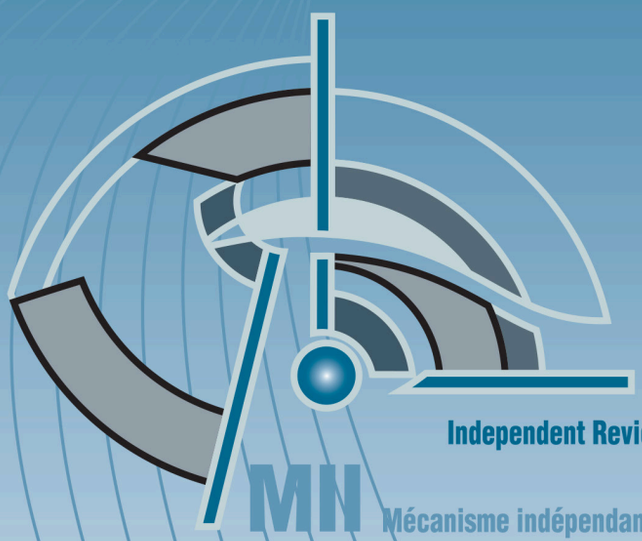
# The Independent Review Mechanism

# Annual Report 2017



IRM

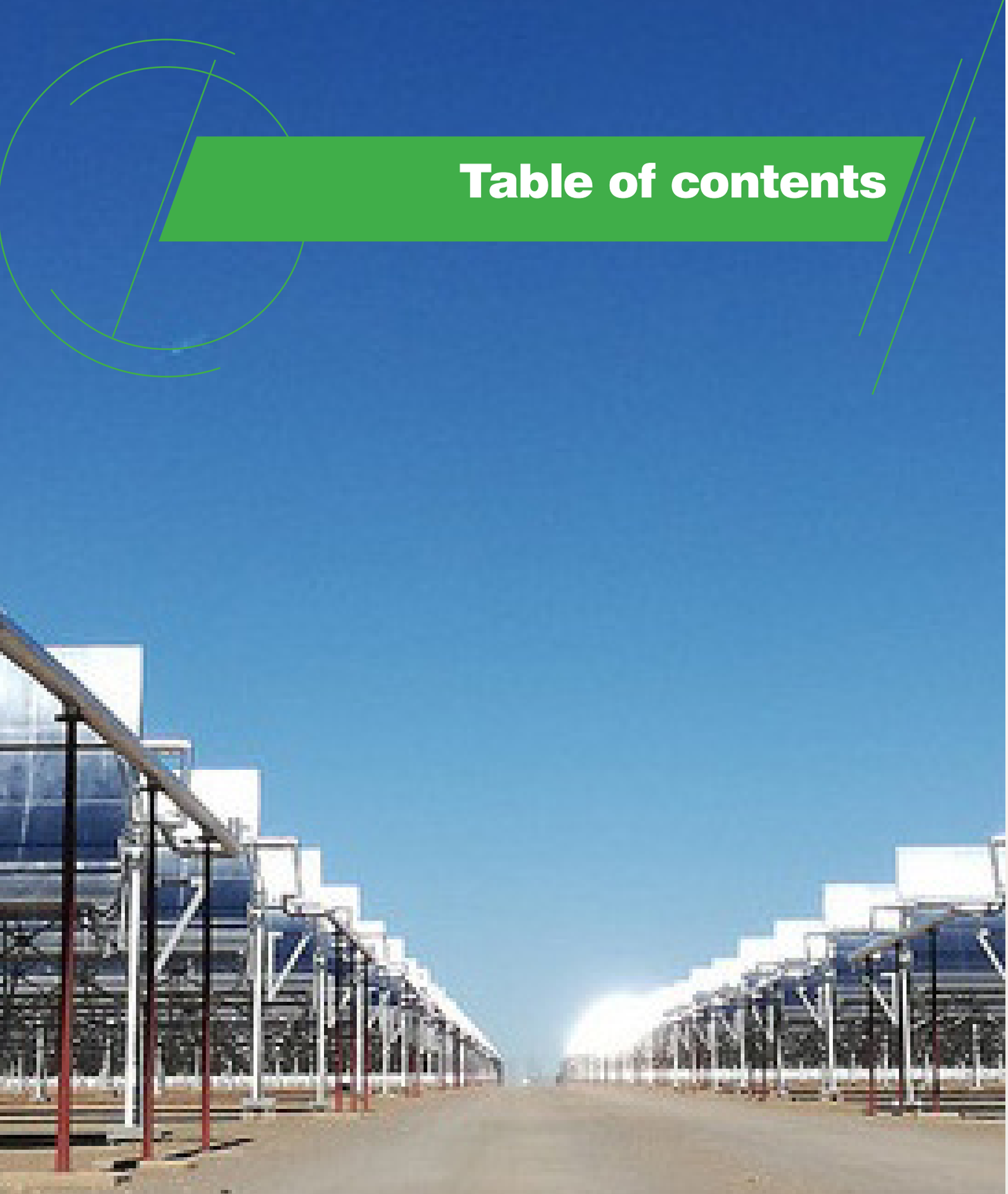
Independent Review Mechanism

MIN Mécanisme indépendant d'inspection




AFRICAN DEVELOPMENT BANK GROUP

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# Acronyms and Abbreviations



| | |
|---|---|
| ADA | Agency for Agricultural Development |
| ADB | African Development Bank |
| AEI | Afrique-Europe-Interact |
| AfDB | African Development Bank Group |
| ARU | Agroforestry Resources Unlimited |
| AWSB | Athi Water Services Board |
| BCRM | Compliance Review and Mediation Unit |
| BEL | Bujagali Energy Limited |
| BOAD | Banque Ouest Africaine de Développement |
| CAO | Compliance Advisor Ombudsman |
| CDRT | Tensift Regional Development Centre |
| CODE | Committee on Operations and Development Effectiveness |
| COMA | Bank National Office in Morocco |
| CSO | Civil Society Organization |
| DBDM | Development and Business Delivery Model |
| EIB | European Investment Bank |
| ESAP | Environmental and Social Procedures |
| ESIA | Environmental and Social Impact Assessment |
| ESMP | Environmental and Social Management Plan |
| ESMS | Environmental and Social Management System |
| ETAP | Tunisian Company of Petroleum Activities |
| FGD | Flue-Gas Desulphurization |
| FIP | Forest Investment Program |
| FRAP | Full Resettlement Action Plan |
| GEF | Global Environment Facility |
| IAM | Independent Accountability Mechanism |
| IFC | International Finance Corporation |
| IRM | Independent Review Mechanism |
| ISS | Integrated Safeguards System |
| KURA | Kenya Urban Roads Authority |
| LARP | Land Acquisition and Resettlement Plan |
| M3 | Moulin Moderne du Mali |
| MDB | Multilateral Development Bank |
| MIGA | Multilateral Investment Guarantee Agency |
| NGO | Non-Governmental Organization |
| OEMP | Operational Phase Environmental Management Plan |
| OS | Operational Safeguard |
| PAPs | Project-Affected Persons |
| PCR | Project Completion Report |
| PIU | Project Implementation Unit |
| PM10 | Coarse Particulate Matter |
| PM2.5 | Fine Particulate Matter |
| PPP | Public-Private Partnership |
| RAP | Resettlement Action Plan |
| RESA | Regional Environmental and Social Assessment |
| RMC | Regional Member Country |
| SCF | Strategic Climate Fund |
| STGP | South Tunisian Gas Pipeline |

# Preface



The Compliance Review and Mediation Unit (BCRM) and the Experts of the Independent Review Mechanism (IRM) successfully delivered the IRM work program for the year 2017. This achievement was made possible because of the close collaboration of the affected people who submitted Requests to the IRM as well as the Bank Management together with the concerned project implementation units. The support of the Boards of Directors and the President of the Bank have been most valuable.

A number of key lessons emerged from the complaint cases and the spot-check advisory review process handled this year: (1) There are number of issues relating to quality at entry, especially for some private-sector-financed (non-sovereign guaranteed) operations; (2) Non-compliance mostly occurs with the following policies: the AfDB Policy on Poverty Reduction (2004), the Involuntary Resettlement Policy (2003), and the Policy on the Environment (2004); (3) Complaints continue to be filed by both civil society organizations CSOs hence, community engagement and the strengthening of grievance redress mechanisms around AfDB-financed projects must be a priority area for mitigating social and reputational risks; (4) Encouraging successes are being achieved in the handling of complaints through the IRM's problem-solving approach. The IRM activities show the centrality of the accelerated responses from the Bank Management, especially by the Remedial Action Plans that aim to redress the harm caused to the PAPs by projects that undergo compliance reviews. The full implementation of these Plans helps to remove the threat to sustainability outcomes of the Bank's operations caused by a project's non-compliance with the applicable AfDB policies and procedures. We hope to see the activities of the IRM make significant impact on Bank operations at the local level in the Regional Member Countries (RMCs). In addition, outreach activities have become a vehicle for the IRM's engagement with CSOs, NGOs, and local communities; and capacity-building activities of the BCRM targeting Bank staff, project implementation units, private-sector actors, CSOs have shown useful results.

We should take comfort of the effort deployed this year by the Boards of Directors and the President to emphasize the unique role of the IRM in the new institutional dispensation of the Bank. Our engagement with the Bank Management must be enhanced in a context where the institution is accelerating the implementation of its new Development and Business Delivery Model (DBDM).

I have expanded this Annual Report to reflect some of IRM's results in the previous years, as a means of providing a basis for the Bank, its clients, CSOs, and NGOs to better inform private-sector operations today and in the future.

This year has seen significant changes in the composition of the Roster of Experts of the IRM. I want to thank Mrs. Arntraud Hartmann, whose term of service came to an end in November 2017 for her valuable contribution to the work of the IRM. We wish her well in her future endeavors. I welcome Mr. Sherif Arif, who joined the IRM at the beginning of 2017. Mr. Arif is a well-respected safeguards specialist whose wealth of experience will certainly be an asset to the IRM. He and Mrs. Michele de Nevers, who was hired in late 2016, have worked with the support of the BCRM staff to yield the achievements of this year. I look forward to the year 2018 when the IRM will put more emphasis on its learning activities and engagement with the decentralized structures of the Bank, in the context of the new DBDM.

**Sekou Toure**
Director BCRM



## MANDATE OF THE IRM

The Independent Review Mechanism (IRM) provides people adversely affected by a project financed by the African Development Bank Group (AfDB) with an independent mechanism through which they can request the AfDB to comply with its own policies and procedures. The IRM intervenes when people or communities affected submit a complaint. In this way, the IRM can be considered as a recourse instrument for people affected by project who have previously been unable to resolve their problems with the AfDB's Management. The IRM is administered by the Compliance Review and Mediation Unitof the Bank (BCRM).

**www.afdb.org/irm**

# Executive Summary

The Independent Review Mechanism (IRM) completed the eligibility assessment of one Request, the compliance reviews of two complaints, and made progress in monitoring the implementation of the Management Action Plans of two cases (namely, the Medupi Power Project in South Africa and the Bujagali Hydropower Project in Uganda). The Action Plans are meant to bring the two energy projects into compliance with the applicable Bank Group's safeguards policies and procedures.

The problem-solving activities of the BCRM encompassed the registration of a new Request, the consequent fact-finding mission to substantiate issues raised in this complaint, and the follow-up of an ongoing complaint which was registered last year. The new Request was submitted by three Senegalese nationals concerning an airport project in Senegal. The second unresolved complaint was submitted by a group of youth entrepreneurs regarding access to credit for establishing their agribusiness enterprises in Morocco. The BCRM mission to Morocco facilitated the signature of agreements between the complainants, the project promoters, and the Bank to find solutions under problem-solving facilitation and mediation. Progress was made on the ongoing compliance reviews of the Requests relating to Moulin Moderne du Mali in Mali and the Sendou Coal Power Plant in Senegal. The Experts have completed investigations of these cases and the relevant reports will be submitted to the Boards of Directors for consideration next year.

In addition, the IRM/BCRM completed the eligibility assessment of the complaint on the Guinea section of the Multinational Road Development and Transport Facilitation Program within the Mano River Union. The Eligibility Assessment Report was submitted to the Boards for consideration on 13 December 2017. The IRM undertook a second annual monitoring of the implementation of the Management's Mitigation Action Plans in response to the Requests relating to the Medupi Power Project in South Africa and the Monitoring Report was considered by the Boards of Directors, which adopted the findings and recommendations of the Report on 6 September 2017. The IRM also prepared a draft report on the monitoring of the Bujagali Hydropower and Interconnection Projects in Uganda upon receipt of drafts Project Completion Reports (PCRs) from the Bank Management. The IRM draft report was not finalized because the BRCM did not receive the final PCR for the Interconnection Project from the Management. One of the IRM Experts together with the Director of the BCRM carried out field missions to Ghana and Tunisia in connection with two private-sector operations, the Form Ghana Reforestation Project and the South Tunisian Gas Pipeline Project. These projects were selected as part of the annual Spot-Check Advisory Review of Project Compliance which was approved by the Boards of Directors on 7 June 2017.

In collaboration with the Compliance Advisor Ombudsman (CAO) of the International Finance Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA), held the BCRM's annual mediation training for sponsors of private-sector projects, the Bank operations staff, and civil society organizations.

The session focused on community engagement and redress mechanisms for AfDB-IFC co-financed projects in West African countries.

The outreach activities comprised a national workshop in Cameroon, a regional CSO outreach seminar in Côte d'Ivoire, staff seminars in Mali, Morocco, and Côte d'Ivoire, the IRM Experts' familiarization visit to the Bank's Headquarters and the BCRM/IRM Experts' participation in the annual meeting of the Independent Accountability Mechanisms (IAMs) of MDBs on 28-29 August 2017. The IAMs session was organized this year by the Compliance Mechanism of the Black Sea Trade and Development Bank in Thessaloniki, Greece.

# 1. The Handling of Complaints



# 1.1 Problem-Solving Cases

## 1.1.1 Introduction

The objective of a problem-solving exercise is to help the complainants, the project promoters, and the Bank to find mutually agreeable solutions to the problems raised by the Requests.

The Director of the BCRM facilitates the exercises and monitors the implementation of the resulting Remedial Action Plans. The objective of the Remedial Action Plans is to redress the damage caused to people affected by the projects and/or the environment.




The Compliance Review and Mediation Unit (BCRM) has five Requests registered as problem-solving cases: one was newly registered in 2017, two are ongoing cases, and the remaining two are closed.

## 1.1.2 New Requests

### BLAISE DIAGNE INTERNATIONAL AIRPORT, SENEGAL

The Blaise Diagne International Airport (AIBD) Project is developed on a site located 45 km east of the city center in the greater Dakar region. It has a capacity of 3 million passengers and 80,000 aircraft movements per year, supported by facilities such as a 42,000-square-meter terminal, a 3,500-meter-long runway with taxiways, a control tower, a 30-stand apron with six contact stands, a car park for 700 vehicles, a 7,850-square-meter cargo terminal, and a presidential and hajj terminals. The government fully owns the Airport International Blaise Diagne SA (AIBD-SA), the project sponsor company which was established in June 2006. The government and the AIBD-SA signed a Concession Agreement for 30 years for AIBD-SA to develop and operate the airport. The total cost for constructing the airport was estimated at EUR 524.81 million and was co-financed by the AfDB (EUR 70 million), in addition to a credit facility of EUR 150 million from l'Agence Française de Développement, Banque Ouest Africaine de Développement, Industrial Development Corporation, Islamic Development Bank, OPEC Fund, and Saudi Fund.

The duration of the project was five years (December 2007–May 2012). It was launched on 7 December 2017.

The Director of the BCRM received a complaint relating to the AIBD Project from three Senegalese nationals on 22 September 2017. Following the preliminary assessment of the Request, including a fact-finding mission to Senegal from 12 to 17 October 2017, the Director of the BCRM registered the Request on 14 December 2017.

The complainants informed the BCRM that, with regards to the project, they were evicted from their land and properties. The compensation they received from the government in consideration of the acquired lands, they claimed, was not commensurable with what they should have received under the national laws, as well as under the AfDB's Involuntary Resettlement Policy (2003) and the World Bank (OP4.12), all of which were applicable to the project. Moreover, the government did not presumably fulfill its commitment to provide land lots to project-affected persons (PAPs) in the new resettlement site.

The complainants could not find a solution through the project's grievance redress mechanisms, and the national court dismissed their case for lack of jurisdiction. They were therefore fearful of being left out completely, because the construction of the airport was already completed.

The complainants requested the BCRM to handle their complaint through its problem-solving exercise; in particular, to help them receive fair compensation in line with the policies of the AfDB and the World Bank.

To mitigate the negative environmental and social impacts of the airport's construction, the AIBD-SA had, in 2005, prepared an Environmental and Social Impact Assessment (ESIA), an Environmental and Social Management Plan (ESMP), and a Resettlement Action Plan (RAP). The RAP was then revised in 2010 to meet the requirements of the donors, i.e., the AfDB and the World Bank. The revised RAP mentions that, as a result of land acquisition for the AIBD Project, 343 households (an estimated 2,661 people) in Kessoukhate and Diass villages would be affected by losses of

residential and agricultural lands, sacred sites, or income. The fact-finding mission by the BCRM confirmed the following:

a. The Requestors had no pending case relating to this complaint before the national courts.

b. The Requestors had not received land lots in the resettlement site; in fact, the lots were only designated to villagers from Kessoukhate, while those in Diass were to receive cash compensation.

c. The Requestors' fruit trees and structures are located in areas surveyed by the updated census. However, they were only compensated in line with the national laws at lower rates compared to the legally required compensation.

d. The Requestors and the AIBD-SA were willing to engage in a BCRM problem-solving exercise.

The Management Response to this complaint is due for submission to the BCRM by 14 January 2018; i.e., within twenty-one days from the date of the Management's receipt of the Notice of Registration of the Request.

Thereafter, the Director of the BCRM will determine the appropriate course of action.

## 1.1.3 Ongoing Cases

### TECHNICAL PROGRAM TO PROMOTE YOUNG AGRICULTURAL ENTREPRENEURS (JEA), MOROCCO

The objective of the Young Agricultural Entrepreneurs (JEA) Program is to help young entrepreneurs prepare feasibility studies to access credit for their agribusiness projects. The total cost of this program is EUR 685,000, co-financed by the AfDB and the Government of Morocco. The Boards of Directors approved this program in 2012. The Agency for Agricultural Development (ADA) is the responsible agency for the program. The Agricultural Engineers and Technicians Association submitted the complaint relating to this program to the BCRM in September 2016 on behalf of trainees who stand to benefit from the JEA program. The complainants claimed that the ADA engaged them in JEA training activities—delivered by the United Nations Office for Project Services (UNOPS)—presumably to help them access finance to establish their agribusinesses. The complainants accused ADA of abandoning them after they had prepared their feasibility studies. In their view, ADA's action undermined the objectives of the program, which are to promote agribusinesses and support the government's strategy to create "fast-track" youth employment. The complainants



stated that some of the trainees had left their jobs to join the JEA program, and others had already rented lands and shops and bought equipment at their own cost in anticipation of the credit.

The complainants contacted the Bank's National Office in Morocco (COMA), which referred the Request to the BCRM. Shortly after, COMA confirmed with proof that the complaint had been resolved. Nevertheless, the complainants resubmitted their Request to the BCRM, claiming that ADA had not fulfilled its promises.

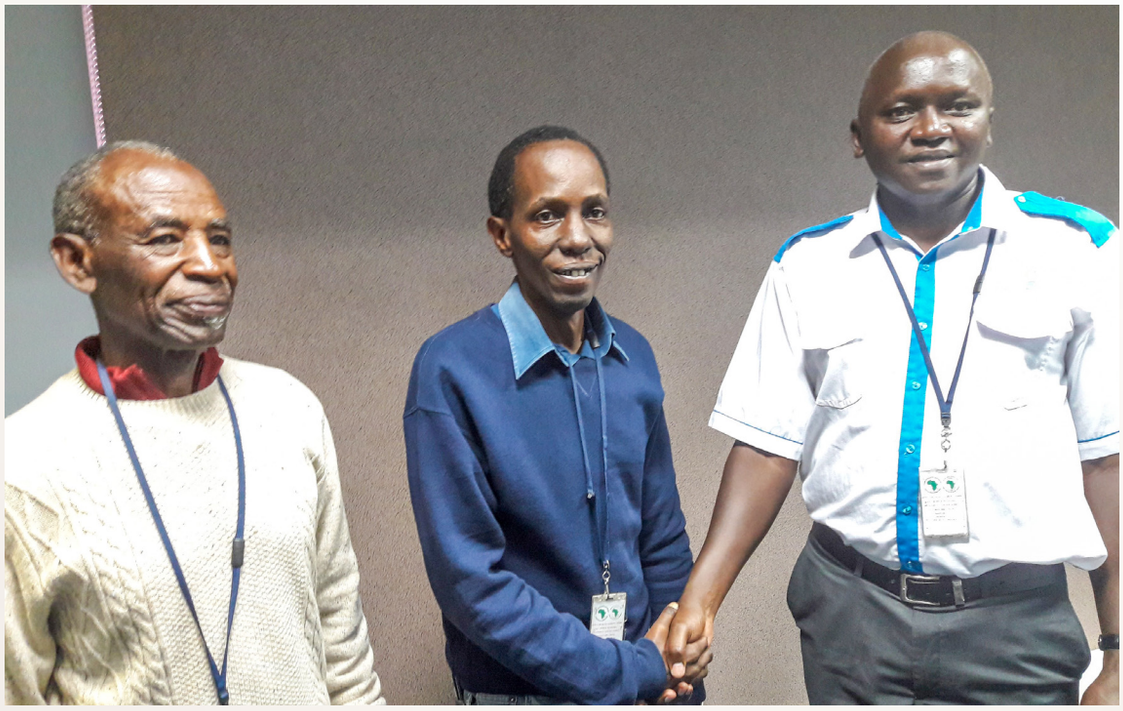
The BCRM undertook a fact-finding mission from 23 to 27 April 2017 in Morocco to establish whether the Request was well-founded, verify why the agreement between ADA and the complainants had not materialized, and identify the positions of the Requestors, ADA and the Bank towards finding a solution through a problem-solving exercise facilitated by the BCRM.

The mission established that:

a. The Bank is only financing the JEA program and is not part of the arrangement by ADA and the National Agricultural Credit Agency to facilitate access to credit to the trainees, including the Requestors.

b. A handful number of Requestors received credit, some were waiting for final approvals, and the remaining applicants were denied credit on the basis of their credit history.

Henceforth, the BCRM established that the Request did not fulfill all the criteria for registration of the complaint by the IRM. However, based on the agreement between ADA and COMA, the BCRM mission recommended that the Bank and ADA should help the Requestors whose applications were still pending.



## 1.1.4 Resolved Cases

### THE NAIROBI OUTER-RING ROAD IMPROVEMENT PROJECT, KENYA

The Nairobi Outer-Ring Road Improvement Project was approved by the Boards of Directors on 13 November 2013. Its total cost is UA 86,400,000, and it has been implemented by the Kenya Urban Roads Authority (KURA). The road project is classified as a Category 1, high-risk project due to its negative impact on potential PAPs.

The Request relating to this project was submitted by open-air traders and registered by the BCRM for both a problem-solving exercise and a compliance review on 7 October 2015. The Requestors claimed that KURA had excluded them, without consultation, from the list of persons found eligible for compensation, despite the fact they had been carrying out their businesses in the project area for many years.

The BCRM engaged extensively with the Management and the Requestors to identify the

people missing on the list of those who should be compensated. An updated list of PAPs was established, and the KURA and the complainants signed an agreement. The complainants confirmed their satisfaction with the agreement to the Director of the BCRM, which expressly indicated that the Requestors will be compensated and will represent other PAPs in the project's grievance redress mechanisms.

The Director of the BCRM undertook the final consultations with the parties and decided to close this Request in the first quarters of 2018 since the Requestors raised no further complaints.

### THE NAIROBI RIVER REHABILITATION AND RESTORATION PROGRAM: SEWERAGE IMPROVEMENT PROJECT, KENYA

The Nairobi Sewerage Improvement Project was approved by the Boards of Directors on 6 December 2010. The Bank loan amounted to UA 39.87 million, and the Athi Water Services Board (AWSB) of Kenya is the responsible agency for this project.

Three families affected by this project submitted the complaint to the BCRM. The BCRM registered the complaint for a problem-solving exercise on 9 July 2015. The Requestors claimed that the Nanchang Sewerage Company in charge of building the sewerage lines had installed pipes through their private compound. They claimed to have suffered material damage and health problems from waste discharge due to a breakage in sewage pipelines. Despite their repeated demands, they never received a response from the AWSB. The complainants feared the contractor would leave the site without completing the repair works.

The Management Response to the Request, received by the BCRM on 6 August 2015, included several remedial actions which were reviewed by the Director of the BCRM. A set of joint monitoring activities were undertaken to ensure the implementation of the proposed actions, and they were facilitated by the BCRM. Repair work was initiated and a channel of communication was established between the Requestors and the sewerage company. Subsequently, the Director of the BCRM received formal communications from the Bank and the Requestors, confirming that the maintenance works had been completed to the satisfaction of the complainants. The Director of the BCRM organized the final consultations with the parties and scheduled the closing of the Request in the first quarter of 2018, since no further complaints were receivedfrom the Requestors.



## 1.1.5 Pending Requests

### THE IMPROVEMENT OF HEALTH SERVICES DELIVERY AT THE MULAGO HOSPITAL AND IN THE CITY OF KAMPALA, UGANDA

The Improvement of Health Services Delivery Project was approved by the Boards of Directors on 6 July 2011 at a cost of UA 56 million.

The Request relating to this project was submitted by an affected family. The BCRM registered the Request for a problem-solving exercise on 17 March 2014. The Requestors claimed that the government had forcibly acquired their late father's clinic in the 1970s, and rehabilitated it into Mulago Hospital without providing compensation. The Requestors questioned the accuracy of the land titles presented by the government to the Bank during the approval of the loan for the rehabilitation of the hospital. On 7 August 2015, the Management Response to the Request was submitted to the BCRM. It confirmed that the Bank had followed proper due diligence in verifying the land titles prior to the approval of the project.

The BCRM conducted a fact-finding mission to Uganda from 7 to 9 May 2014, and reported the outcome to the Boards of Directors on 4 June 2014. The parties agreed to engage in a problem-solving exercise facilitated by the BCRM. Consequently, the BCRM undertook a mission to Uganda from 17 to 19 February 2015 to compile records from both the family and the government.

Despite several attempts by the BCRM to reconcile the parties, the government and the Requestors are still in disagreement on the authenticity of the land registry records of the plot where the hospital is being built. The BCRM reported this stalemate to the Boards' Committee on Operations and Development Effectiveness (CODE) in July 2016 and April 2017.

CODE invited the Bank Management to organize

further follow-up consultations with the government. The BCRM also followed up with the complainants and the Bank to keep the parties engaged.

The government is still firm on its position that the Kampala City Council purchased the disputed lot of land from the mother of the Requestors (now deceased). The Director of the BCRM will carry out a follow-up mission to consult again with the government and the Requestors in an ultimate attempt to find an agreeable solution before the completion phase of the project.

## WHERE TO SEND A COMPLAINT

The Director of the **Compliance Review and Mediation Unit** (BCRM)

African Development Bank Group (AfDB)

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Avenue Jean-Paul II

01 P.O. Box 1387 Abidjan 01, Côte d'Ivoire

**Tel 1:** +225 20 26 20 56

**Tel 2:** +225 20 26 29 00

**Email:** BCRM info@afdb.org with copy (CC) to S.Toure@afdb.org and B.Kargougou@afdb.org.

Alternatively, a Request can be sent to any of the Bank Group's national offices in the respective country of the Requestors.

## 1.2. Compliance Review Cases

### 1.2.1 Introduction

In 2017, the BCRM handled three Requests which were registered in the previous year (2016) for compliance reviews. It monitored the implementation of the consequent Management Action Plans for two of the Requests. The Requests concerned the energy projects financed by the AfDB in Uganda and South Africa, which were received by the BCRM in 2007 and 2010 respectively.

A compliance review is undertaken by IRM Experts in four sequential steps:

(i) An assessment of the eligibility of the Request for a compliance review, after which the Eligibility Assessment Report recommending a compliance review is submitted to the Boards of Directors for approval.

(ii) An investigation by the IRM to establish whether or not the harm suffered or likely to be suffered by the PAPs has resulted from non-compliance with AfDB policies and procedures.

(iii) Submission of the IRM's Compliance Review Report for approval by the Boards of Directors, including recommendations on mitigation actions to be undertaken by the Management to bring the project into compliance with Bank policies and procedures.

(iv) The monitoring of the implementation of the Management Action Plans to bring the project into compliance with Bank policies and procedures.

The objective of a compliance review is to determine whether people have suffered, or are likely to suffer harm from a project financed by the Bank Group as a result of non-compliance with the Bank's safeguards policies and procedures at any point from design to completion of the project, including projects that are still under consideration for financing by the Bank.

### 1.2.2 Ongoing Requests

#### MULTINATIONAL ROAD DEVELOPMENT AND TRANSPORT FACILITATION PROGRAM WITHIN THE MANO RIVER UNION— GUINEA SECTION, GUINEA

**The Multinational Road Program within the Mano River Union** covers Côte d'Ivoire, Guinea, and Liberia. It was approved by the Boards of Directors on 18 December 2014.



The loan of USD 11,774,000 to Guinea was to be used to pave the 39.75 km dirt road from Lola City to the border of Côte d'Ivoire at the Gouéla Post. Roadwork was expected to start in October 2016 and to be completed over a period of 20 months.

Two Guinean nationals who work for, Agroforestry Resources Unlimited (ARU), a Non-Governmental Organization (NGO) registered in Guinea, submitted the complaint relating to the Guinea section of the road on 15 September 2016. The BCRM registered it for a compliance review on 23 November 2016. The Requestors raised several issues including the following:

- The irreparable harm the project will cause to the people and the environment in this section of the road due to the potential damage by the project on the ecosystem as a source of livelihoods of the people.
- The project's violation of both national and international laws, specifically the roadworks carried out within the boundary of the Mount Nimba Strict Nature Reserve, a World Heritage Site, and a core area of the Nimba Mountains Biosphere Reserve, which is protected by both Guinean law and the International Convention for the Protection of the World Cultural and Natural Heritage, ratified by Guinea.

- The inadequacy of the project's ESIA issued in February 2013 as it did not consider the statutory protection of the Nimba Mountains.
- The lack of public consultations as required by Guinean law.
- The partial nature of the ESIA in terms of baseline characterization.
- The inadequate assessment of the potential negative impacts of the project and the relevant mitigation measures.
- The violation by the project of the AfDB's Integrated Safeguards System (ISS) of December 2013; in particular, Operational Safeguards 1 and 3 on 'Environmental and Social Assessment' and 'Biodiversity, Renewable Resources and Ecosystem Services.'

The Management Response to the Request was received by the BCRM on 18 January 2017. The IRM undertook a mission to Guinea from 19 to 22 March 2017 to assess the eligibility of the Request for compliance review. The mission team prepared the IRM Eligibility Assessment Report, which recommended a compliance review of this project. The Report was submitted to the Boards of Directors on 13 December 2017. It is scheduled for discussion by the Boards on 10 January 2018.

## THE CONSTRUCTION OF A 125 MW COAL POWER PLANT IN SENDOU, SENEGAL

The Sendou Coal Power Plant Project is a public-private partnership (PPP) investment. It was approved by the Board of Directors of the African Development Bank (AfDB) on 25 November 2009. The total cost of the project is EUR 164,610,732, out of which the Bank loan is EUR 55 million. A supplemental loan of EUR 5 million was approved by the Bank in 2015.The project is also co-financed by the Banque Ouest Africaine de Développement (BOAD) and the Netherlands Development Bank (Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V; FMO).

The Sendou Coal Power Plant is classified as a Category 1, high-risk project. It was appraised under the Bank's previous Environmental Review Procedures for Private Sector Operations (2000), among other policies.

The BCRM received two Requests relating to the Sendou Plant, highlighting potential negative impacts on the environment and the people in the villages of Bargny and Minam, as well as violations of national laws and safeguard policies of the Bank.

The first Request was submitted to the BCRM on 9 May 2016 by Takkom Jerry and Lumière Synergie pour le Développement, two national NGOs (hereinafter referred to as "the First Requestors") on behalf of a group of PAPs. The Requestors asked the BCRM to handle their complaint through both a problem-solving exercise and a compliance review.



During the preliminary review of this Request, on 15 July 2016, the BCRM received a second Request, which was submitted by two Senegalese nationals, Mr. Cheikh Fadel Wade and Mr. Daouda Gueye, on behalf of other affected members of the communities in Bargny (hereinafter referred to as "the Second Requestors"). They also challenged the representational authority of the First Requestors who they claim do not stand on behalf of all the PAPs. The Second Requestors asked for a compliance review of the project.

The BCRM carried out a preliminary assessment, including a field mission to Senegal, to clarify the representational authority of both Requestors as a requirement of the IRM Rules for the registration of the Request. The Director of the BCRM established that both Requestors fulfilled this requirement in light of the signed proofs which were received by the BCRM. The First Requestors later confirmed their desire to see their Request handled through a compliance review. Since the two complaints raised similar issues about the same project, the Director of the BCRM decided to combine them and registered both as one Request for a compliance review on 5 August 2016.

The two Requests raised the following complaints about the Sendou Power Plant project:

- Inadequate public consultations with PAPs.
- The project's violation of AfDB's environmental, social, and human rights standards since no compensation was paid to the majority of owners who hold land titles on the site of the coal plant.
- No RAP was prepared to mitigate the negative social impacts of the project.
- The selection of the project site violates Article L13 of the Environmental Code Act, with the Sendou plant site located less than 2 km from an existing cement factory and a planned building of another, larger-capacity 250 MW coal-fired power plant close to this site.



- The increased vulnerability of communities to air pollution and potential disruption of livelihoods because of the proximity of the coal power plant to the town's water supply, public facilities (including an elementary school, a health center, a kindergarten, and a cemetery) and the only fishery product processing site that employs about 1,000 women and other seasonal and temporary workers.
- The health risks from air pollution due to emissions from the Sendou Plant, the cement factory, and the other coal-fired power plant planned close to the same site, with no cumulative impact assessment study prepared to measure the effects of emissions collectively from all three plants.
- The adverse impact of the coal power plant on a historic heritage site which houses a tree believed to be protecting the spirit of the village and a nursery for the regeneration of marine biodiversity.
- The increased vulnerability of the community to the consequences of coastal erosion.

The Management Response to the Request was submitted to the BCRM on 26 September 2016. The Director of the BCRM and the IRM Experts conducted the eligibility assessment of the Request

in Senegal from 24 to 30 November 2016. The Eligibility Assessment Report determined prima facie evidence of harm likely to be experienced by the people and the environment due to the Bank staff's non-compliance with its Involuntary Resettlement Policy (2003) and the Policy on the Environment (2004). In addition, the Report recommended for the project to undergo a compliance review. This proposal was approved by the Boards of Directors on 19 April 2017.

Consequently, the IRM Experts carried out a compliance review mission to Senegal from 28 May to 3 June 2017. The Compliance Review Report is under preparation and will be finalized in the first quarter of 2018.

## THE DIVERSIFICATION OF THE ACTIVITIES OF MOULIN MODERNE DU MALI PROJECT, MALI

The Diversification of the Activities of Moulin Moderne du Mali (M3) Project was approved by the Boards of Directors on 23 June 2014 for a senior loan of EUR 16.8 million. The Borrower is Moulin Moderne du Mali, a limited liability company established and registered in Mali in 2007 and belonging to Keita Group. The project components included the installation of units for the production of couscous and pasta, silos for the storage of raw materials (hard wheat, soft wheat, maize, millet, and sorghum), as well as three mills for the production of meal and flour to be used to supply production lines. The M3 Project is classified as a Category 2, medium-risk project.

On 23 September 2015, the BCRM received a Request relating to the M3 Project from Afrique-Europe Interact (AEI), an international NGO with local representation in Mali, but through the Integrity and Anti-Corruption Department (IACD) of the AfDB. The same complaint was also addressed to AfDB's Board of Governors. Upon confirming that no relevant legal case was pending in national courts in Mali and that Afrique-Europe-Interact had the necessary representational authority from the PAPs, the Director of the BCRM registered the Request for compliance review on 12 May 2016.

The Requestor outlined a number of issues:

- Land grabbing by the project, including from those inhabitants of the Sanamadougou and Sahou villages who had refused to leave their agricultural lands for the project, and allegedly were subjected to serious violations of their rights and threats to their physical security.
- Lack of compensation to the PAPs, while some others received only symbolic compensation amounts for their lands.
- The M3 Project did not meet two prior conditions that granted the approval status for the AfDB loan; first, that no proceedings about the project were pending before the courts; and second, that the families affected by the project had received compensation. The complainant accused the M3 Project of having received the Bank loan by deliberately providing misleading and/or fraudulent information that there was no court case, and that all the villagers had received their compensation when in fact only a small number of families (8) had received what is referred to as "merely symbolic compensation." The Requestor also enclosed a list of PAPs with their signatures and asked the BCRM to compare this list with the one submitted to the Bank by the owner of the M3 Project.



The Eligibility Assessment Report prepared by the Director of BCRM and the IRM Experts established that there is prima facie evidence of non-compliance with applicable AfDB's policies and procedures, including the Involuntary Resettlement Policy (2003) and the Policy on the Environment (2004), and recommended a compliance review of the project. As a result, on 23 November 2016, the Boards of Directors approved the compliance review of the M3 Project.

The compliance review mission by the IRM to Mali was undertaken from 12 to 17 March 2017. The draft Compliance Review Report prepared by the IRM was submitted to the Bank Management to enable them provide their comments on factual issues covered by the Report, as required by the IRM Rules. The BCRM received the Management Response in October 2017. The IRM has taken the comments into account in finalizing the Compliance Review Report, which will be completed in the first quarter of 2018, and thereafter submitted to the Boards of Directors and the President.

The Bank Management will prepare a response to the findings of the Report and an Action Plan that addresses the recommendations contained in the Compliance Review Report within 90 working days. Thereafter, the IRM Compliance Review Report, the Management Response, and the Action Plan will be considered in a joint meeting by the Boards of Directors and a decision will be made by the Boards.

## 1.2.3 Cases under Monitoring

### THE MEDUPI POWER PROJECT, SOUTH AFRICA

The Medupi Power Project consists of the construction of a 4,764 MW coal-fired power plant in Lephalale, Limpopo Province, South Africa. It falls under the expansion strategy of Eskom Holdings Limited, the principal energy provider of South Africa, to meet growing electricity demand in the country. When fully operational, the Medupi Plant will operate 6 units, generating about 800 MW each. The plant is designed to use coal from a nearby coal mine, and to deploy supercritical boiler technology and a closed cooling system.

The plant is not equipped with Flue Gas Desulphurization (FGD) equipment, but assurances have been given that FGD equipment will be retrofitted no later than six years after each unit becomes fully operational. On 25 November 2009, the Boards of Directors approved the funding of the Medupi Power Project with a loan not exceeding the aggregate sum of EUR 930 million and ZAR 10.63 million, for the supply and installation of six boilers and turbo-generators for the project. The total cost was estimated at EUR 11.2 billion, which was co-financed by the AfDB and the World Bank.

The complaint relating to the Medupi Project was registered by the BCRM on 7 October 2010 for a compliance review. The Request raised the following issues:

- The project's non-compliance with AfDB's safeguards policies;
- The negative impact of AfDB's loan on South Africa's carbon reduction commitments;
- The burden of hidden costs due to public health risks resulting from emissions, which will be borne by the communities living near the Medupi Plant; Corruption and conflicts of interest;
- Inadequate consultations; and
- The benefits of the project catered predominantly toward large corporations than the poor population.

On 15 July 2011, the Boards of Directors approved the investigation of the allegations—except for procurement and corruption issues, which were referred to other competent departments of the Bank. The IRM Compliance Review Report was approved by the Boards of Directors on 19 September 2012. On 13 February 2013, the Boards adopted the updated Management Action Plan and authorized the annual monitoring of the implementation of this Plan by the IRM.

The First Monitoring Report by the IRM was considered by the Boards of Directors on 26 November 2015. The Report highlighted areas needing improvement, including actions relating to the following:

- Reducing the risk of public health from emissions;
- Strengthening supervision missions;
- Completing regional impact assessments;
- Complying with the Policy for Integrated Water Resource Management (2000);
- Improving consultations with the communities; and
- Addressing the desecration of graves and other heritage issues.

The Second Monitoring Report by the IRM was presented to the Boards of Directors on 6 September 2017. It was based on the Management's Supervision Reports (5th and 6th updates) prepared in November 2015 and July 2016 respectively, and the findings of a mission carried out in South Africa by the IRM from 19 to 25 February 2017. The Management's Supervision Reports indicated that several actions were fulfilled, including consultations with affected communities, a lasting solution to heritage issues related to the graves, the approval of the Operational Phase Environmental Management Plan (OEMP) by the Department of Environmental Affairs, and the completion of the Regional Environmental and Social Assessment (RESA) study of coal-based energy projects in Botswana and South Africa.

The findings and recommendations in the Second Monitoring Report by the IRM are summarizedas follows:

(i) With regard to air quality monitoring, the IRM recommends: (i) enhancing data collection through an additional monitoring station established at another location where impacts can be measured; (ii) supplementing the approved Construction Environmental Management Program (CEMP) with concrete actions to be undertaken during the operational phase; (iii) establishing health baseline data and a monitoring system for particulate matter, including diseases related to coarse particulate matter like dust (PM10) and fine particulate matter (PM2.5); and (iv) ensuring the timely operation of FGD equipment (scheduled for 2021 for the first unit), which is a key concern and essential for ensuring control of air quality and compliance with AfDB policies and national law requirements. In addition, Eskom submits regular quarterly progress reports to the Bank and the Department of Environmental Affairs (DEA). The Bank's project supervision has been regular and should continue.

(ii) The Operational Phase Environmental Management Plan (OEMP) approved in 2016 mentions general rather than specific environmental measures to be applied during the operational phase. The OEMP should have supplementary environmental measures to ensure its effective implementation during the operational phase.

(iii) The RESA study was completed. The IRM considers this action as fulfilled and encourages Management to ensure RESA findings inform the revision of the Integrated Resource Plan.

(iv) With regard to compliance with the Policy for Integrated Water Resource Management (2000), the IRM notes significant work has been done in the planning and technical design of the Mokolo-Crocodile Water Augmentation Project 2 (MCWAP-2) project, which will help meet the water needs of the Medupi Plant. However, this project is two years behind schedule; therefore, it would only meet the plant's water needs in June 2023. The MCWAP-2 project is of utmost importance as the operation of three out of the six units with FGD equipment will depend on this water supply. Any further postponement would delay the operation of the FGD units, and perpetuate the non-compliance status of the Medupi Project. In addition, the IRM notes that the environmental assessment carried out for obtaining a sand mining license cannot substitute an independent assessment of the scale of damage done to the Mokolo River by previous legal and illegal sand mining operations. Decisions need to be communicated to the stakeholders and rehabilitation measures need to be implemented. Meanwhile, the water quality is being adequately monitored by Eskom.

(v) For public consultations with affected communities, Eskom has established the Medupi Central Information Office (MCIO), which plays a dual role as a labor employment center and a grievance mechanism—the latter of which is rarely used by the populace in this capacity. This dual role is incompatible. A separate grievance redress process should be established—similar to the Environment Monitoring Committee (EMC)—which exclusively handles people's concerns about environmental issues. Moreover, the IRM recognizes the efforts made by Eskom and the EMC to involve Ward Councilors, and their investments in corporate social responsibility programs. While such programs are commended, they cannot be an avenue for meaningful consultations with communities on issues pertaining to the Medupi Plant's activities. A clear arrangement for such consultations should be made. The EMC needs to continue its outreach activities for local communities. It should develop a better system for tracking information on how it has carried out its operations and plans to do so in the future.

(vi) Regarding the desecration of graves and other heritage issues, the IRM commends the Management and Eskom for following up and reaching an understanding with the affected families based on a conducted heritage assessment, the identification of graves on the Medupi site, conducting appeasement ceremonies, and constructing a memorial site. The IRM recommends Eskom to facilitate access to this site as a remedial best practice.

(vii) The IRM will conduct the Third Monitoring Phase of the Management Action Plan in 2018.

## THE BUJAGALI HYDROPOWER AND THE BUJAGALI INTERCONNECTION PROJECTS, UGANDA

The Bujagali Hydropower Project, approved by the Boards of Directors on 2 May 2007, was developed by a private company, Bujagali Energy Limited (BEL). BEL constructed a 250 MW run-of-the-river power plant on a Build-Own-Operate-Transfer basis at the Bujagali Falls on the Nile River near Jinja (about 8 km downstream from the existing

Nalubaale and Kiira Hydroelectric Power Stations).

The Bujagali Interconnection Project is a public-sector project associated with the Bujagali Hydropower Project, and it was approved by the Board of Directors of the African Development Fund on 28 June 2007. The project provides the transmission infrastructure to connect the new Bujagali Hydropower Station to the national electricity grid. The cost of the Hydropower Project was estimated at USD 750 million, with the ADB providing a loan of USD 110 million. The total cost of the Interconnection Project was estimated at USD 74.7 million, with the ADF loan of USD 28.6 million.

The complaint relating to the Bujagali Projects was submitted by the National Association of Professional Environmentalists (NAPE), a Ugandan NGO, and was registered on 16 May 2007 for a compliance review.

The issues raised in the complaint included:

- Inadequate ESIA;
- Inadequate consultation with the affected communities;
- Inadequate compensation;
- Inadequate safety measures for the dam; and
- Interference with cultural heritage.

Between 2009 and 2012, the Bank Management implemented a Remedial Action Plan approved by the Boards in May 2009 to address the non-compliance issues identified in the IRM Compliance Review Report (such as compensation and resettlement, cultural heritage, and the environment) in order to bring the two projects into compliance with the applicable Bank Group policies and procedures.

The IRM undertook four field missions to Uganda (2009, 2010, 2011, and 2012) as part of its monitoring of the implementation of the Remedial Action Plan, and submitted the respective Monitoring Reports to the Boards of Directors and the President. The Fourth Monitoring Report by the IRM, issued on 9 October 2012, recommended the Bank to ensure that the outcomes of the remaining compliance issues, especially concerning the resettlement and compensation of the PAPs, are included in the project completion reports. The Report concluded that, if after assessing the project completion reports, the IRM finds that the outcomes of the compliance issues have been satisfactorily addressed in both projects, the IRM will undertake no further monitoring of these projects.

## INFORMATION TO BE INCLUDED IN A REQUEST

A Request for submission to the BCRM requires the following information:

- A reference to the project, stating all the relevant facts, including the harm suffered by or threatened to the affected parties;
- How the parties have been or are likely to be materially and adversely affected by AfDB's act or omission, and what rights or interests of the parties were directly affected;
- When requesting a compliance review, an explanation of how AfDB policies, procedures, or contractual documents were violated;
- An indication if there has been any previous communication between the affected parties and the AfDB concerning the issue(s) raised in the Request; and
- Regarding Requests relating to matters previously submitted to the BCRM, a statement specifying what new evidence or changed circumstances justify revisiting the issue.

If any of the above information cannot be provided, an explanation should be included.

# 2. Spot-Check Advisory Review of Project Compliance





## 2.1 Introduction

The IRM is mandated by its Operating Rules and Procedures to conduct spot-check advisory reviews for purposes of institutional learning. The BCRM developed the Spot-Check Advisory Review of Project Compliance and Advisory Services Guidelines that set out operational procedures for the advisory function. The Advisory Services Guidelines include the scope of the advisory service and the modalities for conducting a Spot-Check Advisory Review of Project Compliance.There are two steps of initiating the spot-check process:

- Each year, the BCRM, in consultation with Management, selects not more than two high-risk projects (i.e., projects with potentially adverse environmental and social impacts) to be subjected to spot-check reviews to assess their compliance with the applicable Bank Group policies and procedures.
- Once the projects have been selected, the Director of the BCRM submits the list of these projects, along with the Terms of Reference for the spot-check reviews, to the Boards of Directors for consideration (in the case of approved projects) or the President (in the case of projects under consideration by the Bank for financing). One of the three Experts from the IRM Roster of Experts carries out the spot-check exercise each year.

The Spot-Check Advisory Review of Project Compliance is undertaken by the IRM Experts. The main objective of the spot-check exercise is to draw lessons from the experience of the IRM to advise Management on compliance issues associated with high-risk projects.

In other words, beyond handling individual Requests, the IRM Experts also undertake investigations under the spot-check function. Unlike the compliance review, the spot-check investigation is initiated internally within the Bank.

## 2.2 Spot-Check Advisory Review Activities

The Boards of Directors approved the spot-check advisory review of two ongoing high-risk private-sector projects on 7 June 2017.

The projects, namely the Form Ghana Reforestation Project and the South Tunisian Gas PipelineProject, were selected in consultation with the Management on the basis of set criteria to feed into theinstitutional learning processes of the Bank.



## FORM GHANA REFORESTATION PROJECT, GHANA

The Board of Directors of the Bank approved the Spot-Check Advisory Review of Project Compliance of the Form Ghana Reforestation Project on 7 June 2017. The IRM initiated the review exercise in order to determine whether the Project is in compliance with the applicable policies and procedures of the AfDB.

On 13 July 2016, the Boards of Directors of the AfDB approved a senior loan of USD 14 million to Form Ghana Limited, the project sponsor, to finance the restoration of 11,700 hectares of degraded forest reserves through the establishment of a large-scale sustainable commercial forest plantation. The funding is part of a larger financing envelope that includes a senior concessional loan from the Forest Investment Program (FIP). A Financial Procedures Agreement between the Bank and the International Bank for Reconstruction and Development (IBRD) as Trustee of the Trust Fund for the Strategic Climate Fund (SCF) was signed on 6 December 2010. As per this Agreement, the Bank was designated as one of the implementing entities of the SCF that includes three programs, among them the FIP.

On 13 July 2016, the FIP Sub-Committee approved a FIP senior concessional loan of USD 10 million in addition to a grant of USD 350,000 to be paid to the AfDB to cover for implementation services costs. Thereafter, on 29 July 2016, the Bank Management submitted the FIP loan request, as an Addendum to the Project Appraisal Report, to be considered for approval by the Board of Directors of the AfDB on a lapse-of-time basis. The FIP loan was approved by the Boards on 22 September 2016. Both loans have a tenor of 15 years with a 7-year grace period.

The project is classified as Category 1 in accordance with the AfDB Integrated Safeguards System (ISS), mainly due to the magnitude of the project (about 11,700 ha) and the number of project affected persons (PAPs). The Environmental and Social Impact Assessment (ESIA), the Environmental and Social Management Plan (ESMP, and the Full Resettlement Action Plan (FRAP) were prepared in 2015. Summaries of the ESIA and FRAP were made accessible on the Bank's website on 9 October 2015 in line with the ISS requirements.

This project was selected for a spot-check review for the following reasons:

(i) Early warning system: The activities of the Form Ghana Project had not started and no disbursements had been made by the time the proposal for a spot-check review was discussed by the Board on 7 June 2017. The spot-check would serve as an early warning independent exercise to capture any gaps between the national laws and the ISS of the Bank Group, and identify any institutional capacity needs of the project sponsor. It would also provide broader procedural lessons to contribute to the achievement of one

of the Bank's 'High 5' goals, that is, 'Improving the quality of life for the people of Africa;' and to the Bank's Ten Year Strategy (2013-2023) in promoting inclusive and green growth through private-sector involvement.

(ii) Type of project: The Form Ghana Project is an agroforestry project that aims at catalyzing private-sector involvement in the restoration of degraded forest reserves. This is undertaken through large-scale sustainable commercial forest plantations where forest reserves have degraded in Ghana, while yielding inclusive socio-economic benefits. The Project aligns with both the Bank's Ten-Year Strategy (2013-2023) and operational objectives of the Private Sector Development strategy toward inclusive and green growth. The Bank funding complements the funding from the FIP to stimulate the challenging investment climate for private enterprises in the forestry sector. It functions in line with Pillar I of the Private Sector Development Strategy that is, 'improving Africa's investment and business climate.' The spot-check exercise would assess the policies and procedures followed during the preparation phase of this Project, and whether they were adequately applied. The exercise would also highlight areas where the Bank's guidance is required to harness the contributions of its clients (such as companies and government agencies) that are engaged in a public-private partnership (PPP) for the Project's sustainability outcomes, particularly improving the standards of livelihoods and the environment.

(iii) A private-sector project and the ISS: The Form Ghana Project is categorized as Category 1 in accordance with the ISS and the Environmental and Social Procedures (ESAP) of the AfDB. Before the ISS was approved by the Boards in December 2013, the due diligence process of private-sector investments were governed by different procedures from those for public-sector projects. With the ISS now operational and applicable to both private- and public-sector operations, the spot-check exercise would be an opportunity to examine the extent of the Project's compliance with the ISS. This will in turn assist the Bank Management to learn from the strengths and challenges when applying the ISS to similar private-sector projects.

It is important to note that the Project triggered all five Operational Safeguards (OSs) contained in the ISS, namely:

1. OS1: Environmental and Social Assessment;
2. OS2: Involuntary Resettlement: Land Acquisition, Population Displacement, and Compensation;
3. OS3: Biodiversity, Renewable Resources, and Ecosystem Services;
4. OS4: Pollution Prevention and Control, Hazardous Materials, and Resource Efficiency; and
5. OS5: Labour Conditions, Health, and Safety.

(iv) Recurrent issues observed by the BCRM to date: The Form Ghana Project involves consultations with stakeholders, and resettlement and compensation issues, which are primary concerns raised in all the complaints (14 complaints to date) handled by the IRM. The spot-check exercise would enable the IRM to examine the extent of stakeholder consultations and the comprehensiveness of the FRAP prepared by the project sponsor in the context of the Environmental and Social Management System (ESMS). The exercise will also assess if the FRAP complies with the requirements of involuntary resettlement as included in OS2 of the ISS.

(v) Climate change component: The Ghana Form Project is an innovative private-sector investment involving climate change mitigation and supporting green growth efforts, while aiming to protect livelihoods and yield positive socio-economic and environmental benefits. It is a scalable concept with the possibility of replication, both in Ghana and within the sub-region. Part of the project cost will be provided by the FIP, a program under the Climate Investment Funds (CIF), of which the AfDB is an implementing entity. The spot-check review will offer an opportunity to Management to learn from the experience of such PPPs in the context of the Bank's climate change interventions and financing strategies in regional member countries (RMCs).

The IRM Experts reviewed the Project's documents and conducted a field mission to Ghana from 3 to 9 September 2017. The mission visited the project site, and met with the Managing Director of Form Ghana Limited, his team, as well as with other relevant stakeholders, including government ministries and the Forestry Commission of Ghana. The Spot-Check Report will be finalized and submitted to the Boards in 2018.

## SOUTH TUNISIAN GAS PIPELINE PROJECT, TUNISIA

On 26 June 2014, the Board of Directors of the AfDB approved a corporate loan of USD 75 million for 7 years to the Tunisian Company of Petroleum Activities (ETAP) to fund its Investment Program (IP) for the period 2013-2020, with the South Tunisian

Gas Pipeline (STGP) Project as its flagship project. ETAP is the national petroleum company responsible for oil and gas exploration and production activities in Tunisia. The objective of the IP is to further develop oil and gas production fields in Tunisia's southern region, expand the processing and transport infrastructure to channel gas from these fields to the Port of Gabès, and to support ETAP to strengthen its environmental and social management system (ESMS). The STGP Project comprises a central processing facility (CPF) located in the desert area of Nawara in the south of Tunisia, a 370 km gas transfer pipeline, and a gas treatment plant (GTP) located on the coast in Ghannouch Industrial Area near Gabès, where the gas is treated for sale and the condensates are recovered to produce propane, butane and liquid petroleum gas (LPG). The Project is co-financed with the EIB (€150 million to ETAP and €200 million to Austria-based OMV (project operators). All IP projects will be developed through a joint venture between ETAP and international oil and gas companies and partners. For the STGP Project, ETAP and OMV shares will be divided on a 50-50 basis.

The Summary ESIA indicated that the benefits of the STGP Project include valorizing national resources, reducing the energy deficit of the country, improving Tunisia's forex account, and contributing to the development of the industrial sector. The Project will allow access to cleaner energy with the utilization of natural gas and address the country's energy needs. The surplus of gas will be exported to Mediterranean countries.

The STGP Project is classified as a Category 1, high-risk project due to its potential negative effects on people and the environment. ESMPs were prepared for each project component: the Nawara production center, the pipeline, and the gas treatment plant. The negative impacts include pollution, permanent damage to the natural landscape, land acquisition, and water and soil contamination.

OMV will be responsible for the implementation of the ESMPs and the Resettlement Action Plan in line with IFC standards, followed by EIB and AfDB polices and national laws.

The STGP Project was selected for a spot-check review for the following reasons:

(i) Type of project: The STGP Project is an ongoing private-sector project co-financed by the ADB via a corporate loan to a public enterprise eligible for access to ADB lending, and to a multinational subsidiary as a project operator and responsible for the delivery of civil works by international and national contractors. The spot-check review will appraise the application of Bank policies in the corporate structure of these operations, and act as an opportunity to cross-fertilize standards and best practices that could inform Bank investments in the gas industry in future.

The overall spot-check assessment of the Project's performance is timely. It will address two of the High 5 priority areas, that is, 'Light up and power Africa' and 'Improve the quality of life for the people of Africa.' Given that the STGP Project is ongoing and was prepared under the previous environmental and social policies, the spot-check review will enable the Bank to find ways to close any procedural gaps which could compromise the achievement of the Bank's High 5 priorities.

(ii) Learning lessons from the experience of a foreign company implementing the Bank's safeguards requirements: The spot-check review will be the first IRM exercise to contribute to the lessons learned from a Bank-financed operation, directly implemented by a subsidiary of a multinational company, which is also

responsible for implementing the ESMP prepared under national laws and donor policies.

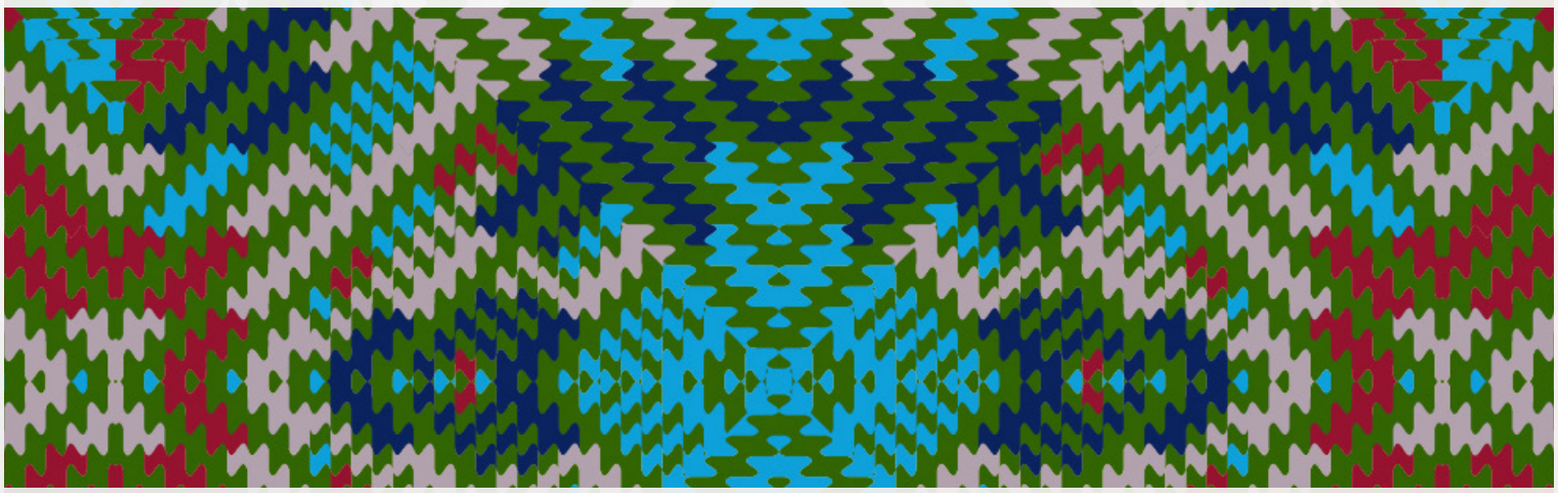
(iii) Reported non-compliance with safeguards requirements: Consultations with the Management and a preliminary review of the Bank's back-to-office reports of supervision missions indicate that the Project is experiencing difficulties in meeting the requirements of the Bank's Policy on the Environment (2004) and the Involuntary Resettlement Policy (2003). Noting the Bank's close monitoring of the STGP Project, the spot-check review will add value to this process in terms of identifying what has worked and what has not. It will recommend possible ways for the Bank to ensure that the project complies with the applicable environmental and social safeguards policies and procedures.

The IRM carried out a mission to Tunisia from 8 to 18 November 2017. The relevant Spot-Check Report will be submitted to the Boards in 2018. Based on project documents reviewed and the filed mission, the IRM Expert is assessing the state of progress and compliance of the STGP Project with the applicable Bank Group policies and procedures. The final report will be submitted to the Board of Directors in the first quarter of 2018.





# 3. Outreach Activities





## 3.1 Introduction

The IRM dedicated a set of communication and outreach activities in 2017 to familiarize selected participants with the IRM and to brief them on how to access its services. The awareness-raising activities included: staff seminars at the Bank Headquarters and national offices, and national and regional workshops for civil society organizations (CSOs) and the private sector. In addition, in support of the IRM compliance review, problem-solving, and advisory services, several outreach products were prepared and circulated, including data sets, reports, and documentaries.

### A SEMINAR ON THE IRM TO THE BANK STAFF

Five familiarization sessions on the IRM dedicated to the staff of the Bank were held in 2017. The bulk of the sessions focused on the functions and the mandate of the IRM, including the process of handling complaints. Two sessions were held at the Headquarters in Abidjan, Côte d'Ivoire. The first was a brief session conducted by the Director of the BCRM to the recently appointed AfDB Country Managers during their induction training workshop on 25 October 2017.

The second session, attended by 24 Bank staff, was held on 6 June 2017. In addition to discussions on the mandate, performances, and the Operating Rules and Procedures of the IRM, the participants were briefed also on the Bank's ISS. The IRM Experts who were on a familiarization mission in Abidjan from 4 to 10 June 2017 also attended this session.

The other three training sessions were held in the country offices of Cameroon (13 January 2017), Mali (17 March 2017), and Morocco (April 27, 2017)

### A NATIONAL WORKSHOP ON "HANDLING OF COMPLAINTS FROM PEOPLE ADVERSELY AFFECTED BY PROJECTS FINANCED BY THE AFRICAN DEVELOPMENT BANK GROUP" IN YAOUNDÉ, CAMEROON (11-12 JANUARY 2017)

The workshop was attended by 63 participants representing multiple constituencies, including CSOs (40), Project Implementation Units (PIUs)-(13), the Ministry of Economy and Finance (4), and AfDB staff (6). The attendees were informed about the mandate and the IRM's Operating Rules and Procedures. The discussions also focused on the terms for collaboration in IRM activities between the BCRM and the PIUs on the one hand, and the BCRM and the CSOs on the other, in the context of complaint-handling, outreach, and advisory services.

The session concluded with recommendations to improve the dissemination of IRM-related information to the CSO, the PIUs, and the public; and the modalities for such activities in the future.

### A WORKSHOP ON "IMPROVING ACCOUNTABILITY OF DEVELOPMENT PROJECTS IN WEST AFRICA: " IN ABIDJAN, CÔTE D'IVOIRE (1 AUGUST 2017)

The workshop on " improving accountability of development projects in West Africa: Environmental and Social Management Systems and Conflict resolution Mechanisms of Projects financed by y the African development Bank Group and the the world Bank Group ( IFC and MIGA) was organized jointly by the IRM and the CAO. The event brought together 18 participants representing private companies from Côte d'Ivoire, Ghana, Liberia, Mali, Nigeria, Sierra Leone, and Senegal. Most of the participants work with environmental and social issues, manage relations with communities, and others were corporate directors. The AfDB's private-sector project managers from Côte d'Ivoire, Mali, and Senegal also participated in the workshop.

The mandates, rules, and services of the BCRM and the CAO were presented to the private-sector project promoters from the West African region. The lessons that were learned by the IRM, the CAO, and the participants from their experiences in community engagement and complaint resolution were shared. The participants were briefed on various dispute resolution techniques to address complaints concerning environmental and social risks that impact project performance. The workshop helped to improve their knowledge of effective complaint mechanisms at the project level, the importance of effectively addressing safeguards-related issues, and community engagement techniques and mediation.



### A WORKSHOP ON "STRENGTHENING ACCOUNTABILITY MECHANISMS IN THE CONTEXT OF DEVELOPMENT PROJECTS IN WEST AFRICA: IN ABIDJAN, CÔTE D'IVOIRE (2-3 AUGUST 2017)

The workshop on " Strenghtening accountability Mechanisms in the context of Development Projects in West Africa: Environmental and Social Management Systems, Access to Recourse Systems and Conflict Resolution in private sector Projects supported by the African development Bank Group and the the world Bank Group ( IFC and MIGA) was attended by 29 representatives of CSOs from Côte d'Ivoire, Guinea, Liberia, Mali, Nigeria, Senegal, and Sierra Leone. They were mostly high-level participants from the governing bodies of their organizations. Some of the participants had experiences with independent review mechanisms, having been involved in the management of complaints on behalf of communities, while others had newly discovered these mechanisms. The workshop improved their understanding of the IRM and the CAO. They were trained on negotiation techniques, approaches to community engagement, and dispute resolution.

## 3.2 IRM Participation in Other Events

### ANNUAL MEETING OF INDEPENDENT ACCOUNTABILITY MECHANISMS (IAMS)

The IRM took part in the 14th Annual Meeting of the IAMs in Thessaloniki, Greece, on 28-29 August 2017. The meeting adopted a list of actions aimed at improving collaboration between the IAMs and setting the priorities of the network for joint events during 2018.

## 3.3 Communication and Information Dissemination

### IRM WEBPAGE

The IRM webpage (www.afdb.org/irm) is regularly updated.



### VIDEOS

The BCRM contributed to the production of a joint video presenting independent accountability mechanisms. The video is available on the IRM webpage.

The BCRM provided input to a documentary prepared by the Tensift Regional Development Centre (CDRT) in Morocco, featuring the handling of the complaint they submitted to the BCRM on the Marrakech-Agadir Motorway Project in Morocco. The CDRT, a local development organization, filed the complaint with the BCRM on behalf of communities affected by the construction of the Motorway in 2010. The film showed the success of the mediation exercise facilitated by the BCRM between the Bank, the ADM as the PIU, and the CDRT. The documentary depicted the role of a CSO in supporting a community through the IRM process.

### BCRM BROCHURE, BANNERS, AND ANNUAL REPORT

A new IRM brochure, titled "Giving Voice to Communities Affected by Projects," was produced. It was designed and printed using simple language and provides information on the mandate, the missions of the IRM, and the complaint-handling process. The brochure was disseminated during the outreach workshops of the IRM throughout the year.

The 2016 Annual Report was distributed to BCRM stakeholders and partners and posted on the IRM webpage.

Two Banners were designed to increase the visibility of the BCRM in regional workshops jointly held with the CAO.

## 3.4 Advisory Notes

### ADVISORY NOTE ON "SOME LESSONS LEARNT ABOUT CONFLICTS AND COMMUNITY ENGAGEMENT AROUND ENERGY AND INFRASTRUCTURE PROJECTS IN AFRICA"

This advisory note identifies the relevant issues covered by this theme. It draws lessons from experiences and practices in the implementation of energy and infrastructure projects, and providesguidance to AfDB staff, clients, and all the actorsinvolved in AfDB-financed projects. In this regard, the following issues were analyzed: Roots of conflict;

- Initial engagement with communities;
- Corporate social responsibility;
- Community partnership;
- Engagement with the host country government;
- Dispute resolution; and
- Recommendations pertaining to the work of the IRM and the AfDB.

### ADVISORY NOTE ON "TEN LESSONS LEARNT FROM COMPLIANCE REVIEW CASES BASED ON SEVERAL INDEPENDENT ACCOUNTABILITY MECHANISMS OF MULTILATERAL DEVELOPMENT BANKS"

This advisory note is a guide for the Bank staff who work on the development and implementation of projects. It guides the staff in the Operations Departments on how to prevent projects from being subjected to complaints that may result in a compliance review. Ten themes were covered, including environmental and social impact studies, public consultations, and involuntary displacement of populations. These two advisory notes were shared and discussed at IRM workshops and seminars for the Bank staff.

## 3.5 Survey of IRM's Outreach Activities

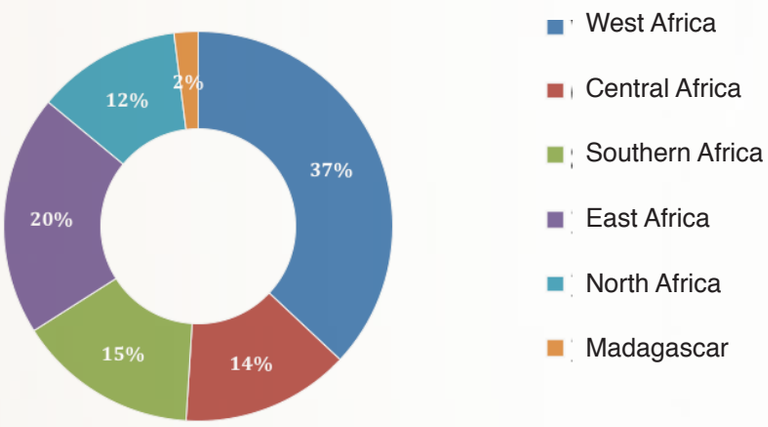
A stock-taking exercise was initiated on the activities carried out by the IRM, including its outreach activities. From 2006 to 2017, the BCRM held 61 outreach activities which were entirely or partially devoted to raising awareness of the IRM, and have benefited 2,248 people.

Regional (35%) and national (33%) outreach activities constitute the bulk of IRM's outreach activities. Their main beneficiaries have been CSOs, who comprise 52% of the 2,248 attendees, followed by community participants. Participants from the private sector represent 1% of the total.

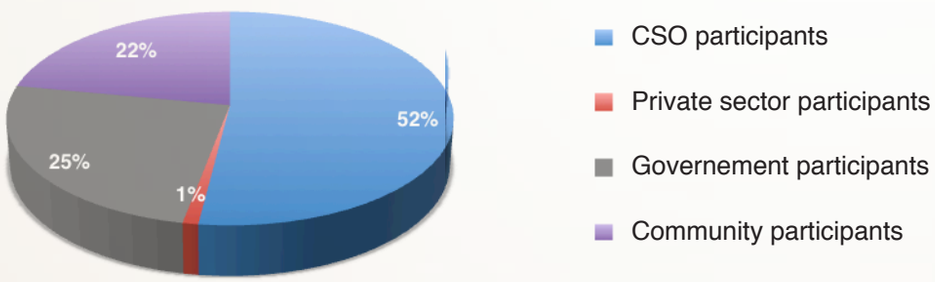
Most of the outreach activities took place in West Africa (37%), followed by East Africa (20%), Southern Africa (15%), Central Africa (14%), and North Africa (12%). The three top countries where IRM outreach activities have taken place are Kenya (6), Senegal (5), and Cameroon (4). The year 2009 still maintains itself as a record year with the highest number of outreach activities. The IRM will examine these statistics in order to guide its future outreach activities. Details of the outreach survey are presented in the graphs below.



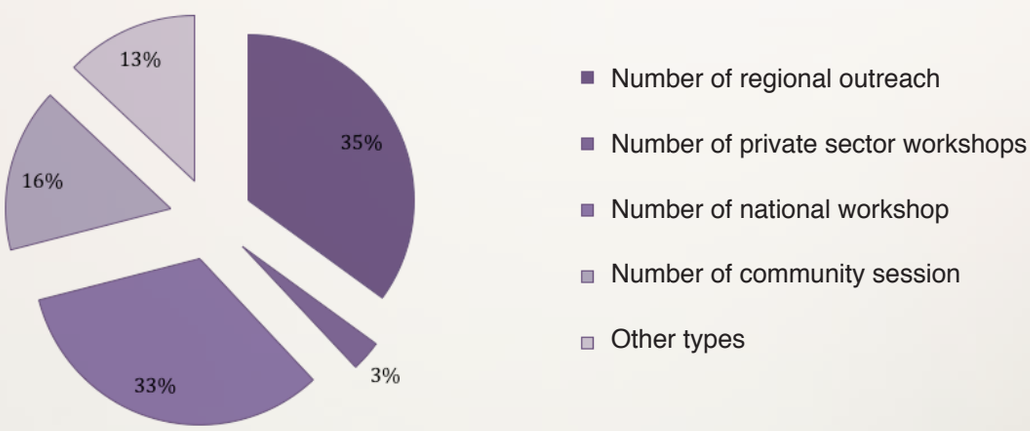
## Activity per region




## Outreach activity participants




## Outreach activity type





## 3.6 Fifth Annual Mediation Training Program

### IMPROVING ACCOUNTABILITY OF DEVELOPMENT PROJECTS IN WEST AFRICA 1 AUGUST 2017, ABIDJAN

The BCRM of the AfDB and the CAO of the World Bank (which supports the IFC and the Multilateral Investment Guarantee Agency [MIGA]) co-organized a regional mediation training program on Improving accountability of developement projects in west Africa: Environmental and Social Management sytems and conflict resolution mechanisms of private sector projects supported by the African Development Bank Group and the World Bank Group ( IFC and MIGA). The training sessions targeted heads of environmental social units of private-sector companies who are responsible for the implementation of AfDB-IFC co-financed projects, NGO members of regional mediation and advocacy networks, and AfDB staff tasked with managing the Bank's portfolio in West African countries, namely Côte d'Ivoire, Ghana, Guinea, Liberia, Mali, Nigeria, Senegal, and Sierra Leone.

The objectives of the training were three-fold:

i) To present BCRM and CAO mandates to enable participants to understand their strategies for public consultations and complaint-handling processes.

ii) To learn from the experiences of participating clients in community engagement and complaint resolution.

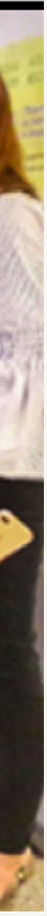
iii) To enable participants to familiarize with practical knowledge of various dispute resolution techniques.

The AfDB-IFC projects implemented by the participants focus on energy, transport, agribusiness, extractive industries, and refineries.

The training materials included the CAO toolkit for community engagement, documentaries on empirical cases handled by both the CAO and the BCRM, deep-dive discussion groups on project safeguards standards, division of roles among clients and contractors, and a practical clinic for clients to familiarize with the best tools to foster their international systems for grievance redress mechanisms and for responding to concerns about claims that the clients have faced.

Options such as the complaint-handling process at the project level or before national courts were explored to better appraise the consequent risks to the efficiency, effectiveness, and sustainability of projects. Other key discussions revolved around the value of decisions in grievance redress mechanisms with regard to community expectations and genuine attributions of the outcomes in helping communities resume their sustainability activities.

Approaches to the role of corporate social responsibility programs were also touched upon to highlight relevance to community services,



as opposed to the real input of an independent process oriented towards community consultations. Although there is a propensity of the enterprise to be the main actor, the general view in the ensuing exchanges was that, as an integral part of the stakeholder engagement program, involving enterprises and companies more in the discussions on complaint mechanisms would be the best strategy going forward.

Participants also stressed the importance of consistency, communication, and effectiveness in building confidence, and the importance of having a supportive management structure. While recognizing the difficulty of having the management's support for the implementation of these mechanisms, they acknowledged that a good complaint mechanism provides an opportunity for enterprises and companies to work with communities to identify and avoid risks. This would also provide the company with a certain quality of life and a progressive partnership with the communities.

With regard to the representation of the community by a third party, the participants identified the following problems:

- Striking a balance in negotiations and power relations between the client, the representatives, and the community;
- The project's paternalistic approach to finding solutions instead of a two-way meaningful discussion; and
- Delays and deadlocks in the implementation of settlement agreements.

The participants agreed that the engagement of a neutral mediator could help resolve some of these problems.

From the point of a post-workshop follow-up, participants stated that they will make use of the information and knowledge gained during the workshop in their work and to promote conflict resolution mechanisms in the early stages of projects.

# 4. Trends and Lessons



## 4.1 Introduction

According to the IRM Rules, the Annual Report should present:

- Identifiable trends relating to the activities of the AfDB that have emerged during the IRM's complaint-handling process, spot-check advisory reviews, and other outreach and capacity-building activities; and
- Notable lessons that the IRM has learned with regard to the challenges faced by the AfDB in implementing its policies and procedures.

Based on the experience gained from the Requests handled in 2017, the Director of the BCRM and the IRM Experts grouped the following trends and lessons into project- and system-related categories.

## 4.2 Project-Specific Lessons and Trends

1) The Bank should intensify efforts to enhance the visibility of its safeguards standards in solely AfDB-financed and co-financed private-sector projects at the national level, with greater emphasis on improving its technical guidance to clients in this area.

2) The Bank should ensure that the commitments made in project appraisal documents, particularly on helping clients establish their internal ESMSs, are fulfilled by the Bank.

3) The Bank's Supervision Reports and Back-to-Office Reports on environmental and social aspects of projects are presently either brief or prepared without due diligence, and in a few cases are inconsistent with actual project activities on the ground. The Bank should consider building teams among the existing safeguards staff to prepare quality and authoritative reports. Any limitations or shortcomings observed by staff during supervision missions should be substantiated with evidence or with written proof from clients. This is to avoid any potential strains in the relationship with clients.

4) The Bank's management of ESIA studies is lagging, due to which some high-risk projects are implemented without or with inadequate ESMPs and RAPs. In addition, the clients face challenges when the Bank does not provide timely input to their updated Action Plans so that the clients can ensure that these documents meet the Bank's requirements. The Management's Outcome Reports should reflect delays associated with the clearance of impact assessment studies and Action Plans to allow Senior Management to undertake suitable actions and decisions.

## 4.3 System-Specific Lessons and Trends

1) The Bank continues to progress in developing its safeguards standards. However, in order for the standards to take root into actual institutional practice in private-sector operations, the Bank's safeguards experts should critically focus on connecting these standards with end-development objectives of the projects.

2) The Bank should find ways to develop guiding notes for staff to fully assess social risks of private-sector operations, including both project-specific and reputational risks.

3) The Bank should capitalize on existing expertise and capacities of project sponsors and operators, and enrich its knowledge and database on best practices in connection to grievance management systems.

4) The Bank should find ways to mainstream cumulative knowledge gained from lenders and independent technical advisors into practical instruments to inform the design and planning of high-risk coal-fired plants.

5) The Bank's technical support grants to stimulate employment and rural finance should be tied to ongoing projects, instead of supporting standalone activities (either studies or training) that will not serve any specific development outcomes. The Bank should further ensure better use of resources and grants to help projects meet their intended purposes.

6) Credit and senior loan agreements should clearly reflect the obligations of the clients under the Bank's environmental and social policies and procedures, particularly on reporting project performance in this area.

7) The Bank should benefit from the structure of the Environment and Social Safeguards Department to ensure that teams of safeguards experts are appropriately designated for the management of environmental and social aspects of projects. This will help optimize

the use of existing expertise and improve the quality and consistency of project monitoring.

8) The Bank should find ways to issue annual thematic reports on sustainability outcomes of its high-risk projects, with emphasis on community engagement, gender equality, employment, and support of incomesand livelihoods.

## 4.4 IRM Request Survey 2006-2017

The performance of the IRM is a good indicator of the AfDB's accountability with respect to its own policies and procedures. Therefore, the IRM Request Survey (2006-2017) was conducted to provide the IRM with a few key indicators to illustrate its performance.

From its inception, the data reveals that the IRM has received a total of 36 Requests, out of which 15 Requests were registered and the remaining 21 Requests were not registered for various reasons.

In terms of the regional distribution of the registered Requests, there is a concentration of Requests received from East Africa (47%), followed by West Africa (33%), North Africa (13%), and Southern Africa (7%). No Request has been received from Central Africa to date.

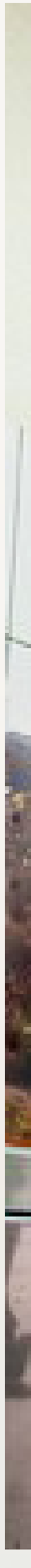
The majority of the Requests were filed by CSOs (60%) and individuals (40%). Complainants in only one case used the confidentiality clause.

A breakdown of the main issues raised in the Requests is as follows: inadequate compensation (18%), involuntary resettlement and displacement (13%), inadequate consultations (13%), pollution (12%), loss of livelihood (13%), and destruction of cultural and religious heritage (9%). The remaining percentage of 22% represent other issues such as restricted access to social amenities, labor-related risks, land degradation and health related risks.

The majority of grievances arose from projects in the energy sector (40 %), and the transport sector (40%), followed by the social sector (13 %) and the manufacturing sector (7%). When seeking redress, Requestors requested for either a problem-solving and mediation exercise (27%), a compliance review (26%), or both options (20%); while the balance did not specify a particular mechanism (27%).

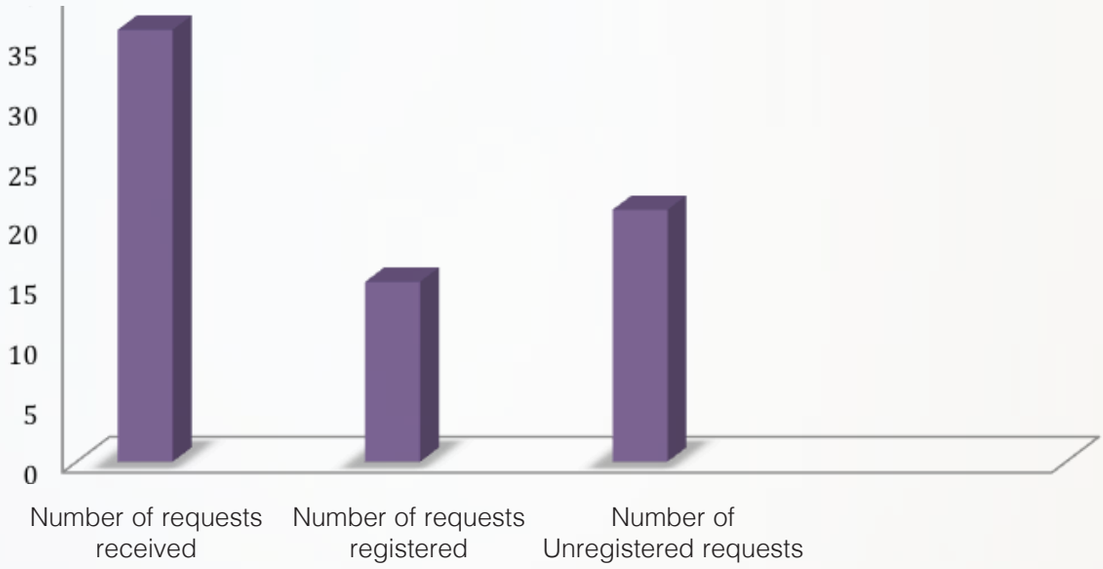
Finally, with regard to Requests based on project financing, Requests were received from both co-financed projects (60%) and solely AfDB-financed projects (40%). It should be noted that the data collected in this survey will be analyzed in a publication.

For more information about this survey, see the graphs below.

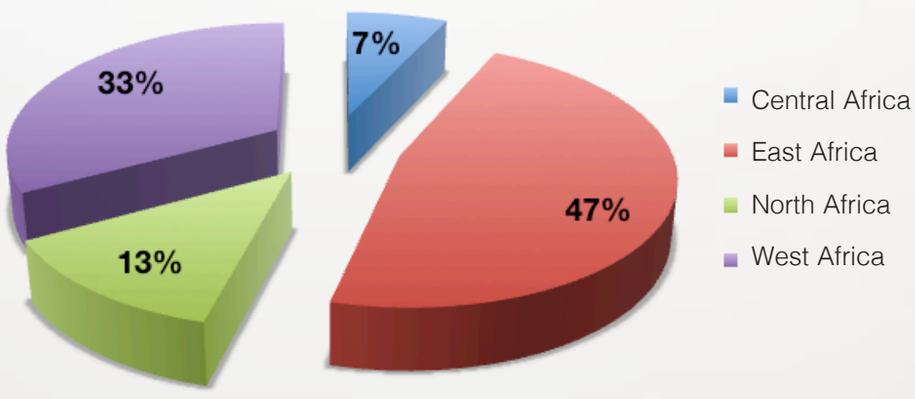




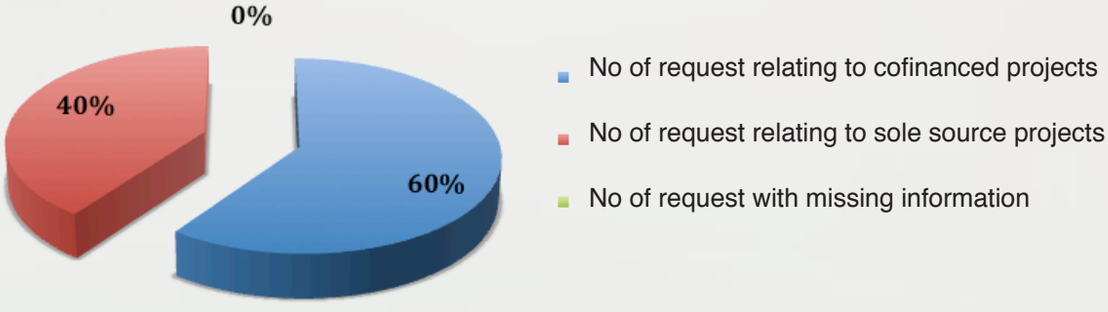
## Registered and unregistered requests



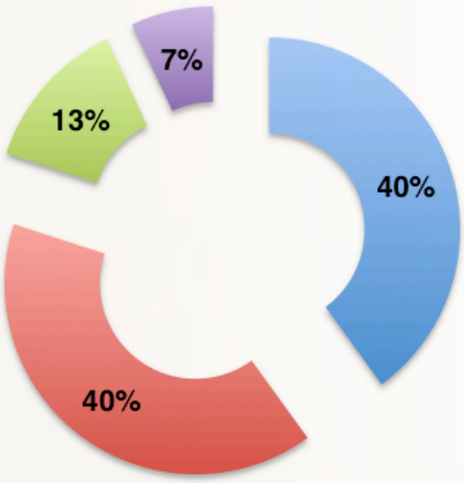

## Regional distribution of request in Africa




## Project financing

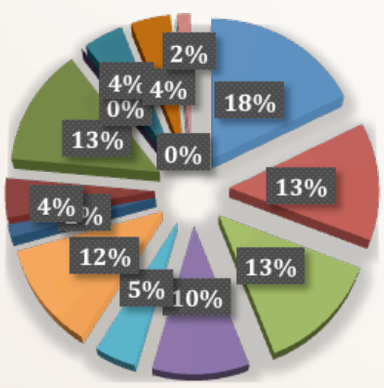


## Requests by project sector in Africa



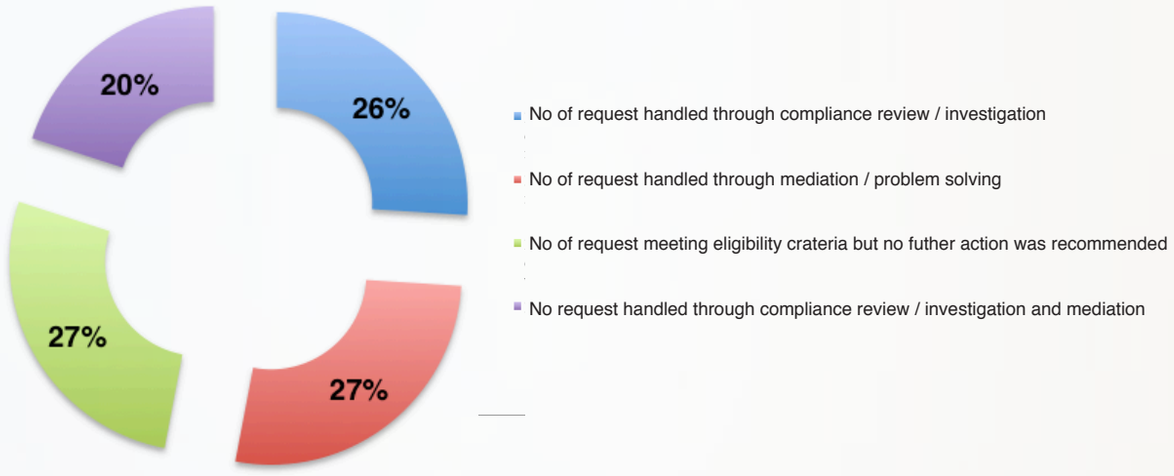

- No of request arising from energy sector projects
- No of request arising from transport sector projcts
- No of request arising from social sector
- No of request arising from manufacturing sector projects

## Main issues raised in the requests

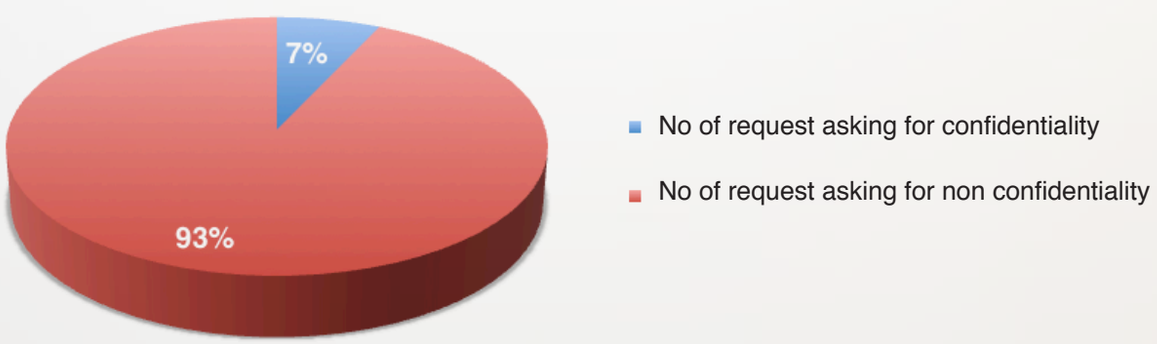



- Inadequate Compensation
- Involuntary Resettlement and Displacement
- Inadequate consultation
- Destruction of cultural and religious heritages
- Restricted access to social amenities
- Pollution
- Labor related risks
- Heath related risks
- Loss of Livelihoods
- Political insecurity
- Inadequate due deligence in project approval procedures
- Loss of land other local infrastructure

## Requests handling problem solving or compliance review or both or none




## Requests asking for confidentiality or non confidentiality



# 5. BCRM Staff



# Mr. SEKOU TOURE
## DIRECTOR

Mr. Sekou Toure was appointed as the Director of the Compliance Review and Mediation Unit (BCRM) on 2 January 2013. Prior to joining the African Development Bank, Mr. Toure was the Conflict Resolution Commissioner at the Global Environment Facility (GEF).

The GEF unites 182 member governments, in partnership with international institutions, civil society organizations (CSOs, and the private sector, to address global environmental issues. The GEF provides grants to developing countries and countries with economies in transition for projects related to biodiversity, climate change, international waters, land degradation, the ozone layer, and persistent organic pollutants. Reporting to the Chief Executive Officer of the GEF, Mr. Toure was responsible for providing advice and leadership on the resolution of conflicts and disputes relating to GEF partnerships. To overcome major impediments in GEF operations, Mr. Toure facilitated dialogue among the GEF stakeholders to mitigate the adverse effects of GEF-financed operations and helped to build consensus and confidence in the process of compliance with GEF policies.

Mr. Toure has also served as Director of the Regional Office for Africa at the United Nations Environment Programme (UNEP) from February 2001 to September 2007. In this capacity, Mr. Toure led UNEP's engagement with the African Region, including the servicing of the African Ministerial Conference on the Environment (AMCEN) and contribution to key initiatives such as the New Partnership for Africa's Development (NEPAD).

Mr. Toure has also assumed responsibilities in senior positions in the Government of Côte d'Ivoire. These have included Junior Minister in charge of Water Resources Management (Haut Commissaire à l'Hydraulique), Special Advisor to the State Minister in charge of Development Planning, and Special Advisor to the Prime Minister. In addition, Mr. Toure has had major responsibilities in a local political party in Côte d'Ivoire for a number of years.

While in Côte d'Ivoire, he gained extensive international experience and exposure in the field of environment and water resources management, and. He has contributed to the work of CSOs in Africa. Mr. Toure has extensive research and teaching experience from working in the USA (University of Cincinnati and University of New Hampshire) and in Côte d'Ivoire (L'Institut National Polytechnique Félix Houphouët-Boigny and Université d'Abobo-Adjamé). He has contributed to more than twenty scientific and technical publications and has edited a scientific journal and a book.

Mr. Toure holds a Ph.D. in Civil Engineering, with a specialization in Environmental Engineering, from the University of New Hampshire, Durham, USA; a Master of Science in Civil and Environmental Engineering from the University of Cincinnati, Ohio, USA; and a Bachelor of Science in Civil Engineering from the École Nationale Supérieure des Travaux Publics (National School of Public Works), Yamoussoukro, Côte d'Ivoire.



## Mrs. ADILA ABUSHARAF

### CHIEF COMPLIANCE AND MEDIATION OFFICER

Mrs. Adila Abusharaf joined the Bank in 2007. She provides technical support to the Director in the administration of the IRM, including: problem solving, Request assessments, policy applications to projects handled by the IRM, the training of Bank staff and clients in mediation, advisory opinions and services to the IRM Experts, BCRM/IRM strategic reports and financial documents, and Bank-wide activities, including policy reviews and recruitment exercises.

Mrs. Abusharaf has over 20 years of experience in the context of international development cooperation, through the positions she has held with the International Development Research Center (IDRC), the University of Toronto, and York University in Canada; as Regional Program Officer at the Center of Arab Women for Training and Research (CAWTAR) based in Tunisia; and as a lawyer in Sudan.

Her work and publications focus on: foreign direct oil investments, compensation and resettlement of forcibly displaced communities and indigenous people, local governance, conflict resolution, post-conflict reparation and transitional justice programs, and gender equity.

Mrs. Abusharaf obtained her Doctorate on Juridical Science from the University of Toronto in 2000 in private international law of transnational litigation and dispute resolution of oil pollution claims; and a Master of Law (LLM) from the University of Khartoum in Sudan, on the impact of IMF conditionality and structural adjustment programs on social policies.



## Ms. GRACE KIMANI

### PRINCIPAL COMPLIANCE OFFICER

Ms. Grace Kimani joined the AfDB in June 2009. She supports the Director of the BCRM by assessing Requests, conducting outreach activities, collecting and analyzing AfDB policies and procedures which are applicable to the registered Requests, preparing problem-solving missions and meetings, providing technical support to the IRM Roster of Experts, and representing the BCRM in internal and external meetings.

Ms. Kimani has experience in environmental matters due to her prior position in the Legal Department of the National Environment Management Authority (NEMA) in Kenya for five years.

Her work experience has focused mainly on sustainable development, biodiversity conservation, climate change, hazardous waste and chemicals, and environmental legislative drafting. She participated in drafting subsidiary legislation for Kenya in the conservation of biodiversity, water, waste, chemicals, the management of ozone-depleting substances, and noise and air pollution control.

Ms. Kimani is an environmental lawyer with a Master of Law (LL.M) in Environment and Natural Resources Law and a Bachelor of Law (LL.B), both from the University of Nairobi. She holds a Postgraduate Diploma (with Distinguished Honors) in International Environmental Law (IEL) from the United Nations Institute of Training and Research (UNITAR). She also has a Postgraduate Certificate (Master's Level) in Climate Change and Development from the University of London, and a Certificate in Environmental and Social Risks Analysis in Project Management from the UNEP/Finance Initiative.



## Mr. BIRIMA FALL

### SENIOR COMMUNICATION, OUTREACH, AND KNOWLEDGE MANAGEMENT

Mr. Birima Fall joined the AfDB in February 2016. He has the responsibility of coordinating communication activities, ensuring that the IRM's mandate is known to all stakeholders (both internal and external), and enhancing visibility of the BCRM through outreach activities. He also works with colleagues to ensure that data and knowledge are generated from problem-solving, compliance review, and advisory activities, and are adequately disseminated. He supports other team members in organizing their activities.

Before joining the Bank, Mr. Fall worked for 3 years at the World Bank Group as a Public-Private Dialogue Specialist for West and Central Africa and was based in Dakar, Senegal. He has also worked for seven years as Director of Communications, Marketing, and Partnership at the West African office of the World Wide Fund for Nature (WWF) in Dakar. In his early career, he worked as a political journalist at the first-ever private radio in Senegal. He has acted as Consultant for many international and regional organizations, such as UNESCO, International Labor Organization (ILO), West African Economic and Monetary Union (UEMOA), OneWorld, International Union for Conservation of Nature (IUCN), and Wetlands International on communication and advocacy.

Mr. Fall holds a Master's degree in International Relations from the University of Sussex, Great Britain; and a Higher Diploma in Journalism and Communication and a Master's Certificate in English Literature and Civilization, both from the Cheikh Anta Diop University in Dakar.



## Ms. BERNADETTE KARGOUGOU

### COMPLIANCE ASSISTANT

Ms. Kargougou joined the Bank in 2010 and was transferred to CRMU in 2015. As Compliance Assistant, she provides support to the Director, professional and administrative staff of the CRMU in the handling of Requests/Complaints, the organization of outreach activities and the monitoring the CRMU info. Prior to joining CRMU Ms. Kargougou served at the Human Resource Department & at the Cabinet of the President. She also worked for 18 YEARS with the United Nations Development Programme (UNDP), the United Nations Office for Project Services (UNOPS) and the African Futures Institute and gained extensive experience in administration, events management, programme support, finance, human resources management and procurement. She graduated from the University of Technology of Burkina Faso and the Management College of South Africa and holds a degree in Business.



## Mrs. DEDE JACQUELINE DJEDJERO
### ADMINISTRATIVE ASSISTANT

Mrs. Dede Jacqueline Djedjero joined the BCRM in April 2009. As Administrative Assistant, she provides administrative support to the Director of the BCRM and to the IRM Experts. She is trained as a bilingual assistant and translator in English and French. She provides support to the BCRM in the translation of working papers and in the proofreading of translated reports and IRM and Board documents. She provides assistance with procurement and logistical matters, and payments of consultants and the IRM Experts. She is the focal point of the BCRM's administrative budget management.

Mrs. Djedjero has extensive experience in the Bank, having worked with different departments, including 10 years in the Operations Department, and additional experience in the Human Development Department, comprising Health, Education, and Poverty Alleviation.



## Ms. ARMELLE KOKOLA
### SECRETARY

Ms. Armelle Kokola joined the BCRM in September 2015 as Secretary. Her duties include providing administrative support to the BCRM Director and staff in the coordination of missions and workshops, following up with procurement issues, and performing other administrative duties. Before joining the AfDB, Ms. Kokola worked for seven years in the private sector.

Ms. Kokola has graduated from Sight & Sound Education Ghana Limited, Ghana, and holds a Certificate in Conflict Management from the Centre for Research and Action for Peace/ African Institute for Economic and Social Development (CERAP-INADES), Abidjan, Côte d'Ivoire.

# 6. Members of the IRM Roster of Experts





## DR. ARNTRAUD HARTMANN

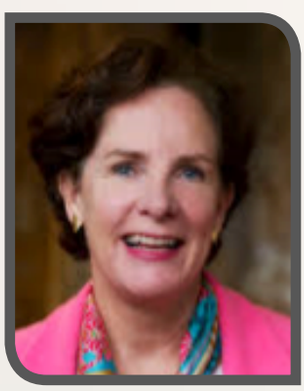
### MEMBER

Dr. Arntraud Hartmann has more than 30 years of professional experience in developing cooperation, including in several international organizations. She spent 23 years with the World Bank, where she held various senior management positions. She was Country Director for several Southeast European countries and Senior Advisor to the Managing Director. She 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 positions as Principal Economist for West African countries and as Country Economist for Pakistan.

Between 2002 and 2006, she was Senior Advisor to the Secretariat of the World Commission on the Social Dimensions of Globalization, established at the ILO in Geneva, and was Director of the Economic Policy Forum and the 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, Germany's Federal Ministry for Economic Cooperation and Development, the German Agency for International Cooperation (GIZ), and the International Fund for Agricultural Development (IFAD).

Mrs. Hartmann is Adjunct Professor for Development Economics at the European campus of Johns Hopkins University's School of Advanced International Studies (SAIS) in Bologna, Italy, and at the Hertie School of Governance 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.

Mrs. Hartmann holds degrees in Law from Hamburg University, diplomas in International Relations and International Finance from Harvard University and John Hopkins University, as well as an M.A. in Economics.



## MS. MICHELE DE NEVERS

### MEMBER

Ms. Michele de Nevers has more than 35 years of professional experience in development cooperation, including 30 years with the World Bank, where she held senior management positions. She was Director for Sector Programs in the World Bank Institute and Senior Manager in the Environment Department, where she led the preparation of the World Bank's corporate Environment Strategy and public consultations on the World Bank's Strategic Framework for Development and Climate Change. She oversaw the World Bank's work on climate change, environmental economics, biodiversity, pollution management, and other environmental issues. In the Environment Department and previously in Latin American, East European, and Central Asian regions, she managed teams that ensured compliance with the World Bank's Environmental and Social Safeguards policies on projects across a wide range of sectors. She has also held several other management positions and

led industrial development and environmental projects in operational divisions in South Asia, Latin America, Europe, and Central Asia.

Since 2011, Ms. de Nevers has been Senior Associate at the Center for Global Development (CGD), a think tank in Washington DC that combines academic rigor and practical experience across a wide range of areas that affect development. She leads CGD's work on climate change, undertakes research, and has published on climate finance, including adaptation finance, REDD+, and scaling up private-sector investment for climate action. She has undertaken consultancies for the World Bank, including on the recent revision of its Safeguards Policy Framework.

In 2011, Ms. de Nevers was a Visiting Fellow at the Global Economic Governance Programme at the University College Oxford, where she published on the topic of climate finance and development. She has also served as a Peace Corps Volunteer in the Philippines from 1976 to 1978.

Ms. de Nevers holds a Master of Science in Management and Finance from the Massachusetts Institute of Technology (MIT), a Bachelor's degree in Bacteriology from the University of California in Berkeley, and a Diploma in Executive Leadership from Harvard Business School.



## DR. SHERIF ARIF

MEMBER

Dr. Sherif Arif is an environmental professional with 35 years of experience as Senior Development Specialist with USAID in Cairo from 1978 to 1990, and subsequently as a Senior and Lead Environmental Specialist at the World Bank until 2007. During his tenure at the World Bank, Dr. Arif had also occupied advisory positions, including as Regional Safeguards Policy Advisor and Regional Environmental Advisor in the Middle East and North Africa (MENA) region. In addition, he has acted as Project Manager, Program Coordinator, and a team leader of multi-million-dollar national and regional programs and projects throughout the MENA region.

After his retirement from the World Bank, Dr. Arif became a member of an international panel at the GEF for the accreditation of eleven international project agencies in environment and social safeguards and gender mainstreaming. He has also worked as a principal environmental consultant for international organizations such as the World Bank in the African region, the European Commission, the UNDP, the Food and Agricultural Organization (FAO), GIZ, and the Agence Française de Développement. These assignments have covered a wide range of themes and activities in environment and social safeguards, environment and pollution management, coastal zone management, climate change, and green and blue economies.

Dr. Arif graduated from the University of Manchester with a Ph.D. in Physics.

# 7. Financial Matters



## Financial Overview of BCRM Activities in Year 2017

| YEAR 2017 ACTIVITIES | ORIGINAL BUDGET | ACTUAL[1] | AVAILABLE |
|---|---|---|---|
| Meetings (Bank Business) | 88,450.00 | 51,763.98 | 25,445.78 |
| Missions[2] | 50,856.00 | 49,295.39 | 1,560.61 |
| IRM Experts fees, missions, and retainer[3] | 372,550.00 | 157,023.72 | 90,223.70 |
| Consultancy | 8,840.00 | 7,586.60 | 1,253.40 |
| Mediation Training[4] | 531.25 | 0.00 | 531.25 |
| **Salaries**[5] | 594,159.97 | 496,009.99 | 985.59 |
| TOTAL | 1,115,387.22 | 761,679.68 | 120,000.33 |

NOTES

1 Actual approved.
2 Missions of the BCRM staff.
3 Available, including carryover to cover IRM fees for ongoing compliance review cases.
4 Mediation training covered by Bank business.
5 Salaries of the Director, 3 professional staff members, 3 administrative staff members (1 vacant), and one short-term staff member.



# 8. Appendices



## Table 1
## IRM Register of Registered Requests by 31 December 2017

| No. | Date of Registration | Country | Project | Purpose of Registration | Issues | Status |
|---|---|---|---|---|---|---|
| 1. | 14 Dec. 2017 | Senegal | Blaise Diagne International Airport Project | Problem-Solving Exercise | • Conflict related to compensation and reinstallation | • Notice of Registration issued and distributed to the Boards of Directors, the President, and the Requestors. |
| 2. | 28 Nov. 2016 | Guinea | Multinational Road Development and Transport Facilitation Program within the Mano River Union | Compliance Review | • Degradation of ecosystem<br>• Inadequate ESIAs<br>• Compensation and cultural heritage site issues | • Notice of Registration issued.<br>• Eligibility assessment mission for Request for compliance review conducted 19-22 Mar. 2017.<br>• Eligibility Assessment Report submitted to Boards on 13 Dec. 2017 for consideration. |
| 3. | 10 Aug. 2016 | Senegal | Construction of Sendou's 125 MW Coal Power Plant | Compliance Review | • No RAP prepared<br>• Inadequate consultations<br>• Encroachment on livelihoods<br>• Health risk due to emissions. | • Eligibility mission completed 30 Nov. 2016.<br>• Eligibility Assessment Report approved by Boards in April 2017.<br>• Compliance review mission conducted 28 May-3 Jun. 2017.<br>• Compliance Review Report is under preparation. |
| 4. | 12 May 2016 | Mali | Diversification of Moulin Moderne du Mali Project | Compliance Review | • Compensation<br>• Encroachment on livelihoods<br>• No RAP | • Compliance review mission conducted 12-17 Mar. 2017.<br>• Compliance Review Report is underway. |
| 5. | 7 Oct. 2015 | Kenya | Outer Ring Road Project | Problem-Solving Exercise and Compliance Review | • Compensation | • Resolved to the satisfaction of Requestors. |
| 6. | 9 Jul. 2015 | Kenya | Nairobi River Rehabilitation and Restoration Program: Sewerage Improvement Project | Problem-Solving Exercise | • Compensation | • Resolved to the satisfaction of Requestors. |
| 7. | 7 Mar. 2014 | Uganda | Improvement of Health Service Delivery at Mulago Hospital and in the City of Kampala | Problem-Solving Exercise | • Compensation<br>• Inadequate due diligence in project approval procedures | • Ongoing |
| 8. | 25 Jun. 2012 | Tanzania | Road Sector Support Project II | Problem-Solving Exercise | • Resettlement<br>• Compensation | • Closed to the satisfaction of Requestors. |
| 9. | 26 Jul. 2011 | Senegal | Dakar-Diamniadio Highway Project | Problem-Solving Exercise | • Resettlement<br>• Compensation | • Closed to the satisfaction of Requestors. |
| 10. | 7 Oct. 2010 | South Africa | Medupi Power Project | Compliance Review | • Inadequate consultations<br>• Disruption of livelihoods<br>• Air pollution and constrained access to water<br>• Climate change | • Second Monitoring Report on the Management Action Plan presented to Boards on 6 Sep. 2017. |
| 11. | 29 Jul. 2010 | Morocco | Construction of the Marrakech-Agadir Motorway Project | Problem-Solving Exercise and Compliance Review | • Constrained access to water and social amenities<br>• Damage to houses due to blasting<br>• Degradation of agricultural land<br>• Limited number of overpasses | • Closed to the satisfaction of Requestors.<br>• Request found ineligible for compliance review since issues were resolved through the problem-solving exercise. |

| No. | Date of Registration | Country | Project | Purpose of Registration | Issues | Status |
|---|---|---|---|---|---|---|
| 12. | 22 Jul. 2009 | Ethiopia | Gibe III Hydroelectric Power Project | Compliance Review | • Inadequate consultation<br>• Loss of livelihood<br>• Negative environmental impact<br>• Negative transnational impact on Lake Turkana | • Closed—Request deemed ineligible for compliance review as AfDB decided not to finance this project. |
| 13. | 15 Jul. 2009 | Egypt | Nuweiba Combined Cycle Power Plant Project | Problem-Solving Exercise | • Potential loss of livelihoods<br>• Negative socio-cultural impact<br>• Road safety<br>• Damage to marine environment<br>• Inadequate public consultation | • Closed—Mediation exercise discontinued because government decided to relocate the project. |
| 14. | 26 Mar. 2009 | Ethiopia | Gibe III Hydroelectric Power Project | Problem-Solving Exercise | • Inadequate consultation<br>• Loss of livelihood<br>• Negative environmental impact<br>• Negative transnational impact on Lake Turkana | • Closed—Mediation exercise that was facilitated (for Bank to conduct two impact assessments on public consultations with Turkana communities and impact of dam on Lake Turkana's hydrology) was discontinued as AfDB decided not to finance this project. |
| 15. | 4 Jun. 2007 | Uganda | Bujagali Hydropower and Interconnection Projects | Compliance Review | • Resettlement<br>• Compensation<br>• Environmental damage<br>• Cultural and spiritual issues<br>• Dam safety<br>• Inadequate economic analysis | • Monitoring of Management Action Plan is ongoing.<br>• Management submitted draft Project Completion Reports in 2016.<br>• Expected to be closed in 2018 |

## Table 2
## IRM Register of Unregistered Requests as of 31 December 2017

| No. | Date Received | Country | Project | Issues | Reason For Non-Registration |
|---|---|---|---|---|---|
| 1. | Apr. 2017 | Uganda | Construction of the Isimba Dam | • Likely flooding of the Kalagala offset if the dam is built at the tallest proposed height | • The Bank is not financing the project |
| 2. | Mar. 2017 | France | African Guarantee Fund | • ITEKA accuses AGF of violating contract provision related to non-disclosure agreement. | • The issue concerned a third-party commitment in which the Bank was not involved.<br>• The issue was beyond the scope of the BCRM. |
| 3. | Feb. 2017 | Central African Republic | Reconstruction effort for communities in Central African Republic | • Procurement and fraud issues | • Issues beyond the scope of the IRM and the BCRM.<br>• Complaint forwarded to mandated Procurement Department and Integrity and Anti-Corruption Department (IACD) to handle the issues (Para. II.b of IRM Rules 2015). |
| 4. | Jan. 2017 | Liberia | Rural Water, Sanitation and Hygience (RWASH) Program | • Delayed payment of consultancy fees | • Complaint is beyond the scope of the IRM.<br>• Complaint referred to mandated Procurement Department (Para. II.b of IRM Rules 2015). |

| No. | Date Received | Country | Project | Issues | Reason For Non-Registration |
|---|---|---|---|---|---|
| 5. | Jun. 2016 | Tunisia | Name of project not provided by complainants but it is in the gas sector | • Water pollution<br>• Access to farms blocked by the oil company<br>• Locals not hired to provide labor to the company | • Requestors did not provide name of the project.<br>• Requestors did not provide additional and essential information for BCRM to follow up with the issues. |
| 6. | Jun. 2016 | Kenya | ADB/GOK Education III Project at Kitale Secondary School | • Non-completion of project which stalled immediately after it was started | • The project was withheld and the BCRM forwarded Request to the Department in charge of Education in the Bank for follow-up with complainants. |
| 7. | Jun. 2016 | Morocco | Youth Agribusiness Entrepreneurship Program | • Denial of access to credit facility (finance) for implementing business plans developed under training financed by the Bank | • AfDB not involved in the finance of credit to trained young entrepreneurs.<br>• However, the BCRM carried out a fact-finding mission in Morocco in Apr. 2017 and held a facilitation meeting between Requestors, ADA (the PIU), and the AfDB's National Office in Morocco (COMA).<br>• COMA and ADA agreed to contact National Credit Fund to accelerate processing of credit applications of Requestors. |
| 8. | Dec. 2015 | Sierra Leone | Addax Bioenergy Project | • Land issues<br>• Understanding the causes and effects of development investment<br>• Support to local communities | • AfDB worked out loan and was no longer involved in the project. |
| 9. | Sep. 2015 | Mali | Diversification of Moulin Moderne du Mali Project | • Resettlement<br>• Compensation | • The complaint did not fulfill the criteria for registration of the Request.<br>• The Request made some reference to relevant case before the national courts, limiting BCRM from handling it (see Para. II.b.2.d of IRM Rules 2015).<br>• This case was later registered in 2016 after BCRM verified there was no pending court case and received additional information from the Requestors. |
| 10. | Apr. 2015 | Nigeria | Urban Water and Sanitation Improvement Project in Oyo and Taraba States | • Allegation of presentation of fraudulent documentation during procurement process in Oyo State | • The complaint is beyond the scope of the IRM.<br>• Complaint was referred to mandated Procurement Department and IACD for action. |
| 11. | Mar. 2015 | | Rural and Peri-Urban Electrification Project | • Compensation | • Complaint related to a project that the Bank is not financing.- |
| 12. | Nov. 2014 | Republic of Congo | Support to the Monitoring and Evaluation System of the Poverty Reduction Strategy Project | • Private company claiming payment by government for work done | • The Bank Management and the Government of the Republic of Congo, through dialogue facilitated by the BCRM, handled the complaint.<br>• The BCRM did not register this Request based on IRM Rules 2010 on prerequisites to be Requestors (Para. III.b). |
| 13 | Jul. 2014 | Kenya | Olkaria Geothermal Project | • Resettlement<br>• Compensation | • Request was not registered since it was related to a project that the Bank was not financing |
| 14. | Apr. 2014 | Kenya | Outer Ring Road Project | • Resettlement<br>• Compensation | • Requestors did not contact management prior to filing complaint with the BCRM (a prior condition that should have been fulfilled under the previous IRM Rules 2010).<br>• Request was later registered in 2015 as Requestors could not reach an agreement with the PIU.<br>• BCRM intervened to facilitate the resolution of complaint through the Country Office in Nairobi. |
| 15. | 2014 | Republic of Congo | Support to the Monitoring and Evaluation System of the Poverty Reduction Strategy Project | • Facilitation | • The Bank's funding in this project had no link with the concerns of the Requestors.<br>• The Bank had not violated any of its policies and procedures in this project.<br>• Issues raised were not within the scope of the Bank. |
| 16. | 2012 | Senegal | Public Road Project | N/A | • Complaint successfully handled by Senegal Field Office (SNFO) in line with IRM Rules 2010 (Para. III.b.5.e). |

| No. | Date Received | Country | Project | Issues | Reason For Non-Registration |
|---|---|---|---|---|---|
| 17. | 2012 | Kenya | Public Road Project | N/A | • Complaint successfully handled by Kenya Field Office (KEFO) in line with IRM Rules 2010 (Para. III.b.5). |
| 18. | 2012 | Madagascar | Mining Project | N/A | • Request made by one individual and was not registered since IRM Rules 2010 require any group of two people to file a complaint (Para. III.3.a.4.a).<br>• Requestor could not come up with proof of other groups similarly affected by the project. |
| 19. | Sep. 2010 | South Africa | Power Project | N/A | • Complaint relating to corruption referred by the BCRM to mandated IACD in line with IRM Rules 2010 (Para II.b). |
| 20. | 2009 | Tanzania | Public Road Project | N/A | • Complaint successfully handled by Tanzania Field Office (TZFO). |
| 21. | 2009 | Kenya | Public Road Project | N/A | • Complaint successfully handled by KEFO. |




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