. The information in the Request, Management Response, and any other documents the Panel may have asked for and received from the Requesters, Management, the Borrower, as well as relevant third parties.

- b. Information gathered during the field visit in discussions with Requesters, Management and staff of the Bank's country office, national and local authorities, the implementing agencies and other interested parties.
 - c. Information gathered in interactions with the Executive Director representing the country.
43. In making its recommendation, the Panel takes into account the following:
- a. Whether there is a plausible causal link between the harm alleged in the Request and the Project.
 - b. Whether the alleged harm and possible non-compliance by the Bank with its operational policies and procedures may be of a serious character.
 - c. Whether Management, in the Panel's view, has dealt appropriately with the issues raised in the Request and demonstrated clearly that it has followed the required policies and procedures, or Management acknowledged that it did not comply with relevant policies and procedures.
 - d. Whether Management has provided a statement of specific remedial actions, and whether, in the judgment of the Panel and taking into account the view of the Requesters, these proposed remedial actions may adequately address the matters raised by the Request.
44. The Panel may not include, in its Report and Recommendation, an assessment of the Bank's compliance with its policies and procedures or its resulting harm to the Requesters, nor may it make any definitive assessment of the existence of a serious failure by the Bank that has caused harm. The Panel may make these assessments only in the context of an investigation.⁷

Contents of the Panel's Report and Recommendation

45. The Panel's confirmation of the technical eligibility of the Request for Inspection, and its assessment of whether to recommend an investigation, are set forth in the Panel's Report and Recommendation to the Board. This Report also includes a summary of the claims of the Request and the Management Response. The Panel's assessment is based on the Request and Management Response and additional information and observations, including the Borrower's views, as may be needed to explain the justification for the Panel's recommendation on whether or not an investigation is warranted.

46. The Report concludes with the Panel's recommendation to the Board, which includes an explanation of its basis. If the Panel recommends an investigation, it may specify the intended focus of the proposed investigation. Not all claims raised in the Request may warrant an investigation.

⁷ In a limited number of cases, the Panel has deferred its recommendation on whether to investigate the matters raised by the Request, and proposed to the Board a time period for such a deferral. The purpose of such deferrals has been to provide additional time for Management and Requesters to seek a resolution of the matters raised, taking into account specific remedial actions presented by Management. These past cases of deferral of the recommendation on whether to investigate differ from the Pilot (see footnote 7) in that the latter option provides for solution-seeking before asking for a Management Response.

47. In addition, the Report and Recommendation will be accompanied by:
- a. The Request in full and, where applicable, any other relevant information provided by the Requesters supplementing the Request.
 - b. The Management's Response in full, and, where applicable, any clarifications provided.
 - c. Any other documents relevant to the Panel's analysis.

Submission of the Panel's Report and Recommendation

48. The Panel's Recommendation, which is included in its Report, is submitted to the Board for approval.

Board decision

49. The Panel's Recommendation is circulated to the Board for approval within the normal distribution period, under an absence of objection procedure.⁸ If an Executive Director asks for a discussion, the decision by the Board will await the outcome of the Board meeting to be scheduled. If the Panel so recommends, the Board, according to the 1999 Clarification, will authorize an investigation without making a judgment on the merits of the claimants' Request, and without discussion, except with respect to the technical eligibility criteria (see paragraph 38 above).⁹

Notification and public disclosure

50. The Panel notifies the Requesters that the Report and Recommendation has been sent to the Board. Within two weeks of the Board's decision, the Panel informs the Requesters of the Board's decision and sends the Requesters a copy of the Panel's Report and Recommendation. At this time, Management and the Panel also make the full Report and Recommendation (including the Request and Management Response) publicly available (barring any confidential information). Translations of the Panel's Report and Recommendation, the Request and Management Response are also made available on the Panel's website.

3.3 Third Phase: Investigation of claims raised in the Request

51. This section describes some of the key steps and outcomes of the investigation phase of the Panel process. It also addresses the organization and methodology of the investigation and the timeline for completing investigations.

Panel actions

Organization of the investigation

⁸ This period is currently 10 business days.

⁹ 1999 Clarification, paragraph 9.

52. When an investigation is approved, the Panel Chairperson and Executive Secretary promptly put in place an Investigation Team, which will be led by a Panel Member designated by the Chairperson as Lead Inspector. Similarly, the Executive Secretary will assign a Secretariat staff as Lead Secretariat Officer for the investigation.

53. During the investigation, the Panel Investigation Team:

- a. Prepares and gathers relevant materials needed to initiate the investigation process.
- b. Prepares an investigation plan which includes: the key questions/issues the investigation is expected to address and the timeline of the investigation. The investigation plan is made publicly available and is posted on the Panel website.
- c. Initiates and organizes all operational elements needed for the investigation, including identification of expert consultants and preparations for the field visit and meetings with relevant Bank staff and other relevant stakeholders.
- d. Coordinates and maintains regular and timely contacts and interaction with Requesters and Management throughout the investigation process.

Investigation methodology

54. The methods used by the Investigation Team for its fact-finding and analysis include:

- a. Reviewing and researching Bank project documents and files. Management makes available to the Panel all available project documentation.
- b. Visiting the borrowing country, project sites and project areas of impact.
- c. Meeting with Requesters during visits.
- d. Requesting or receiving information from the Requesters, affected people, government officials, project authorities, and others likely to have relevant information. The latter may include representatives of other development and UN organizations, non-governmental organizations and experts.
- e. Interviews with individual Bank staff. Management enables the Panel to talk to staff involved with the project, both past and present.
- f. Consulting scientific literature and publications relevant to the issues of harm raised in the Request.
- g. Any other relevant methods the Team considers appropriate to the specific investigation.

Interaction with the Requesters

55. The Panel consults with the Requesters during the investigation process to ensure accuracy and completeness of available information, and to ensure that the Panel is updated on the status of any matters under investigation.

Interaction with Management

56. The Panel consults with Management during the investigation process, to ensure accuracy and completeness of available information, and to ensure that the Panel is updated on the status of any matters under investigation.

Interaction with the Borrower

57. The Panel and its Investigation Team brief the Executive Director representing the Borrower on the Panel's investigation process and plans, and consult with the Borrower and the Executive Director representing the borrowing (or guaranteeing) country during the investigation process to seek views and input that may be important to the Panel in carrying out its investigation. The Investigation Team meets with representatives of the borrower government during its visit to the country.

Additional aspects of the investigation process

58. The Panel's investigation takes place independently of project preparation or implementation, and the Panel has no authority to delay or stop these processes.

59. On occasion, during the course of the investigation, the Panel may encounter situations that require urgent attention, for example actions that may result in imminent or irreversible harm and pose the risk of serious non-compliance with Bank policies. The Panel brings these matters promptly to the attention of the Board and Senior Management to help ensure that appropriate responsive action is considered and taken, without having to wait for the completion of the Panel's investigation.

60. The existence of an investigation does not prevent Management from taking steps to address concerns raised by the Requesters during the course of the investigation. These developments will be taken into account by the Panel, as relevant, in its investigation.

61. When both the Inspection Panel and the Office of Compliance, Advisor and Ombudsman (CAO)¹⁰ receive a complaint regarding a project jointly financed by IBRD or IDA (with regard to the Panel), and IFC/MIGA (with regard to CAO), the Panel will coordinate with CAO to achieve efficiencies and avoid potential duplications, consistent with the mandate and responsibilities of each mechanism.

Collaboration with other accountability mechanisms

62. If the Panel receives a complaint that is also submitted to the independent accountability mechanism(s) of other international financial institutions, relating to a co-financed project, the Panel will make its best efforts to cooperate with the other accountability mechanism(s) as relevant. At all times, the cooperation must remain within the requirements and constraints of the mechanisms' respective mandates, rules and procedures including requirements of confidentiality and disclosure of information. Building on past practice, and sharing of

¹⁰ The Compliance Advisor Ombudsman (CAO) is the independent recourse mechanism for the International Finance Corporation (IFC) and Multilateral Investment Guarantee Agency (MIGA). The CAO responds to complaints from project-affected communities with the goal of enhancing social and environmental outcomes on the ground.

experience across the Independent Accountability Mechanisms Network,¹¹ the elements of such cooperation will be set forth in a Memorandum of Understanding agreed between the Panel and the other mechanism(s).

The Investigation Report

63. In general, the Investigation Report of the Panel includes, *inter alia*, the following elements:

- a. An Overview and/or Executive Summary of the Request for Inspection and the Panel's main findings.
- b. A Table of Findings presenting the claims in the Request, Management Response to these claims, and the corresponding Panel findings.
- c. An analysis of relevant facts and information, and findings on issues of harm and compliance. If the Panel finds that an issue of alleged harm is not related to the Project or does not relate to a Bank policy or procedure, this will be stated in the report and the issue will not be further analyzed.
- d. The main report is divided into relevant chapters addressing the claims by the Requesters which constitute the focus of the investigation. For each alleged issue of harm the report will provide basic factual information on the link to the project, document the Panel's findings with respect to the Bank's action or omission and its compliance with relevant policies and procedures, and assess the causal link between the Bank's non-compliance and the alleged harm.

Timeline for completing investigations

64. The Panel carries out investigations without undue delay. The Panel makes public an investigation plan with a target time-frame within four to six weeks after an investigation is approved by the Board. The Panel seeks to complete its investigations within six months following completion of the investigation plan. Depending on the specific circumstances of the case at hand, the time frame may be longer, for instance in the case of particularly complex cases or when unforeseen events intervene, or it may be shorter, when for example an investigation is narrowly focused or calls for a more urgent consideration.

65. The final Investigation Report is submitted to the Board and conveyed to Management via the President.

3.4 Fourth Phase: Actions following an investigation

66. This section addresses relevant actions in the Panel process that are or may be taken once the Panel completes its investigation report and submits it to the Board.

¹¹ The Independent Accountability Mechanisms Network is a network of members and staff of the International Accountability Mechanisms (IAMs) who seek to identify and foster means of cooperation within their respective mandates, contribute to regular exchange of ideas and practices, and assist with institutional capacity-building in accountability as components of corporate governance. Its members meet periodically.

Management actions

67. Within six weeks of receiving the Panel's Investigation Report, Management submits to the Board the "Management Report and Recommendation in Response to the Inspection Panel Investigation Report" (MRR).

68. The MRR normally includes proposed actions in response to the Panel's findings. A distinction is made between remedial efforts that Management can take on its own to address Bank failure, and a plan of action agreed between the Borrower and the Bank, in consultation with the Requesters, to improve project implementation.

69. Management may also include in the MRR a proposal to submit to the Board periodic progress reports on the implementation of the remedial efforts and/or plan of action.

Panel report on consultations with Requesters

70. According to the Panel's governing framework, Management will communicate to the Panel the nature and the outcomes of the consultations with the affected parties on the action plan agreed between the Borrower and the Bank. The Panel may submit to the Board, for its consideration, a written or verbal report on the adequacy of these consultations. The Panel's reporting may be based on information available to the Panel by all sources, and the Panel may decide, in consultation with the Executive Director representing the Borrower, that a country visit is needed to be able to prepare its report accurately.

Board decision and public disclosure

71. Following Management's submission of the MRR, the Board meets to consider the Panel's Investigation Report and the MRR. In this meeting the Board decides whether to approve the plans of action that Management may have included in its Report.

72. Within two weeks after the Board meeting, the Bank makes the Investigation Report and the MRR publicly available. At this time, the Panel promptly informs the Requesters of the actions approved by the Board, if any, and ensures that the Requesters receive a copy of the Panel's Report. The Panel makes the following information available on its website:

- a. The Panel's Investigation Report.
- b. Management Report and Recommendation.
- c. Information relating to the results of the investigation and the Board's decision.
- d. Generally, a joint press release between the Panel and Management.

73. These documents are, to the extent possible, translated into the language of the Requesters.

74. When Management submits to the Board progress reports on the implementation of actions following from a Panel investigation, the Panel makes these reports available on the Panel's website and provides them to the Requesters.

Keeping the Requesters informed

75. After the Board's consideration of the Investigation Report and Management Report and Recommendation, the Panel contacts the Requesters to convey and explain the results of the Panel process. This may, after consulting with the Executive Director representing the Borrower, involve a return visit to meet with the Requesters.

4 OUTREACH AND LEARNING FROM THE PANEL PROCESS

4.1 Raising awareness of the Panel and the Panel process

76. A prerequisite for the effective functioning of the Panel as an accountability mechanism for the Bank is that this recourse option is known to people whose rights and interests may be affected by Bank projects. As called for by the Board, the Panel works with Management to help make the Panel better known in borrowing countries.¹² This includes the presentation of the Panel on the Bank's website, and may include information about the Panel in relevant project documents and training of Bank operational staff on the Panel process. The Panel issues an Annual Report and a periodic newsletter.

77. Public information materials are produced in several languages. The Panel ensures that user-friendly information is easily retrievable through the internet and social media or other means of informational dissemination, as appropriate. The Panel organizes in-country and easily accessible outreach events, often in collaboration with other independent accountability mechanisms. The Panel also organizes meetings and participates in relevant conferences and civil society events.

4.2 Facilitation of learning from Panel cases

78. The extensive range of the Panel's investigation and other reports represents an independent assessment of the Bank's application of key operational policies and procedures in challenging circumstances, which may be useful to the Board and Management in establishing good development practice and in identifying and eliminating factors that lead to harm.

79. The Panel presents systemic issues and reflections discerned from its work to the Board, Management, and the public via its Annual Report and other publications as well as through meetings with the Board and Management as and when requested. The Panel may also present such observations to the Board's Committee on Development Effectiveness in its periodic meetings.

80. The Panel hosts meetings and events to discuss outcomes of its investigations and other reports with Management and relevant stakeholders so as to facilitate institutional learning.

¹² See 1996 Review and 1999 Clarification, paragraph 17.

Piloting a new approach to support early solutions in the Inspection Panel process

1. The Inspection Panel wishes to enhance opportunities for people and communities who request an inspection by the Panel to obtain early solutions to address their specific concerns about harm which they believe result from Bank financed projects. The Panel intends to pilot the approach outlined in this document to improve the effectiveness and efficiency of the Panel process both for affected people and the institution.

2. The Panel at times receives complaints on issues that are narrowly focused and less contentious, and there may be an interest on the part of all key stakeholders to seek opportunities for early solutions. To this end, the Panel has developed a new approach, consistent with the Resolution establishing the Panel and its Clarifications. The objective is, in specific cases, to provide an additional opportunity for Management and the Requesters to address the concerns about alleged harm raised in a Request for Inspection by postponing the Panel's decision on registration of the Request (which otherwise meets the criteria for registration). This approach would supplement the registration procedures of the Panel¹³, as described below.

3. **Criteria for considering the optional approach:** On a case-by-case basis, and in light of its initial interactions with Requesters and Management, the Panel would consider this option when, in its judgment, the following factors are present:

- a. The issues of alleged harm presented in the Request in general are clearly defined, focused, limited in scope, and appear to be amenable to early resolution in the interests of the Requesters.
- b. Management informs the Panel of steps or measures already initiated and/or planned to address the alleged harm and an anticipated timeframe for the implementation of the measures, and confirms that these are issues within the ability of Management to address at this stage.
- c. The Requesters inform the Panel that they support a postponement of the decision on registration to explore this additional opportunity for early solutions, in light of steps or measures indicated by Management.

4. **Procedural steps:** As per current practice, the Panel would meet with Management within a few days of receiving a Request to inform them of the content of the Request. If, in the view of the Panel, the case is well-suited for resolution under this approach, and Management indicates a preference for this optional approach, the Panel consults with the Requesters

¹³ The Panel created the registration process early in its existence to help ensure that Requests which were clearly outside of the Panel mandate were not submitted for further processing. Under its existing procedures, when the Panel receives a Request for Inspection, it determines “promptly” whether to register the Request, not register the Request, or seek additional information to inform its decision about registration. When the Panel registers a Request, it submits a Notice of Registration to the Board of Executive Directors and Bank Management has 21 working days to provide its Response to the Request. The criteria for the registration are indicated in the Panel's Operating Procedures.

immediately thereafter. If the Requesters also accept this approach, Management reverts promptly, normally within two weeks, with information on proposed steps and/or measures and an anticipated timeframe to address the concerns about alleged harm raised in the Request. The Panel informs the Requesters that it will postpone its decision on registration awaiting further information on the progress of Management's efforts to address their specific concerns.

5. If the Panel decides to follow this optional approach, the Panel would inform the Board, through a Notice of Receipt of a Request, that it is postponing its decision on registration. This Notice would:

- a. Explain the basis for taking this approach, including the proposed steps or measures by Management (a written statement by Management of measures to address the alleged harm may be attached to this Notice of Receipt), and the expected timeframe.
- b. Recognize the right of Requesters at any time to indicate that they are not satisfied and would like the Panel to register their Request.
- c. Note that the Panel would ask the Requesters and Management to keep it updated on progress in addressing the concerns of the Requesters.

6. The Notice of Receipt of the Request will be made publicly available.

7. In cases where the Panel decides not to adopt this optional approach, the Panel issues a Notice of Registration, as per current practice.

8. **Panel decision on closing or registering the Request:** Not later than three months following the submission of the Notice of Receipt of a Request, the Panel will review the situation. If the Requesters are satisfied that their concerns are being successfully addressed, and they so inform the Panel in writing, the Panel will not register the Request, and will issue a Notice of Non-Registration. In other cases, to be able to inform its judgment on whether to close the matter or register the Request, the Panel may visit the Requesters and the project area to have direct discussions. If the Panel decides to register the Request according to its normal process, it will outline the process undertaken to this point as well as the basis for registering in the Notice of Registration sent to the Board and Management.

9. **Assessing the Pilot:** The results and effectiveness of the pilot will be assessed by the end of 2015. The modalities for such an independent assessment will be determined in consultation with Management and other stakeholders.

Annex 2

Enhancing Consultation with Requesters and Tracking Action Plans

1. This document outlines the procedures developed by the Inspection Panel and Bank Management, following the discussions during the CODE Informal meeting on September 2, 2015 on two areas related to the Inspection Panel process.

Enhancing Consultation with Requesters

2. In accordance with the 1999 Clarifications of the Inspection Panel Resolution, Bank Management consults with the Requesters in the preparation of action plans following the submission of the Panel's investigation report to the Board and prior to the Board meeting.¹⁴ Management communicates to the Panel the nature and outcomes of consultations with the Requesters on the action plan and the Panel may submit to the Board its views of the adequacy of these consultations.¹⁵ During this consultation process, the Requesters do not have access to the Panel's investigation report nor the Panel's findings, and this is commonly raised by Requesters as a barrier for meaningful consultations to take place.

3. Considering the above and to assist in a meaningful consultation process, the Panel will make available to the Requesters the "Table of Findings" section of its report at the time of submission of the Panel's investigation report to the Board and Bank Management, on a confidential basis.¹⁶ The Panel will follow up with the Requesters to explain these findings and answer any questions of clarification, and seek the Requesters agreement to not share this document. The Panel will also continue its current practice to classify its investigation reports as "Confidential" until after Board discussion.

4. The Panel and Management understand that this new practice may entail unforeseen risks. Therefore it will be implemented on a pilot basis to be reviewed by the Panel and Management in 2 years' time, and its findings will be communicated to the Board.

Tracking Action Plans

5. The Panel, as the earliest accountability mechanism, is the only independent accountability mechanism who does not have any role following its investigations. Following Panel investigations, Bank Management prepares progress reports to inform the Board of the progress in the implementation of action plans approved by the Board.

6. In order to better facilitate tracking of these progress reports by the Board and other stakeholders, Management will prepare and maintain two tables to track the submission and

¹⁴ 1999 Clarification of the Board's Second review of the Inspection Panel, paragraph 15.

¹⁵ Ibid, paragraph 16.

¹⁶ The Table of Findings follows the format, content and scope used in Panel Investigation Reports as in current practice. For the content of Panel investigation reports, see Inspection Panel Operating Procedures dated April 2014, paragraph 63.

implementation of progress reports. While the first table will include information regarding the timing of the progress reports on ongoing cases, the second table will show the progress on the implementation of each action agreed upon by the Board on a case by case basis. Management will submit these reports every six months to the Board and share with the Panel for information prior to Board submission. As is done with Management Progress Reports, these tables will be made publicly available on the World Bank and the Panel's external websites.