

The World Bank and the Inspection Panel (MSOC 7)  
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# **Ethiopia: Protection of Basic Services Program Phase II Additional Financing and Promoting Basic Services Phase III Project**

Case - 82

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## **List of Abbreviations**

AF – Additional Financing

CDP – Commune Development Program

CSO – Civil Society Organization

DAG – Development Assistance Group

DP – Development Partner

ER – Eligibility Report

GoE – Government of Ethiopia

HRW – Human Rights Watch

IBRD – International Bank for Development and Reconstruction

IDA – International Development Assistance

IDI – Inclusive Development International

IP – Inspection Panel

MDG – Millennium Development Goal

PAD – Project Appraisal Document

PBS – Promoting Basic Services Project

VP – Villagization Program

WB – World Bank

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## Introduction

This year, in 2018, the Inspection Panel (IP) celebrates its 25<sup>th</sup> anniversary. It was founded in 1993 as a unique institution in the realm of international organizations: It is the complaints mechanism of the World Bank (WB) which makes the latter one responsible and potentially accountable to citizens who believe to be negatively affected by WB projects in their countries. The IP evolved over its existence but its effectiveness as an accountability mechanism is still often put into question (see Kim 2011; Ziai 2016). It shall be analyzed here in relation to a specific WB project in Ethiopia.

The Protection of Basic Services Project and the Promoting Basic Services Project (both are called PBS for short<sup>1</sup>) are different phases of the program aiming at the provision of basic services in the state of Ethiopia. It is a multi-year program, operating nation-wide, which is multi-donor funded through a trust fund. The latest phase (Promoting Basic Services, PBS III) accounts for an amount of about USD 6 billion, funded by the Government of Ethiopia and supported by several Development Partners, whereof USD 600 million are financed by the World Bank, more precisely the International Development Association (IDA). The other Development Partners involved are the African Development Bank, United Kingdom's Department for International Development, the European Commission, the Austrian Ministry of Finance and Economic Cooperation and the Italian Development Cooperation (see IDA 2012: I f.). The program's stated objective since its establishment in 2006 is the expansion of access to and the improvement of the quality of basic services in different sectors, such as health, education, water and sanitation, agriculture and rural roads (the latter since 2009). It is implemented through sectoral budget support to the Ethiopian Government for the provision of basic services. The PBS III runs from 2012 to 2019 and consists of several subprograms<sup>2</sup>. Sub-program A is a high-volume sub-program that finances recurrent expenditures for basic services at sub-national levels. It is by far the largest sub-program with 555 mill US\$ contribution by IDA (see IDA 2012: I; 12 f.).

The budget support is organized through block grants from the donors to the Government of Ethiopia (GoE) which distributes the money to the regions, such as Gambella. The regions implement policies for providing the basic services and pass money to the woredas

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<sup>1</sup> In line with the terms used in the request for inspection (see Local Anuak Representatives 2012: 3), I will refer to the whole program including all phases as "PBS", and refer to specific phases as "PBS I", "PBS II" or "PBS III".

<sup>2</sup> Sub-program B shall be system strengthening and has three components (Citizen's Engagement, Local Public Financial Management, Managing for Results) to improve transparency and accountability systems at woreda level, and subprogram C is a fund to remove constraints to achieving results.

(districts) which use them mainly for the recurrent expenditures of the concrete implementation, for example by paying civil servants who are working in the different sectors.

In September 2012, two local representatives on behalf of 26 Anuak, an indigenous people living in the region of Gambella, filed a claim to the World Bank Inspection Panel with the assistance of an US-American NGO called Inclusive Development International (IDI). They claimed that they had suffered harm due to forced resettlement and villagization which led them to flee the country. They are now living in refugee camps in South-Sudan and Kena. The requesters stated that the PBS program was directly and substantially contributing to the forced villagization, which took place in the Gambella Region between 2010 and 2013 causing harm to the Anuak. It was qualified by various human rights abuses. According to IDI, the resettlement was a

“[...] process involving intimidation, beatings, arbitrary arrest and detention, torture in military custody, rape and extra-judicial killing. Dispossessed of their fertile, ancestral lands and displaced from their livelihoods, Gambellans have been forced into new villages with few of the promised basic services and little access to food or land suitable for farming, which has in some cases led to starvation” (see IDI n.d.).

They state that villagization (officially called the “Commune Development Program”, CDP) was the principle means to implement PBS in Gambella during this period.

After the attestation of the case’s eligibility by the Inspection Panel (IP) and the ensuing board approval, the IP started its investigation of the case in order to analyze whether the World Bank (WB) had followed its own policies and procedures or not. The results did not satisfy the requesters as the WB’s responsibility for the harms experienced was not seen and no compensation was given to them. The Anuak’s suffering, the proximity to land grabbing and the IP process itself were covered in several newspapers and by various organizations, also because other DPs were deeply involved (see HRW 2012; The Guardian 2013; The Guardian 2015; International Consortium for Investigative Journalists 2015, Huffington Post 2015; The Oakland Institute 2016).

This paper is going to trace and analyze the whole inspection process linked to this claim and its outcome to shed more light on the Inspection Panel as an institution of accountability. It is structured in two main parts: In the first part, the whole process of investigation including all parties involved and the context of it are presented. In the second part, the process of investigation is discussed in relation to the reasons of non-accountability of the WB in this case. Several documents provided by the WB and by the IP related to case 82 served as sources for this paper. Moreover, Human Rights Watch reports and sources by IDI were used. The analysis was informed by several scientific articles on the IP and its role for the WB accountability.

# **1 The Claim and the Process of Investigation**

In this first part, the requesters, their claim and its context will be presented. Furthermore, I will summarize the investigation process in a chronological order including all the relevant parties and their contribution to the process. Some reflections on matters of accountability will already appear where appropriate and will then be intensified in the second part of this paper. A chronological overview of the whole program and the inspection process is given in a timeline in the annex.

## **1.1 The Requesters and the Context**

As mentioned in the introduction, “two local representatives” on behalf of 26 Anuak people from the Gambella region of Ethiopia are the requesters in this case. They were authorized by two groups of Anuak living in different locations. The Anuak are an indigenous people which has been facing discrimination for decades. They were for example already forced to resettle in the 1980s while people from other parts of the country were resettled to the Anuak’s region so that they were no longer the majority population. In 2003 a three-day massacre happened where about 424 Anuak civilians were killed (see HRW 2005). The Anuak are mainly hunters, agriculturists and fishers living in fertile forest areas in Ethiopia (see Minority Rights Group n.d.). As the requesters wish to stay anonymous due to concerns for their safety, the contact for the request is the NGO Inclusive Development International (IDI) which is based in California, USA. It represents the requesters in the whole process of inspection.

Officially, the Villagization program by the Government of Ethiopia relocates 1.5 million people voluntarily over a period of 3 years in the following regions: Gambella, Benishangul-Gumuz, Somali, Afar as well as the Southern Nations, Nationalities, and People’s Region (SNNPR). In Gambella, 45.000 households with about 70.000 people were designated to be relocated between 2010 and 2013 (see HRW 2012: 2). 42% of Gambella land, including places where Anuak were living before, was given to Investors or was supposed to be leased (see *ibid.*: 3 f.) so that the whole program could be interpreted as a form of land grabbing. Anuak from urban areas were also forced to resettle according to HRW (see *ibid.*: 28 ff.)

In Ethiopia, the Ethiopian People's Revolutionary Democratic Front rules since 1991 the country and there is no opposition due to fraudulent elections. In 2005 the WB cut off the funding for Ethiopia for a short period as the authoritarian leaders massacred about 200 people and arrested some 30.000 political opponents following disputed elections (see HRW 2010).

Generally, the Ethiopian history and contemporary political environment is marked by conflicts between different ethnic groups in the country.

## **1.2 The Request for Inspection**

### **The General Claim**

The requesters claim that they have suffered harm because the WB has not applied its own policies and procedures when the PBS program was designed, appraised and implemented (see Local Anuak Representatives 2012). In the annex to the request, IDI delivers a legal and policy analysis of the situation. The aim is to demonstrate the non-compliances of the WB and its consequences for the Anuak. It thereby focuses mainly on evidences linked to PBS II and often cites the report “Waiting Here for Death” (2012) by Human Rights Watch which is a deep analysis of the villagization program and its implications for the Anuak.

The harm suffered by the Anuak includes threats to and actual physical violence as well as killings committed at the time of the eviction. IDI understands these as violations of International Law. Moreover, the fact that they lost their ancestral lands right before the harvest inflicted harm on them as their livelihoods were no longer secured. Furthermore, the missing basic services and lack of fertile land in the new villages lead among others to hunger and starvation. According to the requesters, the PBS program is directly and substantially contributing to the CDP (Commune Development Program, the official term for the villagization program) and presumably includes the forced resettlement that took place in the Gambella Region between 2010-2013 and caused this harm to the Anuak. The link consists mainly of public servants who were involved in the implementation of villagization plans and who were sometimes even violently forced to do so. According to IDI, their salaries were mostly paid by PBS since PBS represents the main source of income to the woredas (the districts) which pay the civil servants. Furthermore, the requesters claim that the CDP is the principle means to implement PBS in the region of Gambella during this period so that it ostensibly is needed to achieve the objectives of PBS which makes the link obvious. Additionally, it is claimed that funds intended for the payment of e.g. school teachers’ and health workers’ salaries were diverted to pay the staff that implemented the villagization program. In this way, PBS money contributed to the realization of the CDP (see Local Anuak Representatives 2012). Thus, the requesters found the following policies and procedures being violated by WB:

**Supposedly Violated WB Policies and Procedures**

- OMS 2.20 Project Appraisal
- OP/BP 10.04 Economic Evaluation of Investment Operations
- OP/BP 4.10 Indigenous Peoples
- OP/BP 4.12 Involuntary Resettlement
- OP/BP 13.05 Project Supervision

**Violation of OMS 2.20 Project Appraisal and OP/BP 10.04 Economic Evaluation of Investment Operations**

The requesters state that several risks were apparent from the beginning, e.g. historical, ethnical or political risks in relation to the government. These were not sufficiently analyzed and mitigated. They find the chosen method to finance the project with block grants via Sectoral Investment Lending as very similar to direct budget support. The latter one was used until 2005 when it was suspended for Ethiopia, while the reasons for suspension as potential risks for the new project were not considered. The difference between the two projects was supposedly a good reporting mechanism, including oversight and monitoring. Moreover, the idea was that block grants leave discretion to regional governments and are in this decentralized manner closer to the beneficiaries. However, according to the requesters, nobody talked to them as beneficiaries and no measures for monitoring were inscribed in the Project Appraisal Document (PAD) or the Project Information Document, although the Anuaks are a specifically vulnerable group. The plan for social accountability arranges for CSOs to take care of reporting any problems concerning the project. Unfortunately, they are not free and independent in Ethiopia, which is generally well known. Moreover, villagization was used before to provide basic services in Ethiopia but not mentioned as a risk. So, the overall high risks should have been considered during project design and appraisal. By its own account, CDP was not known by WB when it met the requesters in September 2012, even though it was going on when additional financing of PBS II was prepared. The bad economic traceability was not seen as a risk in the project documents and later led to the alleged diversion of funds. In Ethiopia, the State and the ruling party are inseparable and a clear dominance of certain ethnic groups can be observed which should have been included in the risk analysis for the PBS program, according to the requesters. For these reasons, they see a non-compliance with OMS 2.20 Project Appraisal and OP/BP 10.04 Economic Evaluation of Investment Operations (see Local Anuak Representatives 2012: 11-14).



## **Social Safeguard Policy Application in General**

The Social Safeguard Policies were not triggered as they are supposedly not applicable for recurrent expenditures according to the Management. Recurrent expenditures formed the main part of the PBS program as the WB funds shall only be used therefore, although the PAD stresses the importance of both infrastructure and staffing. According to IDI, it is still important to apply these policies because of the discretionary manner of the disbursement (see *ibid.*: 14 f.).

### **OP/BP 4.10 Indigenous Peoples Policy**

The Anuaks fall into the definition of indigenous people according to the policy. By its design, the project was prone to impact on indigenous communities as there are several ones in Ethiopia. However, they are not mentioned, the policy was not triggered and no measures for “culturally appropriate project benefits” (*ibid.*: 16) were taken. According to the requesters, the application of this policy would have avoided the villagization of the Anuak community. As it was not applied, a non-compliance is established by the requesters (see *ibid.*: 15 ff.).

### **OP/BP 4.12 Involuntary Resettlement Policy**

After identifying the risk of villagization, this policy should have been triggered according to the requesters. Even for projects that are carried out only contemporaneously to the WB project (if the direct link is not admitted) it must be triggered. Subprojects must be screened as well according to the policy. Nevertheless, the policy was not triggered which is why the requesters see a non-compliance here (see *ibid.*: 17 f.).

### **OP/BP 13.05 Project Supervision**

The documents on CDP were issued by the Gambella regional government in 2010 and the bank should have reacted back then, according to the requesters. In 2011, the Development Assistance Group (DAG)<sup>3</sup> created Guidelines for good practice concerning villagization in Ethiopia which were not binding and not applied. Additionally, the Bank did not react when HRW informed it about the forced villagization in Gambella in November 2011. There were not even any modifications of the project when the additional financing was approved in late

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<sup>3</sup> It was established in 2001 and is composed of 30 bilateral and multilateral partners to “[...] foster and catalyse policy dialogue and to coordinate and harmonize development partners' support in the Government of Ethiopia's preparation, implementation and monitoring and evaluation of the national development plan and the MDGs” (Development Assistance Group Ethiopia n.d.).

2010 and early 2011, even though the bank was aware of the problems by then. For PBS III, no modifications were taken either. Therefore, the requesters see a non-compliance with OP/BP 13.05 on Project Supervision (see *ibid.*: 18 f.).

### **1.3 Management Response**

The Management lays its focus on PBS III but the requester's argumentation and evidences are mainly based on PBS I and II. According to the Management, harm does come neither from PBS III nor from failures in policy application by WB. They state that no link can be established between PBS III and the villagization program so that there is no WB financing of it. The Management claims that government officials have different roles and responsibilities, hence they cannot only work for service delivery under WB program but also assume tasks for the government. The PBS program does not depend on villagization to reach its objectives (see World Bank Management 2012: VIII).

Moreover, it says to be "deeply troubled" (*ibid.*: VIII) by reports of harm and therefore did an extensive review of allegations concerning all the different policies. No evidence for a harm caused by PBS III was found but they say to be still in dialogue about the villagization program with the Ethiopian government, through the DAG and outside of the project context (see *ibid.*: VIII ff.). According to the Management, the project does not involve resettlement which is why the respective policy did not need to be applied. OP 4.10 was not triggered due to potential inconsistency with the Ethiopian constitution, but during project preparation and appraisal, the nationwide impact of the project and the situation of vulnerable groups was taken into consideration. Furthermore, without applying the policies, the Management says that it is still taking some social and environmental elements into account (see *ibid.*: IX). Moreover, the villagization program as it happened was different from former programs and happened on a voluntary basis (see *ibid.*: X).

Nevertheless, Management admits that the relocation sites were not well prepared and that not enough livelihood support was provided. It is in a dialogue with GoE and ministers to ensure that they do not overlook these abuses but investigate and act on them. Additionally, it is committed to a broader development dialogue to improve the implementation of the villagization program (see *ibid.*: X). All these measures and dialogues are taken in the framework of the DAG, not by WB on its own.

## 1.4 The Eligibility Report

The publication of the Eligibility Report (ER) was postponed twice; once for logistical reasons and once because consultations with the Management after the field visit and before recommendations to the Board were issued were deemed necessary by the IP (see Inspection Panel 2013a: 2). Once finally published, the ER confirms that PBS II was around 97% disbursed when the request was registered so that its Additional Financing will not form part of the investigation. The Panel's review of the request included a visit to South Sudan and Kenya to speak with the requesters and to Ethiopia to talk to the Government, to sub-national level authorities, to the DPs and to WB staff (see *ibid.*: 11).

The ER states that the request meets all six criteria for technical eligibility (see *ibid.*: 12 f.). Including that the policy violation had presumably a serious adverse material effect on the requesters. The closing or substantial disbursement of loan is already reached for PBS II-AF but not for PBS III so that the latter one is eligible. PBS II and PBS II-AF nevertheless do form part of the investigation as they are linked to the planning and appraisal of PBS III. The IP at this point aims at investigating the relation between the WB program and the CDP: "The important question for the Panel at this stage in the Panel process is to establish whether a plausible link exists between PBS III and VP [Villagization Program]." (*ibid.*: 14) The Panel also sees PBS III as a continuation of the earlier phases. Concerning the link, it finds at this stage of the process that the commonality of objectives is given as well as the concurrent implementation and a geographic overlap. Moreover, several thousands of households have been relocated (2010-2012) so that the whole program clearly has a considerable scope. The IP finds that financial flows were not traceable and that PBS financed the services in new villages as the money represented a main source of income for woredas. The IP has several testimonies for the claim that civil servants were used for the implementation of villagization (see *ibid.* 15 f.). It remains unclear to the IP to what extend the staff was paid by PBS and to what extend it worked for CDP. Furthermore, it heard testimonies for the diversion of funds whereas Management speaks about tracking the use of funds, which is not possible. The IP mentions that the same result indicators are used for PBS and CDP. The Management says that there is no link, between the programs and that result indicators of PBS do not dependent on the effects of CDP (see *ibid.*: 17). The IP states in contrast in its ER that "[...] this is not a tenable position" [...] [T]he two programs depend on each other, and may mutually influence the results of the other" (*ibid.*: 17). The IP finds a plausible link between PBS and CDP but says that it is impossible to make definitive findings with respect to this link.

The IP summarizes that opposing views concerning the harms exist. Only the lack of both services on new sites, and livelihood assistance is also acknowledged by GoE and Management (see *ibid.*: 19). The Management knew since 2010 about villagization, started a dialogue with the GoE and mentioned it in the risk assessment of the program but no real measures were taken (see *ibid.*: 19).

In conclusion, it is very important to note the recommendation for investigation by the IP as there is a need to further explore the linkage between CDP and PBS. Additionally, the risks from the concurrent implementation of CDP and PBS shall be analyzed (see *ibid.*: 21).

## **1.5 The Investigation Report – Findings of the IP**

In a nutshell, the IP in its Investigation Report found that some policies have been violated but that no direct link could be established between CDP and PBS. It thereby states that the Bank is not responsible for the alleged harms as there is only an "operational link (interface)" (IP 2014: IX) between PBS and the villagization Program. It sees the same ultimate objective and a geographical as well as chronological overlap between 2010 and 2013. As both programs "may influence each other's results" there is an "operational link (interface)" (*ibid.*: IX) between the two programs.

Yet, the Bank did not sufficiently assess and mitigate the risks arising from villagization, particularly in the delivery of agricultural services to the Anuaks. The IP found that the WB was not in compliance with all operational policies and procedures, as will be explained below, but it does not state that these weaknesses resulted in the harm faced by Anuak communities. The report says that the WB missions to Ethiopia could not find forced relocations. It says that its focus laid out before is the question of risks of the concurrent implementation of the two programs (see IP 2014: IX).

The IP notes that only two out of four allegations of harm form part of the investigation. Neither the taking of land nor the force and intimidation to relocate do; but the lack of public services and assistance as well as the deterioration of livelihoods are object of investigation. They explain this decision as follows: The IP does not consider specific Human Rights abuses and therefore sees the first two points not in its mandate (see *ibid.*: X). Here, it refers to the Board-approved Eligibility Report where it says: "The investigation will not seek to verify allegations of specific human rights abuses linked to VP [Villagization Program], nor will it examine the underlying purposes of VP" (IP 2013a: 21). In none of the texts, the IP specifies what it understands as its mandate and why Human Rights abuses are in general not part of it.

In one footnote linked to the word “mandate” in this context, towards the end of its Investigation Report, the IP refers to the 1999 clarification, paragraph 13:

“If the request alleges a material adverse effect and the Panel finds that it is not totally or partially caused by Bank failure, the Panel’s report will so state without entering into analysis of the material adverse effect itself or its causes” (see IP 2014: 75).

It does not get clear, how this shall relieve the Panel of the responsibility to investigate on material adverse effects (which can be Human Rights violations), before ensuring through an investigation that these violations are not (partially) linked to or caused by the WB’s project.

<b>Overview of the Results concerning Policies</b>	
<b>Policy or Procedure</b>	<b>IP’s Opinion on it after Investigation</b>
OMS 2.20 Project Appraisal	non-compliance
OP/BP 4.12 Involuntary Resettlement	not applicable
OP/BP 4.10 Indigenous Peoples	the “functional equivalent” should have been applied → non-compliance
<i>OP/BP 10.00 Investment Project Financing</i> (replaced OP/BP 13.05 Project Supervision, OP/BP 10.04 Economic Evaluation of Investment Operations, <i>OP/BP 10.02</i> Financial Management)	non-compliance

The IP looked at the *risk assessment during project appraisal*. The IP finds that the required full risk-analysis for the link between PBS and CDP was not carried out as the focus lay on reputational risks<sup>4</sup> and no sufficient mitigation measures were taken which led it to see a non-compliance with OMS 2.20. Concerning the *Risk Assessment during project implementation* the IP finds that all the measures taken<sup>5</sup> do not compensate for the flaws of the risk assessment.

In relation to the *Safeguard Policies*, the IP finds them applicable as it is not excluded to apply them for Investment Lending which supports recurrent expenditures. Moreover,

<sup>4</sup> The risk of a link between CDP and PBS was seen at the World Bank Regional Operations Committee meeting. Hence, a review of PBS III before Board approval was scheduled and the overlap of objectives was admitted. This has led to the recommendation of a reevaluation on managing reputational risks for the WB (see *ibid.*: X).

<sup>5</sup> Discussions took place the day of the Board approval of PBS III which led to a Poverty and Social Impact Assessment. This assessment found, that more money is given to disfavored areas and vulnerable groups. Here the IP stresses that quantity is not equal to quality which would be more important. Moreover, Grievance Redress Mechanisms as a component of social accountability were rapidly implemented through the creation of an ombudsman office in Gambella. Furthermore, a study on interfaces between WB programs and country programs in general is supported by WB right now (see *ibid.*: X f.).

several policies seem to be relevant (see *ibid.*: XI). However, the policy on *Involuntary Resettlement* is not applicable in the IP's view as the two programs are overlapping but overall took place in different periods (CDP just some years during PBS). Furthermore, it is argued that PBS aims at the whole population while CDP only targets the relocated part<sup>6</sup> of it and therefore CDP is supposedly not necessary to achieve the objectives of PBS III. The *Indigenous People* policy is problematic in relation to the Ethiopian constitution. The IP understands that and appreciates that a functional equivalence approach existed. However, this approach cannot be found in the project documents and the related safeguard policies were explicitly not triggered, which is why the IP sees a non-compliance with OP 4.10 here.

Concerning the *Agriculture and Livelihoods*, the IP finds the Anuak adversely affected by CDP as no workable land was provided in new villages. This had a negative impact on the quality of livelihoods, which means that the CDP had a negative impact on results of BPS here. The IP states that the operational interface between both programs should have been considered at the project level. It also sees non-compliance with OP/BP 10.00 (Supervision Provisions of the Investment Lending Policy) as reviews do not mention the problems noted above. However, it is important to understand that the harm inflicted on the Anuak community in this regard is seen as a consequence of CDP that impacted on PBS but not as following from PBS (see *ibid.*: 50 ff).

In relation to the *diversion of funds* the IP differentiates between the potential, the evidence and the detection of a diversion. It sees the potential for diversion but no evidence as it had no access to GoE financial records and could therefore not detect it. The WB Management cannot detect it either<sup>7</sup>. In conclusion, IP finds a non-compliance with OMS 2.20 and OP/BP 10.02 and finds the bank not being honest concerning its assertion of traceability of funds. Yet, it does not confirm the diversion as it cannot prove it (see *ibid.*: 59 ff). According to the IP the problems in *monitoring of fiduciary risks* were obvious latest since the PBS III supervision mission in March 2013. It states that the Project Development Objective result indicators were inadequate from the planning phase onwards. Consequently, the supervision cannot be in compliance with OP/BP 10.00 (see *ibid.*: 68 f.).

Concerning the *human resource link assessment*, the Panel says it had not enough information on that question. Therefore, it could answer none of the important questions whether workers were forced to help implementing CDP, which activities they undertook, if

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<sup>6</sup> Which were about 60% of the population (see *ibid.*: 14).

<sup>7</sup> Generally, external audit reports are used for this but have a five-year-backlog in the case of Gambella and no internal audits are available.

they had decreased salaries and to what extent CDP-activities were undertaken by PBS-financed workers. It did not find proves for anything in reports and other written sources but it found that the general risk was not considered at the time of the project appraisal (see *ibid.*: 70 f.). Overall, CDP is seen as an alternative program to PBS by the IP; a program that has an impact on the other one but is not directly linked to it.

According to the IP, the “innovative mechanism of block grants” (*ibid.*: 73) is a positive example of development partnership but seems to be problematic in several accounts, especially concerning the limited possibility of monitoring various aspects. The IP welcomes the fact that the Management acted when it got to know about villagization by having a policy dialogue but it deplores that it did not recognize the operational interface.

The IP concludes that the modern WB “Program for Results”-Approach<sup>8</sup> which includes the new form of disbursement shall result in strong institutions but that it does not in this case. The way it was implemented is not adequate as the “system of delivery” (*ibid.*: 77) in Ethiopia is not robust, according to the IP.

## **1.6 Management Response and Action Plan**

The management answers to the investigation report by stating that the harm faced by the Anuak cannot be attributed to the WB project, according to the IP. Even though the project has some flaws, the IP does not see these being responsible for the harms suffered by the Anuak community. Management understands PBS and CDP as separate programs without a link. It apparently is still “deeply troubled“ (IBRD, IDA 2015: V) by the requester’s reports but does not see its actions responsible for it. It however stresses the various possibilities of dialogue with the GoE about the topic that it used to feedback the GoE on the CDP, which the government accepted (see *ibid.*: V). Management emphasizes the impressive development achievements which were reached in Ethiopia, concluding that district-level spending is effective (see *ibid.*: VII). It sees that livelihoods in relation to agriculture were negatively affected by CDP but does not acknowledge the problems seen by IP concerning the project’s financial management (see *ibid.*: IX). Yet, the Management wants to adapt PBS III to meet specific challenges faced by the Anuak communities in Gambella and implement some additional targeted interventions. Measures proposed in the Management Action Plan (see *ibid.*: X f.) are the following:

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<sup>8</sup> “P4R is characterized as supporting government programs and linking the disbursement of funds directly to the delivery of defined results with a special focus on strengthening institutions, which very much fits the description of PBS III“ (*ibid.*: 77).

- Screening tool for District-level staff for the preparation of proposals for Bank financing
- Surveys on PBS funded staff
- Woreda level safeguard manual for implementation of safeguard policies
- Specialist in PBS secretariat for implementation of safeguard policies
- Expansion of social accountability programs
- Augmentation of citizen participation in District's budget decisions
- Training and new regional branches for Ethiopian Institute of the Ombudsmen
- Training for District's grievance redress officers
- Communicate with GoE about potential support for agriculture and livelihoods
- Financial system strengthening in Ethiopia
- Public Financial Management project
- Strengthening the effectiveness of regional audit offices
- Support reduction of Gambella's audit backlog
- Annual benchmarking of public financial performance in the Districts
- Policy Dialogue with the GoE

## 1.7 Reactions to the Investigation Report

Before the Investigation Report was published, it was leaked by the International Consortium for Investigative Journalists in January 2015 (see International Consortium for Investigative Journalists 2015) which led to some media coverage. Furthermore, the requesters sent an open letter to the WB president (see Anuak Requesters to the World Bank Inspection Panel 2015) and IDI sent one to the Board of Executive Directors (see IDI n.d.). In the first letter, the requesters present their situation and claims again. The second letter draws the Board's attention to the misrepresentations in the Management's action plan of the IP's findings and of the requesters' position.

Some days after the publication of the investigation report and the Management's response, IDI published both a press release titled "World Bank whitewashes Ethiopia human rights scandal. Bank absolves itself of responsibility and denies redress to victims" (see IDI 2015 a) and leaked transcripts<sup>9</sup> of interviews the WB had conducted during its investigation for the report (see IDI 2014). The press release states that the IP report "absolves" WB as no responsibility is taken for the forced relocations. IDI finds that the leaked transcripts prove of the harm that the Anuak community had faced. Furthermore, IDI stresses the failure of fund

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<sup>9</sup> In general, the document of the leaked transcripts neither contains much information on time, place or the general situation of the interview, nor on the interviewers and interviewees themselves. As there is not much context available, it is difficult to use the transcripts and to deduct anything specific from them. However, it includes descriptions of harms suffered in relation to resettlement but also cases of rather unproblematic situations where people could move back when they realized, that the new site was not suitable for agriculture, or even used both sites. It is also said, that some land parcels were given to investors and that no services were provided in the new sites. For example, the Anuak had to work themselves for the clearing of land without being furnished the necessary tools, contrary to prior promises (see IDI 2014).



tracking for the PBS program which means that money was given into a “black hole” and proves the implication of WB in relocations as the money was used therefore. According to IDI, the evidences were ignored by the IP which led to the non-investigation of the relocation by the IP without a good explanation. The press release also underlines the flaws in the investigation process, e.g. not meeting the Anuak people in refugee camps. IDI cannot understand IP’s ignorance of Gambella’s strategy to implement PBS through villagization and the fact that the policy violations did not only happen but led to the significant human rights abuses. IDI finds no meaningful reforms in the Management’s Action Plan (see IDI 2015 a).

### **Inspection Panel’s Response**

The IP responded the same day to IDI’s press release by publishing an own press release where it reaffirms that the question of specific human rights abuses (as which it seems to understand the harmful relocation of indigenous people) lays beyond its mandate (see IP 2015). It says that it can only do investigation on WB’s compliance with policies and procedures and not on borrowing country’s actions. Here, another justification for the non-investigation of parts of the harms appears: It is out of the IP’s mandate to investigate on borrowing country’s actions. The IP’s mandate is to “[...] determine whether the Bank is in compliance with its operational policies and procedures, and to make related findings of harm” (see IP n.d.). According to its resolution, it cannot investigate on actions and omissions of non-bank actors, such as borrowing countries (see Clark 2003: 10). In the IP’s opinion, the harms experienced by the Anuak were caused by the CDP and not by PBS so that the WB has no responsibility for it.

The IP also says that it was not aware of the transcripts but however published a corrected version of its report right away. One sentence is added: “The Panel’s expert also heard allegations of intimidation and abuses in this context” (see IP 2014: 20). Yet, no variation in the IP’s findings emerged from the transcripts. The press release stresses that the Management actions are important to improve peoples’ lives.

### **Further Analysis by IDI**

In April 2015, IDI then published a further analysis of the situation which includes the issues raised in the request, the related content in the eligibility report and the findings of the investigation (see IDI 2015 b). It adds its own analysis on how and why the report is not satisfying. The main finding here is the big difference between IP’s statements in the eligibility report and in the investigation report. A link between the two projects and harms caused by the WB program was seen as very probable in the eligibility report:

“VP is a program that aims at fundamentally restructuring settlement patterns, service infrastructure and livelihoods, including farming systems, in the Gambella region, and as such constitutes a significant context in which PBS operates. In this sense, from a development perspective, the two programs depend on each other, and may mutually influence the results of the other. [...] Based on the above, it is the Panel’s assessment that there is a plausible link between PBS and VP” (see IP 2013a:17).

Nonetheless, the harms and the link are not considerably investigated on in the investigation report.

## **1.8 Management Progress Report I, II and III**

Every year since the publication of the investigation report, the Management submitted a Progress Report on the implementation of its Action Plan to the Board. While in general the process of implementation was delayed due to a six-month state emergency in Ethiopia (see IBRD, IDA 2017: 4), in the beginning of 2018, all measures were implemented according to the Management (see IBRD, IDA 2018: 6).

## **1.9 Consequences of the Report**

The Management seemed relieved after its publication and did not see the need to implement strong actions. Compensatory measures were not taken at all. In accordance with the report, Management focused on risk mitigation for the future and social accountability measures. There was an improvement of social accountability mechanisms but its definition and independent functioning is questionable. A loan withdrawal of PBS III would not have changed the situation in retrospective but the PBS III should have been constructed differently before Board approval in order to certainly avoid all potential harms on indigenous groups in the future. As the request was registered one day before the Board should approve the project, the Board would have needed to delay its approval of PBS III for an indefinite time frame until the IP report was finalized. Even though this would have been appropriate in view of the severe harms, it seems rather improbable as a certain culture of approval exists in the WB. As noted before, the point in time was probably not the best to file the claim.

As mentioned before, the relocations were supposed to take place in the period from 2010 to 2013. According to numbers of the regional government, only 37.883 households (about 60% of all households) instead of the targeted 45.000 households (about 70%) were relocated. The majority of the resettlements took place in the first phase (above target), so before the request was registered, while the second phase remained below target (see IP 2014: 14). Hence, one could deduct that the request had at least the indirect consequence of a smaller amount of people adversely affected by the program (if the link to it is seen at all, contrary to the IP’s view). Yet, this fact probably complicated the task to see any concrete negative

consequences of PBS III on the Anuak as the main problems occurred in program phases which were not eligible and therefore not under direct investigation.

The claimants themselves were not satisfied with the outcome of the report as they were hoping for WB to take its responsibility by first, changing the design of PBS III with respect to the policy violations of the whole PBS program before approving it, and second, by compensating the affected people and helping them to be able to move back to their ancestral lands where services should be provided: “[...] since the World Bank continued to fund PBS 3 after two years of villagization, and after we pleaded with you to stop, the Bank has a responsibility to help us recover what we have lost” (see Anuak Requesters to the World Bank Inspection Panel 2015).

## **2 The Inspection Panel as an Institution of Accountability in this Case**

In the first part, the whole process of investigation related to the IP case 82 “Protection of Basic Services Program Phase II Additional Financing and Promoting Basic Services Phase III Project” was presented and all the important facts were given so that a discussion of it can follow in this second part. The discussion will relate the findings concerning this specific case to previous research on the IP in general and especially concerning its function of accountability for the WB. Why was the WB not seen responsible in this case and what can be deducted from it in terms of its general accountability?

### **2.1 The Roots of Non-Accountability in this Case**

Several aspects can be understood as being at the root of the unsatisfactory outcome for the requesters. These are the general nature of the project as well as its concrete design, implementation and supervision.

#### **Nature of the Project**

First of all, it is important to consider the nature of the project itself. At least until 2003, most WB projects that formed object of an IP investigation were large infrastructure projects such as dams (see Clark 2003: 248). This case is different and thereby atypical in so far as it is no large infrastructure project but rather aiming at improving different aspects of infrastructure in a small and decentralized manner by financing recurrent expenditures, not the infrastructure itself. Hence, the project and its impact is less visible and it is more difficult to even understand

it as one big project linked to the WB. It is especially problematic for affected people to know to whom they should address complaints for harms experienced: the district, the region, the state or the WB? This could also be an explanation for the fact that the request of investigation came so late in the process of resettlement which was already going on for about two years when the request was submitted. It seems as if the technical knowledge needed for a request was not given early enough.

Another important hint to the nature of the project could be the underlying understanding of poverty and of its reduction as this understanding has changed through WB history. According to the PAD, poverty reduction in Ethiopia is mainly understood as focusing on the achievement of the Millenium Development Goals (MDGs) and this shall be reached by the provision of health, educational and agricultural infrastructure etc. Reaching these goals is linked to economic growth and a democratic development of the state. The first one can be seen in the fact that PBS is part of the GoEs “Growth and Transformation Program” which aims at reaching the MDGs (see PAD: 1). It is also explicitly result focused in terms of numbers:

“Ethiopia is making the third fastest improvements of any country towards reaching the MDGs. The latest Ethiopia Demographic and Health Survey data show that child mortality has fallen from 123 per thousand in 2005 to 88 in 2010. Between 2004/2005 and 2009/2010, primary net enrollment rates rose from 68 percent to 82 percent and primary completion rates rose from 34 to 49.4 percent. During the same period, the share of rural population with access to clean water rose from 35 to 66 percent” (World Bank Management 2012: 3).

This underlying understanding of poverty reduction focused on health, education, infrastructure and the environment is determined by the WB’s own monopolistic definition of poverty which is represented by some indicators and changing numbers in order to ensure rationality and efficiency. It supposedly exists since the 1990s and is seen as educating the poor to enhance labor’s productivity by the Marxist scholar Paul Cammack (see Cammack 2004: 192). The WB’s narrow definition of poverty restrains it from seeing the wealth the Anuak and other indigenous people have in their ancestral lands and in their initial situations (see De Sousa Santos 2003 for a Sociology of Absences regarding the Global South). Consequently, they do not even communicate with these people in order to establish a project that really supports their situation by preserving what is important to them. WB and other development agents think of their definition as the only valuable one. If WB had another approach to poverty and its reduction, the whole project would have been designed differently and probably would have been more inclusive.

## **Project Design**

As mentioned earlier, the project's main part is the subproject A which finances recurrent expenditures through block grants as part of its investment lending. It seems as if in this design, several preconditions were taken by the Management to prevent future responsibility for any negative consequences of the project: First, mainly recurrent expenditures are financed and WB Management thought this would lead to a non-applicability of any safeguard policy. Second, the money is given to the government which further distributes it so that it must be implemented through national channels and projects which makes it harder to establish the link between the WB and what happens on the ground. The latter point must be linked to the IP's history: After the WB turned away from its structural adjustment programs, it took up the approach of greater ownership of the borrowing countries which got normalized in the whole world of development. This principle was laid out in the Ghana Poverty Reduction Strategy Paper in the beginning of the 2000s for a Ghanaian WB project and was then reproduced by various development actors. The idea behind this approach was to have a greater participation of governments and civil society organizations in the project design. This stands in contrast to the strong conditionalities put by WB on the borrowing countries in the framework of structural adjustment programs. In 2005, this new approach was criticized by Whitfield as it was not much different from structural adjustment either (see Whitfield 2005). In the case of PBS, no strong conditionalities or monitoring were installed. Here, the problem was not too much but too few control of what happened in the country with the use of WB funds. PBS is part of a program by the GoE which is co-financed by the IDA (to a large amount) and other DPs. Here, one can see a path-dependency: The ownership of the concerned state was something new and seemingly good in the first place. It now forms part of the current criteria for qualitative aid according to The Paris Declaration on Aid Effectiveness (see OECD n.d.). Yet, it means that the WB is further away from the projects it finances. For PBS, the WB is apparently just giving the money to a government-created project and only defines its own part in terms of result indicators and financing mechanism in the project design. Ownership now vastly means *laissez-faire*.

## **Project Implementation and Monitoring**

Besides the project's nature, its planned implementation and the corresponding responsibilities must be analyzed. In the case of PBS in Ethiopia, the responsibility of implementation clearly lays at the borrowing country's level and more specifically on the regional and the district levels. A tendency that already started with the Arun III WB-project in the 90s, is to shift the responsibility for implementation and policy compliance of projects to the borrowing country

(see Bissel 2003: 41; Treacle et al. 2003: 273). This is clearly observable in the case of PBS. In this way, the WB gets rid of direct responsibility and accountability as links are less easily observable and the WB can blame the government for wrong or non-implementation. The IP in its investigation report follows this argumentation instead of making the Management responsible for the harms as it did not take care of a good implementation or its monitoring. Probably this idea of shifting the responsibility and being mostly unrelated to what happens with the WB money in the country was normalized over the last 15 years and became internalized even by the Panel as an institution or/and by its members.

Monitoring instances are Ethiopian CSOs and later the ombudsman office. The World Bank itself cannot and does not really intend to monitor the whole project as the funds are not traceable, which was already intended in the PAD: “[...] [W]hile woredas have access to unearmarked resources through block grants, 85 percent of those resources finance recurrent expenditures, from which 80 percent are used to meet salary obligations” (IBRD, IDA 2012).

## **2.2 The Investigation Process and its Consequences**

It is important to note that not all project phases mentioned in the request were under investigation by the IP: PBS III was under investigation but not PBS II-AF. The different phases form one program but the relocations mainly happened in the second program phase which is not under direct investigation. However, CDP was planned to continue until 2013 which is during PBS III. The investigation of PBS III was approved by the Board after it was recommended by the IP. Even though PBS I and II were not object of the investigation, insights from these program phases were necessary to come to conclusions for PBS III as they are just different phases of the same program and nearly identical. Several questions arise in relation to the investigation process and the report. This is especially important as its results were unsatisfactory for the requesters. Was the investigation process fair, transparent and all-encompassing? Which results were found? How did the process effect the results? These questions shall be answered in the following parts.

### **Investigation Process**

Some attention should be given to the investigation process itself. The IP used field visits, project documents, other relevant sources and DP mission reports. The latter ones cannot be quoted as they are confidential. However, the contained information is used for the investigation report. Four independent experts were consulted as well (see IP 2014: 15). IDI criticized the fact, that the IP did not meet Anuak in the refugee camps when it conducted the investigation

(see IDI 2015b). It only talked to them when it was preparing the eligibility report and did not use these findings as a fundamental source to build the investigation results on. At several points in its analysis, the IP says that it could not find evidence for some of the claims but did not mention either, to what extent and in which ways it tried to verify all the allegations. Regarding the human resources link between CDP and PBS for example, the Panel's analysis is not even one page long (see IP 2014: 70 f.). As it had no access to GoE financial records, it is clear that the GoE impeded the investigation process.

Yet, it remains open, why the interviews with people in Ethiopian villages were not mentioned in the investigation report. The IP staff met Anuak in Ethiopia during the investigation, but government officials were present during this meeting and the results were not used or verified anyways, as it supposedly lays outside of the Panel's mandate (see *ibid.*: 20 f.). The interview situation certainly has an influence on the results obtained in the context of an authoritarian state like Ethiopia. Also, as the leaked transcripts did not change the IP's findings even though violence is proved by them, it seems as if the voices of the people are less relevant to the IP than written documents prepared by the WB, GoE or development partners. Especially the fact that the interviews taken during the eligibility visit outside Ethiopia were dismissed and that these people were not met again during the investigation shows that the most vulnerable groups are not taken serious, neither in the process of project design and appraisal, nor in the investigation process. This is a continued exclusion of the poor in the fight against poverty.

Another unanswered question is why the process of investigation took such a long time if not even the requesters in the refugee camps were met again. The Investigation Plan published in August 2013 by the IP planned on visiting the country the same year and on publishing its report in the beginning of 2014 (see IP 2013b: 3). It finally did complete it in November 2014 and only published it in October 2015. The only explication given for the delay in the report's conclusion is a heightened tension around the case (see IP 2014: 72). Does this mean that more discussions with the Management or the GoE were necessary while the requesters were not even met in the refugee camps? There is a general imbalance in access possibilities between the Management and the requesters. After the investigation report is written, the Management has the privilege to see it first, before its publication, and to answer to it with recommendations in an action plan which the board shall approve. The requesters do not have this option and have no possibility to appeal to the recommendations and decisions taken (see Treacle et al. 2003: 267). In this case, the requesters tried to file an appeal via their open letter to the WB president: "This is our final appeal and we pray that this time our voice will be heard" (Anuak Requesters

to the World Bank Inspection Panel 2015). It was supported by a letter from IDI to the Board of Executive Directors, its later press release and the deep analysis published in April 2015 (see IDI n.d.). All these responses by the requesters were left unanswered and are not mentioned on the IP's homepage where the case 82 is presented, except the press releases. Hence, the voice of the requesters was not heard at this point as it does not form part of the official procedure.

Overall, the process seemingly lacked transparency and diligence on several accounts: The proofs available were not intensively used as interviews seem to be less acknowledged as reliable sources than documents and it is not clear to what extent a search for proofs of the link between CDP and PBS was done.

### **Safeguard Policies**

The IP finds that Safeguard Policies are generally applicable in the case of Investment Lending and that there were several reasons to apply them. This is a positive result of the IP process as it closes this potential mechanism to avoid applying the safeguard policies used by the Management.

### **Linkage between CDP and PBS**

The link between the WB program PBS and the GoE program CDP is not acknowledged by the Management at all. However, it is the Management that defines the measures to be taken after the investigation. This point is very crucial as it relieves the WB of any responsibility for harms that happened in the framework of CDP. Thereupon, the non-compensation of the affected people emerges. The requesters see a direct link between the projects as CDP is, in their understanding, the regional way of providing services and thereby implementing PBS. The IP calls the link an "operational interface", as both projects are happening partly at the same time and place, having the same objectives. The argument for them being not directly linked is mainly that CDP is not necessary to reach the goals of PBS in the IP's view. Moreover, both projects happen simultaneously for some time but PBS in general encompasses a longer period (see IP 2014 16 ff). The concrete linkages (staffing, funds) were not much investigated on, contrary to the plan formulated in the eligibility report (see IP 2012: 21). The proofs that existed were not taken seriously (like interviews of former civil servants that were urged to facilitate the relocation process) or not provable (usage of the funds in the woredas and diversion of funds). Furthermore, it is not mentioned which strategy with which results was used in Gambella in this case, if it was not CDP. Concerning the proof of the direct link, there are obvious challenges due to the design of the project which does not allow for fund traceability.



However, the IP's establishment of an "operational interface" which the Management should have taken into account for project design, appraisal and monitoring is going further than the Management's point of view. It has implications for the following investigation results where the IP sees a non-compliance with some WB policies, such as Project Appraisal and Supervision. Yet, it is still not acknowledged by the Management in its Action Plan as it is no strong statement but leaves potential for interpretation.

Thus, it is interesting to see which consequences a change in wording can have concerning the WB accountability towards adversely affected people. While the IP in its eligibility report called the link a plausible one, it now speaks of an operational interface and thereby relieves the WB of the direct responsibility. The Management on its part has the power to determine the WB's consequences to the report but does not acknowledge any link. The remaining question is how this change in wording occurred. Was the IP pressured by the Management or what happened in between? Was a change in the IP staff of importance for the changes and the case's outcome? The eligibility phase was led by the former Panel members Alf Jerve who was the IP's chair at that time and Zeinab El Bakri (see IP 2012: 11). The investigation process in contrast was headed by Eimi Watanabe who became the chair of the IP in May 2013. According to IDI, Watanabe told them that enough interviews were conducted during the eligibility phase and that they would be partly taken up in the Investigation Report (see IDI 2015b: 5). Overall, there are no concrete evidences of the staff's personal impact.

Several problems of the investigation arise from this non-admitted direct link. First, the non-examination of both allegations of harms related to the involuntary taking of land and related to the use of force and intimidation. Second, the presumed compliance with the policy on involuntary resettlement which did not need to be triggered according to the IP. The mandate of the IP serves as an explanation for these consequences of the non-admitted link. As there is no link, the harms are understood as a borrowing country's issue which then lays outside the mandate of the IP. Nevertheless, this explanation is not explicitly given until the IP's press release. Before it is only said that specific human rights violations are not in the Panels mandate without a further explanation. This led to a non-examination of them. And yet, it is exactly this examination that could have enlightened the question, whether there is a direct link in the first place. Who committed the violations and by whom were the people forced to leave? With which money was this made possible? Here, the IP is not very logically consistent in its explanation but rather circular and thereby avoiding the deep analysis that could become uncomfortable for the WB.

### **Violation of Policies and Procedures in Relation to the Harms Experienced**

A violation of several policies and procedures was found by the IP, as one can see in part 1.5. The question emerging from here is why no more direct relation is seen between the policy violations and the harms related to the process of resettlement. A deterioration of livelihoods in the new villages was established and this is acknowledged by all parties. Nonetheless, problems concerning the design, implementation and monitoring in relation to risk assessment and financial issues were additionally seen by the IP and a non-compliance with the related policies and procedures could be established. However, it is not said that the latter non-compliances have led to the harms or contributed to their occurrence. Thus, no responsibility must be taken for the harms by the WB, only measures of coping with these issues for the future are being installed. Here it is indeed important to mention that a compensation for the requesters would have been improbable anyways as they experienced harm during the non-eligible program phase PBS II. However, by not admitting a direct linkage and not seeing a responsibility at all, any claims can be more easily deflected from the WB, no matter in which program phase they occurred. It is unclear, whether any people were involuntarily and forcefully resettled during PBS III.

Yet, the question remains: How can the violation of several policies and procedures not be seen as a cause of the harms even though it gets obvious that these violations facilitated the potential misuse of funds? The latter ones are not conclusively provable, again due to the problems in the project's design and implementation, but a high potential for e.g. the diversion of funds is seen. How could one even prove the WB's responsibility for harms in this case, besides the fact that policies were violated? It seems as if the current practice of the IP only allows for easily visible and provable links between WB projects and harms that can lead to accountability. In this case, WB Management somehow prevented this direct linkage from the design onwards. It seems comfortable to relay all the main parts of the project to a government and its subdivisions. Here it remains open for further research whether this is a more general pattern that can be found in several WB projects and related IP cases.

### **2.3 Lessons Learned about World Bank Accountability**

To date, no one is held accountable for the harms described in the request for inspection due to several before mentioned reasons. While in other cases the IP served as a means to reach accountability, this has failed in the case of PBS. Hence, several conclusions must be drawn from this analysis in relation to the IP as an institution of accountability in this case: First, the design of a project can already inhibit the WB's accountability for harms related to the project.

Second, the degree to which the IP is engaged in the investigation is not in detail prescribed and has however an important impact on the question of WB's accountability as it may influence the depth of the analysis and its results. Here, it must be noted that the IP is only a quasi-independent institution but also that the respective government can have an important influence on the investigation possibilities. This "politicized relationship between various players" (Kim 2011) is described by Kim as subverting the accountability function of the IP. Third, if policies are found to be violated, this does not mean that the WB is held accountable for the harms experienced and does not imply compensatory methods. In this concrete case, reasons are that the IP does not issue a strong statement, that the decision about measures then lays in the Management's hands and that harms have happened in former, non-eligible project phases. Fourth, the participation in the project by the government and its different sub-levels stands in conflict with a control of the project and prescribed conditions by the Management. It probably is a complex task to design a project with state ownership and participation of the requesters as well as enough control and monitoring by the Bank to inhibit diversion or misuse of funds. A better approach could be to focus on (indigenous) people's ownership instead of state ownership.

Another important aspect is the way accountability is understood and inscribed in the project. CSOs have an important role in this case as they are the ones that are supposed to take care of the accountability and partially of the implementation inside the country (see IDA 2012: 15; 57). The term used for this is social accountability which figures very prominently in the PAD of PBS and which shall also be strengthened through a specific sub-program as well as in the measures taken after the release of the IP's report. National CSOs are supposed to do the monitoring in the country while international CSOs (here: HRW, IDI) were relevant for revealing the whole issue and bringing it to the attention of the IP and the public. Nevertheless, findings of CSO's are not used as sources by the IP (e.g. the report by HRW). Hence, two different definitions of social accountability can be found in this case: On the one hand, (local) CSO's being responsible for assuring accountability in the first place. On the other hand, (international) CSO's helping local people to reach accountability. Both mechanisms are not necessarily successful and the second one might only get important once the first one did not function. It could therefore lead to a glocalization of accountability<sup>10</sup> (see Ziai 2016) which did nonetheless not work in this case.

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<sup>10</sup> Glocalization of accountability is realized once local accountability is reached through an international organizations accountability mechanism (see Ziai 2016: 57).

## Conclusion

In the case of PBS in Ethiopia, no accountability is taken by the WB for the harms inflicted on the Anuak community. Overall, the point in time when a claim is filed can have a great impact on the outcome of the process. I have found a somehow circular explanation of causes for the non-accountability in this case through my analysis. The root lays in the project design which is related to the WB's understanding of poverty reduction and the project history in Ethiopia. The discretionary manner of diversion of funds and the lacking risk analysis with missing coping mechanisms in a weak financial and political system led to a non-traceability of WB funds. An investigation process which was not very transparent and restrained by the project design, by IP's choices and by the authoritarian state of Ethiopia was added to the problems in design and appraisal. In the following, the IP was partly not able and partly not willing to prove the direct link between the national project for basic services (CDP) and the WB project (PBS). From this non-admitted link, several problems arose: Several harms were not put into relation with the WB but only with the Ethiopian state, before and without even exploring them in the investigation process. Only two out of four allegations of harm were investigated on as the others would be outside the IP's mandate. Moreover, the policy on Involuntary Resettlement was understood as non-applicable as the resettlement was not related to PBS. Consequentially, no responsibility would need to be taken by the WB for harms experienced by the Anuak and no one is held accountable for their situation. Remaining questions here are, to what extent this outcome was planned and intended by WB Management or the Ethiopian state, beforehand or during the process, and whether components of it form part of a more general pattern.

The analysis of the causal mechanisms of non-accountability in this specific case were the main focus of this paper. Therefore, I was not able to analyze the deep reasons behind the lacking accountability and can only hint to some ideas and leave many questions open for further research: Was PBS III approved without changes even though problems were known because money had to be spend and no time was available for amending the project? Is the so called "culture of approval" part of the problem here? Is this discretionary lending a new and more general current lending practice? If yes, which consequences does it have in other cases? Another significant question here is about the nature of recognized proofs for WB responsibility and the efforts that are undertaken to prove it: Which evidences count and how are they collected? Are (maybe in retrospective) any general economic or hegemonic changes perceivable that led to the design of the project or the changing view of the case by the IP between the eligibility and the investigation report? Is the IP itself in a hypocrisy trap as presented by Catherin Weaver (2008) in relation to the WB itself? Is this the reason why the IP

is releasing this kind of investigation report; to show to critics that it is working and finding policy violations while being partly responsive to the Management by not causing them and other development partners too many troubles?

In order to answer all these questions, a deeper analysis of the case and its wider context must be realized. A comparative study would be necessary to establish any general patterns in relation to other WB projects and IP cases. Furthermore, the shaping of a discourse entails power. Hence, a discourse analysis could make sense concerning the wording used by the IP and other parties and the related varying meaning, creation of a certain truth and the ensuing accountability.

## Annex

### Timeline of PBS and the Inspection Panel Process

In order to have a better understanding of the whole program including its different phases and the related process of investigation by the Inspection Panel, it is important to have a clear view of the different relevant points in time. The following table shall therefore give an overview of the timeline. All the lines that are emphasized in italic letters do not form part of the official process of investigation.

<b>The Different Program Phases</b>	
PBS I	05/2006-12/2009
PBS I Additional Financing	12/2007
PBS II	05/2009-01/2013
PBS II Additional Financing	02/2011
PBS III	09/2012-01/2019
<b>The Inspection Process</b>	
Letter by Anuak refugees to Country Director Ethiopia	August 20, 2012
19 letters from Anuak refugees to WB	September 12, 2012
Meeting Bank Management and IDI	September 14, 2012
E-Mail by IDI asking for written response to the 1 <sup>st</sup> letter	September 14, 2012
<b>Request for Inspection</b>	September 24, 2012
Registration of the Request by IP	October 9, 2012
Management Response	November 19, 2012
Eligibility Report by IP	February 8, 2013
Investigation Plan by IP	August 2013
Completion of the Investigation Report	November 21, 2014
Completion of Management Report and Recommendation	January 31, 2015
<i>Open Letter from Anuak Ethiopian Refugees to WB President - Appeal</i>	<i>January 31, 2015</i>
<i>IDI Letter to WB Board of Directors – Response to Management Report and Recommendation</i>	<i>February 19, 2015</i>
Publication of Investigation Report Management Report and Recommendation	February 27, 2015
<i>Press Release by IDI and Publication of Leaked Transcripts</i>	<i>February 27, 2015</i>
<i>Comments by the IP in response to IDI's Press Release</i>	<i>March 3, 2015</i>
<i>IDI Analysis of World Bank Inspection Panel Ethiopia Investigation</i>	<i>April 2015</i>
1 <sup>st</sup> Management Progress Report	February 11, 2016
2 <sup>nd</sup> Management Progress Report	February 23, 2017
3 <sup>rd</sup> Management Progress Report	January 26, 2018

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