



July 11, 2022

MR. MASATSUGU ASAKAWA

PRESIDENT

Asian Development Bank

CC: Asian Development Bank Executive Directors
Asian Development Bank Independent Evaluation Department Director General

Asian Development Bank HQ
6 ADB Avenue, Mandaluyong City 1550, Metro Manila,

RE: Hiring process for the Special Project Facilitator

Dear Mr. Asakawa:

We are writing this joint letter as NGO Forum on ADB with other concerned civil society groups around the world that share a common concern over accountability in international development finance, especially at the Asian Development Bank (ADB). We are writing to urge you, as President of the Asian Development Bank, to involve external stakeholders, especially civil society in the hiring process for the Special Project Facilitator (SPF). Given the importance of the SPF's work in addressing grievances concerning ADB's financing, it's crucial that the person be appointed through an inclusive and transparent process.

As a network of regional and international civil society groups closely following ADB projects and working with communities on the ground, we consider ourselves as legitimate and regular users of the ADB Office of the Special Project Facilitator (OSPF) mechanism. Throughout various complaints filed at the OSPF over the years, we have realized that an independent OSPF is the among the most critical structures in ADB, designed to ensure accountability and remedy for communities who are harmed or will be potentially harmed by ADB financed activities. To properly perform its work and be recognized as legitimate, it is vital that the OSPF be independent. This in turn requires the SPF to be independent, which is enhanced not only by maintaining a pre-employment cooling off period, a practice already in place at the ADB, but also by including independent external stakeholders, especially civil society, in the selection process. Furthermore, this would help ensure that the SPF is free from undue influence, including from management, governments and clients. We are aware that ADB is selecting a new SPF, as Mr. Warren Evans has left the OSPF and has been appointed the ADB Special Advisor for Climate Change. We strongly recommend that the selection process for his successor include formal consultations with external stakeholders.

As noted in the *Good Policy Paper: Guiding Practice from the Policies of Independent Accountability Mechanisms*, consulting with external stakeholders in the hiring of members of

independent accountability mechanisms (IAMs) is good practice and helps ensure legitimacy.¹ ADB followed this good practice in 2019 by including a CSO observer in the hiring process for the CRP Chair.

Other IAMs have adopted similar practices. For example, the independent Examiners for the Guidelines of the Japan International Cooperation Agency (JICA) and the Japan Bank for International Cooperation (JBIC) are chosen through a process that includes a selection committee that has members from academia and NGOs, among others.² Additionally, the European Bank for Reconstruction and Development (EBRD) creates a nomination committee composed of members internal and external to the EBRD to select the head of the Independent Project Accountability Mechanism (IPAM).³ This committee is composed of external stakeholders who have expertise in the accountability and social or environmental fields, demonstrated integrity and independence, the ability to interact effectively with parties and civil society, and experience with the operations of the EBRD or similar institutions. Similarly for the selection process for the International Finance Corporation's (IFC) Compliance Advisor Ombudsman Director General, the external stakeholders on the selection committee are tasked with reviewing applications, determining a shortlist, and conducting interviews with shortlisted candidates.⁴

¹ See Accountability Counsel, Bank Information Center, Center for International Environmental Law, et al., Good Policy Paper: Guiding Practice from the Policies of Independent Accountability Mechanisms, pgs. 19, 21-22 (Dec. 2021), available at <https://www.accountabilitycounsel.org/wp-content/uploads/2021/12/good-policy-paper-final.pdf>.

² Japan International Cooperation Agency (JICA), Objection Procedures, para. 4 (2010), http://www.jica.go.jp/english/our_work/social_environmental/guideline/pdf/objection100326.pdf; Japan Bank for International Cooperation, Major Rules for Establishment of Examiner for Environmental Guidelines (2010), https://www.ibic.go.jp/en/business-areas/environment/disagree/images/procedure_03_en.pdf; see also C. Daniel, K. Genovese, M. van Huijstee & S. Singh, Glass Half Full? The State of Accountability in Development Finance (SOMO, Jan. 2016), at Annex 13. Available at <https://www.somo.nl/glass-half-full-2/>.

³ European Bank for Reconstruction and Development, para. 3.3.a(3) (2019), <http://www.ebrd.com/documents/occo/ipam-policy.pdf>.

⁴ International Finance Corporation, IFC/MIGA Independent Accountability Mechanism (CAO) Policy para. 15 (2021), <https://www.ifc.org/wps/wcm/connect/d3e7f1c4-fd6b-40fd-ae76-fb028916611d/IFC-MIGA-Independent-Accountability-Mechanism-CAO-Policy.pdf?MOD=AJPERES&CVID=nFDGwP2>.

We request that ADB continue following the good example it set during the 2019 hiring process for the CRP chair by including external stakeholders, especially civil society, in the decision making process for the next SPF. Specifically, we are calling for:

- Transparency on the selection process;
- The inclusion of at least one civil society stakeholder on the selection committee; and
- The ability for the external stakeholders on the selection committee to review applications, determine a shortlist of candidates, and conduct interviews with shortlisted candidates.

This is critical for ensuring the OSPF's legitimacy and independence. As this process is in the early stages, we look forward to hearing your response about the hiring process for the next SPF and hope to further engage with you and the Board on this process.

Sincerely,



Rayyan Hassan

Executive Director

NGO Forum on ADB

Signatories:

Accountability Counsel

Asian Peoples' Movement on Debt and Development (APMDD), Regional

Bangladesh Working Group on External Debt (BWGED), Bangladesh

Building and Wood Worker's International (BWI), Global

Buliisa Initiative for Rural Development Organisation (BIRUDO), Uganda

CLEAN (Coastal Livelihood and Environmental Action Network), Bangladesh

Committee for the Abolition of Illegitimate Debt (CADTM), India

Community Empowerment and Social Justice Network (CEMSOJ), Nepal

COMPPART Foundation for Justice and Peacebuilding, Nigeria

Environics Trust, India

Environmental Public Society, Armenia

Freedom from Debt Coalition, Philippines

Food first Information Action Network (FIAN), Sri Lanka

Green Advocates International, Liberia

Growthwatch, India

Indian Social Action Forum (INSAF), India

Indigenous Women Legal Awareness Group (INWOLAG), Nepal

Initiative for Right View(IRV), Bangladesh

International Accountability Project, USA

Oil Workers' Rights Protection Organization Public Union, Azerbaijan

Oyu Tolgoi Watch, Mongolia

Pakistan Fisherfolk Forum, Pakistan

Public Interest Law Center (PILC), Chad

Sri Lanka Nature Group, Sri Lanka

Vision Building Future, Pakistan

Witness Radio, Uganda

WomanHealth, Philippines