

A Decade of ADB's Accountability Mechanism Policy



11 May 2016

How are we accountable?

Accountability Mechanism

Problem Solving

Compliance review

Integrity/Anticorruption

Project preparation

Project appraisal

Loan negotiations,
approval, signing
& effectiveness

Financial Audit

Project implementation

Project Completion Report

Independent Evaluation

Project evaluation

SAFEGUARDS

Disclosure of Information

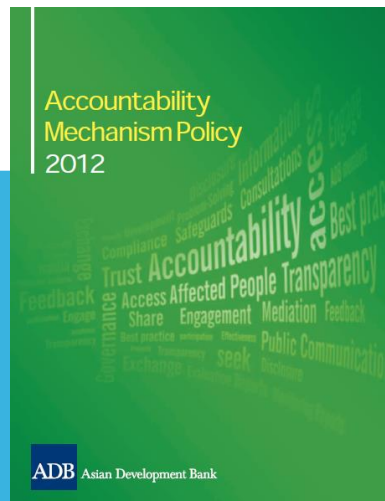
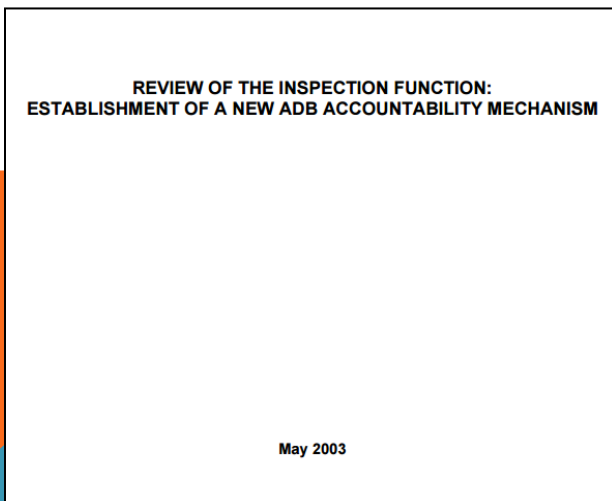


Objectives

- Safeguards and AM linkage
- AM lessons over last 12 years
- AM complaints - gaps and issues
- Safeguards to be effective for better Design and Implementation

Brief History of the AM

- 1995 - Inspection Function established
- 2003 - Accountability Mechanism Two phases
 - Consultation and Compliance Review
 - Private sector included
 - Less complex; More transparent
- 2012 - Updated AM Policy – two Functions



Two functions – Two offices



President

Board of Directors

**Board Compliance
Review
Committee**

**Special
Project
Facilitator**

**Office of the Special
Project Facilitator**

**Complaint
Receiving
Officer**

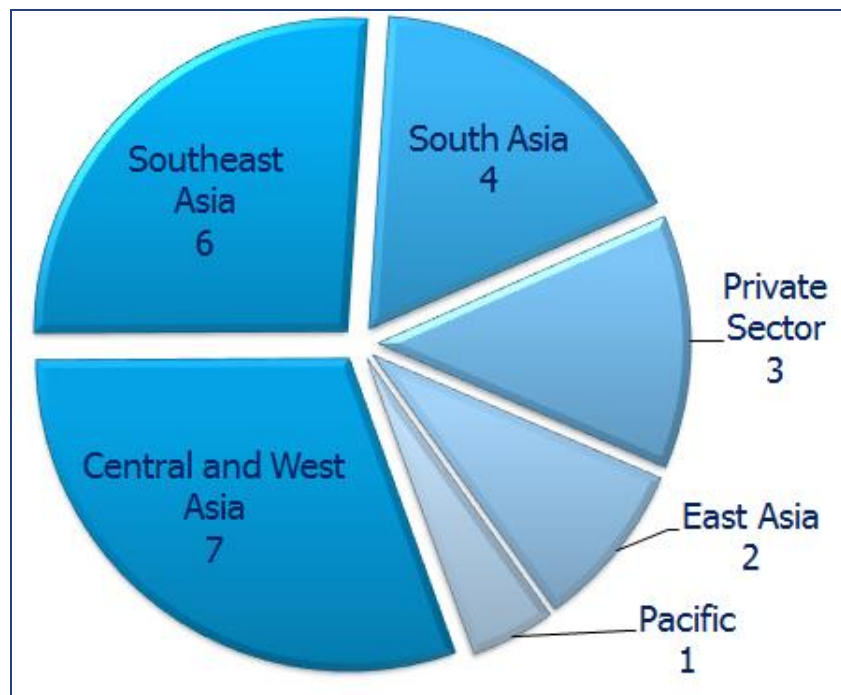
**Office of the
Compliance
Review Panel**

**Compliance
Review
Panel**

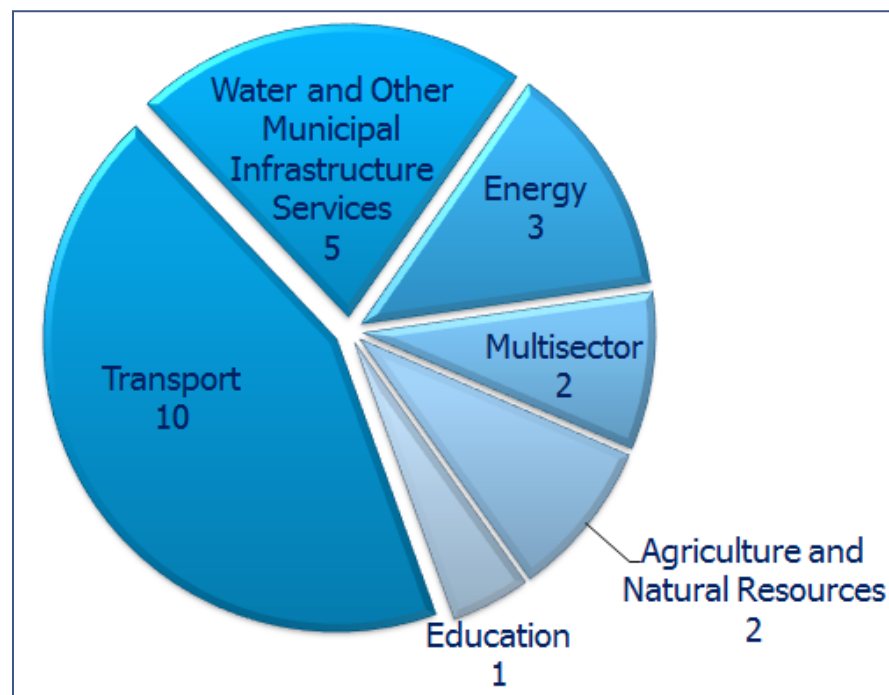
AM Complaints 2004-2016

(As of 30 April 2016)

By Region



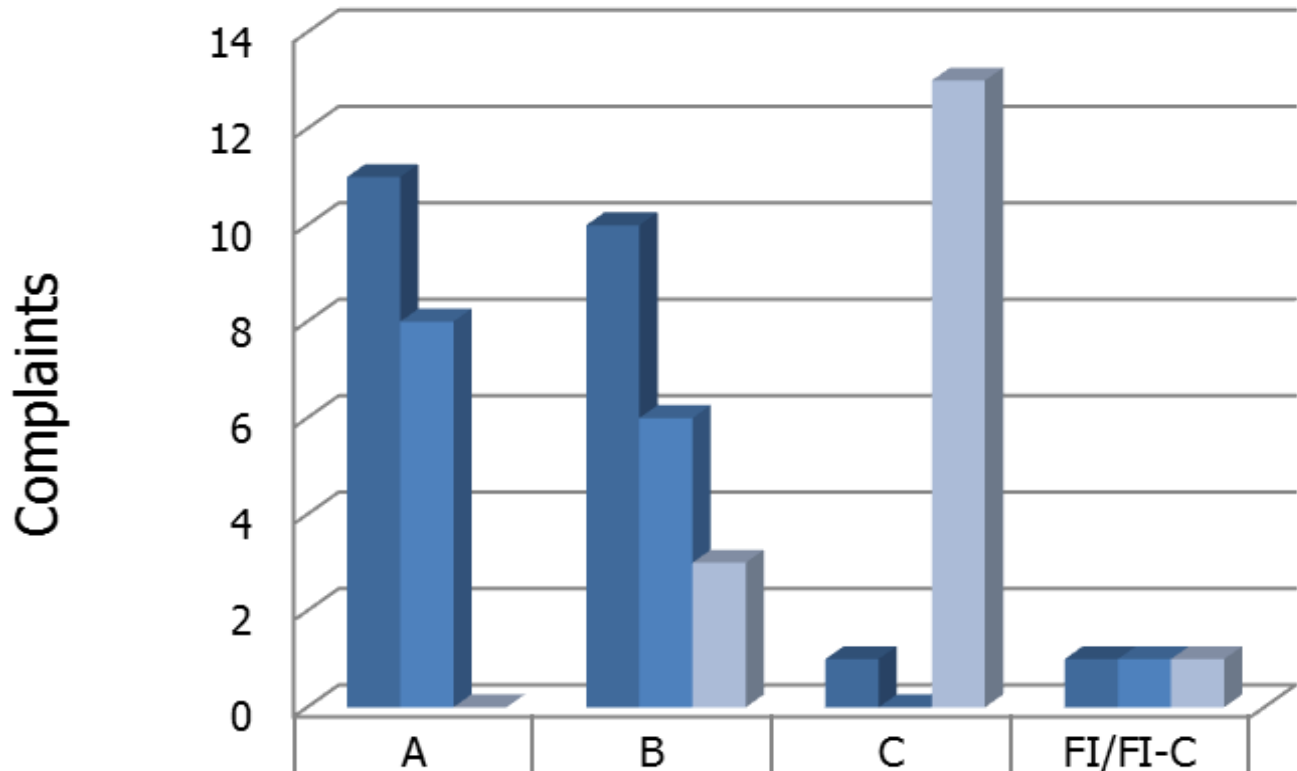
By Sector



**64 complaints of which 23 were eligible
(3 eligibility TBD)**

Safeguard Categories

(As of 30 April 2016)



■ Environment	11	10	1	1
■ Involuntary Resettlement	8	6	0	1
■ Indigenous People	0	3	13	1

Topics in AM Complaints

Topics in Complaints	# of Times	(%)
Resettlement, compensation, and land acquisition	52	32.3
Information	28	17.4
Agriculture, natural resources, and environment	24	14.9
Consultation and participation	23	14.3
Community and social issues	14	8.7
Village infrastructure	12	7.5
Others	5	3.1
Livelihood	3	1.9
Total	161	100.0

Compliance Review Case - India

Loan 2419-IND: Mundra Ultra Mega Power

- Coal-fired - capacity of 4,000 megawatts
- Cost \$4.14 billion - ADB US\$450 million
- Category A environment and Category B involuntary resettlement

Concerns by the complainants :

- Disclose information and conduct consultations;
- Loss of livelihood of fisher-folk;
- Access restrictions to fishing grounds;
- Coal dust and fly ash pollution and its impact;
- Ambient air quality;
- Ground water impacts;
- Horticulture impacts; and
- Labor issues and human stress.



Compliance Review Case - Philippines

PHILIPPINES - 2612: VISAYAS BASE-LOAD

200-MW coal-fired power Naga City, Cebu Province -
Circulating fluidized bed combustion - low levels of
nitrogen oxides and sulfur dioxide.

1. Borrower: KEPCO SPC Power Corporation (KSPC)
2. Board Approval Date: 11 Dec 2009

Concerns of complainants are addressed as follows:

1. Failure to adequately disclose information and conduct consultations;
2. Coal dust and fly ash pollution and its impact;
3. Ambient air quality



Lessons Learnt from Captioned Cases

1. Establishment of baseline to judge noncompliance of ADB policies
2. Early and in-depth meaningful consultations with stakeholders and project-affected people.
3. Adequate Review of Environmental and Social Assessment Reports. Avoidance of Conflict of Interest .



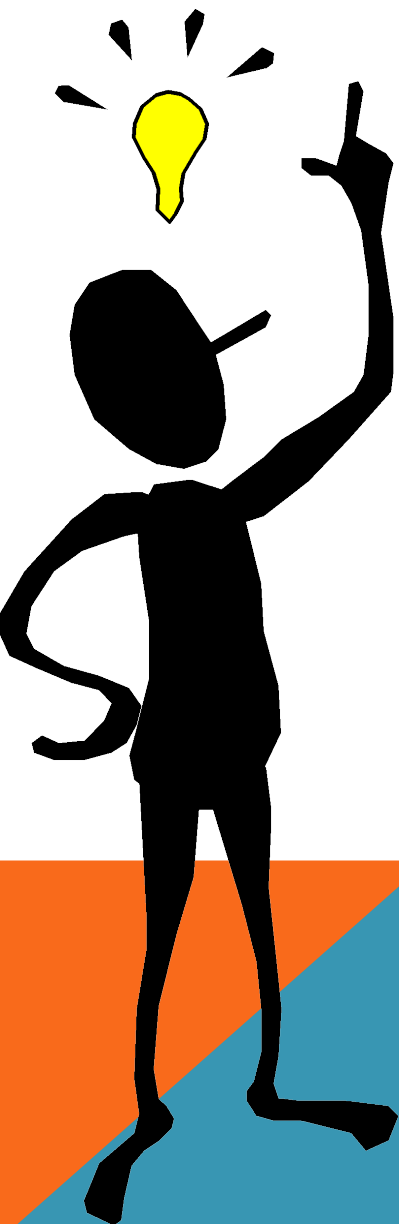
Environmental Issues

- Lack of mitigation plan
- Non-disclosure of the EIA
- Violation of environmental regulations
- Seepage/leakage of harmful substances
- Waste water impact on agriculture
- Air pollution and Water quality impacts

AM Topics and Solution

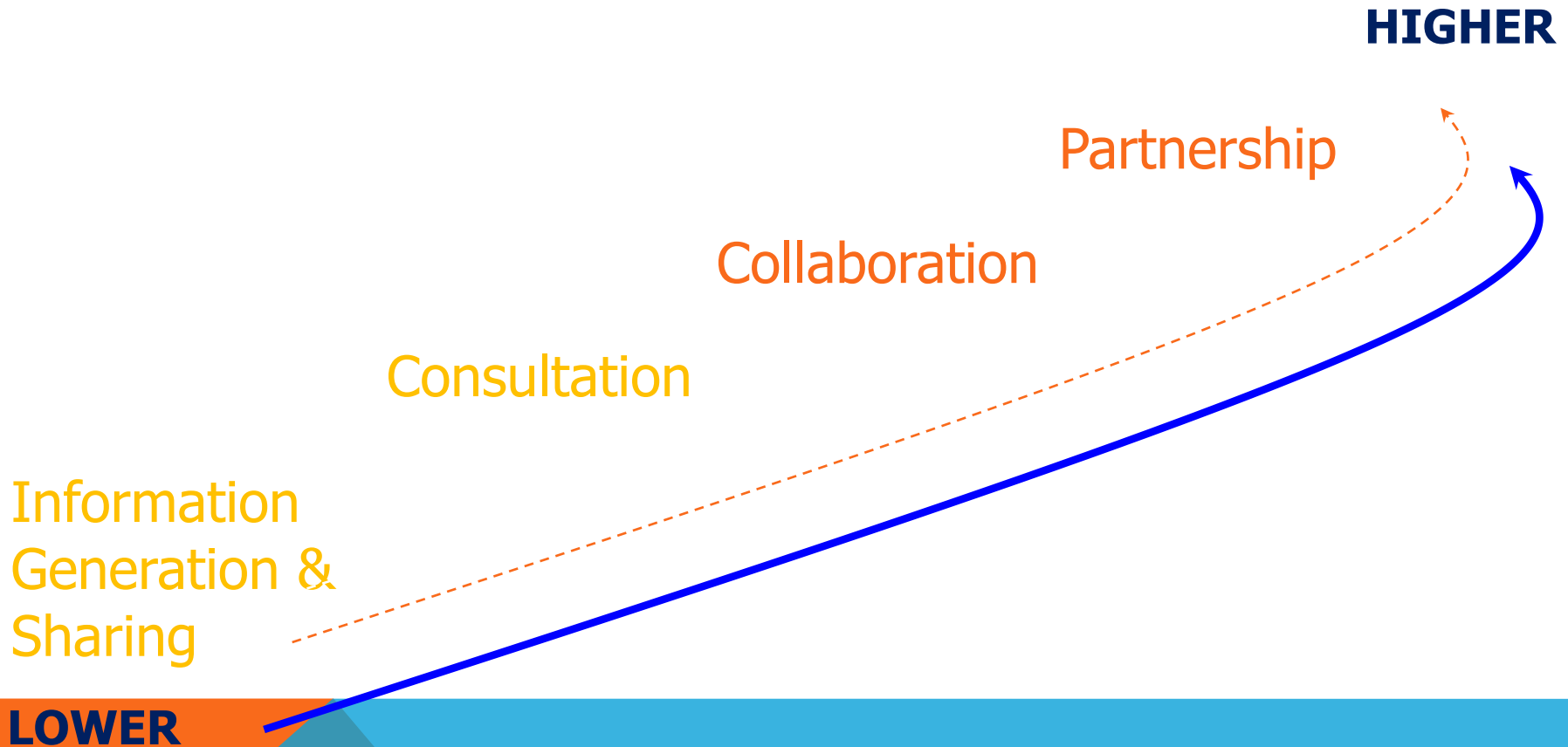
TOPICS	SOLUTION
Involuntary resettlement	Grievance redress mechanisms that is functional
Delays lead to complications	Early attention increases success
Consultation and participation	Improve communication strategy and implementation
Ineligible complaints are also useful	Identifies significant issues that are resolved by Operations
Crucial role of NGOs / CSOs	NGOs/CSOs bridge gap between affected communities and ADB

Institutional Common Lessons



- AM enhances development outcomes
- Internal and external awareness
- Consultation, consultation and more consultation
- Implementation focus for improved social outcomes
- Partnerships with NGOs and CSOs

Participation Continuum



thank you!



<http://www.adb.org/site/accountability-mechanism/main>



<https://www.facebook.com/ADBAccountability>

