

### Accountability Mechanism - Headline

**Ajay Deshpande appointed as New Compliance Review Panel Member.** The Board Compliance Review Committee (BCRC), in consultation with the President, recommended that the Board appoints Mr. Ajay Achyutrao Deshpande as a part-time member for a 5-year nonrenewable term with effectivity from 9 July 2017. Mr. Deshpande is a national of India. He was appointed to the National Green Tribunal as an Expert Member on 18 March 2013. He also served as Environmental Advisor (May 2012 onwards) with the Maharashtra State Road Development Corporation, Mumbai, Regional Officer and Joint Director, Maharashtra Pollution Control Board (1997-2012), and Senior Environmental Engineer, Water And Power Consultancy Services (I) Ltd. (PSU) from 1992-1997. He also worked as Adjunct Professor, Centre for Environmental Science and Engineering (since July 2012) at the Indian Institute of Technology, Bombay where he taught research and consulting, air quality management, noise pollution control, environmental law and policy. He received his Bachelor's Degree in Civil Engineering (1984-1988) and Masters in Environmental Engineering from Walchand College of Engineering (1988-1990), India and Doctorate in Environmental Engineering from the Indian Institute of Technology (1998).



**Jennifer Francis Departure Creates Vacuum at OSPF.** Ms. Jennifer Francis has left the Office of the Special Project Facilitator (OSPF) as of 15 May 2017. Ms. Francis spent six productive years with OSPF and is well known for her problem-solving and communication skills. She spearheaded complaints handling; introduced the use of a problem-solving approach called ReSOLVE; and established and/or improved project grievance redress mechanisms in Cambodia, Georgia, Myanmar, Nepal, and Samoa. She also led trainings for executive agencies (EAs) and implementing agencies (IAs) as well as ADB staff on these topics. OSPF wishes Ms. Francis success in her new position as Principal Institutional Coordination Specialist in the South Asia Department. She will be the focal person for complaint handling for her region and will continue to promote problem solving for project-affected people .



**Sushma Kotagiri Selected as New Senior Facilitation Specialist.** Based on a competitive process, Ms. Sushma Kotagiri will assume the position of Senior Facilitation Specialist effective 30 June 2017. Ms. Kotagiri is a social development specialist with 14 years of development experience ranging across international and national NGOs, research institutes, and the private sector. Before joining OSPF, Ms. Kotagiri was Social Development Specialist (Safeguards) in the Transport and Communications Division of the East Asia Department. She also worked in Southeast Asia focusing on resettlement. She has contributed to social development outcomes for more than 45 projects. She holds a master's degree in Gender and Development Studies from the Institute of Development Studies at the University of Sussex, United Kingdom, and an executive diploma in land management and informal settlers regularization from the Institute for Housing and Urban Development Studies, Rotterdam, Netherlands.



### AM Links

- [Accountability Mechanism Website](#)
- [Complaint Receiving Officer Registry](#)
- [OCRP Complaints Registry](#)
- [OSPF Complaints Registry](#)

IAMnet: Independent  
Accountability  
Mechanisms Network

ADB's Accountability Mechanism (AM) provides a forum where people adversely affected by ADB-assisted projects can voice and seek solutions to their problems and report alleged noncompliance with ADB's operational policies and procedures. It consists of two separate but complementary functions: problem solving function and compliance review function. The AM's objective is to be accountable to people for ADB-assisted projects as a last resort mechanism.

## Office of the Special Project Facilitator (OSPF) — Problem Solving Function

### Complaints Received

#### **SRI: Greater Colombo Water and Wastewater Management Improvement Investment Program—Tranche 3**

A complaint was filed on 24 March 2017 by an affected party who is also the designated representative of other complainants. The complainants claim that they will be affected by the construction of the project's treatment plant and therefore demand compensation and timely relocation to a place of their choice. After examining project documents and conducting interviews, OSPF could not identify the complainants as affected people so they are not entitled to relocation nor compensation. However, while they may not be directly affected, they might be affected by environmental impacts due to the construction of the wastewater plant. Though the complaint is ineligible for problem solving for now, the SPF recommended the concerned OD to investigate construction works and related impacts and to implement mitigation measures as appropriate. Tracking of the complaint was also recommended to document problem-solving milestones.

#### **GEO: MFF—Sustainable Urban Transport Investment Program—Tranche 3 (section 2, Part B of Tbilisi-Rustavi Urban Road link)**

OSPF received a complaint on 10 April 2017, claiming that the compensation received was not according to market prices due to the 3-year gap from the time of the valuation study to actual payments. The complainants also alleged that some of their assets were not included in the detailed measurement survey carried out by the project. Per initial assessment, the complaint is ineligible under problem solving, since the complainants signed and accepted compensation without contest, and therefore the dispute should be resolved through the local courts. Also, the market price fluctuation in the 3-year period seems to have been negligible.

#### **SRI: Greater Colombo Wastewater Management Project**

The complaint, filed on April 19, 2017, raised issues concerning vibration, noise, health impacts, and damage to property due to construction under the project. The Accountability Mechanism is a last resort mechanism, and the OD is required to have an opportunity to solve the complaint first. The SPF recommended that the OD investigate and take actions to resolve the complaint. The OD will also review noise and dust monitoring results, contractors' performance, and ways to strengthen public communication and consultations.

## Office of the Compliance Review Panel — Compliance Review Function

### Complaints Received

#### **Initial Assessment of CRP on the complaint on IND: Rajasthan Renewable Energy Transmission Investment Program- Tranche 2 (Loan Nos. 3482 and 8312)**

On 27 June 2017, ADB's Complaint Receiving Officer forwarded the complaint to the CRP, as the complainants chose compliance review. In accordance with paragraph 178 of the Accountability Mechanism Policy, the CRP conducted its initial assessment of the complaint and determined it is not within the scope of the compliance review function.

### Current Cases



*Apartment building where the complainants live*

#### **GEO: MFF-Sustainable Urban Transport Investment Program – Tranche 3 [Loan 3063 (42414-043)]**

**First Complaint:** On 13 February 2017, Compliance Review Panel's Final Report on Georgia: Sustainable Urban Transport Investment Program - Tranche 3 was submitted to the Board. The Board considered, on a no-objection basis, the above document with effect from 6 March 2017. Management's proposed remedial action plan was considered by the Board on 30 June 2017. More details are available from: <https://lnadbg4.adb.org/dir0035p.nsf/alldocs/JABM-A848U5?OpenDocument>

## Office of the Compliance Review Panel — Compliance Review Function

### Current Cases

#### IND: Mundra Ultra Mega Power Project (Loan No. 2419)

The CRP undertook its second annual monitoring mission to India from 20-27 April 2017. Based on the monitoring mission and discussions, remedial action related to access restriction is complied with, and action related to the sludge issue is closed. The CRP's monitoring report is expected to be released by the end of July 2017.



*The CRP with CGPL and government representatives and the complainants*

#### CAM: Greater Mekong Subregion Rehabilitation of the Railway in Cambodia Project

Southeast Asia Department (SERD) provided to the Board Compliance Review Committee (BCRC) and the CRP its 11th quarterly progress report (QPR) on the implementation of remedial actions for the Project highlighting Management's efforts at addressing compliance with recommendations 1 and 5. With respect to the 30 m<sup>2</sup> rule issue, SERD reported that of the 233 households whose structures were in the railway right-of-way (ROW) in Phnom Penh and Poipet, 60 have been confirmed eligible to relocate to resettlement sites. Of these, 49 chose to relocate; 4 opted to stay on the ROW and 7 have not yet responded. There are still 15 households that are potentially eligible for the option but currently, those have not been contacted yet. On the debt issue, there has been regular data collection on income and debt of the resettled households. Based on the analyses of those data, ADB, through the Credit Union Foundation Australia (CUFA, an NGO) is implementing interventions to address the debt issue through a combination of a job placement program; financial literacy for individual households; and financial management for self-help groups. These measures are supported by an ADB TA which will run until mid-2018. Due to local elections in June 2017, with the no objection by BCRC, CRP agreed to the Government's request to have the third annual monitoring mission in September 2017.

#### PHI: Visayas Base-Load Power Development Project (Loan No. 2612)

As part of the remedial actions, a technical assistance for air quality management for this Project, the two (2) units of air pollution monitoring equipment have been fully operational since September 2016 and are currently monitoring the air quality at the vicinity of the KEPCO-SPC Power Corporation (KSPC) coal power plant in Naga, Cebu. As this is the last monitoring year, all the remedial actions are expected to be completed by mid-year in time for CRP's fifth annual monitoring report to the Board in September 2017.

### AM Outreach and Inreach

#### Conference on "Taking Stock – the AIIB's first year of Operations"

On 8 March 2017, Ms. Arntraud Hartmann, CRP member, participated as a panel discussant in a session which is part of a conference organized by Urgewald (a German NGO) entitled, "Taking Stock – the AIIB's first year of Operations". The session where Ms. Hartmann and an NGO representative were panelists, distilled lessons on what is a good accountability mechanism which could serve as a model for the AIIB. The conference was well attended by authorities from the German Ministries, the Commission of the Parliament which follows the AIIB, and the European NGO community. NGOs/CSOs had called for an independent and efficient compliance review mechanism for the AIIB.

## AM Outreach and Inreach

### 17th Conference of the International Association for Impact Assessment (IAIA), Canada, 3-7 April

During the IAIA conference, there were two special events on the accountability and compliance participated by the Accountability Mechanisms (AMs) from seven IFIs (World Bank, IFC, IADB, AfDB, EBRD, EIB, and ADB) focusing on the environmental enforcement and compliance. On behalf of ADB's AM, Special Project Facilitator Jitendra Shah was a panelist for the session 1: How does the work of IAMs help to improve climate change initiatives and projects which are being put forward by the



*CRP Chair Dingding Tang and SPF Jitendra Shah with IAIA conference participants*

MDB's?. The Compliance Review Panel Chair Mr. Dingding Tang was a panelist for the session 2: How can IAMs best maintain their relevance in the light of new financing structures?

The major conclusions emerged from the session 1 on climate change discussions were as follows: (i) how the IAM Network can work together with the civil society; (ii) the IAM Network reviewed the book *Glass half full, half empty*, prepared by civil society organizations, and

are seriously considering the recommendations within their individual mandates; (iii) though IAMs are independent, there is also a need to be perceived as independent and is a greater challenge for the IAMs; (iv) that the IAMs are also effective in helping their own institutions in review of its policies and procedures while also bringing recourse at project level; (v) the affected people are not so knowledgeable on the impacts of climate change, and therefore any complaint will require the assistance of an NGO that understands impacts of climate change; (vi) entry point for all IAMs would be through co-financing projects with Global Climate Fund, which has a well-defined climate change policy; (vii) currently other MDBs do not have a clearly defined specific climate change policy; it is important for the MDBs to develop a policy and guidelines related to climate change, in particular since many do finance coal-fired power plants.

The summary of discussion in session 2 were (i) the IAMs look at compliance by the institution itself and not by the Government; (ii) the World Bank has initiated emerging lessons series, to learn from the relevant cases that has come to Inspection Panel; (iii) more coordination and effort need to take place amongst the IAMs when projects are co-financed, or has complex funding structures such as through guarantees, bonds, advisory services, private sector funding, and involvement of multi-donors in a single large scale project; and (iv) how to deal with complaints when a complaint has been received by only one AM in a multi-donor funded project.

### AM Outreach in Washington, USA, 10-12 April

Mr. Tang and Mr. Shah co-hosted outreach sessions at NARO on 10 April 2017. The AM staffs met with the staffs from US Treasury Department in the forenoon, and briefed NGOs/CSOs representatives including staff from Office of Compliance Advisor Ombudsman of the World Bank Group about the Accountability Mechanism Policy 2012 (AM), procedures and issues related to problem solving and compliance review. A presentation was also made by Mr. Tao Hu, China Program Director of WWF-US. Both sessions were interactive. The US Treasury staff were interested in issues such as (i) reporting mechanisms of the AM to ADB Board; (ii) cost of remedial actions and who pays for it; (iii) review and update of the AM policy 2012; and (iv) independence of the AM. The NGO group stressed upon (i) role of NGOs in AM: (ii) project level grievance mechanisms; (iii) how is Harm defined in AM policy; (iv) time taken in resolving complaints; (v) how ineligible complaint are monitored; (vi) definition of closure of project; and (vii) how is the remedial actions negotiated with the Government and how is that relationship managed.



*CRP Chair Dingding Tang and SPF Jitendra Shah with participants from the nongovernment organizations in Washington DC.*

## AM Outreach and Inreach

### Accountability Mechanism Outreach in Myanmar, 1-2 June

Two outreach sessions were conducted in Nay Pyi Taw and Yangon on 1 and 2 June 2017 where a total of 40 representatives from the government, ADB staff, NGOs, consultants, and the private sector attended. The sessions generated questions on three key topics: AM accessibility; safety of complainants and the role of NGOs; and co-financing and climate change. In the ensuing discussion, not only in Myanmar but also in the Bangkok outreach, AM realized the need to prepare a guideline on possible retaliation or reprisal against complainants following what other established offices or similar IAMs already have. As agreed with MYRM, AM has also shared a few standard slides that can be used during Project Inception mission launch and in various workshops which MYRM staff can use to inform people about the AM.



Some of the participants of the 2-day outreach

### Accountability Mechanism Institutional Event at the ADB Annual Meeting, Yokohama, 7 May



On 7 May 2017, the AM organized an event at the ADB Annual Meeting in Yokohama, Japan. Chair BCRC Mario Sander, CRP Chair Dingding Tang, Institute for Global Environmental Strategies President Hideyuki Mori, and NGO Forum on ADB Executive Director Rayyan Hassan were the panelists for this session which was attended by over 50 participants. Moderated by Special Project Facilitator Jitendra Shah, the event highlighted the importance of remedies to the complaint as part of compliance review process; the necessity of engagement of the NGO/CSO and affected people in the preparation and implementation of the remedial actions; the importance of listening, DMC institution building, compromise, consultations, and partnership with mutual respect.

The AM Team with Mario Sander, Chair, BCRC

### Asia Outreach to NGOs/CSOs, Bangkok, 6-7 June

The workshop, held from 6-7 June 2017, was organized by the Independent Accountability Mechanism's (IAMs) of the World Bank Group – the Inspection Panel (IBRD/IDA) and Compliance Advisor Ombudsman (IFC/MIGA), ADB, and the following CSOs: International Accountability Project, NGO Forum on ADB, the Asia Indigenous Peoples Pact, the Center for International Environmental Law, and International Rivers. Discussions mainly revolved around (i) addressing barriers to filing complaints - accessibility, access to information, and anonymity; addressing security concerns and reprisals; (ii) remedial action and the last mile problem - ensuring affected communities receive effective remedy; and (iii) accountability issues raised by joint co-financing of projects and financial intermediaries.



Participants from NGOs/CSOs based in Bangkok

## Other Training Activities

### BPMSD's Induction Program

Mr. Jitendra Shah and Ms. Josefina C. Miranda presented Accountability Mechanism mandates to 36 new ADB staff during 19–21 April. The presentations focused on cases processed under the problem-solving function and OSPF's mandate to provide generic support and/or advice to ODs, which comes through providing training or workshops on complaint management, problem solving, or setting-up of grievance redress mechanisms, and development of publications on similar topics. The OCRP presentation focused on the nature of compliance review; complaints filed with the CRP; and remedial actions and outcomes. Mr. Jitendra Shah and Mr. Munawar Alam likewise made the same presentation to new ADB staff on 28 June, as part of the Induction Program.



*Mr. Jitendra Shah, Special Project Facilitator, listening to a question from a participant.*

### Training on Project Management, Communication, Consultation, and Problem Solving

IAs from Armenia and Georgia participated in a workshop on 14–16 June in Manila that aimed at building their understanding of ADB's project cycle, new procurement framework, safeguards, AM, grievance redress, consultation, and communication. The training for the 16 participants also addressed the increasing trend of grievances generated in CWRD projects over the past 3 years, with the majority coming from the two countries. ReSOLVE, a problem-solving tool developed by OSPF, was also discussed through group exercises and workshops to help participants manage their complaints more effectively. The training was a joint initiative by OSPF and CWRD's Portfolio, Results, Safeguards, and Gender Unit (CWOD-PSG). All participants came from two key IAs that are managing several current, high profile, IR Category A projects.



*Left: Sophie Tkemaladze, OSPF consultant, sharing some of the complaints OSPF received recently from Georgia. Center: Munawar Alam, OCRP advisor, explaining ADB's Accountability Mechanism and safeguard issues in the AM with examples from past cases. Right: Participants from Armenia in a discussion during a workshop on problem solving.*

## Upcoming Events

### Workshop on Strengthening Policy Compliance Awareness for Good Governance and Development Effectiveness Dhaka, 17-18 July 2017

ADB's Accountability Mechanism (AM) personnel and consultants plan to visit Dhaka in July 2017 to undertake outreach activities related to the Accountability Mechanism. This event will be a brainstorming workshop prior to the development of the Guidebooks on the compliance review process which will be developed for different stakeholders, such as borrower, ADB staff, and NGOs/CSOs who represent affected people under ADB assisted projects. The outputs will focus on the expectation of different stakeholders on the guidebooks as well as the suggestion on the improvement of compliance review practices under the AM policy.

### Accountability Mechanism Outreach, Colombo, Sri Lanka, 20-21 July 2017

ADB's Accountability Mechanism (AM) personnel will be fielding a mission to Colombo to undertake outreach activities related to the Accountability Mechanism. The target audience for the AM outreach includes project directors, managers, and other relevant staff of the executing agencies/implementing agencies, nongovernment organizations/civil society organizations, private sector sponsors, consultants working on ADB-assisted projects and ADB staff. The mission will also meet with project beneficiaries or project affected people of a particular project, during a field visit, to discuss how communities have been working with the project in mitigating problems.

### Updates from the Complaint Receiving Officer

From 1 April to 30 June 2017 (Q2 2017), the CRO received eight complaints, of which:

- one complaint was forwarded to the CRP – **India: Rajasthan Renewable Energy Transmission Investment Program - Tranche 2**, Project No. 45224-004, Loan Nos. 3482 and 8312,
- three complaints alleging project harm are still being processed by the CRO (two of these also involve corruption issues to be addressed by OAI), and
- four complaints involved clearly excluded matters: two procurement complaints, and one complaint each involving project commencement date, and salary of an employee of a borrower’s consulting firm.

This results in a total of 18 complaints in Year 2017 so far (see Figure 1) mostly from South Asia (see Figure 2). Of the 18:

- five complaints were forwarded to the SPF (4) or CRP (1): four are from South Asia (1 India and 3 Sri Lanka) and one is from Central and West Asia (Georgia),
- six complaints are pending completion of minimum required information, and
- seven complaints were clearly outside the purview of the AM (see Figure 3).

For additional details, see [CRO’s Complaints Registry](#).

Moreover, closure reports for Year 2013 complaints that were declared not eligible for problem solving were submitted to the CRO and posted on the [AM website](#). The reports pertain to:

- two complaints regarding **Armenia: Zvartnots International Airport Terminal Expansion Project Phase 2**, Project No. 43922-014, Loan Nos. 2620 and 7308, and
- one complaint regarding **Pakistan: Flood Emergency Reconstruction Project (FERP)**, Project No. 44372-013, Loan Nos. 2742-3.

Figure 1: Annual Number of Complaints Received by the CRO, and Forwarded to the SPF and CRP

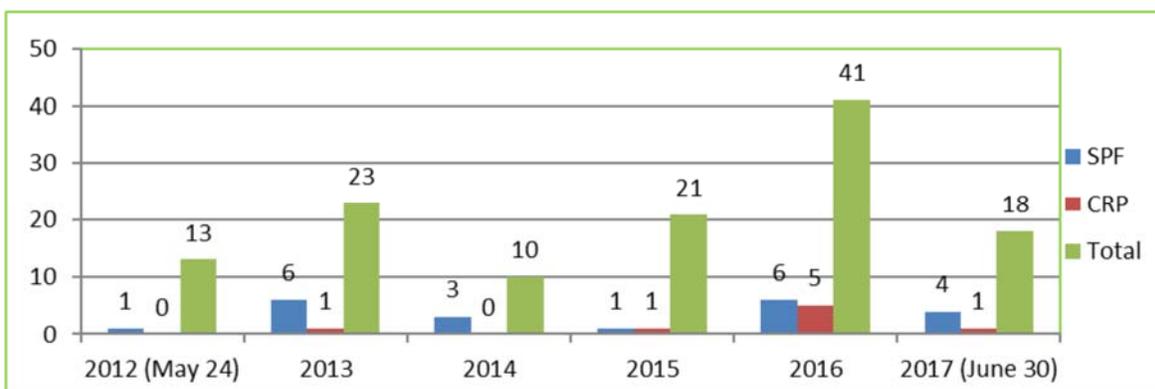


Figure 2: Location of 18 Complaints Received by the CRO in Q1 and Q2 2017

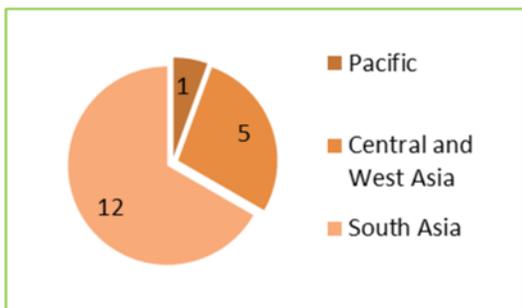
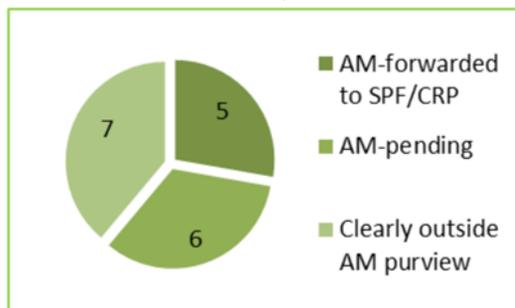


Figure 3: Status of 18 Complaints Received by the CRO in Q1 and Q2 2017



## Other Announcements



### New Chair, Board Compliance Review Committee

Mr. Maurizio Ghirga is appointed as the new Chair, Board Compliance Review Committee, replacing ED Mario Sander, effective 1 July 2017. Mr. Ghirga is a national of Italy and elected as Executive Director for Belgium, France, Italy, Portugal, Spain, and Switzerland effective 1 July 2015. He completed his degree in Economics from the University of Rome, Italy, in 1982. Mr. Ghirga has been working for the Bank of Italy for 27 years. Prior to joining ADB, he held the Principal Manager position at Financial Investment Directorate of the Bank of Italy where he led investment operations and coordination of special projects. At the same time, he was a member of the Market Operations Committee of the European Central Bank.



### OCRP's New Intern

OCRP welcomes its intern, Kahhow Lee, a student of M.S. Applied Economics, Johns Hopkins University. As a follow through to the compendium of case studies by the first OCRP intern, Kahhow Lee will attempt to do a cost-benefit analysis (quantitative, qualitative or a mix of both) of compliance review for one or two projects. He is expected to present his findings by early October 2017.

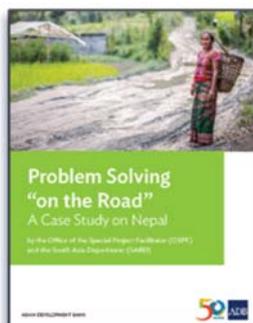
## Other Events and Publications

### SPF in *Insight Thursday*

Based on 25 years of experience in development financing, Mr. Jitendra Shah shared his views on what it would take for ADB to overcome obstacles to innovation on *Insight Thursday*'s 18 May edition. In this session, Mr. Shah explored collective experience on attitudes to failing, perfectionism, and risk taking. The five areas to promote innovations were discussed: (i) Angel managers; (ii) How to take risks when your supervisor does not support you!; (iii) Performance evaluation and innovation; (iv) Taking risks in a top-down organization; and (v) For dream outcomes—Invest in the team. A full video of Mr. Shah's presentation can be viewed at <https://myadb.adb.org/wps/myportal/home/insightthursday/>



Mr. Jitendra Shah during the *Insight Thursday* presentation



### Publication: Problem Solving “on the Road” – A Case Study on Nepal

The Nepal case study summarizes insights and lessons from the OSPF problem-solving process for the complaint on the Decentralized Rural Infrastructure and Livelihood Project—Additional Financing (DRILP-AF). It draws on interviews with project officials; complainants; and other stakeholders including NGOs, landholders, project officers from SARD, and OSPF. The study provides insights on the immediate and long-term project benefits of investing in strong two-way communication and consultation with affected people. It also provides information on how OSPF's problem solving kick-started communications to resolve an eligible complaint—along with 21 other cases identified through the process—in one week! This shows that the complaint resolution process can be quick and amicable and does not need to be protracted. The publication is a joint initiative of SARD and OSPF.

### Publications: 2016 Accountability Mechanism Annual Report and Accountability Mechanism Learning Report

These two publications are now publicly available and downloadable from <https://www.adb.org/site/accountability-mechanism/publications>

