

Dear Jim and former Panel Members,

Your last message came somewhat of a surprise as we thought that we were able to clarify these issues during our meeting last week. While we concur with the legitimacy of your concerns which center on the independence of the Panel, they are not warranted by the facts and thus please allow us to once again emphasize the following:

1. Consultation Process. The adjustments underway with the Executive Secretary position emerge from a long, deliberate and structured consultative process. The immediate starting point is a self-assessment conducted last year that provided conclusive evidence pointing to the need for a more proactive Panel, with the Secretariat playing a more supportive and advisory role as originally envisioned. We have fully consulted formally and informally with CODE and selected members of the Executive Board.

2. The proposed changes in the Executive Secretary position are needed and timely because in our view the current Terms of Reference for the position are not consistent with the Resolution. In the current ToR, the ES is provided with responsibilities such as "setting the strategic directions, policy formulation," is "the permanent representative of the Panel to the outside world and operates at the highest policy levels, " is responsible for "conducting the Panel's relations with the Board and Bank Senior and Regional Management," and "is the liaison between the Panel and the Bank's Executive Directors." Clearly these functions belong to the Panel itself.

3. Regarding the mandatory rotations, we have introduced a "5 + 2" term limit on the ES but not for the other staff. We have no plans to do so. The introduction of a term limit is based on our conviction, but also our experience, that the change in Secretariat leadership from time to time is beneficial. The proposed ToR emphasizes the post's knowledge and experience of Bank operations, policies and procedures because all Panel members rely on the Secretariat to help "navigate effectively within its myriad of policies, procedures, protocols and structures, " as you rightly pointed out in your letter. We thus expect the next Executive Secretary to possess that experience and knowledge. The Panel is also mindful of the importance of institutional memory for our work; suffice it to say that this is adequately taken into account during the current changes that are limited

in scope.

4. Upon weighing the pros and cons, we have not required a “cooling off” period for the ES following the Panel assignment. The deciding factor was to enable us to attract the best possible candidates, some of whom may well not apply if there is to be a gap of two years in their career. However, we note your concern about how this may “compromise” the staff concerned.

5. You base your concerns about the Panel losing its independence through the proposed changes on experiences arising from the introduction of term-limits in other accountability mechanisms in which eventually "the work... was fatally flawed by that choice." But as we well know, each mechanism is different, with various combinations of functions, and divergent formulas for reporting lines, Secretariat and Panel roles, which all contribute to the effective working of that institution.

6. In our case, as we explained during the meeting, the fact that the Inspection Panel has no mediation, recommendation nor follow-up function, plus the need to ensure that the Panel process produce meaningful changes in terms of addressing grievances for the requesters, providing learning for the institution, and as an accountability mechanism for the Board, called for us to find ways to engage Management more constructively in the Panel process. The changes that the Panel has been pursuing, through the updating of the Operating Procedures as well as with the proposed changes in the Secretariat, are critical components of our strategy to achieve this.

6. This is the context of the changes. It goes without saying that independence of the Panel is critical to its effective functioning. It is the Panel itself that is independent and we should be concerned with independence at that level. The Secretariat should play a supportive role guided of course by integrity and professionalism of the staff. Since it is the Panel that take the decisions, make the judgments, lead the interaction with Management, Board members, and other stakeholders, it is the Panel that is in the firing line, not the Secretariat. They should not be placed in a position to make compromises.

Therefore we fail to see the connections between the proposed adjustments and your fears that we "may lose independence, integrity, and impartiality." We believe that we were chosen as Panel Members precisely

because we bring the qualities of independence, integrity, and impartiality to the job. This of course applied in the past to all of you as well. As current Panel Members we have exercised our due diligence and judgment, recognizing the context of the Bank in which we operate today, and have arrived at these decisions independently, without influences from anybody.

We remain fully confident that these changes are precisely intended to maintain the independence of the Panel process as a whole, and to maintain the qualities that have made it such a shining example globally which you refer to.

As former Panel Members, you no doubt faced difficult decisions when you were in charge. We are confident that you will grant us the trust and support we need from you and provide us with the conditions to do our job properly.

We would be happy to continue this dialogue as needed, but at this point we prefer to see you individually and face to face if and when you are in DC, rather than through emails and messages of one-sided assertions that are then widely distributed. We think that this serves no purpose, and most specifically, the credibility of the Inspection Panel which we all hold dear.

Thanks for your understanding.

With best regards,

Eimi Watanabe, Chair
Panel Member 2009 - 2014

Zeinab El Bakri
Panel Member 2012 - 2016

Gonzalo Castro de la Mata
Panel Member 2013 - 2017