

The Inspection Panel Case in Yemen:
Can a Management Action Plan Lead to More Significant Solutions than
a Panel Investigation?

Inspection Panel Case No. 57:
Institutional Reform Development Policy Financing



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List of Abbreviations

CAS -----	Country Assistance Strategy
CSA -----	Country Social Analysis
CSO -----	Civil Society Organization
DPPR -----	Development Plan for Poverty Reduction
DPR -----	Development Policy Review
IRDPG -----	Institutional Reform Development Policy Grant
JSAN -----	Joint Staff Assessment Note
LPTF -----	Land Policy Task Force
MGGM -----	Matrix of Good Governance Measures
MENA/MNA -----	Middle East and North Africa Region
NRA -----	National Reform Agenda
OP -----	Operational Policy
PA -----	Poverty Assessment
PAD -----	Project Appraisal Document
PD -----	Program Document
PID -----	Program Information Document
PRSP -----	Poverty Reduction Strategy Paper
YOHR -----	Yemeni Observatory for Human Rights

Introduction

As one of the first Inspection Panel cases from the Middle East/North Africa region, the Yemen: Institutional Reform Development Policy Grant case was fairly unique and had somewhat broad consequences. The Institutional Reform Development Policy Grant (IRDPG) project was approved in 2007 as part of a Poverty Reduction Strategy plan. The political and economic situation in Yemen had not been stable since the country's unification in 1990, so the government hoped to appease the opposition and demonstrators with a series of reform projects. The IRDPG was intended to increase non-oil growth and strengthen governance.

The claim against the project which was brought to the Inspection Panel by 2 individuals on their own behalf and on the behalf of the Yemeni Observatory for Human Rights (YOHR). They felt that this project was violating the World Bank policy on Development Policy Lending as well as Bank policies on information disclosure. It took more than a year for the Panel to make its final recommendation, due to a deferral granted in order for the Management to implement an action plan to address the issues in the project. This Management action plan not only changed how the Management interacted with local stakeholders for this particular project but became a model of how to engage with stakeholders throughout the MENA region for future projects. After the Management began to implement their action plan, the Panel withdrew its recommendation to investigate and the case was closed.

Recent History of Yemen: Setting for the Project

The recent history in Yemen is full of internal conflict and upheaval. In a strategic position due to its proximity to the Suez Canal and its oil industry, Yemen has been a target for armed conflict. Also, up until the year 1990, it was never a unified country. Prior to 1990, the North was a more traditional agricultural society and the South was Communist and had a command economy. After the fall of the Soviet bloc, the country was unified and Ali Abdallah Saleh, the former president of North Yemen, became the president for the united country and remained in power until 2012. The 1990's and 2000's were rife with domestic tension and violence between government forces and separatist groups and Al Qaeda terrorists. In 2004 a northern group of Shiite Muslim rebels, led by a man named Houthi, began an insurgency, which escalated into a civil war in 2015 (BBC News, 2017).

So, at the time when the IRDPG was being planned, Yemen was dealing with a transitioning economy and an unstable security situation. Before unification, the North still operated through subsistence agriculture, and the communist South had had a command economy, so throughout the

decades following unification, the economy was undergoing a massive transformation to a market economy (Holland, 2007, p 109). Other than transitioning political and economic systems, rising population, rapid urbanization, and rising inequality of minority groups were additional challenges the new government needed to address.

Yemen is one of the poorest countries in the MENA region and has a fast-growing population of approximately 25.6 million people (United Nations Development Programme). In 2007, Yemen held a freedom status of "Partly Free" and had just gone through a fairly controversial re-election of President Saleh. 42 percent of the population lived below the poverty line and corruption was endemic within the government and society. The bodies within the government responsible for fighting corruption were not sufficiently independent (Freedom House, 2007). Additionally, the ongoing conflicts within Yemen debilitated government institutions, which were no longer capable of managing public health and preventing disease outbreaks such as cholera. The government also failed to address issues of starvation and malnutrition which led to many deaths (Farrukh, 2017).

Project Description and its Objectives

The Institutional Reform Development Policy Grant program in Yemen was part of a larger government project called the Third National Development Plan for Poverty Reduction and Reform, which was developed between 2004 and 2006 in consultation with the World Bank as a Country Assistance Strategy (The World Bank, 2009, p 1). The IRDPG was approved in December 2007 with the Government of the Republic of Yemen as the borrower and the first tranche of \$26.99 million was distributed in July 2008. The project had become a two tranche grant before it was approved by the Board because grant funding became available. The second tranche was scheduled for June 2011 on the condition that progress had been made towards the project's goals and certain requirements had been met (Independent Evaluation Group, 2012, p 2).

The IRDPG project had the objectives of increasing non-oil economic growth and strengthening governance. The policy areas that the project focused on were administrative and civil service reforms, personal and property rights (specifically regarding land ownership), public expenditure, financial management and procurement, regulation and competition policy, and tax policy and administration (Independent Evaluation Group, 2012, p 1). The Program Document (PD) stated that the IRDPG "is strategically sequenced as part of an effort to strengthen economic management in anticipation of a subsequent sector wide or programmatic type of operation" (The World Bank Inspection Panel, 2009d, p 2).

YOHR's Frustration and Request

While the World Bank's internal processes have evolved over time (for example, structural adjustment loans are no longer seen as optimal) there are many deep-rooted procedural challenges that persist. Accessibility to Bank program documents is a huge hurdle for many local stakeholders. Whether it is lack of translations or confusing locations, many public documents of the Bank are essentially inaccessible. Often the early drafts of program documents are not made public until the Board approves them, which restricts the ability of stakeholders to contribute to the final agreements. (Harris, 2009)

The root of this Inspection Panel case began as a quest for a translated Program Document. The request for inspection claimed that the Bank project did not comply with the Bank Operating Policy 8.60 about development policy lending. The requesters, Mr. Abdelkader Ali Abdallah and Mr. Yahya Saleh, felt that the Bank was running a policy of information blackout and that it refused to disclose information. In particular, the office in Sana'a refused to give the requesters a translated copy of the program documents or to assist them in getting a copy translated. The country office suggested that they translate the Program Document themselves, as the Management was not required to translate the document and was too busy to do so anyway (The World Bank Inspection Panel, 2009a, p 5). The Bank's suggestion that the Yemeni Observatory for Human Rights independently get a translation was unreasonable. The literacy rate in Yemen is around 57 percent, few people speak English, and the cost of a translation could be almost \$2000, whereas the Yemeni per capita GDP in 2009 was \$930 (Harris, 2009).

The requesters also cited that they believed that the program would have the negative impact of increasing prices, poverty, and unemployment. They felt that there had not been enough consultation with civil society organizations prior to the project's implementation. One reason that the requesters wanted to review the program document of the IRDPG is that they were concerned that the loan would prioritize macroeconomic measures rather than social services, like education and healthcare. This was one of the greatest weaknesses of the structural adjustment loans of prior decades, which also did not consult with local civil society groups (Harris, 2009). The requesters argued that the Bank violated its principle of partnership and violated the principle of transparency and disclosure of information. Additionally, they contended that a letter from 25 different Yemeni civil society organizations (CSOs) was sent to the Country Office to request a translation but received no response (The World Bank Inspection Panel, 2009a, p 4).

In an interview with one of the requesters, Yahya Saleh Mohsen, on June 30, 2009, he stated that he had been engaged in CSOs for "a very long time" and that he believed CSOs are the path to

achieving change and reform in Yemen. He clarified that his work at YOHR focused on socio-economic issues, in regards to transparency and fighting corruption. He stated that the claim they brought to the Inspection Panel is in reference to the Structural Adjustment Program for Yemen that was approved on December 6, 2006 with very little information about the program available to the public either before approval or after. He affirmed the important independent investigation role of the Panel and he shared his hope that future projects in the MENA region would focus on fighting corruption in close collaboration with CSOs. Mr. Mohsen then underscored his belief that transparency should be the most important goal of international financial institutions (Bank Information Center, 2009a).

Inspection Panel Evaluation and Management Response

Initial Steps in the Case

The requesters, Mr. Abdelkader Ali Abdallah and Mr. Yahya Saleh, submitted a request on their own behalf and on the behalf of the Yemen Observatory for Human Rights on April 13, 2009, and the request was officially registered by the Inspection Panel on April 20, 2009. This meant that the Inspection Panel recognized that this claim met the eligibility requirements set forth for a case and that the next step would be to receive a Management response of their intention to comply with Bank policies. Only after receiving the Management Response could the Panel move forward in determining whether the case merited a full investigation (Kiene, 2009, pp 1-2). The three main issues raised by the claim were: information disclosure and transparency, consultation and participation of local stakeholders, and the potential negative impacts of the project itself.

The Bank Policy referenced in this claim was OP/BP 8.60, which is called Development Policy Lending. Paragraph 6 of the policy specifically says that the Bank must advise borrowing countries to consult with and engage key stakeholders when formulating the development strategy. Paragraph 10 states that the Program Document must include analytic knowledge and the borrower's plan for reducing any significant negative effects of the project, or the Bank's suggestion for how to mitigate any these effects (The World Bank, 2012, p 2).

The Management's initial response was fairly reactive. The Management response on May 20, 2009 refuted all three of the requesters main concerns. Management repeatedly brought up the fact that translations are not required by bank policy. "Management is sensitive to the importance of translations into Arabic, even when such translations are not required under the Disclosure Policy" (The World Bank Inspection Panel, 2009b, p v). Management firmly believed that there had been more than

adequate consultations with CSOs; the policies to consult with stakeholders were adhered to and they listed all consultation actions that were taken when developing the project (See Appendix 1 for a map of all consultations held). They also noted that the program document contained analysis of the impacts of the project, which were largely positive. “In Management’s view, actions supported under the IRDPG should have overall positive impacts ... The PD for the IRDPG incorporated an analysis of the poverty and social impacts expected from implementation of the program, consistent with the provisions of OP 8.60” (The World Bank Inspection Panel, 2009b, 24-26).

Furthermore, the Management listed multiple meetings with CSOs, in particular with the YOHR, since the beginning of the project. One requestor, Dr. Yahya Saleh Mohsen, had a 1.5 hour meeting with Bank staff on April 15, 2008 and the Bank Senior Communications Officer in Sana’a visited the Yemen Observatory for Human Rights for routine outreach on May 3, 2008. After those meetings, the Management argued that the Bank had regular contact with the Yemen Observatory for Human Rights, in the form of formal and informal meetings and formal consultations.

The Management response did acknowledge fault in the delayed disclosure of one document, the Program Information Document and rapidly offered translations for current and future Program Documents. “Management regrets to report that the Program Information Document (PID) was mistakenly not disclosed in the Info Shop in a timely manner” (The World Bank Inspection Panel, 2009b, p vi). The response includes how this issue was corrected within three working days after the Management was alerted to the mistake. Also, an Arabic translation of the PID was made available during IRDPG appraisal in Sana’a. Looking forward, the Management stated that they will review and enhance their system for monitoring effective compliance with the formal disclosure requirements. Lastly, the Management apologized for not answering the letter from 25 CSOs but stated that the Country Office had not been able to find notice of this letter in its correspondence logs. The Management acknowledged that Country Offices are expected to answer all such letters in a timely manner.

In this initial and standard Management response, the staff offered to solve the issues which were brought up by providing the translated version of the PD within three weeks and inviting the Requesters to meet with Bank representatives to express their concerns and discuss their possible engagement going forward. They also detailed that the responsibility for monitoring and mitigating negative impacts of the project belonged to the Yemeni government (The World Bank Inspection Panel, 2009b).

The Inspection Panel's Original Findings and Management's Enhanced Action Plan

Following the Management response, an Inspection Panel team visited Sana'a, Yemen for an eligibility visit in June 2009. The team met with the requestors, government representatives, Bank staff, and representatives of civil society organizations. The CSOs that the Panel met with confirmed that they were not involved in the consultation process of the design of the IRDPG project. Other concerns that the panel heard during their visit were about the potential negative impact of land registration for the poor and powerless, the land rights of women, and whether the reform of the corporate income tax law might adversely impact the poor (The World Bank Inspection Panel, 2009d, p 7).

The Requesters asserted that "up until now civil society had been sidelined in consultations, and only during the preparation of the new Country Assistance Strategy and the Disclosure Policy review [in March 2009] had there been good consultations" (The World Bank Inspection Panel, 2009d, p 7). They added that these reforms are viewed as generic and burdensome to the poorest.

The Panel summarized the requester's concerns as: 1. the Bank did not provide the Requesters a copy of the PD in Arabic, 2. the development process of the IRDPG did not include adequate consultation and 3. the reforms listed in the Program could have negative impacts on the poor and marginalized. The Panel noted that in regards to the first issue, a translation of the PD to Arabic had been carried out. For the second issue, there were differing views of the Requesters and the Management, which was also a concern to the CSOs the Panel met with during their visit. And for the third issue, the CSO's believed that the project could result in harm, but were reluctant to express definitive views until they carefully reviewed the translated PD (The World Bank Inspection Panel, 2009d, pp 9-10).

After this visit, the Panel initially recommended that the Board of Executive Directors approved an investigation into the consultation issue raised in the request. For the second and third issues listed, the Panel would need to conduct an appropriate review of relevant facts and applicable Bank policies and procedures to be sure of any policy violations. This could only be done in the context of a full investigation (The World Bank Inspection Panel, 2009d, pp 10-11). The Inspection Panel members submitted their eligibility report to the Board on June 18, 2009, shortly after their trip to Yemen. In June 2009, before the Board could make a decision on the Panel's recommendation, the Management released a new report, called an Action Plan, which reviewed the progress already made on the steps outlined in the Management Response, as well as laid out additional actions that the management planned to take. The Management even specified that this action plan was part of a greater Bank-wide effort to refine the Bank's strategy when engaging in countries with delicate situations, such as Yemen.

Due to this significant proposal, it was decided to delay the release of the report until it could be discussed at a special Board meeting on September 15 (Bank Information Center, 2009b). The requesters had to wait until after this board meeting to find out what the Inspection Panel recommended for their case. According to an article from August 27, 2009, this was the first time that an Eligibility Report was held for discussion by the board instead of being made public (Bank Information Center, 2009b).

The Management's enhanced Action Plan offered many steps to address the issues raised in the claim as well as to improve the related Bank processes throughout the entire MENA region. Steps that had already been completed by June 2009 were that a translation of the Program Document had been provided and a meeting with the Requesters was held on May 30, 2009. Further actions that were proposed were that all document disclosures and translations would be closely monitored and reported on regularly. Also, that offices throughout the MENA region would translate into Arabic at least: all PIDs and all PADs/PDs. A major overhaul of the Bank's Arabic websites had already begun. And the action plan also considered developing directories of CSOs for future consultation, strengthening outreach to relevant stakeholders, holding training sessions for awareness and to disseminate good practices on consultations for Bank staff, and to develop training programs for CSOs to improve understanding of Bank programs and potential benefits (The World Bank Inspection Panel, 2009e, p 7).

At the Board meeting in September, the Chairman of the Inspection Panel, Mr. Werner Kiene, recommended that the decision to investigate the case be deferred after reviewing the Management's new plan. The Chairman of the Panel stated that this is not the first time that the Panel has deferred their recommendation, and suggested that the Management report on the implementation of their action plan by June 2010, and after that, the panel will make a final recommendation (Kiene, 2009, p. 1). In a press release following the Board meeting, the Bank acknowledged that the Panel's recommendation was deferred until a follow up meeting in June 2010. The Bank also reaffirmed the important role of the Panel in bringing these issues to the attention of the Board and enhancing the Bank's accountability. (The World Bank Inspection Panel, 2009f, p 1)

Management Achievements and Final Panel Recommendation

In the follow-up Board meeting in June 2010, the Management reported on the progress of their Enhanced Action Plan to address the issues raised by the requesters. "Overall, Management is satisfied that significant progress has been made on all key activities which were part of the Action Plan... Management has also continuously engaged with the Requesters throughout the period... It should be

noted that the implementation of the Action Plan took place in a sharply deteriorating security environment” (The World Bank, 2010a, p 3). One further action that the Management had accomplished by this time were ongoing dialogues with the requesters and other CSOs, working to strengthen disclosure, translation, participation and consultation practices, and monitoring risk. Meetings were held with a cross-section of CSOs in Arabic with Arabic presentations and documentation. Also, some workshops and training sessions for Staff and CSOs had been held. Most action plan items were being developed or had been implemented by June 2010, despite a significant deterioration in the security environment, which delayed the action timeline and restricted travel outside Sana’a. The management also repeatedly emphasized to government officials the importance of consulting with CSOs (The World Bank, 2010a).

In the Panel's final report at that time, they recognized that Management had confirmed significant progress on all key points in their action plan. On the other hand, the panel did note that Management still needed to make a greater effort to consult with the people who will potentially be affected by the project. The panel also shared that communication received from the requesters confirmed positive developments in the Bank’s interaction with CSOs in Yemen, including translations into Arabic, transparency and disclosure of information, and the involvement and consultation with respect to projects and policy issues. In their final report, the Panel stated, “Given the Requesters general satisfaction with progress made by Management on the Action Plan... the Inspection Panel does not recommend an investigation into the issues raised in the Request for Inspection” (The World Bank, 2010b, p 8). After this Board meeting, Inspection Panel case #57 was closed.

Included in the final report are some clarifying statements from the Management to answer a few final questions from the requesters and the Panel. In their answers, the Management consistently puts responsibility for future consultations with CSOs and monitoring for negative impacts of the project on the Yemeni government. The Management offered to train the government officials in effectively using CSO consultations, as well as recognizing possible negative effects of certain parts of the Grant, and making sure that the government is aware of these possible issues (The World Bank, 2010c).

End of Project and Project Evaluation

The second tranche release for the Institutional Reform Development Policy Grant project required the implementation of approved reform measures within a certain time frame. The grant was extended by three months, to September 2011, to allow the Yemeni government more time for meeting the second tranche conditions. At the end of that month, with no assurance that the macro-economic

situation would soon become stable, the project was closed and the second tranche was never disbursed. So while the initial grant had been for approximately \$50 million dollars, only \$26.99 million was distributed in Yemen at that time (Independent Evaluation Group, 2012, p 1-2).

The IRDPG program did achieve some gains in government reform. At the end of 2010, the Yemeni Minister of Finance established new laws on regulating taxation. Also, in 2010, a mandate for a government body to manage land rights was approved. The project also helped found the Yemen Extractive Industries Transparency Initiative Council, which published a report on payments and public revenues in the extractive industries for the past few years. Additionally, a Civil Service Fund was created to cut down on redundancies within the civil service. Lastly, a computerized employee database was founded to store biometric data for all public employees, but the database was not entirely completed by the time the loan closed (The World Bank, *Projects*).

The Independent Evaluation Group is a part of the World Bank which is responsible for objectively evaluating Bank projects to learn from completed projects. On November 13, 2012, the IEG submitted its report of the Institutional Reform Development Policy Grant. It notes that the loan was approved on December 6, 2007 and closed on September 30, 2011 with only half of the available amount distributed. The IEG rated the project's objectives as substantially relevant and the design of the project as modestly relevant. They felt that there was no clear relation between the measures put in place by the project and the desired objectives. They believed that many important factors and constraints related to increasing investments and savings were not considered in the project documents (Independent Evaluation Group, 2012).

The IEG gave the project an overall outcome rating of "unsatisfactory" and concluded that its efforts are at a high risk for failing. They also rated the quality of the project when it began as "unsatisfactory," the quality of the supervision as "moderately satisfactory," and the overall bank performance as "unsatisfactory" (Independent Evaluation Group, 2012, pp 4-5).

On achieving the project objectives, the IEG's ratings are quite negative. For the achievement of "Increasing non-oil growth" they graded the project as "negligible." And for the achievement of "strengthening governance" the project was awarded the grade of "modest." While the project did not manage to reduce spending on the civil service, many reforms were carried out in order to create a better functioning civil service. Due to the domestic crises and civil conflict, a more thorough review was not possible, and it is assumed that the progress of the reforms has stalled, if not declined since 2011. Lastly, the IEG notes that from many independent sources, there has not been an improvement in the perception of the quality of the Yemeni government since the project began (Independent Evaluation Group, 2012, p 2).

Current Situation in Yemen

Since 2009, there has been a steady increase in violence in Yemen and a slow breakdown of normal government functions. The situation in Yemen has drastically deteriorated in recent years, since the start of the civil war in 2015. The civil war is between pro-government forces led by Saudi Arabia, against the Houthi rebel movement. Civilians are suffering from violence as well as worsening health conditions and a slowing of the economy. The continually weak government is unable to address public health issues, and cholera is still a rampant killer (Farrukh 2017). Normal political activity has stalled and elections are long overdue. There is no longer a functioning central government and any services still in existence are controlled by unelected officials and militants. While there are still a large number of NGOs that work in Yemen, their function and safety is threatened by militants (Freedom House, 2018).

On October 9, 2011 the Yemeni Observatory for Human Rights, the organization which our requesters represented, released a statement, saying that armed members of the security services and military had threatened the YOHR management and searched their offices. This occurred after multiple previous cases of attempted break-ins to the office, as well as a period where the Central Security Forces closed and prevented access to the YOHR headquarters. The YOHR generally called for intervention from international human rights organizations to pressure the military to respect their mission and leave the YOHR headquarters alone (Amman Center for Human Rights Studies, 2011).

Legacy of Case

The most significant impact of this Inspection Panel case is that it led the MENA Bank Management staff to create an "Enhanced Action Plan" to offer steps to improve the current culture within the bank by inspiring more proactive engagement with civil society actors and to overcome linguistic barriers throughout the MENA region. While this action plan is not binding, it became the closest the Bank had to a framework for engaging with Civil Society. The regional aspects of the plan recommend that program documents are disclosed in a timely manner and are translated into Arabic. It also committed the staff to improve the Bank's Arabic websites. The action plan also promised that a directory of civil society organizations would be created and to strengthen outreach. Lastly, it compels the MENA staff to attend training on consultations with stakeholders and to host trainings for stakeholders about World Bank programs. For the Yemen case specifically, the management pledged to meet regularly with the Civil Society organizations and to encourage the Yemeni government to increase their consultations with CSOs (Daar, 2010).

This Inspection Panel case and the consequent discussions came at a particularly poignant time; April 2009 was the height of the Bank's own internal review of its policy on the disclosure of information. As Daar points out, "As a result of this case, the issue of translation was placed on the agenda of the policy review and was repeatedly mentioned as a key issue that deserved to be addressed in the new disclosure policy" (Daar, 2010). This translation discussion really drew attention to the question of why a leading international development loan organization expects to conduct business solely in English. The recipients for many of the Bank's programs are countries with low levels of literacy and generally low levels of English. This Bank practice excludes the majority of citizens in borrowing countries from participating in and fully understanding the loan process (Harris, 2009).

Comparing this Panel case to the data compiled in the article by Kay Treacle, Jonathan Fox, and Dana Clark called *Lessons Learned*, we can see that claims coming from government reform programs are rare and allegations of violations against the information disclosure policies are not very common either. The most common projects that claims come from are large infrastructure projects and the alleged policies violations are usually related to environmental assessment, project supervision, or involuntary resettlement (Treacle et al., 2003, pp 248-250). As is similar between this case and many of the older cases reviewed in that article, Bank Management does not admit violation of policies, but instead tries to mollify the requesters before the Panel makes its recommendation. While Treacle et al. find that the Panel is very restricted in its ability to cause change; in this case, the involvement of the Panel led to a very detailed regional action plan for both the program and the region, which was mostly enacted before the closure of the particular project in question. Also, Treacle et al. mention that the requesters are usually shut out after the claim process has begun, but in the Yemen case, their questions were still being answered and referenced in the final Board meeting in June 2010 (Treacle et al., 2003, pp 258-269).

The IP case in Yemen began a new trend, which could challenge the strength of the Panel in the future. In recent Inspection Panel cases, starting with the one in Yemen, the Bank Management has been taking the initiative to resolve specific concerns of the requesters in order to postpone the Panel's decision and to avoid a full investigation. This has had the positive effect of resolving issues quickly, but it is a more informal process and risks lacking in transparency and accountability. On one hand, the Inspection Panel forces the Management to quickly rectify their mistakes and hold closer to the operating procedures, but on the other hand, it also allows Bank culture to avoid a more significant shift towards holding their policies and procedures as hard law for future projects (Fauchald, 2013).

Conclusion

The Institutional Reform Development Policy Grant case within the Inspection Panel centered on issues of transparency and engagement with local stakeholders. While the request for inspection was not as sensationally devastating as a forced relocation or destruction of the environment, the issue was raised at an opportune time and led to a significant impact on the World Bank processes in the region.

The enhanced action plan that was created and implemented by the Management included actions outside of just the case in question. While the plan was developed to avoid a full Panel investigation, it led to a larger internal shift than many past cases which were fully investigated. The action plan not only addressed the issues faced by the requesters in Yemen, it also suggested new Bank processes for information disclosure, translation, and engagement with civil society organizations to be implemented throughout the Middle East and North Africa region. While a continued practice of Management action plans replacing full Panel investigations is not indicative of meaningful accountability in Bank issues going forward, in this particular case it yielded positive results.

Lastly, I feel it is important to acknowledge the difficulties faced by civilians and human rights advocates in Yemen at present. The ongoing civil war has led to a breakdown in governance, negating any lasting effect that the IRDPG project could have had. And when this current conflict ends, the process of re-forming a new government will be just as, if not more, challenging and contentious as past development projects. Hopefully international financial institutions have learned from this case and others and will seriously consider the input and experience of local stakeholders going forward.

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REPUBLIC OF YEMEN

INSTITUTIONAL REFORM DEVELOPMENT POLICY FINANCING

Request for Inspection: Management Response

PROJECT CONSULTATIONS:

- COUNTRY ASSISTANCE STRATEGY (CAS)
November 2005 & March 2006
- INVESTMENT CLIMATE ASSESSMENT (ICA)
June 26, 2006
- DEVELOPMENT POLICY REVIEW (DPR)
April 27, 2007-June 25, 2007
- POVERTY ASSESSMENT
December 6, 2007-December 16, 2007

LEGEND:

- CITIES AND TOWNS
- GOVERNORATE CAPITALS
- NATIONAL CAPITAL
- RIVERS
- MAIN ROADS
- GOVERNORATE BOUNDARIES
- INTERNATIONAL BOUNDARIES

AREAS WHERE U.N. SECURITY FORCE RESTRICTED TRAVEL BY BANK STAFF AT THE TIME OF THE CONSULTATIONS

This map displays the Republic of Yemen, highlighting the regions where UN Security Force restricted travel by Bank staff during the consultations. The map includes major cities like Sana'a, Aden, and Al Hudaydah, as well as governorates such as Hadramout, Al Mahrah, and Al Jawf. It also shows international boundaries with Saudi Arabia, Oman, Eritrea, and Ethiopia, along with the Gulf of Aden and Red Sea.

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