inclusive development international

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September 24, 2012

Board of Executive Directors
World Bank
1818 H Street, NW
Washington, DC 20433 US
Via Email

Cc: Jim Yong Kim, President of the World Bank
Makhtar Diop, Vice President for Africa
Guang Zhe Chen, Country Director for Ethiopia

Re: Ethiopia Protection of Basic Services Project implicated in gross human rights abuses

World Bank Board of Executive Directors,

We write to bring your urgent attention to credible evidence that gross human rights abuses are being perpetrated in Ethiopia against the Anuak, a minority Indigenous People, using IDA funds. Today, victims of these abuses submitted a Request for Inspection to the World Bank Inspection Panel asserting that they and their communities have been severely harmed by the World Bank-financed and administered Protection of Basic Services Project (PBS).

Inclusive Development International (IDI) has obtained evidence that PBS funds are contributing directly to a program of forced villagization taking place in the Gambella Region of Ethiopia. The victims report 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.

We note that the third phase of PBS (renamed Promoting Better Services) is being submitted to the Board for approval on September 25th. We implore you not to approve PBS III until a thorough and impartial investigation has been conducted by the Inspection Panel into the links between PBS and forced villagization and robust

safeguards and accountability mechanisms are put in place to ensure that PBS funds are not used to harm marginalized and vulnerable Ethiopian groups.

We attach a letter addressed to President Kim from three organizations representing the Anuak refugee community in Kenya, including victims of the Gambella Villagization Program, urging the Bank not to approve PBS III in its current form.

Our research has identified clear and tangible links between PBS and forced villagization in Gambella, which are set out at length in the Annex to the Request for Inspection and also attached to this letter.

In summary, the objectives and design of PBS promotes decentralized basic service delivery. Funds from IDA and other Development Partners are disbursed through PBS to the federal government, which then disburses "block grants" to sub-national governments for salaries of public servants and operations and maintenance in five basic service sectors.[1] These transfers or block grants are distributed to all regions, and from each region to its districts (*woredas*), "constituting the major source of funding for woredas."[2] According to the PAD, funds are transferred using country financial systems and are pooled with other Treasury funds and then sent down to sub-national governments using existing intergovernmental transfer systems. The PAD states: "There are no separate bank accounts beyond the initial entry point into the Treasury and no separate disbursement or accounting procedures.[3] PBS utilizes Government public financial management systems and service delivery structures and has "no direct mechanism to influence choices made at the local government level."[4]

In Gambella, the regional government's program for improving access to basic services is the "Villagization Program Action Plan", which commenced in mid to late 2010 during phase II of PBS. The goals of villagization, according to the Action Plan, are the same as the objectives of PBS II. It is evident that villagization is the vehicle through which the Gambella regional government has chosen to implement PBS.

According to the PAD, PBS funds the salaries of sub-national government officials and staff involved in the delivery of basic services.[5] In a meeting with IDI on 14 September, Bank Management emphasized that PBS funds were used to pay the salaries of pubic servants such as teachers, healthcare providers and agricultural extension workers. Several former teachers and agricultural extension workers from Gambella region have testified to IDI that they and other teachers, agricultural workers and other civil servants were ordered to implement the Villagization Program in Gambella.

For example, a former education department official in Gambella stated that he was appointed, along with the health, agriculture and water-sanitation department heads, to implement the villagization program in their zone by informing farmers in different *kebeles* (villages) that they would have to move. He said that when he reported back to the regional government that the farmers refused to move, he was beaten severely by Ethiopian Defense Forces and forced to return with them to the *kebeles* to force the

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[1] Project Appraisal Document (PAD), PBS Phase II Project, 2009, page 20.
[2] Ibid, page 3.
[3] Ibid, at para 36.
[4] Project Information Document (PID), PBS Project, 2006, page 3.
[5] Project Appraisal Document (PAD), PBS Phase II Project, 2009, page 20.
[6] Project Information Document (PID), PBS Project, 2006, page 3.
[5] Project Appraisal Document (PAD), PBS Phase II Project, 2009, page 20.

communities to move.

A teacher told IDI:

> "What we were told, everybody and anybody on the payroll of the government, they have to do their part. And not only the teachers, all the administration, everybody has to participate and do the work. And people who are opposing it, they will be detained. They will be jailed, or taken to the military camp…."

The same teacher explained that he was told that the budget from the federal government for implementation of the Villagization Program ran out, so 5% of the salaries of *woreda*-level civil servants, including teachers, agriculture and health workers, was deducted in order to cover the shortfall. These funds were used to pay the "overtime" of officials tasked with mobilizing the people to move to the new villages. Several other former civil servants interviewed by IDI from September 8-18, 2012 corroborated this information.

IDI is in possession of video and audio recordings of these and other testimonies, which have been shared with the Inspection Panel. These recordings cannot be shared more widely due to security concerns for the Requesters and their relatives.

Despite the high risk and increasingly repressive environment in Ethiopia very weak social accountability processes were incorporated into the design of PBS. Moreover, despite the fact that many Indigenous Peoples live in Ethiopia, and it was impossible for PBS not to affect these communities, OP 4.10 on Indigenous Peoples was not triggered and no screening or social assessment was conducted. Similarly, despite the well-publicized fact that villagization and resettlement, often coercive in nature, have been used historically in Ethiopia as a means of "development" and to deliver basic services,[6] OP 4.12 on Involuntary Resettlement was not triggered.[7] IDI believes that Management's decision not to trigger OP4.10 and OP 4.12 amounts to non-compliance with Bank operational policies and procedures. This decision has resulted in irrecoverable and grave harms to a marginalized Indigenous People and the use of Bank funds to commit gross human rights violations, which we believe rise to the level of crimes against humanity.

We urgently draw your attention to the fact that PBS III, for which Management seeks your approval, does not trigger any safeguard policies despite the substantial credible evidence presented to Management of human rights abuses in Gambella committed in connection with PBS II. Nor does the proposed PBS III incorporate acceptable accountability processes and mechanisms to ensure that IDA funds will not be used to implement forced villagization and attendant human rights abuses.

Approval of PBS III in its current form, given the overwhelming evidence that PBS funds are being used to commit grave human rights abuses, is not only inconsistent with

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[6] See for example, Wubne Mulatu, "Resettlement and villagization. A Country Study: Ethiopia (Thomas P. Ofcansky and LaVerle Berry, editors); Hammond, Laura, Strategies of Invisibilization: How Ethiopia's Resettlement Programme Hides the Poorest of the Poor, Oxford University Press Journal of Refugee Studies Vol. 21, No. 4, 2008; and Christy Cannon Lorgen, "The Experience of Villagisation: Lessons from Ethiopia, Mozambique, and Tanzania," Oxfam GB, 1999, which refers to a number of other publications on villagization, available at http://www.mokoro.co.uk/files/13/file/lria/villagisation_experiences_eth_moz_tanz.pdf

[7] OP 4.12 was only applied to the specific circumstances of compulsory acquisition of land for the construction of small-scale civil works under one sub-component of PBS. (Project Appraisal Document (PAD), PBS Phase II Project, 2009, at para 476.)

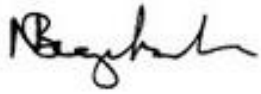
Bank operational policies but also with the World Bank's duty as a United Nations specialized agency. The Bank is bound to observe the provisions of the UN Charter, and specifically article 55 which requires "[u]niversal respect for, and observance of, human rights and fundamental freedoms for all…"

In addition, most Executive Directors represent member countries that are party to the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights and other human rights treaties, and are thereby legally bound to take all possible measures to ensure that your decisions at the Bank do not contribute to or facilitate human rights abuses. This legal obligation must be the overriding consideration in your decision on PBS III.

Once again, we urge you to put the approval of PBS III on hold until you are confident that robust safeguards are in place to prevent IDA funds being used to perpetrate abuses against the Anuak and other marginalized groups in Ethiopia and repair harms that have already been done.

Sincerely,

David Pred
Managing Associate



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