THE INDEPENDENT REVIEW MECHANISM

ANNUAL REPORT 2012



African Development Bank

Compliance Review and Mediation Unit (CRMU)

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ACRONYMS AND ABBREVIATIONS

AfDB	African Development Bank Group
ADM	Société nationale des autoroutes du Maroc
IFC	International Finance Corporation
UNDP	United Nations Development Program
IMF	International Monetary Fund
APIX	l'Agence Nationale de Promotion de l'Investissement des Grands Travaux
BIFO	Bank's Country Office in Burundi
CRMU	Compliance Review and Mediation Unit
CSOs	Civil Society Organizations
DRC	Dispute Resolution Center, Kenya
EARC	Bank's East Africa Resource Center
ETFO	Bank's Country Office in Ethiopia
IACD	Integrity and Anti-Corruption Department
IAMs	Independent Accountability Mechanisms
IFIs	International Financial Institutions
IRM	Independent Review Mechanism
MDBs	Multilateral Development Banks
NGO	Non-Governmental Organization
ORPF	Procurement and Fiduciary Services Department
ORQR3	Safeguards and Compliance Division
PAPs	Project Affected People
PIUs	Project Implementations Units
RMCs	Regional Member Countries
RWFO	Bank's Country Office in Rwanda
TANROADS	Tanzania National Roads Agency
TZFO	Bank's Country Office in Tanzania
UGFO	Bank's Country Office in Uganda

EXECUTIVE SUMMARY

The mandate of the Independent Review Mechanism (IRM) is to provide people who are adversely affected by Bank financed projects, with the opportunity to submit their complaints. The IRM handles these Requests through two channels: (a) problem-solving (mediation), facilitated by the Director of the CRMU; and/or (b) compliance review (investigation), conducted by the Panel of IRM Experts.

The Requests

In 2012, the CRMU registered one new Request from Tanzania. The Unit followed up with another four registered in previous years from South Africa, Morocco, Senegal, and Uganda.

Road Support Project II, Tanzania - Action Plan Signed to Resolve Request:

This Request regarding the resettlement plan was registered in July 2012 for problem-solving. The CRMU facilitated the signing of an action plan in October 2012 by Requestors, the Project Promoter, Tanzania National Roads Agency (TANROADS), and the Bank to resolve the complaint.

Medupi Power Plant Project, South Africa - Compliance Review Report:

This Request, registered in October 2010, raised issues of stakeholder participation and risks to public health and the environment. The IRM Compliance Review Report was submitted to the President and the Boards of Directors in January 2012. The Boards discussed the IRM Report and Management Action Plan in September 2012. At the IRM's request, Management resubmitted an Updated Action Plan in November 2012 for Boards approval.

Marrakech-Agadir Motorway Project, Morocco - Assessment of the Compliance Review:

This Request complaining about constrained access to lands was registered for problem solving and compliance review in July 2010. Through CRMU's mediation, the complaints were resolved to the satisfaction of the Requestors. With this result, the IRM Experts deemed the compliance review unnecessary. The Experts Assessment was submitted to the President and the Boards in January 2012.

Dakar-Diaminiado Highway Project, Senegal - Closure of the Request:

This Request, registered for problem-solving in July 2011, concerned compensation for the demolition of a primary school and tenants' properties. The CRMU facilitated the signature of settlement agreements by the Requestors and the project promoter, *l'Agence Nationale de Promotion de l'Investissement des Grandes Travaux* (APIX). The CRMU mission to Senegal in December 2012 concluded that APIX had fulfilled its obligations, and the issues raised by the requestors were considered resolved.

Bujagali Hydropower and Interconnection Projects, Uganda - 4th IRM Monitoring Report:

This Request, registered for compliance review in June 2007, concerned issues of resettlement, cultural heritage and the environment. The IRM Experts and the CRMU conducted the fourth monitoring of the Management Action Plan in August 2012 in Uganda. The 4th IRM Monitoring Report submitted to the President and the Boards in October 2012 required Management to include an assessment of the compensation and resettlement outcomes in the Bujagali hydropower and interconnection projects completion reports.

Lessons Learnt from the Requests

Key lessons learnt by the IRM/CRMU from these Requests are that:

(i) The Bank should ensure that its action plans are sufficiently comprehensive;

(ii) The Bank should supervise public consultations;

(iii) The Bank should ensure agreements are implemented within agreed time-frames; and

(iv) Action plans should be precise and actionable to ensure systematic monitoring.

Outreach Activities

The CRMU organized workshops in ten Regional Member Countries (RMCs) to inform local communities, government agencies, and Civil Society Organizations (CSOs) about the IRM. Information on the IRM is now included in the new 2012 Bank Policies on Disclosure and Access to Information, and the Enhanced Engagement Framework with CSOs.

Problem Solving Training for the Bank Operations Staff

Problem-Solving Training was organized by CRMU in Kenya in October 2012 for staff from the Bank's East Africa Resource Center (EARC) and the four Country Offices of the EARC, the Country Office in Ethiopia (ETFO), the Procurement and Fiduciary Services Department (ORPF) and the Integrity and Anti-Corruption Department (IACD). The training contributes to the Bank's work by strengthening staff negotiation skills so as to resolve grievances during project cycles.

IRM Roster of Experts

In 2012, the President and the Boards appointed Dr. Richard Bissell as the Chairperson of the IRM Roster of Experts, with Dr. Arntraud Hartmann and Dr. Mafing Konde as members. The Experts prepared the 4th Monitoring Report on the Bujagali Projects, and the Compliance Review Panel Report on the Medupi Project in South Africa.

1. THE REQUESTS

In 2012, the CRMU registered one new Request and followed up with another four which it had registered in previous years. The CRMU received three other new complaints in 2012 but did not register them. In two of the new requests, the CRMU advised the complainants to raise their concerns first with the Bank, as a precondition under the IRM Rules for registration of the Request. The third case was not registered by the CRMU since it was submitted by one person while the IRM Rules require a Request be submitted by at least two individuals.

1.1 IRM Register of Requests (by December, 2012)

The IRM Register of Requests is available on line at www.afdb.org/irm and contains updated information about the Requests. Each Request is classified by a reference number, the date of registration, the country where the project is located, and the IRM function under which the Request is handled (problem-solving and/or compliance review).

1.2 Problem-Solving and Compliance Review Cases

1.2.1 Problem-Solving - Requests Handled by the CRMU

Road Sector Support Project II - Tanzania - Request (RQ2012/1)

This Request was received on 5 June 2012, from two Requestors who also represented other Project Affected People (PAPs). The Requestors complained about the negative impact of the Dodoma-Babati Road Section construction, one of three roads to be upgraded through Bank financing. The Requestors stated that they had received demolition notices from TANROADS, the project promoter, ordering them to demolish their properties immediately and without compensation payment or resettlement benefits. TANROADS considered these properties as unlawfully built on a Road Reserve. The Requestors stated that their attempts to resolve their problems with TANROADS and the Bank had not been successful and therefore requested that the CRMU conduct a problem-solving exercise to find a mutually agreeable solution.

In accordance with the IRM Rules, the CRMU registered the Request, on 25 June 2012, for problem-solving and the Management Response was submitted to the CRMU on 23 July 2012. CRMU conducted a scoping mission between 15 and 20 October 2012, in Tanzania. The CRMU team visited some of the affected villages (Bereko, Masawi and Bukulu) along the Dodoma-Babati Road, and met with the Requestors, other PAPs, TANROADS, the Bank's Resident Representative and the project Task Manager in the Bank's country office in Tanzania (TZFO). Subsequently, the CRMU facilitated a mediation meeting on 18 October 2012, where the Requestors, TANROADS and the Bank signed a time-bound action plan to resolve the complaint. The aim is to ensure that the Requestors and other PAPs receive their rightful compensation and resettlement benefits, and to address any similar problems for the whole project in a systematic way. Since the conclusion of this action plan, the CRMU has been updated by TZFO on the implementation progress of the plan by TANROADS. The CRMU also recruited an independent consultant in December 2012 to oversee the implementation of the action plan, to prepare a report on the outcome of compensation issues according to the Bank Resettlement Policy and, if applicable, to highlight any pending issues that the Bank should address during supervision missions.

Dakar-Diamniadio Highway Project, Senegal - Request (RQ2011/1)

This Request was registered by the CRMU on 26 June 2011, for problem-solving. The Requestors complained about the project's negative impact on the Imam Moussa Mbaye Franco-Arab Primary School, and insufficient compensation for tenants relocated because of the demolition of their houses. Under CRMU problem-solving, the Requestors and the national project promoter, APIX, signed settlement agreements in 2011. The Problem-Solving Report for this Request was submitted to the President and the Boards of Directors on 3 January 2012. The CRMU conducted a monitoring mission to Senegal between 17 and 21 December 2012 to ensure the implementation of these agreements. The mission concluded that APIX had fulfilled its financial obligations under the agreements, to the satisfaction of the Requestors. APIX also provided the CRMU with sufficient evidence that it had offered the necessary technical support to the affected tenants to enable them to establish their own cooperative so as to be eligible to access social housing. Accordingly, the CRMU considered the concerns raised in the request settled and decided that no further monitoring of the project by the IRM was needed.

Construction of the Marrakech-Agadir Motorway, Morocco - Request (RQ2010/1)

This Request was registered by the CRMU, on 29 July 2010, for problem-solving and compliance review. The Requestors complained about the negative impact of the Chichaoua–Imintanout section of the motorway, which is financed by the Bank. They alleged that the motorway constrained their access to their lands, water and social amenities. The CRMU facilitated the signature of a time-bound action plan by the project promoter, *Société Nationale des Autoroutes du Maroc* (ADM), and the Requestors. The Problem-Solving Report for this Request was submitted to the President and the Boards of Directors on 15 December 2011 concluding that six of the eight issues raised in the complaints had been resolved by the ADM to the satisfaction of the Requestors.

Since the Request was also registered by the CRMU for Compliance Review, the IRM Experts prepared their Independent Assessment as to whether the project should undergo compliance review. The Experts concluded that the project was not eligible for such a review since the issues raised had been resolved through IRM problem-solving, and the CRMU could monitor the resolution of the two pending issues that is, the restoration of five affected agricultural lands and increasing access to water to some of affected communities. The Experts' Assessment was submitted to the President and the Boards on 26 January 2012.

1.2.2 Compliance Review - Requests Handled by IRM Experts

The Medupi Power Project, South Africa - Request (RQ2010/2)

This Request was registered by the CRMU on 28 September 2010, for compliance review. It was submitted by two South African nationals, who requested that their identities be kept confidential. In accordance with paragraph 8 of the IRM Rules, and, after verifying the bona fides of the Requestors, the Director of the CRMU granted their request.

The Requestors complained, among other issues, about the project's negative environmental and social impacts, such as inadequate public consultation with affected people, high risk to public health from the project's emissions, and air and soil pollution. The Boards of Directors approved the IRM compliance review of the project on 15 July 2011 and IRM Experts submitted their Compliance Review Report to the Boards on 29 January 2012. The Boards discussed the Compliance Review Report and the Management Action Plan on 19 September 2012. At the request of the IRM, Management submitted an Updated Action Plan in November 2012 in order to redress the negative impacts of the project.

The Bujagali Hydropower and Interconnection Projects, Uganda - Request (RQ2007/1)

This request was registered by CRMU on 16 May 2007, for compliance review. The Request complained about several issues including inadequate social and environmental impact assessment and lack of consultation with affected communities. The Boards of Directors authorized the compliance review on 7 September 2007, and endorsed the IRM Panel's Compliance Review Report on 9 July 2008. The Boards also approved the Management Action Plan in May 2009 tailored to mitigate the negative impacts of the projects. The IRM and CRMU conducted three monitoring missions between 2009 and 2011 and reported on the progress of the Management Plan implementation and highlighted pending issues for the Bank's action.

The IRM Experts and CRMU conducted the fourth monitoring mission between 6 and 11 August 2012, in Uganda. They submitted their 4th IRM Monitoring Report to the Boards and the President on 9 October 2012. The report concluded that most of the issues raised in the Action Plan had been fully addressed. It highlighted three general issues (appeasement of spiritual concerns, redress of blasting effects and conservation of the Kalagala Offset and Forest Reserves) to be addressed by the Government of Uganda. The Report's specific recommendation to the Bank is that Management be required to include an assessment of the compensation and resettlement outcomes in projects completion reports. If the IRM considers these completion reports satisfactory, no further monitoring need be conducted.

1.3 Lessons Learnt from the Requests

According to the IRM Rules, the Annual Report should discuss identifiable:

- **Trends** relating to the activities of the Bank Group, that have emerged during the IRM's problem-solving exercises and compliance reviews; and
- **Lessons** that the IRM has learned about the challenges for the Bank in implementing its policies.

Based on the experience gained from the Requests handled in 2012, the CRMU and the IRM Experts describe the trends and the challenges for the implementation of the Bank policies and procedures in the following sections.

1.3.1 The Trends

- The IRM commends the Bank's prompt preparatory missions conducted prior to the Management's submission of its Responses to Requests to the CRMU. These Responses were useful since they provided up-to-date information on the status of the specific project.
- The IRM acknowledges the consistent commitment of Management to engage in problem-solving exercises facilitated by the CRMU.
- The IRM appreciates Management's inclusion of IRM information in the new 2012 Bank's Policy on Disclosure and Access to Information, and the Framework for Enhanced Engagement with Civil Society Organizations.

1.3.2 Implementation of Bank Policies

The IRM identified some key challenges for the implementation of Bank policies. The IRM draws the following conclusions:

- The Bank could strengthen relations with the community in a project area by involvement in project promoters' public sensitization campaigns to ensure sustained dissemination of information about the Bank safeguards policies to PAPs.
- The Bank should share more information about its policies with Borrowers and project implementation units (PIUs) to become an integral part of the full life cycle of Bank project. Whether with regard to the project's regulatory framework or implementation strategy, it is essential to promote the culture of compliance in all Bank investments.
- The Bank could improve development outcomes by closely supervising the implementation of settlement agreements concluded under problem-solving exercises within their time-lines to ensure effective solutions at earlier stages of project preparation, and ensure compliance at a project's implementation phase.
- The Bank should systematically include environmental and social specialists in its project supervision missions to ensure the implementation of effective mitigation measures, and the correction of unresolved safeguard issues.
- The Bank's action plan to mitigate negative environmental and social impacts of projects under IRM investigation should be comprehensive and sufficiently precise to be actionable. Plans should specify the Bank's role in supervising the implementation of these plans.

2. OUTREACH ACTIVITIES

2.1 Introduction

In 2012, CRMU outreach activities were focused on strategically disseminating IRM information to key project stakeholders and enhancing IRM visibility at local, national, regional and international levels. The activities benefited 118 representatives of project affected local communities, 110 CSOs, and 76 national government agencies in ten RMCs. In the course of these activities, local communities and government agencies recommended that the Bank should supervise the public consultations during project preparations.

The following sections describe CRMU outreach activities in 2012 in detail.

2.2 Dissemination of IRM Information to Local Communities

2.2.1 Nakuru, Kenya – Train the Trainers of NGOs

The CRMU organized a Train the Trainers session on 9 February 2012 in collaboration with Kenya's Jamaa Resource Initiatives, an NGO based in Nakuru, Kenya, to ten representatives of community-based organizations. The objective of this training was to enable the participants to share information about the IRM and the Bank's safeguards policies with their respective local communities. Jamaa Resources Initiatives replicated three similar sessions in February 2012 which were attended by 60 people living in the vicinity of projects in Kibera, Eldama Ravine and Menengai in Kenya.

2.2.2 Kribi, Cameroon – Community Session

The Center of Environment and Development in Yaoundé, Cameroon organized a community session on the IRM and the Bank's safeguard policies on 22 February 2012. The session was attended by 52 community members representing thirteen villages in the vicinity of projects in Kribi and was covered by local media.

2.3 IRM Presentation to Governments, NGOs and Local Media

2.3.1 Bujumbura, Burundi - Workshop on the IRM

The CRMU co-organized a national workshop on the IRM with the NGO *Propreté, Environnement et Santé* on 7 February 2012, in Bujumbura, Burundi, which was attended by 31 representatives of CSOs and Government agencies in Burundi. Participants recommended that the Bank and the IRM create a national CSO forum with country representatives in different provinces to monitor Bank financed projects in their respective areas.

2.3.2 Conakry and Labe, Guinea - Workshops on Access to the IRM

The CRMU organized three national workshops in Guinea (two in Conakry on 11 and 12 June 2012, and a third on 14 June 2012, in Labe), attended by 100 participants representing government institutions, PIUs, NGOs, local media (television and radio), local councils, traditional authorities and representatives of local communities. The CRMU's presentations covered Bank operations in Guinea as well as the IRM's mandate and functions. The

PIUs also presented their experiences with implementing Bank-financed projects. The participants made several recommendations, including CRMU sponsorship of local radio programs broadcast in local languages so as to disseminate information about the Bank's projects, safeguard policies and the role of IRM to different communities in Guinea.

2.4 Regional Information Sharing about the Bank's Accountability Mechanisms

The CRMU and the Integrity and Anti-Corruption Department (IACD) of the Bank, co-organized two sub-regional workshops to present the IRM and IACD rules and procedures to Government agencies and other project stakeholders.

2.4.1 Niamey, Niger – The IRM and the AfDB's Anti-Corruption and Fraud Strategy and Procedures

The CRMU and IACD co-organized a sub-regional workshop between 18 and 20 January 2012, in Niamey for 39 participants from Chad, Burkina Faso and Niger. The participants included Bank staff, PIUs, government agencies and CSOs. The participants' recommendations focused on building partnerships with local organizations to disseminate information about Bank projects, accountability and transparency measures in their respective countries.

2.4.2 Lomé, Togo – Accountability, Integrity and the Fight against Corruption: The Approach of the AfDB

The CRMU, IACD and the Bank's Country Office in Togo co-organized a sub-regional workshop between 17 and 18 July 2012, in Lomé. This event was attended by 51 participants representing government institutions, PIUs, CSOs in Togo and Benin, the Complaints Office of the European Investment Bank (EIB), the Inspection Panel of the World Bank, the media as well as representatives of international development institutions in Togo, such as the World Bank, the International Monetary Fund (IMF) and the United Nations Development Program (UNDP). The participants recommended that the CRMU and IACD support similar activities to ensure systematic dissemination of information about the Bank's accountability and anti-corruption rules, and to tap national experience of PIUs and CSOs so as to strengthen the CRMU's and IACD's efforts in these fields.

2.5 Enhanced IRM Visibility in International Events

2.5.1 Luxembourg - 9th Annual Meeting of the Independent Accountability Mechanisms

The scope of this Annual Meeting was for the Independent Accountability Mechanisms (IAMs) of International Financial Institutions (IFIs)[1] to update each other on their activities and the status of their handling of complaints either through problem-solving or compliance review.

IAMs also dedicated a session on their outreach strategies to enhance understanding of their processes, the value for grievance redress, as well as their contribution to institutional learning within their respective Banks.

The CRMU and the Chairperson of the Roster of the IRM Experts presented the lessons learned from the IRM assessment of project grievance mechanisms.

2.5.2 Brazil - Rio +20 Summit, United Nations Conference on Sustainable Development

CRMU staff and the Chairperson of the IRM Roster of Experts along with other principals of IAMs, attended the RIO+20 Summit held between 20 and 22 June, 2012, in Rio de Janeiro, Brazil. On the side-lines of this Summit, the IAMs organized two seminars where the Chairperson of the IRM Experts and the CRMU presented the lessons learned from the IRM's work. The first IAMs' seminar focused on the achievements and the challenges faced by IAMs as recourse instruments for people affected by IFIs financed projects. The second deliberated on the limitations of the IAMs as part of the IFIs' institutional framework and their ability to contribute to the operational and program effectiveness of their respective Banks. In addition, the IAMs information booth was invaluable in distributing IRM information materials to participants, international CSOs, academia and media.

2.5.3 Tunisia - The Annual Conference of Private Sector Integrity

The Private Sector Integrity Conference is an annual meeting organized by the legal departments of Multilateral Development Banks (MDBs), and was hosted this year by the Legal Department of the African Development Bank. The conference was held between 10 and 12 May 2012 in Tunis and was attended by 54 participants working on legal, compliance, integrity and anti-corruption issues with their respective MBDs including the Asian Development Bank, the EIB, the World Bank, the IFC, the European Bank for Reconstruction and Development, the Islamic Development Bank, and the Inter-American Development Bank.

The conference discussion focused on private sector operations and their interlinked integrity, due diligence and governance issues, as well as the prevention and sanctioning of fraudulent corporate practices. The CRMU made a presentation on "IRM and Bank Due Diligence Processes" and the inclusion of the IRM mandate in loan agreements as a way to raise private sector clients' awareness of the Bank's accountability instruments.

[1] *IAMs represent the complaints offices of the African Development Bank, the International Finance Corporation, the World Bank, the Inter-American Development Bank, the Asian Development Bank, the European Investment Bank, the European Bank for Reconstruction and Development, the Japanese Export Agency, the Japanese International Development Agency, the American Overseas Private Investment Corporation, and the Canadian Extractive Industries.*

2.6 Presentation of IRM to Bank's Operations and Safeguards Experts

On 16 November 2012 the Environmental and Social Safeguard Network of the Bank, managed by the Bank's Safeguard and Compliance Division (ORQR3), organized a special meeting to discuss the relevance of the IRM to the Bank's operations. Following the CRMU's presentation of the IRM, the discussion focused on the role of Bank staff during complaint handling, the independence of the IRM, the difficulty for project task managers to meet all the requirements of Bank policies in tandem with national laws; alternative ways to seek recourse if Requestors are not satisfied with the results of the IRM; and the role of other parties involved in complaints handling, such as governments or PIUs.

2.7 IRM Information Materials - Continued Production and Dissemination

Annual Report

The IRM Annual Report provides information on the Requests handled by the mechanism, CRMU's outreach activities as well as other administrative matters carried out by the CRMU during the year. According to IRM Rules, the Report is submitted to the Board of Governors, the Board of Directors and the President of the African Development Bank Group. It is produced in English and French and posted for public access on the IRM website www.afdb.org/irm.

The IRM Brochure

The IRM Brochure contains information about the IRM's mandate, functions and the requirements for submitting Requests. It is available in English, French, Kiswahili, Arabic and Portuguese.

Bank Staff Brochure

The Staff Brochure provides key information for about the IRM rules, the role of staff in request handling. It is disseminated in internal seminars organized by the CRMU for Bank operations staff.

Community Information Kit

The kit provides information to local communities about the steps to follow if they wish to submit a Request to the IRM. In 2012, the CRMU translated this kit into Kirundi, as spoken in Burundi. The kit is also available in English, French, Kiswahili, Arabic, and Portuguese, as well as seven other nationally and locally spoken languages such as Chichewa spoken in Malawi, Mandingo and Bambara spoken in Mali, Malagasy spoken in Madagascar, Themni spoken in Sierra Leon, Amharic spoken in Ethiopia and Wolof spoken in Senegal.

IRM e-Newsletter

The issues of the IRM Newsletter in 2012 included articles about Requests, CRMU outreach, the appointment of new IRM Experts, and, from African NGOs on accountability issues.

IRM Website

The IRM website www.afdb.org/irm is updated regularly and includes information about the IRM's procedures, the registered Requests and all related statements of the decisions of the Boards of Directors and the President of the Bank Group.

NGO Information Guide

The Guide provides information to NGOs on how to conduct sessions to raise awareness of local community to the IRM rules and procedures.

CRMU Database

The CRMU's database of NGOs is available to organizations working in fields relating to the IRM mandate. At present the database contains 458 NGOs from 46 RMCs, 122 mediators and 108 mediation organizations from Africa and other non-regional members of the Bank.

CRMU Outreach Activities which should be organized in 2013:

- Two sub-regional workshops
- Two national workshops
- Two community sessions
- Several RM seminars for Executive Directors, Senior Management and Bank staff
- The Director of CRMU/IRM Experts will attend the 10th Annual Meeting of the IAMs hosted by the Inspection Panel of the World Bank in September 2013 in Washington DC.

3. CRMU PROBLEM-SOLVING TRAINING FOR BANK OPERATIONS STAFF

3.1 Introduction

In 2011, the CRMU integrated the IRM problem-solving training for Bank operations staff into its annual work program. This initiative is to equip Bank operations staff with the necessary negotiation skills to effectively engage in IRM problem-solving exercises, and to resolve complaints relating to safeguards issues that may occur during the project cycle. To implement this initiative, the CRMU commissioned certified professional trainers from the Dispute Resolution Center (DRC) based in Kenya to: prepare training modules for CRMU internal use; prepare other problem-solving modules for staff; and deliver annual trainings for the operations staff of the Bank. The CRMU sees this initiative as an opportunity for the IRM to contribute to the institutional learning process.

3.2 Kenya - CRMU Problem-Solving Training of Bank Operations Staff

The CRMU, in collaboration with the Bank's EARC, organized this training between 9 and 10 October 2012 in Nairobi, Kenya. The training was delivered by professionals from the DRC to Bank staff from the following departments and organizations: the IACD, the Procurement and Fiduciary Services (ORFF), CRMU, the EARC and the country offices it manages including Burundi (BIFO), Ethiopia (ETFO), Rwanda (RWFO), Tanzania (TZFO) and Uganda (UGFO). These staff works on the Bank's projects on infrastructure, energy, agriculture, water sanitation, private sector, safeguards and socio-economists.

4. CRMU STAFF



Mrs. Adila Abusharaf, Chief Compliance Officer (Officer-in-Charge of the CRMU February-December 2012)

Mrs. Abusharaf joined the Bank in 2007 and has been the Officer-in-Charge of CRMU between February and December 2012. In this capacity, she has been in charge of the administration of the IRM, including the receipt and registration of Requests, the problem-solving (mediation) process, outreach activities, monitoring and preparing the CRMU's annual strategic work program and budget. Together with the IRM Experts, she determines the eligibility of Requests for compliance review and reports directly to the Bank Group's President and Board of Directors. She has over 17 years experience in international development having worked with the International Development Research Center (IDRC), University of Toronto, and York University in Canada, as well as having held positions as Regional Program Officer at the Center of Arab Women for Training and Research based in Tunisia and as a lawyer in Sudan. Her work and scholarly publications focus on foreign direct oil investment and dispute resolution, compensation and resettlement, local governance, peace building and conflict-resolution, and gender-equity. Her work on these issues covers Algeria, Cameroon, Egypt, Mauritania, Morocco, Nigeria, Senegal, Tunisia, and Sudan. She obtained her Doctorate in Juridical Sciences from the University of Toronto in 2000, on private international law of transnational litigation and dispute resolution of oil pollution claims.



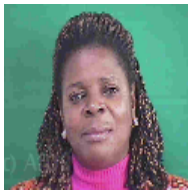
Ms. Grace Kimani, Principal Compliance Officer

Ms. Grace Kimani joined the Bank in June 2009. She supports the Director of CRMU in assessing Requests, conducting outreach activities, collecting and analysing Bank policies and procedures applicable to Requests registered by the CRMU for compliance review, preparing problem-solving missions and meetings, providing technical support to IRM Experts independent compliance review panels, and representing the CRMU in internal and external meetings. She has experience in environmental matters having worked for five years with the legal department of the National Environment Management Authority (NEMA) in Kenya before joining the Bank. She is an environmental lawyer with a Master of Laws' degree (LL.M) in Environment and Natural Resources Law and a Bachelor of Laws degree (LL.B) both from the University of Nairobi. She holds a Postgraduate Diploma in International Environmental Law from the United Nations Institute of Training and Research (UNITAR). Her work experience has focused mainly on sustainable development, biodiversity conservation, climate change, hazardous waste/chemicals and environmental legislative drafting. She participated in drafting subsidiary legislation for Kenya in the conservation of biodiversity, water, waste, chemical, the management of ozone depleting substance, and, noise and air pollution control.



Mrs. Gisèle Belem, Senior Compliance Officer

Mrs. Belem joined the Bank in December 2011. She supports the Director of the CRMU in the assessment of Requests regarding the Bank's compliance with its safeguard policies, the preparation of IRM problem solving exercises and conducting outreach activities targeting NGOs and local communities. She also provides support to IRM Experts independent compliance review panels. Ms. Belem obtained her PhD in environmental sciences from the University of Quebec, Montreal, Canada in 2009. Before joining the Bank, she worked for five years as a Research Assistant with the Canadian Corporate Social Responsibility and Sustainable Development Research Chair, and the Research Group focusing on mining industries in Africa. She has also worked as a consultant for Oxfam America, Development and Peace, a Canadian NGO, and for three years, Hatch, a Canadian Engineering Consulting Firm where she was in charge of social and community issues, management of safeguards issues relating to mining development, infrastructure and energy projects. Her professional experience and publications focus on corporate social responsibility, sustainable development, governance and development project stakeholder engagement. Her previous work experience covered Canada, Gabon, Guinea, Mali, Burkina Faso, Sierra Leone and Senegal.



Mrs. Dede Jacqueline Djedjero, Administrative Assistant

Mrs. Djedjero joined the CRMU in April 2009 and as Administrative Assistant provides administrative support to the Director of CRMU and the Roster of IRM Experts. She is trained as a bilingual assistant and translator (English/French). She helps the CRMU with the translation of working papers and proof-reading of translated reports and IRM Board documents, provides support with procurement and logistical matters, payment of consultants and IRM Experts and is the focal point of CRMU administrative budget management. She has wide experience in the Bank having worked with different departments, including operations where she worked for over 10 years and in the Human Development Department, comprising Health, Education and Poverty Alleviation.



Ms. Maali Harrathi, Senior Secretary

Ms. Harrathi joined the CRMU in November 2011 as Senior Secretary. Her duties include providing administrative support to the CRMU's Director and staff in the coordination of missions, workshops, following up procurement issues, the development, management and update of CRMU's databases and other administrative duties. She is enrolled in the Master's Program at the Higher School of Electronic Commerce of Manouba, Tunisia. Her thesis focuses on e-Business. Before joining the CRMU, she worked for four years with the Private Sector Department of the Bank.

5. IRM ROSTER OF EXPERTS



Dr. Richard E. Bissell, Chairperson

Dr. Richard Bissell was appointed as the Chairperson of the IRM Roster of Experts by the Board of Directors of the African Development Bank, on 16 July 2012. He has been a member of the IRM Roster of Experts since July 2010. He is also the Executive Director for Policy and Global Affairs of the National Research Council of the U.S. National Academy of Sciences (USNAS). He oversees fifteen program units with a focus on science and technology policy, international scientific affairs, and the future science and engineering workforce.

Prior to joining the USNAS in 1998, Dr. Bissell was the coordinator of the Interim Secretariat of the World Commission on Dams (1997-1998), a joint initiative of the World Bank and the World Conservation Union (IUCN). During the period 1994-1997, he was the Chairman and a founding Member of the Inspection Panel at the World Bank, an independent advisory committee to the Board of Executive Directors. He has also served in a similar role at the Asian Development Bank as a member of the Compliance Review Panel from 2003 to 2007.

Between 1986 and 1993, Dr. Bissell was Assistant Administrator of the U.S. Agency for International Development, appointed first to head the Bureau of Program and Policy Coordination. In that position, he was responsible for Agency-wide policy development, review of development impact of projects at multilateral banks, evaluation processes throughout USAID, and management of the annual budget process. He then received a second Assistant Administrator appointment as Head of the Bureau of Research and Development, where he was responsible for the direction and management of a research portfolio in health, population, education, environment, energy and agriculture, as well as technical support of USAID field missions in nearly 100 countries.

Dr. Bissell has been a professor at the American University, Georgetown University, and the University of Pennsylvania. Among his publications are seven books and a wide variety of articles in scholarly and policy journals. He has served as editor of several professional journals. He holds a B.A. from Stanford University and a Ph.D. from the Fletcher School of Law and Diplomacy, Tufts University, in international economics, with post-doctoral work at Princeton University.



Dr. Mafing Kondé, Member

Dr. Mafing Kondé was appointed on 6 February 2012, as a Member of the IRM Roster of Experts by the President and the Board of Directors of the African Development Bank Group.

Dr. Kondé holds a PhD in Development Sociology from the University of Paris X Nanterre, as well as a Diploma of Advanced Studies in Political Science Studies from the University of Grenoble in France. He has almost thirty years of experience.

Between 1984 and 1987, he worked as a lecturer at the University of Ouagadougou; Officer in Charge of Outreach for the Rural Water and Equipment Fund in Burkina-Faso; Sociology Research Officer in the *Société africaine d'étude et de développement* (SAED); and a Research Coordinator for many development projects in Burkina-Faso. Some of these projects were funded by different international organizations and European countries, such as the World Bank, Food and Agriculture Organization (FAO), and cooperation agencies of Denmark and the Netherlands. Thereafter, he joined Sahel-Consult as a sociologist where his work focused on water projects in Burkina-Faso.

Since 1988 Dr. Kondé has been working as an independent consultant and has undertaken various assignments in Burkina-Faso and other West African countries including Niger, Mali, Cote d'Ivoire and Ghana for different international and national organizations: the World Bank, the International Union of Conservation of Nature (IUCN), the Danish Development assistance (Danida), the Italian Government, the United Nations Development Program (UNDP), the United Nations Children Fund (UNICEF), the United Nations-Women Research, the German International Cooperation Agency (GTZ), the Austrian Development Cooperation, the Swiss Cooperation, the Millennium Challenge Account (MCA), the Inter-States Group of Schools (ETSHER), as well as the Ministries of Agriculture, Water Resources and Environment of Burkina-Faso. These assignments covered a wide range of research and development projects including conducting research and working on the preparation, implementation and monitoring of projects in various sectors, local planning and development plans, environmental and social impacts studies, displacement and resettlement plans, and outreach activities. More specifically, his areas of specialization throughout his career have been in the analysis of land and water related issues, implementation of decentralization and agriculture development, as well as participatory management of natural resources.

Dr. Kondé is a member of different national and international associations such as the Land Research and Action Group (GRAF), the Association of Independent Consultants and Partners (ACIA), the International Center for Sociological and Applied Law Studies (CINESDA) and the National Anti-Corruption Network (RENLAC) . For the purpose of assignments related to his membership to these associations, he has travelled to Turkey, Thailand, Greece and Nigeria.



Dr. Arntraud Hartmann, Member

Dr. Arntraud Hartmann was appointed on 1 June 2012, as a Member of the IRM Roster of Experts by the President and the Board of Directors of the African Development Bank Group.

Dr. Hartmann holds degrees in Law and Economics (Hamburg University and the American University) and Diplomas in International Relations and International Finance (Harvard University and John Hopkins University). She has more than 30 years of professional experience in development cooperation gained from working with several international organizations. Dr. Hartmann spent twenty-three years working for the World Bank, where she held Senior Management positions. She was Country Director for several Southeast European countries, Senior Advisor to the Managing Director and established the first Country Office of the World Bank in Romania in 1991 where she was the World Bank's first Country Manager and Chief of Mission. Prior to that, she held several positions for the World Bank as a Principal Economist for West African Countries and as Country Economist for Pakistan.

In 2002 and 2006 Dr. Hartmann was Senior Advisor to the Secretariat of the World Commission on the Social Dimensions of Globalization established by the ILO in Geneva, and was Director of the Economic Policy Forum and International Institute for Journalism of InWent, in Berlin, Germany. Since then, she has been a member of the Quality Assurance Review Process of IFAD, and has undertaken numerous consultancies for the World Bank, the International Monetary Fund and the German Federal Ministry for Economic Cooperation and Development, the German International Cooperation Agency, GTZ and the International Fund for Agriculture.

Dr. Hartmann is an Adjunct Professor for Development Economics at the School of Advanced International Studies, Johns Hopkins University, Bologna, Italy, and a visiting professor at the Hertie School of Governance, in Berlin, Germany where she regularly teaches. She is a Senior Fellow at the European Research Centre for Anti-Corruption and State Building, in Berlin, Germany. She undertakes research with the Brookings Institution on aid effectiveness and has published extensively together with Johannes Linn, on "Scaling Up of Development Programs". In addition, she has published on Public Sector Performance Measurement, Poverty Reduction Policies, Aid Effectiveness and Structural Adjustment Programs.

6. Financial Matters

CRMU Budget and Actual Costs in Unit of Accounts (UA)

Budget Items	Budget	Actual Cost
Salaries CRMU staff	297,336.00	255,519.00
CRMU Business Meetings *adjusted	84,364.46	58,654.74
CRMU Missions *adjusted	148,642.70	60,996.09
Public Relations, Meetings, etc.	1,417.50	818.48
Experts Remuneration and Mission Costs	272,160.00	77,647.19
Consultants *adjusted mid-December, 2012	52,226.41	37,750.29
Hospitality	1,012.50	
Total	**857,159.57**	**491,385.79**

*Adjustments through transfers within budget lines effected in September 2012 to enable CRMU deliver approved activities.

ANNEXES

Annex 1

General Information about the IRM

Overview

The IRM is one of several oversight instruments established by the Bank Group to ensure the accountability of its operations. It was established by the Bank Group Board of Directors' Enabling Resolution of 30 June 2004 and became operational in mid-2006 upon the appointment of the first Director of the Compliance Review and Mediation Unit (CRMU) that administers the mechanism. For the purpose of compliance reviews, an IRM Roster of Experts was established with three external members, appointed by the Boards of Directors on a non-renewable term of five years. The IRM Operating Rules and Procedures were approved and amended thereafter by the Boards of Directors on 27 July 2006 and again on 16 June 2010.

The Mandate

The IRM's mandate is to provide people who are, or are likely to be, adversely affected by a Bank Group financed project, with the opportunity to submit their complaints to the Bank, where this is as a result of non-compliance with the Bank's policies and procedures.

The salient feature of the IRM is that it is independent from the Bank's management, and only intervenes when people or communities affected by a Bank-financed project submit a complaint to the CRMU. In this way, the IRM can be considered as a recourse instrument for project affected people who have previously been unable to resolve their problems with the Bank's Management, to have their complaints heard and addressed at the highest decision levels of the Bank.

The IRM reports are submitted for consideration and approval by the President, for projects being considered for AfDB financing, and to the Boards of Directors for already approved projects.

The Review of the IRM

In line with the Resolution Instituting the IRM (B/BD/2010/10-F/BD/201/4) the Boards of Directors review the experience of the IRM established by the Resolution, after three years from the date of the effectiveness of the IRM. At this date the Director is appointed (2006), thereafter, the IRM review shall be conducted every four years, or as otherwise decided by the Boards. The first review of the IRM's performance was conducted in 2009 and, in 2010, resulted in the Boards' approval of the proposed amendments of the IRM Instituting Resolution of 2004 and IRM Rules of 2006.

The IRM Functions

The IRM has two main functions: Problem-Solving (mediation) and Compliance Review.

The CRMU administers the IRM and is responsible for assessing and registering complaints, participating in the eligibility review of these complaints, undertaking problem-solving exercises and coordinating outreach activities. Together with the IRM Experts, the Director of the CRMU assesses the eligibility of Requests for compliance review.

The Compliance Review Panel which comprises the three IRM experts, once authorized by the Boards of Directors or the President, investigates allegations of non-compliance with Bank policies and procedures and whether a potential harm results to people and/or the environment. The Panel can recommend to the Bank Group's Boards of Directors, the President and Management that the Bank takes remedial action to bring investigated projects into compliance with Bank policies. They can also propose changes to the Bank Group's systems or procedures to avoid similar future non-compliance with Bank policies.

The IRM/CRMU, subject to the Boards' or the President's authorization, is also mandated to monitor the implementation of the recommendations from Compliance Review Reports and the Bank's Management Action Plan. The CRMU is mandated to monitor the implementation of settlement agreements concluded under the IRM problem-solving exercise.

The Request Handling Procedures

The IRM Rules provide the timeframes for the submission of Requests and for their handling by the CRMU. In general terms, the Director of the CRMU conducts a preliminary review within 14 working days of the receipt of a Request, to determine whether the Request falls within the mandate of the IRM, and whether it contains a bona fide allegation of harm arising from a Bank-financed operation. If the Request fulfills the requirements, the CRMU registers it either for problem-solving and/or compliance review and immediately informs the Requestors and the Bank's President, Boards of Directors and Management. Within 21 working days of receiving the notice of the registration of the Request, Management should respond to the CRMU, providing evidence that it has complied with, or intends to comply with the applicable Bank policies and procedures. A copy of the Management Response is sent to the Requestors for information. Within 30 days of the receipt of the Management response, the Director of the CRMU either starts a problem-solving exercise or, together with the IRM Experts, assesses the eligibility of the Request for compliance review. If the Request is eligible, the Director and the Experts recommend the Boards or the President to authorize the compliance review.

The Problem-Solving (Mediation)

The purpose of the problem-solving exercise (mediation) is for the CRMU to facilitate an effective dialogue between the Requestors, the Bank and any other interested party in order to reach a solution agreeable to all stakeholders.

When considering conducting a problem-solving exercise, the Director of the CRMU considers whether:

- the parties are amenable to resolve the conflict through mediation;
- the Bank Group can influence change with regard to finding an agreeable solution; and
- The problem-solving exercise will not interfere with or be impeded by any other process before a court, arbitration tribunal or similar review body where the same or very similar matter to the Request is being examined.

The CRMU can utilize several problem-solving techniques such as fact finding, mediation, conciliation and dialogue facilitation including the use of best customary practices. The Director of the CRMU submits the problem-solving report to the Requestors, the Bank's President, the Boards of Directors, the Management and any other interested parties. If the exercise has not been successful within three months, the Director of the CRMU declares the exercise unsuccessful, detailing the reasons in the problem-solving report. Regardless of the outcome of the exercise, the Director of the CRMU can recommend to the President or the Boards of Directors that a compliance review be undertaken to investigate any non-compliance with Bank policies and procedures identified during the problem-solving exercise.

The Compliance Review

The purpose of the compliance review is to determine whether the Bank Group has complied with its own policies and procedures, and to verify whether, through non-compliance with these policies, a direct harm has been, or is likely to be inflicted on people and/or the environment by the project.

There are several steps in determining whether the Request is eligible for compliance review. First, the Director of the CRMU and the IRM Experts review the Request and the corresponding Bank Management response, and if necessary, undertake a mission to the project area to verify the situation. If the Director and the Experts identify *prima facie* evidence of possible harm to people and/or the environment due to non-compliance with Bank policies, they prepare an eligibility report including the recommendation to conduct the compliance review. Second, if Requestors demand a compliance review, but the Director of the CRMU does not recommend it, the Director refers such a Request to the IRM Experts to reassess its eligibility for compliance review and report their recommendations to the President or the Board. Third, the Director's and the IRM Experts' eligibility report is submitted for consideration and approval to the President, for projects being considered for ADB financing, and to the Boards of Directors for approved projects. Fourth, the Requestors are immediately notified of the decision of the President or the Boards of Directors, and the eligibility report (including a copy of the Request and the Management Response) together with the decision of the President or the Boards is promptly communicated to the public via the Bank Group's website. (www.afdb.org/irm).

Subject to the authorization of the President or the Boards of Directors, the Review Panel, comprising the three IRM experts, undertakes a compliance review. The Panel prepares a report detailing its findings and recommendations, which are distributed to the President, the Boards of Directors, the Management and the Requestors. Within 90 days of receipt of the Review Panel's report, the Bank Management prepares and submits a response and action plan to the President, the Boards of Directors and the CRMU, wherein Management addresses the findings of the Panel, and details how the recommended changes will be implemented. The President or the Boards, as the case may be, decides whether or not to accept the IRM compliance review report and Management's response and action plan. Their decision is immediately communicated to the Requestors and published on the website of the Bank Group.

Monitoring

Subject to the approval of the President or the Boards of Directors, the IRM monitors the implementation of the Compliance Review Report recommendations and the Management Action Plan, and reports its findings to the Bank's Boards, President and Management. CRMU monitors the implementation of settlement agreements concluded under problem solving exercises.

Annex 2

CRMU Outreach Strategy

The Objective

The outreach activities of the Compliance Review and Mediation Unit (CRMU) aim to raise awareness of the mandate and functions of the IRM, and to equip communities affected by Bank financed projects with the information to engage in constructive dialogue with the Bank and, if necessary, to access the IRM to handle their complaints.

To realize its outreach objective, the CRMU has different strategies to sensitize project stakeholders, such as Civil Society Organizations (CSOs), to assist in transferring information about the IRM to their local communities. The CRMU's NGO Guide includes information about Bank safeguards policies and the steps for complainants to follow to submit a complaint to the IRM. The CRMU also emphasizes the importance of CSOs engagement in the project cycle, and encourages Bank staff, project implementation units and government officials to inform project beneficiaries about the IRM. To strengthen its outreach, the CRMU can also learn from the experiences of CSOs and other IFI Accountability Mechanisms. Finally, the CRMU continuously fine-tunes its strategies so as to align its activities with different stakeholder expectations of the IRM as a recourse instrument.

The Approach

To reach out to local communities affected by Bank-financed projects, the CRMU applies a multi-channel approach, which includes, *inter alia,* Bank staff, CSOs and governments who all have direct communication with project affected communities. The manifold instruments developed by the CRMU to raise awareness of the IRM, include customized information materials and focused thematic workshops and community sessions.

CRMU information materials include the *IRM brochure*, available in five languages (English, French, Arabic, Portuguese and Kiswahili), the *NGOs' Information Guide, and* a simplified *Community Information Kit* which is translated into English, French, Arabic, Portuguese and Kiswahili, in addition to local languages spoken by nationals and communities in regional member countries. The IRM *electronic newsletter* is published quarterly, in English and French and the *IRM's website* (www.afdb.org/irm) which includes up to date information about the IRM Rules and the Requests, is in both English and French. *The Staff Brochure* includes information on the role of Bank project task managers in handling Requests registered by the CRMU for problem-solving and/or compliance review. It is available in English and French.

Partners

The CRMU collaborates with different departments of the Bank such as the Integrity and Anti-Corruption Department, Operations Evaluations (OPEV), the Quality Assurance and Results Department (ORQR), the Department for Governance, Economic and Financial Reform (OSGE) and the Bank's Regional Resource Centers and Country Offices. The CRMU also responds to requests from different Departments and presents the IRM at conferences and to new Bank staff. Moreover, the CRMU cooperates with relevant national authorities and accountability mechanisms of other International Financial Institutions such as the World Bank Inspection Panel, the Compliance Advisor/Ombudsman of the International Finance Corporation (IFC), the Multilateral Investment Guarantee Agency (MIGA), the Complaints Office of the European Investment Bank (EIB) and the Office of Accountability of the U.S. Overseas Private Investment Corporation (OPIC).

Challenges

CRMU outreach activities encounter several challenges, including: language barriers which could hinder project-affected local communities from accessing the IRM; and, identifying appropriate ways for these communities to understand the IRM's mandate as a recourse mechanism beyond their customary dispute resolution practices. Local communities often encounter difficulties in accessing general information about Bank projects and policies partly because of their restricted internet access and the limited local dissemination of information about the Bank's operations. Furthermore, there is high demand for CRMU outreach resources to build CSO capacity to work on accountability issues and share information about the IRM. Another crucial challenge for the CRMU is to build the confidence of affected communities, the Bank staff and government officials, in the IRM.

The CRMU attempts to overcome these challenges by constantly maintaining contact with the participants in its outreach activities and involving these participants in planning outreach activities in their respective countries. In addition, it plans to target new strategic groups such as private sector companies and public sector enterprises implementing large-scale projects for the Bank, to help them learn about the IRM so as to be diligent in implementing their safeguards policies and programs.

African Development Bank Group
Compliance Review and Mediation Unit
B.P.323 – 1002 Tunis Belvedere – Tunisia
Tel: +(216) 71102056 | Fax: +(216) 71835699
Email: crmuinfo@afdb.org | Website: www.afdb.org/irm