

A Call for Participatory Decision-Making:

Discussion Paper on World Bank-Civil Society Engagement

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**ActionAid International*Amnesty International*Association for Women's Rights in
Development* Caribbean Policy Development Centre*CIVICUS: World Alliance for
Citizen Participation* Europe and Central Asia NGO Working Group*Global Movement
for Children* InterAction* International Confederation of Free Trade
Unions*Transparency International*World Confederation of Labour*World Conference
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EXECUTIVE SUMMARY

The World Bank's interactions with the public in both Southern and Northern countries have frequently been contentious. Civil society organizations (CSOs) have long accused the Bank of financing socially and environmentally harmful projects, and of imposing stringent macroeconomic policies on poor countries that have had profoundly detrimental impacts and have constrained their abilities to pursue their own development strategies. In response, the World Bank has increased its efforts to engage with civil society critics, and has recognized that civic engagement is central to achieving legitimacy and increasing development effectiveness. Yet despite this progress, many CSOs still find that the institution remains insufficiently transparent, accountable, and responsive to public concerns. They object that too often, the Bank has failed to adequately consider their most important concerns or incorporate their recommendations into policy or project decision-making. As a result, there is a growing scepticism that the Bank is actually interested in, or responsive to, public inputs.

The World Bank's status as a public development organization entails a dual imperative to expand meaningful public participation in its decision-making processes. As a public institution, the Bank has an obligation to make decisions in accordance with basic principles of democratic public governance, such as transparency, inclusivity, responsiveness and accountability. As a development institution, it has an obligation to increase the ability of affected people to meaningfully participate in public decision-making, since meaningful participation not only improves development outcomes, but also is itself a key component of human development. Taken together, these imperatives require the Bank to adopt a more participatory approach to decision-making throughout its governance and operations. Participation in decision-making requires that all stakeholders have the opportunity to influence and share control over development initiatives and the decisions and resources that affect their lives. Since the poor and other marginalized groups often have limited capabilities and opportunities to influence decisions, they must be empowered in the decision-making process, if their participation is to be meaningful.

This paper explores the opportunities for more meaningful, empowering forms of participation in World Bank decision-making. First, it examines the challenges of improving public participation in the Bank's institutional governance, and in its operations at global, national, and local levels. Then, it proposes a set of principles and a framework for thinking about how to expand and deepen the opportunities for meaningful public participation in all stages of Bank decision-making. Finally, it uses the framework to propose a set of recommendations for improving Bank practice for consideration by the World Bank's management and Board.

PUBLIC PARTICIPATION, REPRESENTATION AND ACCOUNTABILITY IN THE WORLD BANK'S GOVERNANCE

The World Bank's governance model has been widely criticized as being inconsistent with the basic tenets of democratic and accountable decision-making, and therefore inappropriate for a public development institution. Many critics have argued that the Bank is not sufficiently

representative, transparent, open to public participation or directly accountable to those who are affected by its operations. The major criticisms of World Bank governance include:

- Affected citizens have few opportunities to directly influence the decision-making of the Board of Executive Directors;
- Representation of affected people is compromised by: (a) the disproportionate allocation of voting shares to donor countries; (b) the inequitable allocation of Executive Director seats; (c) the United States' prerogative to name the Bank's President and (d) the extent to which finance and development ministries of member states dominate decision-making; and
- Accountability to affected people is undermined by (a) the fact that Board oversight of management and staff is often perfunctory; (b) weaknesses in transparency, representativeness and accountability of Executive Directors to citizens within borrowing countries and (c) the lack of mechanisms of "horizontal" accountability through which states or citizens can hold the Bank to account.

CIVIL SOCIETY EXPERIENCES IN PAST CONSULTATIVE PROCESSES

To understand how the Bank has incorporated participatory approaches into its operational decision-making, we reviewed four types of consultative experiences: global policy reviews of safeguard policies and lending practices, national policymaking through Poverty Reduction Strategy Papers (PRSPs), participation in decision-making for projects and program and institutionalized dialogue mechanisms such as the Joint Facilitation Committee (JFC).

Participation in Global Policy Reviews

Since the 1980s, civil society organizations have mounted sustained advocacy campaigns to hold the Bank to account for the negative environmental and social impacts of its operations. These campaigns have been successful in forcing the Bank to consider the negative impacts of its lending operations, and to adopt a set of "safeguard policies" on sensitive issues such as, environmental impacts, involuntary resettlement, and impacts on indigenous peoples. Over the past several years, the Bank has revised several of its most important environmental and social safeguard policies and has also conducted strategic reviews of some of its most controversial lending practices. Many of these reviews have included a significant public consultation component. This reflects the World Bank's recognition that review processes would not be considered legitimate or methodologically rigorous unless they included the perspectives of affected stakeholders. Despite this improved access, many civil society organizations still find that:

- Their most important concerns have been adequately considered or addressed in these reviews;
- Public input often is not solicited until after internal consensus on key issues has been reached;
- The Bank has not been clear about the range of issues that are under consideration;
- The public often has had limited input into setting the scope and agenda for these reviews;

- Limited civil society participation in the design of these reviews has caused them to get bogged down in disputes over process;
- Many public consultations meetings have been implemented in a rushed, *ad hoc*, or unprofessional manner;
- The Bank has failed to honour some of the commitments that it has made to stakeholders during the course of review processes and
- The Bank does not provide adequate feedback to inform participants how their inputs have influenced policy development.

Participation in National Policymaking through PRSPs

Poverty Reduction Strategy Papers (PRSPs) were adopted by the World Bank and IMF in 1999, as part of a new framework for development assistance to low-income countries. The PRSPs are designed to be country-authored documents built on broad-based public consultations. In many countries, these consultation processes have helped draw together different NGOs, donors, and government officials and helped them to harmonize their development priorities. In the process, they have often improved relations between civil society and their governments. By broadening and deepening civil society's understanding of budget issues, PRSPs have also increased public scrutiny of public expenditure practices at the local and national levels. However, despite these positive impacts, PRSPs have failed to meaningfully engage civil society in a number of critical respects:

- The policy debate has usually excluded issues of macroeconomic policy, human rights, and gender equity;
- Transparency and access to information have generally been inadequate;
- PRS processes have frequently been rushed;
- PRS processes have not systematically included parliamentarians and key line ministries;
- Many stakeholders lack the capacity to analyze alternative policy scenarios;
- Poverty and Social Impact Analysis (PSIA) have not been adequately participatory nor produced more explicitly pro-poor policies;
- CSO participation has resulted in very limited influence on the content and implementation of poverty reduction strategies and
- PRSPs do not necessarily influence Bank and IMF lending in any significant way.

Participation in Projects

The Bank's project lending has often been a source of public contention. The Bank has financed a number of socially and environmentally damaging projects over concerted local opposition. In addition, the effectiveness of its projects has often been compromised by failure to incorporate the experience of project-affected people, or allow them to take "ownership" projects. Thus, much of the conflict over project lending has been over issues of local control, participatory decision-making, and project ownership.

Since the early 1990s, the Bank has made some progress in improving participation in its projects, particularly in consultations during environmental assessments and in making better use of public meetings, disclosure, and increased interaction between the Bank and stakeholders. Despite these gains, the actual influence of civil society on Bank-supported projects remains very

limited and uneven. Much of the increased participation has been narrow in scope, rushed, superficial, or otherwise ineffective. A number of systemic constraints have limited more meaningful participation in projects:

- The Bank's Information Disclosure Policy limits informed participation;
- Participation usually does not occur until project preparation and appraisal;
- Participation has also been weak during monitoring and evaluation;
- Participation processes have often been of poor quality;
- Social analyses are not integrated with project decision-making;
- Public participation is hindered by a number of external and internal constraints, particularly insufficient funding and inadequate support from management;
- Insufficient capacity in communities and local CSOs has limited their abilities to participate;
- Systematic improvements in the quality of participation are constrained by inadequate benchmarks, standards, and learning systems in the Bank and
- The Bank's accountability mechanisms for ensuring meaningful engagement are inadequate.

Participation through Institutionalized Dialogue Mechanisms

On several occasions, the Bank and civil society organizations have attempted to go beyond the normal *ad hoc* approach to engagement, and have sought to create more formalized engagement mechanisms. The JFC is one example of these types of efforts, as are the World Bank-NGO Committee, ECA NGO Working Group, and the External Gender Consultative Group (EGCG). These mechanisms have not, however, played a major role in policy or project development. In our experience with the JFC, the anticipated benefits of improved mutual learning have proven extremely difficult to realize in practice, since:

- Generalized dialogue mechanisms are not well-suited to the current operations of the Bank or the state of global civil society;
- Institutionalized dialogue mechanisms have suffered from weaknesses in transparency, representativeness and accountability; and
- The potential usefulness of these mechanisms has been undermined by the widespread perception that they are vulnerable to World Bank manipulation and co-optation.

PRINCIPLES OF PARTICIPATORY DECISION-MAKING

In light of the concerns raised by civil society organizations, the World Bank should do much more to be more responsive to affected people, and to give them a more meaningful voice in its decision-making. Civil society complaints have clustered around five core principles of participatory decision-making that should be applied across all stages of the World Bank's project/policy cycles:

1. Transparency and Access to Information. Effective transparency mechanisms make information available to citizens in ways that the information can influence their political choices. They provide complete information about activities and options *before* key decisions are

made, and in local languages, culturally appropriate formats, and in ways that are readily accessible and affordable.

2. Inclusiveness. Inclusiveness requires that all people have the opportunity to participate in making decisions that will directly affect their lives. In particular, it involves bringing in politically disenfranchised or marginalized groups that might ordinarily be excluded from decision-making processes. This may include efforts to systematically identify all those whose rights may be affected, or who may bear the risks associated with the decision; and to reach out to them and provide whatever assistance they may need to participate (e.g. translation services, travel support).

3. Quality of Discourse and Deliberation. Deliberative processes allow affected people to freely and equally express their competing interests, perspectives, and visions of the public good. For decision-making to be based on deliberation rather than raw political power, marginalized stakeholders must be able to participate on an equal basis with more entrenched interests. Thus, where contested issues are highly technical, all participants should have comparable access to the expertise necessary to independently challenge the technical claims of other parties. Participants must also have the option to withhold their consent to an agreement if their concerns are not adequately addressed.

4. Fairness under Rule of Law. Fairness requires that both the process and its substantive outcomes comport with shared principles of justice and equity. *Procedural* fairness requires that policies, rules and standards be developed and enforced in impartial and predictable ways, and that processes of representation, decision-making and enforcement are clear, mandatory and internally consistent. *Substantive* fairness requires that the distribution of costs, benefits and risks from policy outcomes are just and equitable.

5. Accountability. Accountability implies that decision-makers must answer for their actions and, depending on the answer, be exposed to potential sanctions. Accountability mechanisms allow citizens to control the behaviour of government officials and representatives to whom they have delegated public power. Effective accountability mechanisms require compliance and enforcement.

Compliance involves evaluating the actions of decision-makers against clear standards that are based on publicly accepted norms. These include both procedural standards (regarding transparency, inclusiveness, etc.) and standards for assessing outcomes (e.g., on poverty reduction, social equity, and human rights). *Enforcement* involves imposing sanctions for failing to comply with those standards.

The consistent application of these principles to all strategic and operational decision-making processes would help to structure fairer, more deliberative, and more responsive decision-making processes that can better reconcile competing interests and visions of the public good. As such, they would help the Bank to realize better, more sustainable development outcomes, and to improve its legitimacy in the eyes of citizens who seek to influence its decision-making. To do so, they must be applied in ways that can redress the profound inequities of voice, access and political power between different interests in development debates. If they are applied in this

way, they can be powerful tools to enhancing the capacity of poor and marginalized people to influence the decisions that affect their lives. If they are not, they are unlikely to significantly improve development outcomes.

INSTITUTIONAL IMPEDIMENTS TO PARTICIPATORY DECISION-MAKING

Like most large and complex bureaucracies, the World Bank has multiple and competing organizational cultures and incentive structures. These organizational cultures and staff incentives help explain why the Bank has so often failed to translate its stated commitment to participation into more inclusive decision-making. In particular, there is an incompatibility between short-term incentives and long-term objectives within the Bank. The dominant organizational cultures and more immediate incentives reward staff for quick appraisal and disbursement, and decision-making based on technical expertise rather than collaborative problem-solving. Meanwhile, the countervailing incentives for more meaningful participatory decision-making—reducing reputational risk and increasing development effectiveness—are more diffuse and long-term. The result is a set of organizational incentives and expectations that devalue participatory decision-making. Thus, public voice and accountability are subordinated to satisfying the demands of borrower and donor governments, minimizing overhead, and moving loans through the approval process in an expeditious manner. Ultimately, these organizational imperatives can lead the Bank to value public engagement, more as a mechanism for gaining public approval for its decisions than for improving the quality of performance or empowering citizens to determine their own development destinies.

RECOMMENDATIONS

There are a number of specific actions that the World Bank should take to facilitate more meaningful public participation in decision-making. A number of specific recommendations for each set of experiences in the Recommendations section are available at the end of the report. We also call upon the Bank to integrate participation into its decision-making in four cross-cutting ways:

1. The World Bank should increase participation in its decision-making at each stage of the project/policy cycle. The project/policy cycle provides a structure for improving participation in Bank operations. In Section IV, we propose a framework for considering how each stage in this cycle can be informed by basic standards of participatory decision-making. This framework offers an approach to developing benchmarks for what good process requires at each stage of decision-making. The Bank should use it as a way to think comprehensively about how public participation and influence should be expanded at each stage of the cycle. Civil society organizations could also use it to: (a) assess in advance whether a proposed process meets their normative expectations, and therefore to help decide whether, or under what terms, to participate; and (b) evaluate processes to determine whether expectations and commitments were fulfilled.

2. The World Bank should establish mandatory minimum standards and improve staff incentives for consultation and participation. There is an overriding contradiction at the centre of the Bank's approach to public participation. On the one hand, Bank literature and policy statements are replete with testimonials to the importance of participation and empowerment to

achieving good development outcomes. However, on the other hand, the Bank has no required procedures for developing policy, and no clear minimum standards for soliciting or incorporating public inputs in its lending operations. Moreover, its internal incentive structures tend to subordinate participation to other considerations. As a result, public participation is usually *ad hoc* and discretionary, and the Bank generally only formalizes or requires it when forced to do so under external pressure.

The Bank should develop two sets of mandatory process-based participation standards. First, it should articulate a fixed administrative procedure for developing and revising Bank operational policies and strategies. Second, it should develop a set of minimum requirements for public involvement in different types of lending operations. Many bank staff objected that this second set of standards would be unworkable in practice, and could only result in “tick the box” requirements that would not enhance the quality of participation. We recognize that performance-based standards could be unnecessarily restrictive if they were to specify strict and uniform outputs without regard to country context (e.g., number and diversity of participants, length of engagement). Instead, we recommend process-based standards that require a commitment to continuous improvement through mechanisms of transparent review, stakeholder involvement, and organizational learning, but do not set rigid output requirements.

There is a wealth of Bank literature on how to implement high-quality, participatory decision-making throughout the Bank’s operations, and many Bank staff, at their own discretion, strive to follow best practice. As a result, there is an ample basis for crafting effective participation policies within the parameters of existing Bank practice. For example, the Latin America and Caribbean Region has articulated a formal strategy for civil society engagement. There is no reason why each region should not be required to develop its own strategy, subject to regular peer review and improvement based on systematic assessment of lessons learned.

To ensure that best practice becomes routine practice, the Bank should also revise its internal incentives for staff to improve participation through increased budgetary support, time allowances, capacity building and performance appraisals that reward quality participation.

3. The World Bank should improve the transparency of its governance and operations.

Transparency is, in many ways, the basis for participatory decision-making. Transparency enables people to participate meaningfully in public decision-making by providing them with the information they need to understand, evaluate, and influence the actions of decision-makers. While the World Bank has recently improved its information disclosure policies and practices, they still fall well short of international best practice.

4. The Bank should respect, and proactively seek to expand and protect, political space for democratic and participatory decision-making in national political processes.

The potential for democratic, participatory decision-making processes is much higher at the national and sub-national levels than in global public institutions, such as the World Bank. As a result, while it is essential for the Bank to increase participation in its own governance and operations, it is equally important for it to respect local democratic institutions and processes. In countries in which democratic spaces are limited, the Bank should facilitate the use of more inclusive and democratic domestic decision-making processes. While the Bank is (and should be) constrained

in the extent to which it can involve itself in domestic politics, there are a number of avenues for it to expand political space for affected people by: (a) minimizing conflicts between Bank operations and domestic democratic processes; (b) working with parliamentarians and a broad range of public agencies, and encouraging parliamentary review of loans; (c) identifying opportunities for expanding political space by, at a minimum, providing an assurance that decision-making will be transparent and participatory, particularly for those that are marginalized in the domestic political process and (d) assessing the political risks faced by those who participate in its consultation processes, and taking steps to ensure that they will not be punished as a consequence.

Large parts of the public no longer believe that their interests are represented in institutions such as the . . . World Bank . . . or that the institutions are adequately accountable for what they do.

—United Nations Development Programme, *Human Development Report 2002* (p. 112)

I INTRODUCTION

This discussion paper examines the interactions between the World Bank and civil society organizations that critically engage it at the global, national, and project levels. It was commissioned by the sixteen civil society organizations that are members of the World Bank – Civil Society Joint Facilitation Committee (JFC), and was prepared independently of the World Bank.¹ The JFC is an *ad hoc*, consultative body comprised of senior representatives of national and international civil society networks and World Bank management. It was established in October 2003 to facilitate a dialogue on how to make the World Bank more transparent, accountable, and responsive to public concerns. Its overall objective is to secure deeper and more meaningful opportunities for civil society to engage with the World Bank in its governance, operations, and policy development. The mandate of the JFC expires in May 2005 with the distribution of this paper.²

1. The Politics of Critical Engagement in an Era of Environmental and Social Retrenchment

The World Bank faces a crisis of legitimacy among large segments of the public in both Southern and Northern countries. The Bank, along with the International Monetary Fund (IMF), has long been accused of imposing stringent loan conditions on aid dependent countries—such as market liberalization, privatization of public goods and services, expanded industrial extraction of natural resources, and restrictions on spending on basic social services—that have severe social and economic impacts, and unduly constrain these countries’ ability to pursue their own development strategies. The Bank also has been accused of financing a number of projects that have profoundly negative environmental and social impacts, or that do little to alleviate poverty. Many citizens attribute these failures to the fact that the public does not have an adequate voice in Bank decision-making, and that the Bank is not sufficiently transparent, accountable, or responsive to public concerns. As a result, civil society interactions with the Bank are often a defensive struggle to hold the Bank accountable for the impacts of its projects and programs.

There is growing scepticism within civil society that the Bank is actually interested in, or responsive to, public inputs. Despite the Bank’s stated commitment to openness and

¹ The civil society members of the JFC had complete authority over the methodology and content of the paper. The World Bank’s involvement was limited to providing documents, information and perspectives as requested. The World Bank also contributed to the budget for the paper.

² For further information about the JFC, including its Terms of Reference, see: http://www.civicus.org/new/PG_world_bank-CSO_engagement.asp?c=FD8912

participation, many CSOs do not believe that the Bank has adequately considered their most important concerns or incorporated their recommendations into policy or project decision-making. For example, despite consistent public advocacy by CSOs for stronger and more comprehensive environmental and social policy standards, the Bank has sought to expand discretion on environmental and social issues, and to increasingly devolve responsibility of environmental and social outcomes to borrowing countries. Moreover, civil society's limited influence on policy-making appears to be waning as many within the Bank, including some of its senior leadership, increasingly question the legitimacy of civil society organizations and seek to refocus the Bank's attention on the preferences of its borrowers.³ Consequently, there is a deep cynicism among civil society participants who have been drawn into consultative processes with the implicit, but unfulfilled, promise that they can influence decision-making. Many have come to believe that the Bank continues to engage with the public mainly to defuse criticism and to increase the popular legitimacy of its decision-making.

Civil society organizations that focus on improving the environmental and social impacts of Bank lending have developed a range of different advocacy strategies to meet their objectives. For purposes of discussion, these strategies can be grouped into three categories—*principled non-engagement*, *selective engagement*, and *collaborative engagement*. In practice, however, the individual organizations often adopt hybrid approaches that defy easy categorization.⁴

Principled Non-Engagement. This category includes many CSOs in the global North and South that have come to see policy engagement as counterproductive, and thus choose not to engage in policy dialogue at all. Some, though not all, of these organizations would like to see the Bank abolished; as they do not believe that it can be reformed to the point where it will be a reliable agent for alleviating poverty and encouraging environmentally sustainable development.

Principled non-engagers make four main arguments in support of this strategy. First, they argue that the history of engagement on policy issues demonstrates that the Bank is fundamentally not interested in accommodating public concerns.⁵ They therefore believe that the minimal opportunity for improving policy language is not worth the price of allowing the Bank to claim unwarranted public legitimacy.⁶ Second, they see little point in debating policy minutiae that do not address their core concern, the Bank's adherence to a fundamentally flawed development paradigm.⁷ Third, they believe that decisions about the Bank's development paradigm are not actually made by the Bank, but rather by the United States Treasury and the other G7 Finance Ministries that control the Board. Discussing these issues with Bank officials, therefore, mistakenly focuses advocacy efforts on those that implement policy decisions, rather than those who make them. Finally, they believe that their limited time and resources are better spent elsewhere—on bearing public witness to the environmental and social harms that Bank policies

³ Sebastian Mallaby, *The World's Banker: A Story of Failed States, Financial Crises, and the Wealth and Poverty of Nations*. New York: Penguin Press, (2004).

⁴ Joseph Hanlon, "How Should South African Countries Deal With the World Bank" SANGOCO Briefing Paper, (1998), pp. 1-2; Stephanie Weinberg, "The Changing Terms of Engagement: A Survey of Washington-Based NGOs on Strategies to Challenge the International Financial Institutions and Corporate-led Globalization" (2003), pp. 6-7.

⁵ See, e.g. Freedom from Debt Coalition, "World Bank—International Finance Corporation Projects—Sinking the People into Deeper Poverty" (Nov. 3, 2004).

⁶ Weinberg (2003), pp. 9.

⁷ Jubilee South, "Pan-African Declaration on PRSPs: Poverty Reduction Strategy Papers: Structural Adjustment Programmes in Disguise" (May 2001); Freedom from Debt Coalition (2004).

have caused, and on building grassroots political movements that can effectively pressure Northern decision-makers and borrowing governments to adopt alternative development strategies.⁸

Selective Engagement. Many civil society organizations that advocate policy reform at the World Bank are willing to critically engage on a selective basis. They offer several reasons for doing so. Some groups have serious trepidation about engagement, but make a pragmatic determination that the risks of non-engagement exceed the risks of engagement. They recognize that their recent efforts have not produced outcomes that reflect their positions,⁹ and they appreciate that they may be conferring a patina of legitimacy on a process that does not actually allow for meaningful public influence. But they note that the outcomes of many recent engagements would have been significantly worse had civil society not raised objections.¹⁰ Given the broad scope of the Bank's influence in developing countries, they conclude that even relatively small or "less negative" changes in the Bank's behaviour can have profound impacts on those who are directly affected.¹¹ Moreover, some organizations that work closely with people that are affected by a specific policy feel compelled to engage when that policy is under review. For these groups, then, "to disengage is to abdicate." Finally, for some organizations such as labour unions, engagement is partly a matter of principle. They maintain that since the Bank is a public institution, the public has a right (even a duty) to insist that the Bank take their views seriously.

Selective engagers typically seek out targeted opportunities to prevail on contested issues, and use those victories as stepping stones to more transformative institutional change.¹² They also recognize that the Bank is not necessarily monolithic in its outlook, and that on many issues there may be a "war of ideas" being waged within the institution. By staking out firm positions, they hope to expand the political space for progressive internal voices to effect more fundamental change over time.

⁸ See e.g., Hanlon (1998); Weinberg (2003).

⁹ Bank Information Center (BIC), Bretton Woods Project, Campagna per la Riforma della Banca Mondiale, Third World Network, "60 Years Of The World Bank and The International Monetary Fund: Civil Society Strategy Meeting Summary Report," prepared by the co-organizers of the Penang Conference (January 2004), p.3.

¹⁰ See e.g., Shannon Lawrence, "Retreat from the Safeguard Policies: Recent Trends Undermining Social and Environmental Accountability at the World Bank," Environmental Defense (January 2005); Bank Information Center (BIC) and Center for International Environmental Law (CIEL), "Country Systems Approach to World Bank Social and Environmental Safeguards: Concerns and Challenges," (December 1, 2004), http://www.bicusa.org/bicusa/issues/misc_resources/1775.php; Environmental Defense, Friends of the Earth and International Rivers Network, "Gambling with People's Lives: What the World Bank's New 'High-Risk/High-Reward' Strategy Means for the Poor and the Environment," *Global Policy Forum* (September 2003).

¹¹ Jonathan A. Fox and L. David Brown, eds., *The Struggle for Accountability: The World Bank, NGOs and Grassroots Movements*, Cambridge, MA: MIT Press (1998), p. 2.

¹² John Clark, *Democratizing Development: The Role of Voluntary Organizations*, London: Earthscan (1991), p.140.

The World Bank is a public institution that works with public money. There is therefore not only a right, but a duty, to engage with the World Bank to try to take back an institution that belongs to the public. People tend to think of the [Bank] as being outside ourselves, but its not.

—Latin American civil society leader, interview 29 January 2005.

We interact with the Bank regularly. We believe that only dialogues can we resolve differences in order to achieve the same development goals. We do not choose non-engagement because it would be against our faith-based value of respect and dignity for each other.

—Anonymous respondent to on-line survey

Collaborative Engagement. Organizations in this category take a more “collaborative” approach to engagement. These organizations tend to focus more on substantive research and policy analysis than overt political advocacy.¹³ They cultivate long-term relationships with management and staff, and seek to influence policy development by providing external advice on issues in which they have developed substantive expertise.

2. The Perspective of the JFC-CSOs

The civil society members of the Joint Facilitation Committee have primarily used *selective* or *collaborative* engagement strategies to affect changes in Bank policies and operations. Accordingly, this paper focuses on these kinds of engagements. By focusing our discussion on critical engagement with the Bank, however, we do not mean to suggest that engagement is always appropriate or desirable. Rather, we recognize that direct public pressure, including non-violent public protests and grassroots mobilization, is a legitimate and often effective means of democratic political expression. We also do not intend to suggest that organizations should focus on the Bank as a primary target of their advocacy efforts. Many organizations will view the Bank as peripheral to their struggle for broader systemic change, and will continue to focus on other approaches, such as local resistance and innovation, deepening democracy and improving policies at the national level, or strengthening or creating other global governance institutions as agents of progressive change.¹⁴ Such strategy decisions are highly contextual, and must be taken by individual organizations based upon their resources, competencies, constituency preferences, and political opportunities or constraints. Those organizations that do choose to engage the Bank directly should fully understand the potential risks and opportunities of doing so. We hope that this paper can help inform these strategic decisions.

3. Overview of the Report

Because civil society perspectives on Bank engagement vary considerably, it would be impossible to articulate a “consensus civil society position” on these issues. This paper does not attempt to reconcile the diverse, multifaceted, and at times even contradictory, perspectives of civil society organizations that seek to reform the Bank or influence its decision-making. Rather,

¹³ Weinberg (2003), pp. 13-14.

¹⁴ Jonathan Fox, “Introduction: Framing the Inspection Panel,” in Dana Clark, Jonathan Fox, and Kay Treacle, *Demanding Accountability: Civil Society Claims and the World Bank Inspection Panel*, (2003), p. xvii.

it represents the opinions and analyses of the civil society organizations on the JFC. The paper has three main objectives. First, it examines recent engagements between the World Bank and civil society organizations and identifies some of the major issues and challenges that have emerged in those relations. Second, it proposes a set of principles and a framework for thinking about how to expand and deepen the opportunities for meaningful public participation in all stages of Bank decision-making. And third, it uses the framework to propose a set of recommendations for improving Bank practice for consideration by the World Bank's management and Board.

The paper is divided into six sections. Section II describes how broad trends in both international politics and development thinking converge to create an imperative for the Bank to adopt a more participatory approach to decision-making. It argues that the proliferation of democratic governance at the national level, and the growing recognition that affected people should have a direct voice in framing and implementing development strategies, provide a strong moral and pragmatic basis for more participatory development decision-making. In Section III, we argue that the Bank's governance structure does not provide sufficient opportunities for affected people to express their preferences and influence Board-level decision-making. In Section IV, we examine recent World Bank-civil society engagements at the global, national, and project levels, to assess whether public actually has had meaningful opportunities to participate in Bank decision-making at the operational level. We find that there is a wide gulf between the Bank's stated commitment to participation, and its actual decision-making practices, and that public complaints about participation have been remarkably consistent at each of these levels of engagement.

Section V draws on these experiences with Bank operations to argue that public criticisms have generally corresponded with five core principles of participatory decision-making—transparency, inclusiveness, quality of deliberation, fairness, and accountability. It contends that public participation would be far more consistent and meaningful if these principles informed decision-making at every stage of the Bank's project and policy-making cycles. It therefore proposes a framework for thinking about how to integrate these principles into all stages of the Bank decision-making. Section VI describes the broader structural constraints and staff incentives that have impeded more meaningful participation in decision-making, and that need to be addressed if participation is to improve going forward. Finally, section VII provides a set of recommendations for Bank management and the Board to consider.

This report was drafted by two independent researchers commissioned by the civil society members of the JFC, from December 2004 to April 2005.¹⁵ It draws upon several group consultations and focus groups with CSOs, and over fifty interviews with members of civil society, the World Bank, and academics. It also relies heavily on secondary materials, including an extensive body of studies and reviews already conducted by CSOs, the World Bank, and academics.¹⁶ In particular, the researchers carefully considered the Bank's recent paper entitled "Issues and Options for Improving Engagement between the World Bank and Civil Society

¹⁵ The researchers are Steve Herz and Alnoor Ebrahim. Steve Herz is a lawyer who specializes in the environmental and social policies of international institutions. Alnoor Ebrahim is an associate professor at Virginia Polytechnic Institute and State University and is co-director of the Institute for Governance and Accountabilities.

¹⁶ See Appendix A for additional details on the methodology.

Organizations.”¹⁷ The two papers reach many similar conclusions regarding the state of World Bank-civil society relations, but are quite different in focus and recommendations. The Bank’s Issues and Options paper looks primarily at how to improve internal Bank mechanisms for providing support and advice to staff and management for engaging with civil society. This discussion paper, however, focuses more on how to expand and deepen the opportunities for meaningful public participation in all stages of Bank decision-making.

¹⁷ World Bank, “Issues and Options for Improving Engagement Between the World Bank and Civil Society Organization,” External Affairs, Communications and United Nations Affairs, Environmentally and Socially Sustainable Development Network, Operations Policy and Country Services Network (March, 2005a).

II THE CASE FOR PARTICIPATORY DECISION-MAKING AT THE WORLD BANK

The World Bank's status as a public development organization entails a dual imperative to pluralize its decision-making processes. First, as a public institution, the Bank has an obligation to make decisions in accordance with contemporary standards of participatory and democratic governance and public administration. Second, to be effective as a development institution, the Bank must be inclusive, responsive and accountable in its decision-making, since participation not only improves development outcomes, but also is itself a constitutive part of human development.

1. The Democratic Imperative for a Public Institution

Over the past several decades, democracy has proliferated at the national level to the point where more people, and more countries, are now ruled by democratically elected governments than ever before.¹⁸ Democratic governance, in all of its forms, has become the uncontested benchmark of political legitimacy; there are no longer any respectable alternatives.¹⁹

Although democracy has become the litmus test of acceptable governance at the national level, it has had limited influence on governance at the global level. International organizations lack inclusive mechanisms for identifying and deliberating the public interest, and cannot persuasively claim to derive their authority from the consent of affected populations.²⁰ Instead, most international institutions continue to be governed under the old Westphalian system, in which sovereign governments are assumed to be the only legitimate representatives of their people. Thus, many international organizations, including the World Bank, claim their democratic legitimacy from the representation of their member states in their governance structures.

But the traditional Westphalian system of international politics is breaking down. While national governments still play a central role in articulating and representing the interests of their citizens, and will continue to do so for the foreseeable future, it can no longer be credibly argued that they are the *exclusive* representatives of their people on the international stage.²¹ As democratic standards have become the benchmark against which citizens evaluate their national governments, citizens are increasingly insisting on the same kind of openness, responsiveness and accountability from international institutions. As a result, democracy has now assumed a place in the public's imagination alongside sovereignty as a guiding principle of global

¹⁸ Freedom House, "Democracy's Century: A Survey of Global Political Change in the 20th Century," (1999), <http://www.freedomhouse.org/reports/century.pdf>; United Nations Development Program (UNDP), *Human Development Report 2002: Deepening Democracy in a Fragmented World*, (2002), p. 1.

¹⁹ Fareed Zakaria, "The Rise of Illiberal Democracy," *Foreign Affairs* (Nov./Dec. 1997).

²⁰ Scholte (2002), p. 7; Gerald Karl Helleiner, "Markets, Politics and Globalization: Can the Global Economy be Civilized?" Paper presented at the Palais des Nations: 10th Raúl Prebisch Lecture, Geneva, Switzerland, (11 December 2000).

²¹ Benedict Kingsbury, Nico Krisch and Richard Stewart, "The Emergence of Global Administrative Law," *International Law and Justice Working Paper* 2004/1, Institute for International Law and Justice, New York University School of Law (2004), p. 13. ("In our view, international lawyers can no longer credibly argue that there are no real democracy or legitimacy deficits in global administrative governance because global regulatory bodies answer to states, and the governments of those states answer to their voters and courts.")

governance.²² To earn public confidence and legitimacy, global governance institutions must therefore provide opportunities for multiple actors to play a role in articulating the best interests and judgments of the public.²³ This requires that they engage the public directly, and that they are responsive and accountable to public concerns.

Moreover, the old view of exclusive state representation is no longer consistent with the actual practice of global governance.²⁴ As citizens have become more aware of how decisions that are made by international institutions can affect their lives and livelihoods, they have become increasingly assertive about influencing international decision-making.²⁵ Through non-governmental organizations, social movements, and other voluntary advocacy associations, they have placed issues of pressing concern on the global agenda—including climate change, human rights, gender equity, AIDS, and debt relief—and have mobilized public opinion to demand that they are adequately addressed.²⁶ And when these issues have not been adequately addressed, citizens have expressed their dissatisfaction with how their governments are representing them, and have contested their governments' claims to retain the exclusive authority to articulate public interests in multilateral forums.²⁷

As the public increasingly expects that democratic principles will inform international as well as national decision-making, the pressure on international institutions to increase public participation in their decision-making will only rise. Indeed, most, if not all public international institutions have been forced to at least begin to re-align their decision-making with these expectations.²⁸ The Bank, no less than these other institutions, must meet this challenge, or it will find it increasingly difficult to earn public support for its policies and programs, and its effectiveness, relevance and legitimacy will suffer accordingly.²⁹

2. The Democratic Imperative for a Development Institution

In addition to the imperative to democratize decision-making for a public institution, the Bank also has an imperative to pluralize and democratize as a development institution. Development is no longer viewed as a primarily top-down, government driven endeavour. Rather, there is now a broad recognition that development initiatives are more likely to be sustainable and effective if they are based upon affected people's own analyses of the problems they face and the

²² Boutros Boutros-Ghali, "Democracy: A Newly Recognized Imperative," *Global Governance* (1995).

²³ Andrew Kuper, *Democracy Beyond Borders: Justice and Representation in Global Institutions*. Oxford: Oxford University Press, (2004), p. 165.

²⁴ Jessica T. Mathews, "Power Shift," *Foreign Affairs* (1997), 76(1): 50; United Nations Commission on Global Governance, "Our Global Neighborhood" (1995), p. 6; Myres S. McDougal et al., *Human Rights and World Public Order: The Basic Policies of an International Law of Human Dignity*. New Haven: Yale University Press (1980).

²⁵ United Nations, Report of the Panel of Eminent Persons on United Nations–Civil Society Relations, "We the Peoples: Civil Society, the United Nations and Global Governance," (June 2004) p. 26.

²⁶ *Ibid.*, pp. 8, 24.

²⁷ A. R. O'Brien, et al, *Contesting Global Governance: Multilateral Economic Institutions and Global Social Movements*, Cambridge: Cambridge University Press (2000): 3.

²⁸ See e.g. United Nations. Report of the Panel of Eminent Persons on United Nations–Civil Society Relations, "We the Peoples: Civil Society, the United Nations and Global Governance," (June 2004); Asian Development Bank, "The Public Communications Policy of the Asian Development Bank: Disclosure and Exchange of Information" (December 2004); European Investment Bank, "Transparency—Report and Proposals" (2004).

²⁹ Richard Falk and Andrew Strauss, "Toward Global Parliament," *Foreign Affairs*, (2001), vol. 80, issue 1, p. 220.

appropriate solutions.³⁰ Thus, the Brundtland Commission concluded that “securing effective citizen participation in decision-making” is one of the main prerequisites of sustainable development.

Increased public participation in decision-making advances human development in two important ways. First, it significantly improves development effectiveness. The World Bank has consistently found a high correlation between the extent and quality of public participation and overall project quality.³¹ Moreover, democratic participation and accountability have also been shown to be critical in enabling societies to avert catastrophes such as war and famines, by providing governments with the information and political incentives necessary to avoid them.³² With respect to environmental decision-making, Principle 10 of the Rio Declaration on Environment and Development, adopted by 178 countries, recognized the importance of transparency, participation, and access to mechanisms of redress and accountability in effective environmental decision-making.³³

Second, increasing people’s ability to participate in public decision-making is also a constitutive component of development.³⁴ Development is now understood to be a multidimensional challenge that is broader than alleviating income poverty.³⁵ It includes improving the capacity of the poor to exercise voice and political power to gain equitable access to resources and opportunities, and to defend their rights and interests in the political process.³⁶ As the World Bank has recognized, empowering the poor to influence the decisions that will affect their lives is therefore a critical dimension of development.³⁷ This requires that the poor must be able to express their interests, and to impose sanctions on decision-makers that fail to respond effectively to those interests.³⁸

³⁰ Clark (1991), p. 89; Jane G. Covey, “Critical Cooperation? Influencing the World Bank,” in Fox and Brown (1998), p. 87.

³¹ See, e.g., World Bank “Annual Review of Development Effectiveness.” Operations Evaluation Department (OED) (2002a); World Bank, “World Bank Civil Society Progress Report 2000/2001,” (2001c); World Bank, “Assessing Aid: What Works, What Doesn’t and Why,” (1999a); World Bank “Quality at Entry in CY99—QAG Assessment.” Quality Assessment Group (QAG) (2000d); World Bank, *The World Bank Participation Source Book*. Washington DC (1996).

³² Amartya Sen, *Development as Freedom*. New York: Alfred A. Knopf (1999), pp. 51, 180-181; Peter Singer, *One World*, New Haven, CT: Yale University Press (2002), p. 132.

³³ United Nations Conference on Environment and Development (UNCED), “Rio Declaration on Environment and Development” paper presented at the United Nations Conference on Environment and Development in Rio de Janeiro, Brazil, June 3-14 (1992).

³⁴ Sen (1999), pp. 5; UNDP (2002), p. 1.

³⁵ Daniel D. Bratlow, “Development Decision-making and the Content of International Development Law, 27 B.C.” *Int’l and Comp. L.R.* 195 (2004), p. 207.

³⁶ Deepa Narayan, *Voices of the Poor: Can Anyone Hear Us? Voices from 47 Countries*. Washington, DC: World Bank, (1999), pp. 7, 12.

³⁷ World Bank. “Empowerment and Poverty Reduction: A Sourcebook.” Draft. Poverty Reduction and Economic Management (PREM), (May 1, 2002b), p. vi; see also Rosemary McGee and Andy Norton, “Participation in Poverty Reduction Strategies: Synthesis of Experience with Participatory Approaches to Policy Design, Implementation and Monitoring,” *IDS Working Paper* No. 109, (2000), p. 68.

³⁸ World Bank. *World Development Report 2004: Making Services Work for Poor People*. Washington, DC (2004e), p. 79.

3. Participation and Empowerment in World Bank Decision-Making

The democratic and development imperatives require that the Bank adopt a more participatory approach to decision-making. As the Bank has noted, participation in decision-making does not mean merely being consulted. Rather, it is “a process through which stakeholders influence and share control over development initiatives and the decisions and resources which affect them.”³⁹ This is particularly important for the poor and other marginalized groups. Since they often have limited capabilities and opportunities to influence decisions, they must be empowered in the decision-making process if their participation is to be meaningful.⁴⁰ Empowerment, according to the Bank, requires “the expansion of assets and capabilities of poor people to participate in, negotiate with, influence, control, and hold accountable institutions that affect their lives.”⁴¹ To be empowering, then, participatory mechanisms must address unequal power relations in a way that transfers decision-making authority, and the ability to hold other decision-makers accountable, to those who will be affected by the decisions.⁴²

Currently, when the Bank involves the public in its decision-making, it is almost always in non-empowering ways—by informing the public of its decisions, or by consulting them as an input to its decisions. It rarely uses more empowering participatory mechanisms, in which decision-making authority is shared with, or transferred to, those who will be affected.⁴³ To fulfil its imperatives as a public development institution, the Bank must therefore be much more attentive to expanding space for the poor to control their own destiny wherever possible.

³⁹ World Bank, *The World Bank Participation Sourcebook*. Environmentally Sustainable Development. Washington, DC (1996), available at <http://www.worldbank.org/wbi/sourcebook/sb0100.htm>

⁴⁰ World Bank (2002b), p. 11.

⁴¹ Ibid, p. vi.

⁴² Critical observers have dismissed participation without power as a “new tyranny” in which “the sham of participation translates into the sham of accountability.” Bill Cooke and Uma Kothari (eds) (2001) *Participation: The New Tyranny?*, London and New York: Zed Books; see also Adil Najam ‘NGO Accountability: A Conceptual Framework’, *Development Policy Review*, (1996), vol. 14, pp. 346-7.

⁴³ The Bank distinguishes between four levels of participation. Information dissemination involves a one-way flow of information from the Bank or governments to intended beneficiaries; Consultation involves a two-way flow of information, such as through participatory assessments and consultative meetings; Collaboration involves a shared control over decision-making; and, Empowerment involves a transfer of control over decisions and resources. See World Bank (1996).

III PUBLIC PARTICIPATION, REPRESENTATION AND ACCOUNTABILITY IN INSTITUTIONAL GOVERNANCE

The governance structure of the World Bank is based upon a corporate model, in which member government shareholders are represented by a Board of Governors. The Governors meet once a year, and delegate responsibility for supervising day to day operations to a Board of Executive Directors (the Board). Voting power on these Boards is apportioned based on member governments' ownership share in the institution. Public voice and accountability is secured indirectly through state representation. In principle, management and staff are accountable to the member states through their board representatives, who, in turn, are accountable to their citizens.

The World Bank's governance model has been widely criticized as being inconsistent with the basic tenets of democratic and accountable decision-making. Many critics, including governments, civil society organizations, other international institutions, academics and Bank staff have observed that the Bank is not sufficiently representative, transparent, open to public participation, or accountable to those who are affected by its operations.⁴⁴ The following are eight primary criticisms of the Bank's governance model.

1. Affected citizens have few opportunities to directly influence Board decision-making.

Opportunities for the public to directly petition the Board are quite limited. Meaningful public engagement with the Board is inhibited by the fact that the Board meets behind closed doors. Often, the public does not know the substance of what the Board is discussing, because many critical loan documents are disclosed only after the Board has approved them. Moreover, the Board rarely seeks to interact with the public directly by, for example, holding informal public hearings to hear testimony or to discuss policy options, or by conducting fact finding missions.⁴⁵

2. Representation of affected people is compromised by the disproportionate allocation of voting shares to donor countries. For citizens in borrowing countries to be fairly and effectively represented by their Executive Directors, those Directors must have a meaningful voice in institutional governance. Presently, however, borrowing countries have a disproportionately small voice in the governance of the Bank. Voting shares are supposed to be apportioned to each member country roughly in accordance with the size of its economy. Even if this worked properly, it would be problematic from the perspective of fair and democratic representation, because it disenfranchises those with the greatest interest in Board decision-making. But in reality, the formula for allocating voting shares underestimates the size of developing economies, and therefore affords them a diminished opportunity to influence decision-making.⁴⁶ The weighted voting system decidedly favors the major donor governments,

⁴⁴ See e.g., UNDP (2002), p. 112; Aldo Calieri and Frank Schroeder, "Reform Proposals for the Governance Structures of the International Financial Institutions: A New Rules for Global Finance Briefing Paper," paper prepared for New Rules. Org (2003), p. 4; Bretton Woods Project, "Open Statement on Steps to Democratize the World Bank and IMF, 97 signatories" (April 1, 2003) [http://brettonwoodsproject.org/article.shtml?cmd\[126\]=x-126-16202](http://brettonwoodsproject.org/article.shtml?cmd[126]=x-126-16202); Ngaire Woods, "Unelected Government: Making the IMF and World Bank More Accountable," *Brookings Review* (March 2003), p. 2.

⁴⁵ One notable exception is discussed in Daniel Bradlow, "Lessons from the NGO Campaign Against the Second Review of the World Bank Inspection Panel: A Participant's Perspective," 7 *ILSA J Int'l and Comp L* 247 (2001a).

⁴⁶ United Nations. "World Economic Situation and Prospects 2005" (2005), p. 72; Joseph S. Nye, et al. *The Democracy Deficit in the Global Economy: Enhancing the Legitimacy and Accountability of Global Institutions*, Washington, DC: Trilateral Commission (2003), pp. 67-68; Stephany Griffith-Jones, "Governance of the World Bank," Department for International

particularly the United States. The G-7 countries control about 43 percent of the voting shares, with the United States alone controlling about 16 percent.⁴⁷ Meanwhile, the voting rights of many poor borrowing countries are so small as to be essentially symbolic. For example, the 46 sub-Saharan African countries have a combined voting share of only about 5.4 percent.⁴⁸

The disparity in voting power between developed and developing countries allows the G-7 countries, particularly the United States, to effectively set the agenda and control the broad policy directions of the institution. As a result, the favoured policy prescriptions of the donor countries tend to become enshrined as orthodoxy, while “home-grown” solutions that may be more appropriate in specific political or cultural contexts are often rejected as not “politically feasible.”⁴⁹ This creates a substantial moral hazard problem--since the donor countries that wield the most voting power do not borrow from the Bank, they are not accountable to citizens that are affected by their decisions.⁵⁰ The separation of decision-making power from political accountability allows donor governments to govern the institution in accordance with their own domestic political interests.⁵¹ After all, as Ann Florini has observed, “[g]overnments, answerable only to domestic electorates, face few incentives to act for the benefit of someone else’s constituency.”⁵²

The governments of the world have recognized that equitable voice and effective participation of developing countries in international economic decision-making is critical to legitimacy, relevance and effectiveness.⁵³ Thus, the Heads of State that gathered in Monterrey in 2002 to address the problems of development finance stressed “...the need to broaden and strengthen the participation of developing countries and economies in transition in international economic decision-making and norm setting,” and specifically called on the World Bank to enhance participation of all developing and transition countries in their governance.⁵⁴ The Board of Governors has begun to consider various options to improve the voice and representation of developing countries, but little progress has been made so far.⁵⁵

3. Representation of affected people is also compromised by the inequitable allocation of Executive Director seats. The Board is comprised of only twenty-four Executive Directors to represent all 184 member countries. This means that many countries must share representation. Eight of the most powerful countries are represented by their own Executive Directors, while the

Development (DfID), United Kingdom (undated); Emerging Markets Eminent Persons Group (EMEPG), “*Rebuilding the International Financial Architecture*” (October 2001), p. 44.

⁴⁷ Based upon voting shares at the IBRD.

⁴⁸ World Bank, Annual Report, Washington, DC (2004a).

⁴⁹ Didier Jacobs, “Democratizing Global Economic Governance” paper presented at the Alternatives to Neo-liberalism Conference sponsored by the New Rules for Global Finance Coalition, May 23-24, (2002), p. 2; Daniel Bradlow, “Stuffing new wine into old bottles: the Troubling case of the IMF,” *J. International Banking Regulation* (2001b), p. 18; Nancy Birdsall, “Why It Matters Who Runs the IMF and the World Bank” Center for Global Development, (October 2003), p. 12.

⁵⁰ Bradlow (2001b), p.18.

⁵¹ Bradlow (2001b), p.18.

⁵² Ann Florini, *The Coming Democracy*, Washington, DC: Island Press (2003), p. 14.

⁵³ United Nations, (2005), p. 72.

⁵⁴ International Conference on Financing for Development. “Monterrey Consensus,” Final Outcome of the International Conference on Financing for Development, adopted on 22 March (2002), para. 62.

⁵⁵ World Bank and International Monetary Fund Development Committee, “Voice and Participation of Developing and Transition Countries: Progress Reports” (September 2004b).

remaining 176 countries are grouped into 16 constituencies of 4-24 countries each.⁵⁶ Those constituencies that include both donor and borrowing countries are almost always represented by an official from a donor country.⁵⁷

The constituency system is problematic in several important ways. First, most borrowing countries are not represented by an official of their own government, and therefore do not have a direct voice in Board decision-making. Instead, they are represented by Directors who are not politically accountable to them, and who therefore may be tempted to neglect their interests in favour of those of their own governments.⁵⁸ Second, constituent representatives are unlikely to be able to advance the interests of all of their members as effectively as a Director that represents only one country.⁵⁹ Constituencies often include a diverse collection of member countries that are lumped together by only the loosest historical, geographical, or cultural ties. Constituent Executive Directors are elected for two year terms—a tenure that is far too short to develop an appreciation of the specific development challenges, and the disparate political economies and cultures in which those challenges must be met, for each of these countries. It is also far too short to learn to be effective in advancing the interests of the constituent governments within the political culture of the Bank.⁶⁰ Thus, the Executive Director that represents 24 sub-Saharan countries for a two-year period can not possibly be as effective for all these countries as the United States Executive Director, who represents one country, and is appointed for an indefinite term.⁶¹

4. Representation of affected people is further diluted by the United States’ prerogative to name the Bank’s President. The informal arrangement in which the President is selected by, and therefore accountable to, the United States greatly enhances American power within the institution.⁶² Because the President has considerable discretion in shaping the institution’s agenda, rules and processes, the United States’ prerogative to name the President means that it actually wields much greater power than its voting shares would suggest. This prerogative has been widely derided by governments, international organizations, academics, civil society critics, and many within the institutions as being impossible to reconcile with basic principles democratic governance.⁶³ Thus, in 2001, joint World Bank-IMF working group called for a meritocratic selection process open to qualified candidates of any nationality.⁶⁴ The most recent Presidential selection process has brought these concerns to the fore, as many have decried the

⁵⁶ These are the United States, France, Germany, Japan, the United Kingdom, Russia, Saudi Arabia and China.

⁵⁷ Calieri and Schroeder (2003), p. 4. For example, all Eastern European borrowing countries are represented by a Western European Executive Director.

⁵⁸ Ngarie Woods, “Structural Adjustment for the IMF: Options for Reforming the IMF Governance Structure,” (2001), p. 6. Calieri and Schroeder (2003), p. 4.

⁵⁹ For an analogous argument regarding the governance of the IMF, see Bradlow (2001a), p. 1.

⁶⁰ Bradlow (2001a), pp. 17; Calieri and Schroeder (2003), p. 5.

⁶¹ The expression was used by the Deputy Secretary of the U.S. Treasury. Lawrence Summers, Remarks to the Senate Foreign Relations Subcommittee on International Economic Policy and Export/Trade Promotion, January 27, 1999.

⁶² Devesh Kapur, “The Changing Anatomy of Governance of the World Bank,” in Jonathan R. Pincus and Jeffrey A. Winters (eds), *Reinventing the World Bank*. Ithaca: Cornell University Press (2002), p. 60.

⁶³ UNDP (2002), p. 113; Bretton Woods Project (2003); International Financial Institutions (IFI) Democracy Coalition, “Democratizing the World Bank and IMF: Statement of the IFI Democracy Coalition” endorsed by over 50 NGOs (Feb 10, 2005); EMEPG (2001), p. 43; Financial Times, “World Bank Transparency Plea” (February 3, 2005).

⁶⁴ World Bank and International Monetary Fund, “The Bank Working Group to Review the Process for Selection of the President, Draft Joint Report” (2001).

undemocratic selection process, and fear that the incoming President will seek to more closely align the Bank's agenda with the geopolitical interests of the United States.⁶⁵

5. Accountability to affected people is undermined by the often perfunctory Board oversight of management and staff. Most Executive Directors do not have the time to closely scrutinize or take nuanced positions on the wide array of papers, policies, and project proposals that management places before them. At best, they can consider them in only a highly selective manner.⁶⁶ Management and staff exploit these capacity constraints by inundating the Board with far more paperwork than they can effectively review, particularly during the "bunching season" at the end of the fiscal year. Moreover, management and staff seldom divulge internal policy disagreements to the Board, preferring instead to present a unified front in Board discussions. As a result, the Board is deprived of the opportunity to participate in these debates, or to hear and consider the alternative views of those whose arguments did not prevail within the organization.⁶⁷ As a result, once an issue is placed before the Board, its approval is all but assured.

Representatives of borrowing governments are particularly disadvantaged by the balance of power between management and the Executive Directors. They often lack the kind of analytical support from parent ministries that helps donor Executive Directors to stay on top of the complex issues before them.⁶⁸ Moreover, because Executive Directors that represent constituencies are rotated frequently, they have little time to master the issues before they are replaced. These Executive Directors are further disadvantaged by the widespread perception that Board approval is merely a ratification of decisions that have already been made by management in consultation with most powerful members, and that efforts to exercise influence are therefore rather futile.⁶⁹

6. The Bank's accountability to affected citizens is also undermined by weaknesses in transparency, representativeness and accountability of Executive Directors to citizens within borrowing countries. For most of the world's citizens, the chances of holding their representatives accountable are vanishingly small. For one thing, public accountability of Executive Directors is significantly impaired by Board secrecy.⁷⁰ But even if Board deliberations were more transparent, it would still be difficult for citizens to determine how they were being represented, since decisions are usually made by consensus without formal votes being taken.⁷¹ While individual directors are free to explain to their constituencies how they voted and why,

⁶⁵ See e.g., Robert Hunter Wade, Wolfowitz the Pawn in Global Games, *The Guardian* (April 1, 2005)

⁶⁶ Richard Gerster, "Accountability of the Executive Directors of the Bretton Woods Institutions," Swiss Coalition of Development Organizations (1993), p. 4; Kapur (2002), p. 59; Woods (2003), p. 7.

⁶⁷ World Bank, "Report of the Ad Hoc Committee on Board Procedures" Washington DC (May 26, 1992b).

⁶⁸ Woods (2003), p. 2.

⁶⁹ Woods (2003), p. 2; For similar concerns raised by Executive Directors at the IMF, see International Monetary Fund (IMF), "External Evaluation of IMF Surveillance Report by a Group of Independent Experts" (1999), p. 34.

⁷⁰ Transcripts of meetings and summaries of Board discussions are not made public. Recent changes to the disclosure policy, however, allow for names of Executive Directors who wish to be recorded as abstaining from a vote or objecting (and thus the names of those who supported a decision may be inferred). They also allow Board minutes to be disclosed after approval by the Board, but members can redact any material prior to release. See World Bank. "World Bank Disclosure Policy: Additional Issues: Follow-Up Consolidated Report (Revised)." Operations Policy and Country Services, (February 14, 2005c), p. 4.

⁷¹ While consensus decision-making would appear at first blush to neutralize the differences in voting power between the Directors, in practice it reinforces them without requiring that power to be explicitly invoked. Consensus does not require unanimity, but reflects the Chairman's "sense of the meeting," which is determined by the voting power of those who express their support or opposition to a given outcome. Birdsall (2003).

few are required or choose to do so, on a routine basis. Since votes are usually not taken, and since records of those votes and the deliberations that preceded them are not publicized, citizens simply do not know how their Executive Directors are representing them. Without this basic information, citizens have no way to hold their Executive Directors to account.⁷²

Even if citizens were apprised of how they were being represented, the lines of accountability between Executive Directors and citizens are so tenuous that citizens have no way to ensure that their interests are represented, or to hold the Executive Directors accountable where they are not. First, there is nothing that citizens in one country can reasonably do to hold an Executive Director from another country accountable for his or her actions. Moreover, many member states are not representative democracies, and are thus not accountable to their own people. Even in those member countries that are democratic, the political distances between the public, their elected representatives, and those who represent their interests on the Board stretch the lines of accountability beyond their breaking points.⁷³

7. Representation of affected people is further compromised by the fact that finance and development ministries of member states dominate decision-making. Although the World Bank is supposed to be the agent of its member states, it is in effect administered by a “club” of officials that represent only a narrow spectrum of the political apparatus of its member states—the finance and development ministries.⁷⁴ Thus, the Bank is governed by “parts of governments working with similar parts of other governments,” but excluding other, more democratically responsive, parts of their own governments.⁷⁵

Representation by narrow and relatively unaccountable departments of the government raises serious questions about whether the broader public interest, or the interests of other constituencies are being adequately represented.⁷⁶ In particular, citizens concerned about issues that have little to do with the authority or expertise of the finance ministries—such as poverty reduction, health care, human rights, gender equality or the environment—are not likely to enjoy responsive and accountable representation through this arrangement.

8. There are no mechanisms of “horizontal” accountability through which states or citizens can hold the Bank to account. At the State level, governments typically bolster public accountability through a rubric of institutional checks and balances in which certain branches or agencies of government are empowered to oversee and sanction others.⁷⁷ But no such

⁷² Caliari and Schroeder (2003).

⁷³ Nye et al (2003), p. 4. Conversely, in many aid dependent countries, short and taut lines of accountability may run from government ministries back to the Bank, since the potential sanction of withdrawal of Bank support may be a stronger political incentive than any that the public or parliament can bring to bear. Anne Marie Goetz and Rob Jenkins, “Voice, Accountability and Human Development: The Emergence of a New Agenda,” Background Paper for the Human Development Report 2002, (2001), p. 6.

⁷⁴ Robert O. Keohane and Joseph S. Nye, “The Club Model of Multilateral Cooperation and Problems of Democratic Legitimacy,” in Roger B. Porter, Pierre Sauv  , Arvind Subramanian, and Americo Beviglia Zampetti, (eds) *Efficiency, Equity, and Legitimacy: The Multilateral Trading System at the Millennium*, Washington, DC: Brookings Institution (2001).

⁷⁵ Nye et al (2003), p. 4.

⁷⁶ Birdsall (2003), p. 18.

⁷⁷ Goetz and Jenkins (2001): 7; Ruth W. Grant and Robert O. Keohane, “Accountability and Abuses of Power in World Politics,” *International Law and Justice Working Paper* 2004/7, Institute for International Law and Justice, New York University School of Law (2004), p. 3.

mechanisms exist at the international level to constrain Bank decision-making by force of law or threat of sanction.⁷⁸

Each of the potential mechanisms of horizontal accountability—the United Nations, the World Court, and international human rights courts and tribunals—is inadequate. Of these, the United Nations would appear to be the most promising, since the Bank is a Specialized Agency of the UN. However, the Relationship Agreement between the UN and the Bank specifically precludes the UN from involvement in the Bank’s discretionary decision-making with respect to its lending operations.⁷⁹

The World Court is also unavailable as an accountability mechanism, because only states can bring cases before it.⁸⁰ Also, the Bank’s Articles of Agreement preclude member states from bringing legal action against the Bank.⁸¹ Finally, international human rights law as applied by courts and tribunals has so far proved equally unavailing. The Bank has its Charter prohibition on interfering in the “political affairs” of its member countries limits how it can consider international human rights conventions.⁸² While civil society and academic observers have sharply and persuasively criticized this argument, and the Bank may be rethinking this position, no court has yet addressed the parameters of the Bank’s human rights obligations.⁸³

⁷⁸ See, International Law Association, “Final Report of the Committee on the Accountability of International Organizations to the Berlin Conference,” (2004), p. 31; Joseph Oloka-Onyango and Deepika Udagama, “U.N. Sub-Commission on the Promotion and Protection of Human Rights, Globalization and its Impact on the Full Enjoyment of Human Rights” (Aug. 2001).

⁷⁹ Agreement Between the United Nations and the International Bank for Reconstruction and Development (IBRD), art. IV(3) 16 U.N.T.S 346 (1948).

⁸⁰ Statute of the International Court of Justice, art. 34(1) (1945).

⁸¹ IBRD, Articles of Agreement, art VII(3). World Bank loan and credit agreements do include arbitration provisions, but they have never been invoked.

⁸² Ibrahim F.I. Shihata, “Issues of Governance in Borrowing Members and the Extent of their Relevance Under the Articles of Agreement” unpublished memorandum of the Vice President and General Counsel of the World Bank, (Dec. 21, 1991); Ibrahim F.I. Shihata, “Human Rights, Development, and International Financial Institutions,” *American University Journal of International Law and Policy* 27, 28 (1992).

⁸³ Daniel D. Bradlow, “The World Bank, the IMF, and Human Rights,” *Transnational Law and Contemporary Problems* 47 (1996); F. MacKay, “Universal Rights or a Universe unto Itself? Indigenous Peoples’ Human Rights and the World Bank’s Draft Operational Policy 4.10 on Indigenous Peoples,” *American University International Law Review*, Volume 17 (2002); Also see International Law Association (2004), p. 31

IV CIVIL SOCIETY EXPERIENCES IN PAST CONSULTATIVE PROCESSES

Over the last decade, the World Bank has responded only partially and incrementally to the recognition that more participatory decision-making is essential for the legitimacy and effectiveness of an international development institution. As a result, large and growing segments of the public do not believe that their interests are being represented in the Bank, or that the Bank is accountable to those who are affected by its operations.⁸⁴ This section reviews the experiences of civil society organizations at the global, national, and project-level that have generated this crisis of legitimacy.

1. Participation in Global Policy Reviews

Since the 1980s, civil society organizations have mounted sustained advocacy campaigns to hold the Bank accountable for the negative environmental and social impacts of its operations.⁸⁵ These campaigns have been successful in forcing the Bank to consider the negative impacts of its lending operations, and to adopt a set of “safeguard policies” on sensitive issues such as environmental impacts, involuntary resettlement, and the impacts on indigenous peoples.⁸⁶ For civil society organizations and affected peoples, these policies have become the touchstone of the Bank’s accountability for the impacts of its projects. They represent normative commitments by the Bank regarding the planning processes and development outcomes that it will require for a project or program to be eligible to receive its support. They also establish minimum standards regarding how the rights and interests of locally affected communities will be protected, and provide some assurances that the costs of Bank-financed projects will not be disproportionately borne by vulnerable members of society or their environment. Some of the safeguard policies, including the Environmental Assessment, Indigenous Peoples, and Involuntary Resettlement Policies, also provide minimum guarantees that local communities will have the opportunity to participate in decisions that affect them.

Over the past several years, the Bank has revised several of its most important environmental and social safeguard policies, including Resettlement, Indigenous Peoples, and Forests. It has also conducted strategic reviews of some of its most controversial lending practices—including structural adjustment lending and support for extractive industry and large dam projects. Additionally, the World Bank has recently conducted consultations around its proposed country systems strategy, and IFC is undertaking a public review of its approach to social and environmental safeguards.

Each of these processes has included a significant public consultation component. This reflects the World Bank’s recognition that these review processes would not be considered to be legitimate or methodologically rigorous unless they included the perspectives of affected

⁸⁴ UNDP (2002), p. 112.

⁸⁵ Fox and Brown (1998), p. 2.

⁸⁶ The ten safeguard policies are: OP/BP 4.01 *Environmental Assessment*, OP/BP 4.04 *Natural Habitats*, OP 4.09 *Pest Management*, OP/BP 4.12 *Involuntary Resettlement*, OD 4.20 *Indigenous Peoples*, OP 4.36 *Forestry*, OP/BP 4.37 *Safety of Dams*, OPN 11.03 *Cultural Property*, OP/BP 7.50 *Projects on International Waterways*, OP/BP 7.60 *Projects in Disputed Areas*.

stakeholders.⁸⁷ This is an important advance over its approach in earlier generations of policy revisions, in which transparency and public input were far more circumscribed. Despite this improved access, civil society's efforts to influence policy development continue to be impeded in a number of important ways. This section describes the different mechanisms that the World Bank has used to revise its policies and sector strategies, and reviews the principal obstacles that participants have experienced in influencing global policy development in each type of review.

Three approaches to structuring policy reviews

Because the Bank does not have clear and mandatory protocols for designing consultative processes, it must create mechanisms on an *ad hoc* basis. Recent efforts have employed three different approaches to evaluating and revising global policies and strategies—*unilateral*, *independent*, and *collaborative*. These approaches are distinguished by the extent to which the Bank retains the authority to structure the nature and timing of the public consultation process and to evaluate public inputs. In all three approaches, however, the Bank remains the final arbiter of how those inputs will influence policy outcomes.

In the *unilateral* approach, public consultations are almost entirely Bank-structured. Bank staff devise the format and timing of public inputs, convenes the public consultations, and evaluates public inputs. This mechanism is by far the most common, and most of the recent policy revision processes, including the Forestry, Resettlement, Indigenous Peoples, and IFC Safeguards policy reviews, and the consultations around the Country Systems proposal, have employed this approach.

By contrast, the *independent* approach relies upon external experts or stakeholders to drive the process and formulate recommendations. In the World Commission on Dams (WCD), for example, the World Bank and the World Conservation Union (IUCN) established an independent panel of civil society, government, and industry experts to conduct a global review of development effectiveness of large dams.⁸⁸ Similarly, in the Extractive Industries Review (EIR), the Bank commissioned an “Eminent Person” to conduct an external review of the development impacts of the Bank's project and policy interventions in extractive industries.⁸⁹

Under the *collaborative* approach, the Bank and its key stakeholders share responsibility in structuring the review and assessing its outcomes. The Structural Adjustment Participatory Review Initiative (SAPRI) was conceived as a collaborative review, in which the World Bank, civil society organizations, and government officials would agree upon research approaches and participation procedures, and jointly assess the impacts of structural adjustment.⁹⁰

⁸⁷ Mariam Sherman, “Skills Enhancement and Team Building: Forest Policy Implementation Review and Strategy Consultation Process” Social Development Department, World Bank (April 2001), p. 4.

⁸⁸ World Commission on Dams, *Dams and Development: a New Framework for Decision-Making*. London: Earthscan. (2000). Available at www.dams.org. Although the World Commission on Dams was not limited in its mandate to World Bank projects or policies, it is relevant here because it grew out of concern with World Bank support of large dam projects, was commissioned in part by the Bank, and was widely expected by participants to inform the World Bank's support for large dams going forward.

⁸⁹ World Bank, “Striking a Better Balance: The World Bank Group and Extractive Industries,” World Bank Extractive Industries Review (2003c).

⁹⁰ Development GAP, *Structural Adjustment: The SAPRI Report. The Policy Roots of Economic Crisis, Poverty and Inequality*. London: Zed Books (2004).

1.1 Civil society organizations do not believe that their most important concerns have been adequately considered or incorporated. Civil society organizations recognize that the member governments of the World Bank have the final authority to define the operational policies of the institution, and that meaningful public participation does not imply the power to dictate policy outcomes. However, civil society participants in each of these processes have complained that the Bank has not adequately considered their most important concerns or incorporated their recommendations into its policy decisions. Indeed, there is a growing sense that despite the fact that CSOs have consistently called on the Bank to strengthen and expand its environmental and social standards, the Bank increasingly views these policies as a costly impediment to lending, and that the overall trajectory of Bank policy-making is toward relaxing minimum standards. As a result, many organizations have come to believe that these consultations are not being conducted in good faith—that while the World Bank is willing to go through the motions of public consultations to bolster its legitimacy, it is far less willing to seriously consider public inputs and incorporate them into its policy-making.

Civil society concerns have been subordinated in different ways in each type of policy review process. They have generally given the independent and collaborative reviews high marks for considering their priorities and for developing policy recommendations that thoughtfully address them.⁹¹ Yet in each case, the Bank has failed to adjust significantly its policy framework in response to the review’s findings or recommendations. For example, the Bank has refused to commit to the WCD guidelines for developing large dam projects.⁹² Instead, the Bank has agreed only to assist governments and project developers to “test” the recommendations in their projects.⁹³ Similarly, after accepting much of the background research in the SAPRI review, the Bank terminated its involvement and has not revised its policies in accordance with the findings.⁹⁴ Finally, while civil society groups believed that the Eminent Person’s recommendations in the EIR broadly reflected their concerns, the Bank agreed to adopt only a limited set of second-order or diluted recommendations.⁹⁵

Many organizations believe that the Bank has been similarly unresponsive to their concerns in policy revisions conducted unilaterally.⁹⁶ In these reviews, the civil society organizations have frequently objected that, far from addressing their most pressing concerns, the Bank has used the opportunity to lower the standards embodied in the existing policy.⁹⁷

⁹¹ For civil society reactions to the WCD see Aviva Imhof, Susanne Wong, and Peter Bosshard, “Citizen’s Guide to the World Commission on Dams” International Rivers Network (2002); Navroz K. Dubash, Mairi Dupar, Smitu Kothari, and Tundu Lissu, *A Watershed in Global Governance? An Independent Assessment of the World Commission on Dams*, World Resources Institute, Lokayan, and Lawyer’s Environmental Action Team. (2001); Forest People’s Programme submission to JFC, p. 12, Appendix F. For civil society reactions to the EIR see Bank Information Center, et. al, “A Civil Society Analysis of the World Bank’s Response to the Extractive Industries Review” (2004). See generally, Lawrence (2005).

⁹² This is despite the fact that a growing number of international organizations, governments, financial institutions and private-sector actors have agreed to do so. Lawrence (2005), p. 8.

⁹³ World Bank, “The World Bank Position on the Report of the World Commission on Dams” (2001d).

⁹⁴ Development GAP (2004), pp. 23-24. For its part, the Bank maintains that the findings of the SAPRI review did influence its approach to poverty and social impact assessment and PRSP instruments. See World Bank, “World Bank-Civil Society Engagement: Review of Fiscal Years 2002-2004” (2005b), p. 3.

⁹⁵ See, Forest People’s Programme submission to JFC, p. 12, Appendix F.

⁹⁶ Forest People’s Programme submission to JFC, p. 6, Appendix F.

⁹⁷ Letter from 113 NGOs from 35 Countries to World Bank President, James D. Wolfensohn, Dec 10, 1997 (Forest policy); Letter from Center for International Environmental Law and International Rivers Network on behalf of 158 other organizations and individuals to James Wolfensohn, February 21, 2001, <http://www.ciel.org/Ifi/wbresttleletter.html> (resettlement policy), Letter from 186 international civil society organizations to Executive Directors regarding World Bank Safeguard Policies (Country

It is not a question of how many consultation meetings the Bank has carried out. It is a question of whether or not indigenous peoples who took part in those meetings feel that they have enjoyed proper participation and to what extent they consider that their concerns are being addressed in the revised policy.

—Indigenous leader, cited in Forest People's Programme submission, Indigenous Peoples and the World Bank: Experiences with Participation, (Appendix F), p. 8.

1.2 Public input often is not solicited until after internal consensus on key issues has been reached. Some policy consultations have been initiated only *after* agreement between management and the Board has already been reached on key issues.⁹⁸ This is the result of two aspects of internal decision-making: (1) management's desire to have adequate space for internal reflection and deliberation; and (2) the Board's insistence on approving draft policies before they are placed in the public domain. Management and the Board are clearly entitled to have the opportunity to flesh out issues and develop initiatives internally. However, the current requirement of prior Board approval of management proposals limits the depth and breadth of acceptable civil society input, and turns public consultations primarily into efforts to obtain public validation for decisions that have already been taken.⁹⁹

1.3 The Bank has not been clear about the range of issues that are under consideration. The Bank rarely articulates what it hopes to achieve from a proposed consultative process. In particular, it seldom clarifies which issues are, and are not, open for consideration, or what policy options are "politically feasible."

This failure to make the parameters of the consultation clear early on violates basic tenets of participatory and collaborative decision-making.¹⁰⁰ It has also falsely raised expectations about what could be achieved through engagement.¹⁰¹ This has been a particular issue in "collaborative" and "independent" reviews, in which there is greater latitude for deliberations and recommendations to depart from established Bank orthodoxies. For example, the outcomes of the WCD and SAPRI appear to have so thoroughly transgressed the unspoken boundaries of political feasibility that the Bank distanced itself from the processes and refused to explicitly adopt any of their conclusions or recommendations.¹⁰² The EIR also appears to have exceeded its political constraints in similar, but more limited ways. In the EIR, civil society participants and the independent Eminent Person believed that the review was to consider the threshold question of whether extractive industries investments were an appropriate vehicle for achieving the

systems); BIC and CIEL, Country Systems Approach to World Bank Social and Environmental Safeguards: Concerns and Challenges, http://www.bicusa.org/bicusa/issues/misc_resources/1775.php

⁹⁸ World Bank, (2005a), p. 16.

⁹⁹ Bruce Jenkins and Jen Kalafut, "Comments on 'Issues and Options for Improving Engagement Between the World Bank and Civil Society Organizations: A Discussion Paper'" draft, Bank Information Center, (October 24, 2003), pp. 3-4.

¹⁰⁰ Barbara Gray, *Collaborating: Finding Common Ground for Multiparty Problems*. San Francisco: Jossey-Bass, (1989); Lawrence Susskind, Sarah McKernan, and Jennifer Thomas-Larmer, (eds.) *Consensus Building Handbook: A Comprehensive Guide to Reaching Agreement*, Thousand Oaks, CA: Sage Publications. (1999).

¹⁰¹ Forest People's Programme submission to JFC, pp. 5-6, 9, Appendix F.

¹⁰² Letter from Former Commissioners of World Commission on Dams to James Wolfensohn, (July 12, 2002); Development GAP (2004), pp. 23-25; World Bank (2005a), p. 17.

Bank's mission of poverty alleviation through sustainable development.¹⁰³ The Bank, however, was only prepared to consider a narrower set of recommendations on how to improve existing operations. As a result, the Eminent Person's recommendation that the Bank phase out certain operations was rejected by both management and the Board.¹⁰⁴

In other policy revision processes, the Bank has defined the issues at stake more narrowly than was appropriate. For example, in the Resettlement and Indigenous Peoples policy revision processes, the Bank originally sought to avoid holding extensive public consultations by maintaining that only to the format of the policy, not the substance, was under review. Only after stakeholders were able to demonstrate to key decision-makers on the Board, and in senior management, that the proposed revisions would significantly affect the substance of the policies, were processes put in place to solicit public input.¹⁰⁵

The lack of clarity about the range of issues under consideration has engendered deep scepticism about the Bank's sincerity in soliciting public inputs. Many participants have come to believe that the Bank intentionally exploits ambiguity in the parameters of its reviews to suit its interests.

1.4 The public often has had limited input into setting the scope and agenda for these reviews. Civil society organizations often have had little opportunity to contribute to defining the parameters of a review, or conducting the background research that will help to frame the substantive agenda. Here again, there have been marked differences between the collaborative and independent reviews on the one hand, and the unilateral reviews on the other. The WCD and SAPRI, in particular, were noteworthy in their inclusive approaches to identifying and answering the basic research questions that would inform the policy options.¹⁰⁶

By contrast, in the unilateral approach to conducting consultations, management and staff usually define the underlying research parameters of the review. Typically, these reviews begin with an internal evaluation of recent Bank experience conducted by the Operations Evaluation Department.¹⁰⁷ These evaluations tend to rely heavily on World Bank documentation of past experiences.¹⁰⁸ Background research priorities are rarely developed in a participatory or collaborative manner, and independent research to complement OED's work is rarely, if ever, commissioned. Moreover, public consultations typically do not begin until after management and staff have developed a draft revision of the policy. As a result, the Bank's unilateral approach to

¹⁰³ World Bank (2003c), p.3.

¹⁰⁴ BIC et. al (2004).

¹⁰⁵ BIC, "Quality Not Quantity: Lessons Learned from Consultations on the World Bank's Draft Indigenous Peoples Policy" (March 2004). Letter from Center for International Environmental Law (CIEL) and International Rivers Network on behalf of 158 other organizations and individuals to James Wolfensohn, (February 21, 2001). Available at <http://www.ciel.org/Ifi/wbresttleletter.html>

¹⁰⁶ Dubash et al., (2001), pp. 53-57; Development GAP, (2004), p. 7. The EIR was less participatory in this regard. For example, it commissioned only a small number of independent research projects, and did not convene an advisory group to help identify critical issues until the drafting stage of the process. See, Friends of the Earth, "The World Bank Extractive Industries Review: A Midterm Assessment," Friends of the Earth US (2002); Forest People's Programme submission to JFC, p. 10, Appendix F.

¹⁰⁷ This was the practice in the Forestry, Resettlement, and Indigenous Peoples policies reviews, and in the review of the World Bank's lending to large-dam projects that ultimately generated the World Commission on Dams. A similar process occurred with IFC's review of its Safeguard Policies, which began with a study by the Compliance Advisor Ombudsman under its "advisory" mandate. These studies usually include participatory elements in their research methodologies, but rarely at the agenda setting stage.

¹⁰⁸ This is not to disparage the independence or rigor of OED work, which is widely acknowledged.

policy revision allows little space for participatory or collaborative identification of policy challenges to be addressed in the review process. Just as crucially, it fails to establish a shared base of information on which all parties can agree to move forward.¹⁰⁹

1.5 Limited civil society participation in the design of these reviews has caused them to get bogged down in disputes over process. Global policy reviews have almost invariably begun with an imbroglio between civil society and the Bank over the structure and process of the review, for two interrelated reasons. First, since the Bank has no mandatory requirements for whether, or how to, conduct a consultative process, the terms of engagement must be re-established each time. Second, although the Bank's Consultation Guidelines recognize that civil society organizations should have a role in designing the consultation process, the Bank has rarely tried to develop the framework for a given consultation in a collaborative way.¹¹⁰ In the absence of rules that provide minimum procedural guarantees or negotiated agreements on acceptable mechanisms, process fights are all but inevitable.

The design of consultations has been particularly contentious in processes in which the Bank has taken a unilateral approach. For example, many civil society organizations boycotted the first stage of IFC's Safeguard Policy review because they believed that the duration of the consultation period, and the lack of clarity on how feedback on drafts would be provided and incorporated, foreclosed meaningful opportunities to influence outcomes.¹¹¹ Similarly, the Resettlement and Indigenous Peoples policy revision processes both began with protracted disputes over procedural issues such as whether there would be public consultations, how they would be structured, and how long the consultation process would last. The Bank made limited efforts to include civil society perspectives into the structure of the Forest Policy review, by inviting one civil society organization to assist in designing the consultation process. This approach also resulted in controversy. However, many organizations objected that it was not sufficiently inclusive, and that it set up the assisting organization to play an inappropriate gatekeeper role in the process. These concerns took six months to resolve.¹¹²

Independent reviews have not been immune to such controversies. There, the question has been whether the external reviewers would be sufficiently balanced and independent of the Bank to ensure a fair process. For example, in the multi-stakeholder negotiations around the creation of the WCD, the question of whether dam-affected people would be represented on the commission was highly contentious and nearly led to the collapse of the discussions.¹¹³ In the EIR, civil society organizations had no voice in the threshold decision of who would lead the review. While they did not seriously challenge this exclusion, they did raise a set of concerns about whether the Eminent Person and his staff would have sufficient independence from the Bank. Only after the Eminent Person himself took affirmative action to assert his independence was a civil society renunciation of the process averted.

¹⁰⁹ This process is typically referred to as "joint information search" or "joint fact-finding" in the negotiation literature (Gray (1989), p. 57).

¹¹⁰ World Bank. "Consultations with Civil Society Organizations: General Guidelines for World Bank Staff." Washington, DC (2000a).

¹¹¹ See civil society statements at www.grrr-now.org.

¹¹² Sherman (2001), p. 7.

¹¹³ Imhof, et al (2002), p. 6; Forest People's Programme submission to JFC, pp. 9-10, Appendix F.

SAPRI may be the only process that avoided significant disputes over the initial structuring of the review process.¹¹⁴ SAPRI's success in developing a work plan for public outreach that was acceptable to all stakeholders is attributable to the fact that the principle of collaborative design was adopted at the outset of the SAPRI process.¹¹⁵

1.6 Many public consultations meetings have been implemented in a rushed, ad hoc, or unprofessional manner. Both civil society and the Bank have identified a number of deficiencies in the conduct of consultative meetings that compromise the quality of the public input and deliberations.¹¹⁶

Some of the problems have been logistical. Consultations have been poorly planned and under funded.¹¹⁷ Participants have not always been notified of the consultation far enough in advance of the meeting to educate themselves on the issues, strategize with colleagues and constituents, or prepare their contributions.¹¹⁸ Moreover, the meetings themselves have sometimes been too short and insufficiently iterative to allow for meaningful exchange of ideas, reflection, or learning.¹¹⁹

Participants have also expressed dissatisfaction with the dissemination of background information. Key Bank documents have often been distributed to participants too late for them to digest their import before the consultations.¹²⁰ Translation of critical documents has been a consistent problem that has plagued nearly all the reviews.¹²¹

Finally, civil society organizations have sometimes found Bank participants to be arrogant, excessively defensive, or closed minded in their interactions. Too often, Bank staff have not been willing to listen to different perspectives or to re-evaluate approaches.

Collectively, these practices bespeak a lack of seriousness in engaging with civil society organizations, or in seeking to benefit from their experience and expertise. Civil society recognizes that consultations are time consuming, labour intensive, and logistically challenging to arrange. But they suspect that when the Bank is truly serious about consultations, as when it solicits the views of donor governments, many of the challenges that beset civil society consultations are addressed and resolved. That public consultations are continually plagued by these deficiencies leads many to conclude that they are simply not a priority, and that Bank views the public as a less important stakeholder.

¹¹⁴ The SAPRI Report explains that "a mutually respectful relationship developed between the SAPRI Secretariat and the Bank counterpart, in its Policy Research Department that allowed the professional organization of the initiative during the project-preparation stage." Development GAP (2004), p. 23.

¹¹⁵ Despite this promising start, substantial disagreements over methodologies and conclusions developed over time, and the collaborative nature of the process ultimately degenerated into mutual distrust and recrimination.

¹¹⁶ World Bank (2005a), pp. 16-17; Forest People's Programme submission to JFC, pp. 5-6, Appendix F.

¹¹⁷ Ibid, pp. 15-16.

¹¹⁸ BIC (2004). Civil society organizations that were invited to participate in some IFC Safeguard Review Process consultations have raised similar complaints; Forest People's Programme submission to JFC, p. 6, Appendix F.

¹¹⁹ Ibid.

¹²⁰ Sherman (2001), p. 10; BIC (2004); Letter from Sanjay Basu Mallick et.al to James Wolfensohn on December 14, 2004 (outlining complaints of Indian civil society organizations with organization of Country Systems consultation). Participants have also reported that this was a problem during the EIR consultations.

¹²¹ BIC (2004). International Rivers Network (2002),p. 6. This was also reported to be a problem in the EIR consultations.

1.7 The Bank has failed to honour some of the commitments that it has made to stakeholders during the course of review processes. One of civil society organizations' most persistent and penetrating complaints is that the Bank seems to consider the commitments that it makes to stakeholders during the course of its policy dialogues to be provisional. In particular, participants have expressed deep frustration with the Bank's failure to follow through on commitments with respect to issues of overriding importance to them. Two examples illustrate the problem. First, in the Indigenous People's policy review, senior management promised indigenous leaders that they would convene a "legal roundtable", in which lawyers representing indigenous peoples and attorneys in the General Counsel's office could discuss the Bank's obligations to indigenous peoples under international law. The Bank, however, delayed acting on this commitment for a year and a half, and when the Bank finally did make its lawyers available, they refused to discuss the central question of Bank obligations under international law.¹²²

Second, in the Forest Policy review, there was a broad consensus among many stakeholders that the new Forest Policy should address the indirect impacts of adjustment and programmatic lending on forests.¹²³ Bank management declined to address the issue, assuring civil society (and the Board) that these impacts would be addressed in the upcoming review of the structural adjustment policy. Specifically, management promised that it would revise the structural adjustment policy to include a "transparent mechanism for systematically addressing the environmental aspects, including in particular possible forestry impacts."¹²⁴ While the new policy does address forest impacts, it is neither transparent nor systematic—it fails to specify minimum standards to ensure that adequate environmental assessments will be conducted, or that identified impacts will be mitigated.¹²⁵

1.8 The Bank does not provide adequate feedback to inform participants how their inputs have influenced policy development. Participants expect to be informed about how their inputs have influenced outcomes. Where contributions are not adopted, they expect clear reasons for why other policy options were pursued. Such feedback mechanisms demonstrate respect for participants, introduce greater transparency into decision-making, and provide assurances that inputs have been meaningfully considered. However, Bank review processes have not consistently utilized feedback mechanisms to allow participants to understand how their insights and expertise have informed policy outcomes. The Bank's failure to explain how public inputs inform policy making feeds the widespread perception that public inputs do not have a significant influence on policy.¹²⁶

¹²² Forest People's Programme submission to JFC, pp. 8, 13, Appendix F.

¹²³ Letter from World Rainforest Movement, Forest Peoples Programme and Environmental Defense (USA) On behalf of 47 International NGOs to James Wolfensohn June 28, 2004; Letter from 113 NGOs from 35 Countries to World Bank President, James D. Wolfensohn, Dec 10, 1997.

¹²⁴ World Bank, "Revised Forest Strategy for the World Bank Group: Management Response to Executive Director's Comments and Suggestions," (October 2002e), p. 4.

¹²⁵ World Bank, Operational Policy 8.60: Development Policy Lending (August 2004c), para 11. For a discussion see Bruce Jenkins and Heike Mainhardt Gibbs (undated), BIC Comments on Draft OP 8.60 "Development Policy Lending, at www.bicusa.org/bicusa/issues/BIC_comments_8.601.pdf

¹²⁶ World Bank (2005a), p.16.

The Bank often listens to the opinion of the workers and employers, but does not state the objectives for its visits and follow-up activities. The World Bank appears with questions, without explaining what will happen in the future.

—Labor Union leader, Macedonia Report of CSO Consultation in the Republic of Macedonia on World Bank-Civil Society Engagement (Appendix C), p.13.

Civil society organizations have identified two feedback mechanisms as being especially important, though not uniformly employed. The first involves the distribution of iterative drafts for comment prior to Board review. This allows participants to comment on how inputs have been adopted before final decisions are taken.¹²⁷ The second mechanism is a matrix that compiles all comments and explains how each input was addressed in the policy revision, or why it was not accepted.¹²⁸ This mechanism, which was used by the Bank in its recent “Issues and Options” paper for improving relations with civil society, appears to be gaining greater currency within the Bank.¹²⁹

Conclusion

It is difficult to underestimate the debilitating impact these policy experiences have had on the World Bank’s credibility as an institution that is willing to listen and learn from its constituents. Cynicism and disillusionment have flourished in the space between the promise of meaningful participation and the perception of minimal influence. For many organizations that repeatedly engage the World Bank on policy issues, these global consultative processes are iconic, and tend to define CSOs perceptions of whether their engagement in a proposed consultation process is likely to be useful or not. Thus, the decision of whether or not to devote organizational resources to a Bank consultation is often considered, in the first instance, by reference to past negative experiences. The threshold question that those who are considering engagement in a World Bank policy consultation almost invariably ask is, “How will this process be any more productive than the WCD, the EIR, etc.?” Moreover, these experiences are cumulative and self-reinforcing, in that disillusionment in one process can engender wariness or even principled disengagement in subsequent processes.

2. PARTICIPATION IN NATIONAL POLICYMAKING THROUGH PRSPs

The Poverty Reduction Strategy Papers (PRSPs) were adopted by the World Bank and IMF in 1999 as part of a new framework for development assistance to low-income countries. The PRSPs are supposed to be country-authored documents built on broad-based public consultations. They are not only foundational documents for setting country-level poverty reduction strategies, but they also are intended to serve as a basis for subsequent lending and resources from the World Bank and IMF. At the IMF, PRSPs are supposed to inform

¹²⁷ IFC’s reluctance to produce such an “indicative draft” prior to Board review has been the source of significant frustration in the ongoing Safeguards Policy review. BIC (2004).

¹²⁸ World Bank (2000a), p. 11; BIC (2004).

¹²⁹ World Bank, (2005a), p. 50.

concessional lending decisions through the Poverty Reduction and Growth Facility (PRGF).¹³⁰ At the World Bank, the PRSPs are supposed to serve as a basis for developing the Country Assistance Strategy (CAS),¹³¹ and to guide both development policy lending (i.e., structural adjustment) and investment lending (i.e. projects). An “Initial PRSP” is required for all countries seeking debt relief through the Heavily Indebted Poor Countries (HIPC) Initiative.

As of mid-2004, 42 countries had completed full PRSPs and had commenced implementing their strategies for poverty reduction. An additional 11 countries had developed Initial PRSPs.¹³² World Bank, IMF, and independent reviews of these experiences have been remarkably consistent in identifying factors that have constrained the ability of the public to influence the development of national poverty reduction strategies through the PRSP process.¹³³

CSOs at the consultation feel that there have been positive changes in the way the Bank relates with CSOs and much of this can be traced . . . [to] the launching of the Comprehensive Development Framework (CDF) as well as introduction of the Poverty Reduction Strategy Papers (PRSP).

The World Bank’s adoption of key concepts propounded by civil society, including the very concept of participation/civic engagement, in particular its support for Participatory Poverty Assessments (PPAs) and other participation aspects of Poverty Reduction Strategy papers (PRSPs) have gone a long way in building confidence and trust between the Bank and civil society. The support for CSOs to participate in key national policy forums such as the donor-Government annual meetings (the Consultative (CG) meetings), Public Expenditure Reviews, and invitations to annual meetings of the World Bank as well as special events usually around PRSPs were considered positively by CSOs.

—Report of CSO Consultation in Uganda on World Bank-Civil Society Engagement (Appendix C).

2.1 The successes of PRSPs are noteworthy. In many countries, PRSP consultation processes have helped draw together different NGOs, donors, and government officials and to harmonize their development priorities.¹³⁴ In the process, they have often improved relations between civil society and their governments.¹³⁵ By broadening and deepening civil society’s understanding of budget issues, PRSPs have also increased public scrutiny of public expenditure practices at the

¹³⁰ The PRGF was formerly the Enhanced Structural Adjustment Facility.

¹³¹ The PRSP is prepared by the borrower governments of IDA-eligible countries, whereas the CAS is prepared by Bank staff for every country. In principle, the CAS should be based on the PRSP. The Bank’s Executive Directors rely on the CAS for reviewing assistance.

¹³² World Bank and International Monetary Fund. “Poverty Reduction Strategy Papers—Progress in Implementation.” Prepared by the Staffs of the World Bank and the IMF, approved by Gobind Nankani (World Bank) and Mark Allen (IMF). (September 20, 2004a).

¹³³ These include assessments by World Vision, ActionAid, Oxfam, AFRODAD, ICFTU, Catholic Relief Services, Jubilee South, CIDSE and Caritas Internationalis, Christian Aid, and Save the Children, among others. Because our discussion here is limited to participation-related issues, we do not include numerous other important critiques raised by these organizations in their reports.

¹³⁴ Kel Currah, Matthew Andrews, Angela Wood and Haidy Ear-Dupuy, *Rough Diamond: PRSPs and the 60th Anniversary of the World Bank and IMF*. World Vision International (2004).

¹³⁵ Rick Rowden and Jane Ocaya Irama, “Rethinking Participation,” ActionAid USA / ActionAid Uganda Discussion Paper. Washington, DC: ActionAid International (April 2004), p. 3.

local and national levels.¹³⁶ These successes have led Oxfam International to conclude that “[i]n response to the question whether the PRSP represented the most open policy dialogue in their country to date, the uniform response . . . in virtually every country was a clear yes.”¹³⁷

Despite these positive impacts, PRSPs have failed to meaningfully engage civil society in a number of very important respects. Most importantly, many civil society organizations that have decried the impacts of structural adjustment lending had hoped that the PRSP processes would provide an opportunity for countries to reconsider the standard macroeconomic policy prescriptions that the World Bank and IMF require of aid dependent countries in their policy lending. So far, however, these issues have generally not been addressed. The World Bank’s Operations Evaluation Department has found that PRSP consultations are often unclear in their objectives, causing “incompatible expectations among stakeholders.” OED has also found that civil society organizations often see consultations as having “only limited impact on the design of PRSPs or on domestic policy and that participatory activities have sometimes waned once the PRSP was formulated.”¹³⁸ Below, we identify several weaknesses in PRSPs that will need to be addressed in order to foster more meaningful public participation.

2.2 The policy debate has usually excluded issues of macroeconomic policy, human rights, and gender equity. Two key principles underlying the PRSPs are that they are to be “*comprehensive* in recognizing the multi-dimensional nature of poverty” and that they are to be based on “a *long-term perspective* for poverty reduction.”¹³⁹ Yet most PRSPs have not considered the full range of issues or policy options required for poverty reduction.¹⁴⁰ In particular, macroeconomic policy, human rights, and gender issues have generally been excluded from the discussion.

PRSP consultations are supposed to include discussions of macroeconomic policy issues such as growth and inflation targets, and fiscal, monetary, and structural policy options.¹⁴¹ The IMF’s Independent Evaluation Office has noted, however, that in practice “[t]he PRS process has had limited impact in generating meaningful discussions, outside the narrow official circle, of alternative policy options with respect to the macroeconomic framework and macro-relevant structural reforms.”¹⁴² Fiscal and monetary policy, trade and labour policy (including job creation strategies), financial liberalization and privatization, land reform, domestic/public investment, and foreign investment regulation have typically been excluded from the deliberations.¹⁴³ In cases where Millennium Development Goals have been incorporated into

¹³⁶ Ibid.

¹³⁷ Oxfam International, “From ‘Donorship’ to Ownership? Moving Towards PRSP Round Two” Oxfam Briefing Paper 51 (2004), p. 6.

¹³⁸ World Bank. *The Poverty Reduction Strategy Initiative: An Independent Evaluation of the World Bank’s Support Through 2003*. Operations Evaluation Department (OED) (2004d), pp. xiv-xv.

¹³⁹ World Bank. (2004d), p. 3.

¹⁴⁰ Ibid, pp. xv.

¹⁴¹ International Monetary Fund (IMF) “PRGF Fact sheet.” Poverty Reduction and Growth Facility. (March 2001).

¹⁴² International Monetary Fund (IMF). *Evaluation of the IMF’s role in Poverty Reduction Strategy Papers and Poverty Reduction and Growth Facility*. Prepared by a team headed by David Goldsbrough. Independent Evaluation Office (IEO). Washington, DC: IMF, (2004), p. 3.

¹⁴³ International Monetary Fund (IMF) and The World Bank. “Review of the Poverty Reduction Strategy Approach (PRSP): Early Experience with Interim PRSPs and Full PRSPs” (March 2002); Rowden and Irama. (2004); see especially the report’s annex, which lays out key questions to consider in each of these areas of policy debate. Forest People’s Programme submission to JFC, p. 18, Appendix F.

PRSPs, these have tended to focus on education and health, but without sufficient attention to how the macroeconomic framework would be adjusted to achieve those goals,¹⁴⁴ or its potential inconsistencies with poverty reduction goals.¹⁴⁵ Thus, an independent review of PRSPs in ten African countries found that, “PRSPs make the assumption that the macroeconomic framework ... is consistent with poverty reduction. However, all ten country reports highlight the disjuncture between macroeconomic policies of [existing structural adjustment programs] and PRSP objectives.”¹⁴⁶ Many observers have attributed governments’ unwillingness to discuss alternative economic policy options to the governments’ understanding that they must propose policy responses that are consistent with the World Bank and IMF’s orthodox development paradigm to ensure eligibility for HIPC relief and other donor support.¹⁴⁷

We have seen the Bank change its public discourse and rhetoric over the years, but the underlying economic model and their approach to loans and projects has remained constant. The problem, from our perspective as an organization that works to improve the lives and women and girls globally, is that the World Bank’s activities actually have harmful impacts on women and regress women’s rights and gender equality, not simply that they ignore gender issues.

Proof of the effectiveness of engagement by women’s rights and gender equality advocates would be an engendered set of Bank policies and an investment portfolio that promotes women’s rights and gender equality. . . .

— Women’s Rights and Gender Equality at the World Bank: Experiences of Engagement, The Association for Women’s Rights in Development (AWID), JFC Submission (Appendix D).

PRSPs have been equally unsuccessful in addressing human rights and gender issues.¹⁴⁸ Due to the important connections between human rights, empowerment and poverty alleviation, the UN Sub-Commission on the Promotion and Protection of Human Rights has resolved that international human rights covenants should be incorporated in the formulation and review of PRSPs.¹⁴⁹ While some governance issues have become a common feature of PRSPs, human rights have largely been overlooked.¹⁵⁰ Similarly, PRSPs (and the WB/IMF Joint Staff Assessments) have typically neglected women’s rights and the gender dimensions of poverty.¹⁵¹

¹⁴⁴ Oxfam International (2004), pp. 2, 16-17.

¹⁴⁵ Fantu Cheru. “Economic, Social and Cultural Rights: The Highly Indebted Poor Countries (HIPC) Initiative: A Human Rights Assessment of the Poverty Reduction Strategy Papers (PRSP)” Report submitted to the United Nations Economic and Social Council, Commission on Human Rights, E/CN.4/2001/56, (2001), p. 3; and Rowden and Irama (2004), pp. 4, 43.

¹⁴⁶ African Forum and Network on Debt and Development (AFRODAD). 2003. *Africa’s Experience with the PRSP: Content and Process: A Synthesis Report of 10 African Countries*. AFRODAD PRSP Technical Paper 2003. Harare: AFRODAD, p. 6.

¹⁴⁷ Cheru (2001), p. 12; Rowden and Irama (2004), p. 7.

¹⁴⁸ Cheru (2001), p. 15.

¹⁴⁹ Oloka-Onyango and Udagama (2001).

¹⁵⁰ Kel Currah, “PRSPs: Development’s Trojan Horse” in Currah et al. (2004), p. 5.

¹⁵¹ Elaine Zuckerman and Ashley Garrett, “Do Poverty Reduction Strategy Papers (PRSPs) Address Gender? A Gender Audit of 2002 PRSPs” (2003); Oxfam International (2004); op. cit., pp. 2 and 26-27. The PRSP experiences in Uganda and Vietnam, however, have made important first steps towards mainstreaming gender.

Consequently, PRSPs have not adequately considered policy options to redress gender disparities in income and wealth, legal rights, mortality rates, or access to essential services.¹⁵²

2.3 Transparency and access to information have generally been inadequate. Civil society concerns with transparency in PRSP processes fall into two general categories. First, many participants do not have access to the documents they need to fully understand the issues at stake.¹⁵³ This is because of the dearth of guidelines on transparency of information relating to the PRSP process,¹⁵⁴ the incomplete disclosure of draft Country Assistance Strategies and World Bank/IMF loan documents (including PRGFs and PRSCs),¹⁵⁵ and even, in some cases, the PRSP policy matrices.¹⁵⁶ Nor do citizens have access to draft versions of the Joint Staff Assessment (JSA)¹⁵⁷ before it is submitted to the Boards of the World Bank and IMF. The JSA is supposed to provide “prioritized and candid” feedback to national governments on the PRSP.¹⁵⁸ Its disclosure after completion makes it impossible for civil society to contest the reasoning behind its policy advice. This is of particular concern, given that an OED review found the JSAs to have “mixed analytical quality and comprehensiveness, inadequate focus on the quality of process orientation, and limited awareness of their findings and recommendations among stakeholders.”¹⁵⁹ Moreover, even when documents are available, they are often not provided sufficiently in advance of consultations, or in a language accessible to participants.¹⁶⁰

Second, governments and the World Bank/IMF have not been transparent about their intentions in the process, particularly concerning which issues are, or are not, open for discussion. The IMF’s review of PRSPs recommends that “[c]ountries should present their intentions and objectives, along with the benchmarks selected to monitor progress in a manner open to public scrutiny.”¹⁶¹ This recommendation applies with equal force to the World Bank and IMF, which do not systematically disclose the range of policy objectives and targets that they deem “realistic” for a particular country.¹⁶²

2.4 PRS processes have frequently been rushed. Because the PRSP is a key condition for access to debt relief under HIPC, governments have a strong incentive to complete the PRS process quickly. Some full PRSPs have been completed in less than six months after their interim

¹⁵² Zuckerman and Garrett (2003), p. 3; World Bank, “Integrating Gender into the World Bank’s Work: A Strategy for Action” (2002c).

¹⁵³ Catholic Relief Services, “Review of the Poverty Reduction Strategy Initiative, Based upon the Experiences and Comments of CRS Partners in Bolivia, Honduras, Zambia and Cameroon: Contribution to the PRSP Comprehensive Review,” (December 2001), p. 3.

¹⁵⁴ While the World Bank has a disclosure policy, many country governments do not. The World Bank leaves disclosure decisions up to country governments.

¹⁵⁵ de Barra, Caoimhe. “PRSP as Theatre – backstage policy-making and the future of the PRSP approach: A CIDSE-Caritas Internationalis Background Paper.” *Coopération Internationale pour le Développement et la Solidarité (CIDSE) and Caritas Internationalis*. (September, 2004), p. 36. See also Oxfam International (2004), p. 10.

¹⁵⁶ Cheru (2001), p. 14.

¹⁵⁷ The JSA has recently been renamed the Joint Staff Advisory Note (JSAN) in order to reflect its redefinition as providing “advice” to country governments rather a World Bank and IMF “assessment” or “signing off” on the PRSP.

¹⁵⁸ World Bank and IMF (2004a), p. 45.

¹⁵⁹ World Bank (2004d), p. xvii.

¹⁶⁰ Catholic Relief Services (2001), p. 3.

¹⁶¹ IMF (2004), p. 8.

¹⁶² Rowden and Irama. (2004).

PRSPs.¹⁶³ Such an expedited schedule is incompatible with meaningful participation, as it provides insufficient time for iterative dialogue or for stakeholders to prepare their contributions. The quality of the discourse suffers accordingly.¹⁶⁴

Moreover, expediting the process creates a bias in favor of elites and middle-class technocrats—in donors, governments, and CSOs alike—who are better positioned to react to the accelerated pace of consultations. Those who may need more time to assimilate information and develop their response, including the poor, young people, older people, minority groups, and the disabled, are particularly disadvantaged.¹⁶⁵ Often, PRS processes have been expedited by holding consultations primarily in the capital city, with consultations that are held at the local level being hurried and providing little advance notice to participants.¹⁶⁶ As a result of these limitations, it is not surprising that the IMF has found that PRSPs have “often generated relatively strong ownership in a narrow circle of official stakeholders responsible for driving the process, but much less among other domestic stakeholders.”¹⁶⁷

2.5 PRS processes have not systematically included parliamentarians or key line ministries.

The role of parliamentarians in most PRSPs has been very weak. Legislators have generally had only limited access to critical documents about World Bank and IMF operations in their own countries. Rather, key decisions have typically been made by the finance and development ministries (along with the World Bank and IMF), with only limited parliamentary participation and oversight.¹⁶⁸ Thus, there has been little effort to use the PRS process to strengthen democratic institutions by establishing durable and effective mechanisms of participation that can feed into legislative processes.¹⁶⁹ This raises concerns that “the PRSP process may have bypassed politics in some countries and established forms of representation that do not necessarily advance the interests of the poor over the longer term.”¹⁷⁰

The Parliamentary Network on the World Bank (PnoWB) has recommended that the World Bank Executive Board not approve a PRSP unless it has been reviewed by the national parliament.¹⁷¹ The Bank has maintained that such a requirement would violate its Articles of

¹⁶³ Christian Aid, “Ignoring the experts: Poor people’s exclusion from poverty reduction strategies” Christian Aid policy briefing, prepared in partnership with INESC, Rede Brasil, Mozambique Debt Group, LINK, CEDLA, UNITAS (2001): 14.

¹⁶⁴ For example, AFRODAD (2004) found that most consultations were rushed, that CSOs lacked the capacity to participate effectively, and that there was limited space for consultations, and that some governments failed to incorporate alternatives (pp. 30-31). Oxfam’s (2004) review of PRSPs found considerable weaknesses in both the quality and breadth of participation, such that some types of stakeholders were often not included (e.g., the poor themselves, elected local politicians, and powerless rural women) with donors retaining too much control over agenda and policy content (p.8). Trade Unions found consultations to be rushed, shallow, and ill-prepared; see Lawrence Egulu, “Trade Union Participation in the PRSP Process,” Paper No. 0417 prepared for the Social Protection Unit, Human Development Network and The World Bank (2004), p.5.

¹⁶⁵ Oxfam International, (2004), p. 8; Save the Children UK, “Submission to the IMF/World Bank review of PRSPs,” (2001), p. 3.

¹⁶⁶ Catholic Relief Services (2001), p. 10; Forest People’s Programme submission to JFC, p. 18, Appendix F.

¹⁶⁷ IMF (2004), p. 13.

¹⁶⁸ Halifax Initiative, Agir ici, and Campagna per la riforma della Banca Mondiale. “Who’s Minding the Store? Legislator Oversight of the Bretton Woods Institutions.” (October 2004), p.4.

¹⁶⁹ AFRODAD (2003), pp. 5, 50.

¹⁷⁰ Merilee S Grindle, “Good Enough Governance: Poverty Reduction and Reform in Developing Countries,” paper prepared for the Poverty Reduction Group of the World Bank (2002). Also cited in Currah (2004), p. 4. Available at www.grc-exchange.org/docs/HD32.pdf

¹⁷¹ As cited in Rowden and Irama (2004), p. 39.

Agreement, which prevents it from interfering in the political affairs of any member country.¹⁷² Many parliamentarians counter that the Bank's focus on finance ministries as the fulcrum of fiscal and development policy making is itself political interference, insofar as it tends to alter the balance of power between the ministries and parliament. Moreover, even in countries like Uganda, where parliament is legally required to scrutinize each development proposal for compliance with PRSP goals, parliamentarians have complained that they sometimes only review loans after they have already been approved by the Bank's Board, when it is too late for their input to be meaningful.¹⁷³

In addition, the participation of line ministries beyond education and health has also been weak. Ministries that are central to poverty reduction, such as agriculture and trade, are often unaware of the PRSP, or exercise minimal influence on it.¹⁷⁴

2.6 Many stakeholders lack the capacity to analyze alternative policy scenarios. Diverse stakeholder participation will not sufficiently expand the parameters of the policy dialogue unless it is accompanied by adequate time, funding, and capacities of key stakeholders for participatory assessments and analysis of core issues and their policy alternatives. At present, CSOs and parliamentarians often lack training on how to interpret technical documents and policy papers, and they also lack resources for organizing meetings, hiring skilled staff, and preparing briefs, so they can develop detailed policy alternatives.¹⁷⁵ PRS processes have not typically sought to redress these capacity constraints through proactive outreach to other domestic stakeholders that do have the ability to conduct participatory assessments or to analyze technical documents, such as local universities, think tanks, and trade union research centres.

2.7 Poverty and Social Impact Analysis (PSIA) have not been adequately participatory, nor produced more explicitly pro-poor policies. Since the inception of PRSPs in 1999, the World Bank and IMF have made repeated commitments to conduct Poverty and Social Impact Assessments (PSAIs) for all major reforms.¹⁷⁶ The 2004 OED review found, however, that few PSAIs have been conducted by the World Bank, and “critical gaps remain in linking policies and programs to poverty impact.”¹⁷⁷ While the Bank conducted a number of pilot PSAIs between 2000 and 2002, and is now advancing their use in over 40 countries. However, PSAIs still do not figure centrally into the policymaking process.

¹⁷² World Bank. “The World Bank and Parliaments,” World Bank Issue Brief (April 2005).

¹⁷³ ActionAid International, Bretton Woods Project, The Development Gap, Christian Aid, One World Trust, AFRODAD, World Development Movement. “Kept in the dark: A briefing on parliamentary scrutiny of the IMF and World Bank.” (April 2005).

¹⁷⁴ Oxfam International (2004), p. 7.

¹⁷⁵ Haidy Ear-Dupuy, “Do NGOs have confidence in PRSP?” in Currah et al., (2004), pp. 25-29. See also Egulu, (2004), p. 7.

¹⁷⁶ Oxfam International (2004), p. 11.

¹⁷⁷ World Bank (2004d), p. xvi.

There do not exist publicly available official mechanisms for participating in policy creation. There is a lack of knowledge [among CSOs] regarding the type of mechanisms the Bank uses while preparing [policies], whether there are annual/three-year planning programs and how the information process flows. In addition, there is no follow-up information after the organizations have been involved in the cooperation with the WB, so that other organizations can find out about the ways for their future participation.

—Report of CSO Consultation in the Republic of Macedonia on World Bank-Civil Society Engagement (Appendix C), p. 12.

A recent Oxfam review found that: (a) not all the pilot PSIAs are available for public scrutiny; (b) there is no clarity on how, and by whom, the topics for the new studies have been chosen; (c) controversial issues have sometimes been avoided; (d) PSIAs are being used to inform sequencing and implementation of reforms that have already been decided, rather than for examining tradeoffs and alternatives to those reforms and (e) almost no attempts have been made to engage with a broader range of stakeholders to generate ownership of the analysis.¹⁷⁸ These weaknesses must be remedied if PSIAs are to fulfil their promise as an effective tool for developing sound, pro-poor policies.¹⁷⁹

2.8 CSO participation has resulted in very limited influence on the content and implementation of poverty reduction strategies. Despite some real openings for dialogue between government and civil society, one of the most disappointing aspects of the PRS processes has been the limited tangible impacts they have had on poverty policy development.¹⁸⁰ With few exceptions, CSO participation in the PRS process has largely been limited to “consultation” at the design stage.¹⁸¹ In many cases civil society organizations “have not been considered by their governments as allies in the PRSP implementation process, and effort to engage in effective monitoring and evaluation have been thwarted...”¹⁸² Trade unions, for example, have participated in about half of the PRSP consultations completed by 2004, but have not been included in the report drafting, implementation, monitoring or evaluation.¹⁸³ In addition, CSO participants have received little feedback from governments or the World Bank and IMF on how their recommendations have been incorporated into the PRS, or why their inputs were rejected.

¹⁷⁸ Oxfam International (2004), pp. 11-12.

¹⁷⁹ PSIA offers the potential to provide insight on policy tradeoffs and poverty outcomes. In 2001, and IMF and World Bank Executive Board paper recommended that the “World Bank should take the lead in the development of poverty and social impact analysis (PSIA), in order to provide such an input to its own instruments, particularly for poverty reduction strategy credits (PRSCs), as well as to partner countries’ PRSPs.” See Caroline M. Robb, “Poverty and Social Impact Analysis — Linking Macroeconomic Policies to Poverty Outcomes: Summary of Early Experiences” IMF Working Paper, International Monetary Fund (2003). For a set of concrete recommendations on improving PSIAs, see Oxfam International (2004), pp.14-15.

¹⁸⁰ de Barra (2004), p. 2; Catholic Relief Services (2001), p. 11.

¹⁸¹ The World Bank’s own typology of participation uses a four-part continuum, beginning with one-way “information dissemination” at one end, moving through “consultation” which involves a two-way flow of information, and finally to “collaboration” and “empowerment” which involve shared decision-making and the transfer of control over decisions and resources.

¹⁸² Angela Wood. “World Vision’s experiences with the PRSP process: Perspectives from Ethiopia, Senegal and Cambodia,” in Currah et al., (2004), p. 24.

¹⁸³ Egulu (2004).

[T]he Bank's approach regarding civil society engagement is both fragmented and inconsistent. It has been very difficult to predict the Bank's behaviour regarding its interaction with civil society. . . . At country level there is no institutionalised mechanism for CSO-Bank engagement. It looks like the Bank basically perceives Government as its key development partner while viewing CSOs as peripheral stakeholders to be involved only as and when it suits the Bank. Despite the establishment of the portfolios of Social Development Advisors at country World Bank offices, civil society is yet to see this translated into an effective channel for regular civil society engagement.

—Report of CSO Consultation in Uganda on World Bank-Civil Society Engagement
(Appendix C)

Some CSOs have suggested that opportunities for influence can be enhanced, or at least made more predictable, through minimum standards for participation. The World Bank and IMF have resisted developing minimum standards for participatory processes on the grounds that this would violate the principle of country ownership. However, it is not obvious why the sensitivity to country ownership should preclude the development of minimum standards for participatory processes that could be customized to account for country-specific considerations.¹⁸⁴

Perhaps more troubling, the overwhelming influence of donor agendas has had a damaging effect on nascent participatory discussions. Some participants have come to believe that backstage manoeuvring by donors has impeded the emergence of new policy ideas and frameworks from civil society actors. At the same time, CSO participation has been used by borrower governments and the Bank to lend legitimacy to the poverty reduction strategies, despite the limited nature of CSO influence.¹⁸⁵

2.8 PRSPs do not necessarily influence Bank and IMF lending in any significant way. There is concern among many CSOs that PRSPs do not actually influence IMF and World Bank lending strategies. According to the IMF, “the [World Bank and IMF] have not used the PRS approach sufficiently as a mechanism for identifying priorities on what they should deliver. . .”¹⁸⁶ Indeed, the IMF, for its part, does not appear to base its lending on the PRSPs. Its Independent Evaluation Office has found that “in most cases PRSPs do not yet provide a policy framework in which PRGF-supported programmes can be anchored.”¹⁸⁷

Part of this problem may be rectified as PRSPs grow in sophistication, but this will not ensure that the World Bank and IMF realign their lending to be more consistent with country-developed poverty reduction strategies.

¹⁸⁴ Oxfam International (2004), pp. 6-7.

¹⁸⁵ See, for example, Catholic Relief Services (2001), p. 12 and Oxfam International (2004), p. 8.

¹⁸⁶ Ibid, p. 7.

¹⁸⁷ IMF (2004), p.8.

The consultations surrounding the Poverty Reduction Growth Facility (PRGF) are yet another clear programme that has been developed at the total exclusion of the civil society. The civil society has constantly requested for a broader stakeholder consultation but government and the cooperating partners have not listened.

—Report of CSO Consultation in Zambia on World Bank-Civil Society Engagement (Appendix C).

Conclusion

As the PRS process moves through its second round, there is a growing concern among CSOs and World Bank staff that consultation fatigue is setting in. Civil society organizations are increasingly questioning whether their efforts might be better placed elsewhere.¹⁸⁸ To the extent that PRSP consultations provide CSOs, parliamentarians, and other stakeholders with opportunities to influence policy outcomes, there is reason to believe that they will continue to engage. However, as the World Bank's own review notes, if CSOs continue to feel that their involvement has had "only limited impact on the design of PRSPs or on domestic policy" then there is a good possibility of disengagement.¹⁸⁹ Meaningful participation in national policymaking ultimately means influence on the process and its outcomes, and not simply access to it. The broad concerns raised in this section point to *systemic constraints* on both the process and content of engagement, many of which have been apparent since 2001.

3. PARTICIPATION IN PROJECTS

The Bank's project lending has often been a source of contention with civil society. The Bank has financed a number of environmentally and socially damaging projects over concerted local opposition. In addition, the development effectiveness of many of its projects has been compromised by a failure to incorporate the experience of project-affected people or allow them to take "ownership" of the project. Thus, much of the conflict over project lending has been over issues of local control, participatory decision-making, and project ownership.

A more participatory approach to project decision-making would: increase development effectiveness, and advance project-affected peoples' normative interest in having a meaningful voice in decisions that directly affect their lives. Civil society participation in projects has been shown to significantly improve project design, quality of service, and public support.¹⁹⁰ It also increases transparency and accountability in contracting and procurement, while improving relationships between citizens and their public agencies.¹⁹¹ Overall, it leads to better outcomes, lower risks, and increased development effectiveness.¹⁹²

¹⁸⁸ Rowden and Irama (2004), p.42; Oxfam International (2004), p.3.

¹⁸⁹ World Bank (2004d), p. xiv.

¹⁹⁰ Nightingale Rukuba-Ngaiza et al., "Public Consultation in Environmental Assessments 1997-2000: Findings from the Third Environmental Assessment Review," The World Bank (2002): 14

¹⁹¹ Operations Evaluation Department (OED) and World Bank, "Non-Governmental Organizations and Civil Society Engagement in World Bank Supported Projects: Lessons from OED Evaluations," Lessons and Practices No. 18 (2002).

¹⁹² World Bank, "Issues and Options for Improving Engagement Between the World Bank and Civil Society Organizations," External Affairs, Communications and United Nations Affairs, Environmentally and Socially Sustainable Development Network, Operations Policy and Country Services Network (2004): 5-6 (para. 11, 13).

Providing opportunities for meaningful participation of all interested stakeholders requires special attention to issues of political power. Too often, benefits tend to flow to the powerful and well-connected, while the costs and risks are imposed upon marginalized groups who cannot defend their rights and interests in the planning process. Thus, while the government is the primary decision-maker in many aspects of project development, it is incumbent upon the Bank to use its leverage and its own decision-making processes to proactively expand the political space for all interested stakeholders to meaningfully participate in project decision-making.

The World Bank encourages its staff and borrowing governments to engage with civil society throughout the project cycle.¹⁹³ For the most part, however, engagement is left to the discretion of project staff. Consultations are only required where projects will have significant adverse environmental impacts,¹⁹⁴ affect indigenous peoples, or resettle people involuntarily.¹⁹⁵ Even in these circumstances, the operational policies and directives do not specify benchmarks for evaluating whether consultations are sufficient.

Since the early 1990s, the Bank has made some notable progress in improving participation in its projects. According to OED, stakeholder participation rose from 40 percent of new projects approved in 1994 to 70 percent in 1998.¹⁹⁶ Similarly, consultations in Environmental Assessments rose from about 50 percent in 1992 to 87 percent by 2001.¹⁹⁷ Modest qualitative gains are also apparent. In 1992, EA consultations were often limited to surveying affected groups and making the EA publicly available.¹⁹⁸ By 1997, they included better use of public meetings, disclosure, and increased interaction between the Bank and stakeholders.¹⁹⁹

Despite these gains, however, the actual influence of civil society on Bank-supported projects remains very limited and uneven. Much of the increased participation has been narrow in scope, rushed, superficial, or otherwise ineffective.²⁰⁰ This section identifies a number of systemic constraints that have limited public participation in Bank-supported projects.

¹⁹³ World Bank, "Good Practices 14.70: Involving Nongovernmental Organizations in Bank-Supported Activities," The World Bank Operational Manual (2000b).

¹⁹⁴ World Bank, "Operational Policy 4.01: Environmental Assessment," (1999b). For all safeguard policies, see <http://lnweb18.worldbank.org/ESSD/sdvext.nsf/52ByDocName/SafeguardPolicies>

¹⁹⁵ World Bank, "Operational Directive 4.20: Indigenous Peoples," (1991). The policy is currently being revised. World Bank. "Operational Policy 4.12: Involuntary Resettlement," (2001).

¹⁹⁶ World Bank. "Participation Process Review." Unpublished report. Operations Evaluation Department (October 27, 2000c), p. vi.

¹⁹⁷ Rukuba-Ngaiza et al. (2002), p.7.

¹⁹⁸ World Bank, "Annual Review of Environmental Assessment 1992," Environment Department (1993).

¹⁹⁹ World Bank, "The Impact of Environmental Assessment: A Review of World Bank Experience." Technical Paper 363, Environment Department (1997).

²⁰⁰ World Bank, (2000c), p. vi.

[A] frequent indigenous criticism is that World Bank-sponsored consultation meetings are used primarily by project officials and consultants to give legitimacy to the project, gain access to communities, divide opinion and pressure local indigenous communities to accept the external agendas of governments, development agencies, big business and NGOs.

—Forest People’s Programme (FPP) submission, *Indigenous Peoples and the World Bank: Experiences with Participation*, (Appendix F), p. 16.

3.1 The Bank’s Information Disclosure Policy limits informed participation. The World Bank’s Policy on Disclosure of Information provides that “timely dissemination of information to local groups affected by the projects and programs supported by the Bank, including nongovernmental organizations, is essential for the effective implementation and sustainability of projects.”²⁰¹ However, the policy does not require the release of some materials that are critical for informed participation. It does not require the release of certain draft project documents, which would provide citizens with information while decisions are still under consideration. Nor does it require the disclosure of supervision documents, which would enable civil society to better monitor implementation.²⁰² And even where the disclosure policy requires documents to be made publicly available, there is no independent review mechanism to ensure that Bank staff respond appropriately to information requests.²⁰³ The failure to disclose project information at a time when it can inform public participation has constrained the public’s ability to assess the merits and potential impacts of proposed projects.²⁰⁴ It has also undermined public acceptance of the Bank and its projects by creating an impression that the organization has something to hide.²⁰⁵

3.2 Participation usually does not occur until project preparation and appraisal. Projects are more likely to be sustainable and effective if they are based upon affected people’s own analyses of the problems they face and the appropriate solutions.²⁰⁶ Yet, the Bank does not require that borrowers solicit public inputs during the early stages of needs assessments and project identification and design, when fundamental decisions about project type and risk are made, and when the full range of policy and project options can be considered. OED has found that only 12 percent of sampled projects were participatory during project identification.²⁰⁷ A systemic bias against early consultation is also apparent in Environmental Assessments (EAs). Although Bank Operational Policy OP 4.01 requires public consultations to develop the Terms of

²⁰¹ World Bank, “The World Bank Policy on Disclosure of Information,” (2002f). Available at <http://www1.worldbank.org/operations/disclosure/>

²⁰² In 2002, more than 500 organizations from over 100 countries called on the Bank to make such information public during its review of its information disclosure policy. Graham Saul, “*Transparency and Accountability in International Financial Institution*,” Bank Information Center (2003), p. 6. See also the IFI Transparency Resource at www.ifitransparencyresource.org

²⁰³ Saul (2003), p. 8.

²⁰⁴ See, e.g. Shalmali Guttal and Bruce Shoemaker, “Manipulating Consent: The World Bank and Public Consultation in the Nam Theun 2 Hydroelectric Project,” *Watershed* 10(2) (October 2004); Shannon Lawrence, “The World Bank’s International Technical Workshops on Nam Theun 2: Civil Society Summary” Environmental Defense (2004).

²⁰⁵ International Finance Corporation (IFC), “*Lessons Learned: Pangue Hydroelectric*,” Environment and Social Development Department, IFC (Undated); World Commission on Dams (2000).

²⁰⁶ Clark (1991), p. 89.

²⁰⁷ World Bank (2000c), p. vi.

Reference (TOR) for an EA, consultations are typically held only after a TOR has been produced.²⁰⁸

Public consultations typically do not occur until project preparation and appraisal, when the problem to be addressed has already been framed and the proposed response has already been formulated. This limits the scope of participation to refining specific project proposals.²⁰⁹ As one World Bank staff member has explained, “[p]articipation during preparation results in some tinkering around the edges of an already defined project, when it is too late for primary stakeholder views and concerns to be factored into project design.”²¹⁰ As a result, many participants have concluded that consultations are intended primarily to gain public legitimacy.²¹¹

We wanted to alter the proposed route of the pipeline but we had no influence – it was already decided. I see it now as a game that has no concrete result for us...the workshops and discussions are held simply to comply with Bank guidelines. We conclude that the Bank’s discussions are organised to stem our criticism of proposed projects.

—Indigenous leader, quoted in FPP submission, Indigenous Peoples and the World Bank: Experiences with Participation, (Appendix F), p. 16.

3.3 Participation has also been weak during monitoring and evaluation. Participatory monitoring and evaluation can improve project sustainability and ownership by affected people, and better enable implementing agencies to identify and respond to unanticipated problems.²¹² It can also strengthen evaluation as a tool through which the Bank captures lessons from individual projects and disseminates them throughout the institution.²¹³

The Quality Assurance Group at the Bank has identified poor quality monitoring and evaluation as one of four major “persistent problems” that have shown little improvement over the years.²¹⁴ OED has also found that only nine percent of sampled projects had participatory monitoring and evaluation (M&E).²¹⁵ Even those CSOs that are subcontracted to help implement Bank projects rarely participate in project evaluation.²¹⁶

²⁰⁸ This remains true even though the Bank has found that many of its problem cases are related to deficiencies in spotting environmental issues early enough. Rukuba-Ngaiza et al. (2002), p. 9.

²⁰⁹ United Nations Development Programme, United Nations Environment Programme, The World Bank, World Resources Institute, *Decisions for the Earth: Balance, Voice and Power* (2003), p. 58.

²¹⁰ Anonymous World Bank staff member quoted in Maria Aycrigg, “Participation and the World Bank: Successes, Constraints and Responses,” (1998), p. 4.

²¹¹ Forest People’s Programme submission to JFC, p. 16, Appendix F.

²¹² IFC (Undated).

²¹³ Darcy Ashman, “Seeing Eye to Eye? InterAction Member Agencies and World Bank Staff Assess their Operational Collaboration on Policy Engagement for Poverty Reduction and Sustainable Development,” The World Bank and InterAction, (2002), p. 8.

²¹⁴ World Bank (2000d), p. 25.

²¹⁵ Similarly, the Bank’s Environmental Assessment report found that only 8 percent of projects reviewed incorporated public consultations into the monitoring and evaluation process. Those that did, found them useful not only for improving implementation but also for cross-checking whether participants understood what the project impacts would be; Rukuba-Ngaiza et al (2002), p. 16.

²¹⁶ Ashman (2002), p. 8.

Experiences vary regarding the process of planning and implementation of the World Bank programs/projects. . . . [I]nclusion in the process of implementation [has] increased. Yet, in . . . monitoring and evaluation of the projects/programs there is a complete lack of feedback from the local office of the Bank.

—Report of CSO Consultation in the Republic of Macedonia on World Bank-Civil Society Engagement (Appendix C), p. 3.

3.4 Participation processes have often been of poor quality. Civil society organizations have frequently complained that participatory processes in Bank- supported projects are *ad hoc*, arbitrary, and poorly administered. These complaints include “lack of clear and consistent parameters for consultation and feedback, arrogance or defensive posturing by Bank staff, lack of transparency about who is invited, late distribution of consultation documents, lack of translation, and lack of funds to cover CSO time and travel expenses” and lack of attention to alternative project options.²¹⁷ As a result, consultations have often amounted to little more information sessions in which affected peoples are notified of decisions that have already been taken elsewhere.²¹⁸

There remains a widespread feeling that so-called “participation” in Bank projects is partial and usually restricted to village meetings in which consultants “extract” information about development “needs”, more to fulfil their own requirements than to address the genuine priorities of indigenous communities.

—FPP Submission, Indigenous Peoples and the World Bank: Experiences with Participation, (Appendix F) p. 8.

Interactions with the WB have been very one sided. They collect information about an issue, do an analysis, make conclusions, and then present them. There is little room for influencing their conclusions. There has been some collaboration in the analysis part of the process, but for the most part, any thinking outside of the WB mindset is not welcome. The little collaboration that exists is perfunctory. WB policies that effect government decisions, whose negative consequences are mainly felt by people at the lowest levels of the economic pyramid and often times whose positive consequences are reserved for the upper echelons of the power and financial ladder, appear to be untouchable by anyone, any organization at the local level. Even after a structure for an activity is put in place, there is little room to dialogue about the details of setting it up and implementation.

—Respondent to online survey (Appendix B).

²¹⁷ World Bank, (2005a), pp. 16-17 (para. 32); See also, Lawrence, (2004).

²¹⁸ Forest People’s Programme submission to JFC, p. 24, Appendix F.

The Bank's own reviews have largely concurred with this assessment. For example, OED found that participation is "often poorly planned and executed, rushed, superficial, failed to adequately include or protect the interests of marginalized groups, dominated by the more powerful and vocal, unrepresentative, or failed to make a difference."²¹⁹ Similarly, in its recent Issues and Options paper on Bank-Civil Society engagement, the Bank noted that "consultation guidelines are not widely followed," and consultations "often occur in an arbitrary fashion with very short notice and/or very late in the process." In part, this is because task managers tend to "'tick the box' that CSOs have been involved, rather than take proactive steps to ensure engagement is viewed as satisfactory by all stakeholders."²²⁰ Best practice, in which participatory decision-making processes are developed through collaboration with local CSOs, governments, and appropriate international actors, remains the exception rather than the norm. Frustrations arising from this lack of deliberation and strategic clarity are further exacerbated by an absence of feedback mechanisms to inform civil society on how inputs are used.²²¹

3.5 Social analyses are not integrated with project decision-making. Bank research has shown that development outcomes improve when participation processes are supported by social assessments and stakeholder analyses.²²² Despite this evidence, and the fact that social analysis has been part of the Bank's lexicon for over two decades,²²³ it remains underutilized not only during project design, but also further upstream when broader economic and sector work studies are carried out. The Bank does not, as a matter of standard procedure, systematically evaluate the distribution of expected benefits, costs and risks of projects. Rather, it tends to calculate only aggregate costs and benefits, which can mask and undervalue differential impacts on marginalized groups.²²⁴ As such, they do not provide a basis for these groups to understand how they will be affected, or to defend their interests in the decision-making process.

There has been some recent progress on this issue. In 2003, the Bank published a social analysis sourcebook, and created social development and gender benchmarks as part of its quality assurance reviews.²²⁵ However, two significant obstacles remain. First, both the sourcebook and the assurance reviews assume that participation begins with project design. This means that Bank staff have no guidelines for civil society participation prior to project design—during the needs assessment and project identification stages—when critical decisions are made. Second, Task Managers frequently do not receive clear direction and adequate support to systematically incorporate social analyses into project decision-making.

²¹⁹ World Bank (2000c), p. 11.

²²⁰ World Bank (2005a), p. 16. See also, Rukuba-Ngaiza et al. (2002), p. 11.

²²¹ For example, although the Bank requires citizen input in environmental assessments, it does not require consultations around the final EA and its environment management plan (Rukuba-Ngaiza et al. (2002), p. 11).

²²² World Bank (2000d), p. ii; Rukuba-Ngaiza et al. (2002), p. 11; World Bank (2000c), p. 33.

²²³ Social analysis was introduced in Bank operations in 1984 as the "sociological" part of project appraisal in OMS 2.20. See World Bank, *"Social Analysis Sourcebook: Incorporating Social Dimensions into Bank-Supported Projects,"* Social Development Department (SDV) (2003b), p. 78.

²²⁴ See BIC et al. (2004).

²²⁵ A set of "quality at entry" benchmarks have been developed for section 3.0 of the QAG review, which include quality of stakeholder analysis and consultation, the extent to which gender issues were considered during project design, and arrangements to monitor implementation, among others. Benchmarks for "quality of supervision" are under development. See World Bank *"Quality Assurance: Social Development and Gender Quality at Entry Benchmarks for Specialized Reviewers,"* Social Development Department (SDV) (Undated note).

3.6 Public participation is hindered by a number of external and internal constraints. Civil society and Bank observers have identified a number of in-country and in-house constraints, which significantly limited the scope and effectiveness of public participation. According to OED, the biggest in-country constraint to participation was government attitude, particularly where public officials saw participation as a threat to their jobs, resources, or authority.²²⁶ OED found that participation was also hampered by the lack of government and stakeholder capacity to effectively implement participatory processes, and lack of government follow-up or sustained interaction.²²⁷ In addition, civil society observers have noted that in autocratic countries, the fear of public reprisal often makes meaningful critical engagement impossible.²²⁸

World Bank staff sometimes claim that since project loans are made to governments, the level of participation ultimately depends on the willingness of governments to solicit public inputs. They object that since the Bank has limited ability to make governments listen to their citizens, CSO frustration is misdirected at the Bank. However, OED has found that task managers can often overcome government resistance through persistent advocacy.²²⁹ Indeed, many have been able to convert recalcitrant government officials into enthusiastic supporters of more participatory approaches.²³⁰

Task managers report that the internal disincentives to making their work more participatory pose an even greater obstacle than country impediments.²³¹ Overall, task managers “paint a sobering picture of the environment for participation within the Bank.”²³² Impediments include insufficient funding, inadequate time for mission work in the field, pressure to process loans and disburse funds rapidly, and inadequate support from management.²³³ Ensuring public participation is frequently seen as optional. The primary source of funding for public participation is trust funds, which are limited in size and flexibility, and are often cumbersome to use.²³⁴ As a result, participation is perceived by task managers as an “add on” to a project rather than as an integral part of the operation.²³⁵ Furthermore, rigid project cycles do not allow for time-consuming and labour-intensive participatory planning processes.²³⁶ Finally, Bank management has shown little sensitivity to the need for additional funding, time, and flexibility for participatory processes.

As a result of these impediments, the extent and quality of participation varies widely by country and task manager.²³⁷ Yet, despite the institutional disincentives and lack of management support, task managers who are willing to attempt participation tend to believe strongly in its benefits. The overwhelming majority of task managers that employ participatory processes believe that it

²²⁶ World Bank (2000c), p. 20.

²²⁷ Ibid.

²²⁸ Ian Gary and Nikki Reisch, “Chad’s Oil: Miracle or Mirage? Following the Money in Africa’s Newest Petro-State,” Catholic Relief Services and Bank Information Center (2005), p. 44; Guttal and Shoemaker (2004).

²²⁹ World Bank (2000c), p. 21.

²³⁰ Ibid.

²³¹ Ibid, p. 26.

²³² Ibid, p. 25.

²³³ Ibid, pp. 25-27; World Bank (2005a), p. 16, para. 30.

²³⁴ World Bank, (2005a), p. 15 (para. 29).

²³⁵ World Bank (2005a), p. 14.

²³⁶ World Bank (2000c), pp. 26-27.

²³⁷ World Bank (2005a), p. 21.

has improved the quality of the operations that they manage. As a result, experience with public participation motivates more participation.²³⁸

3.7 Insufficient capacity in communities and local CSOs has limited their abilities to participate. Local CSOs and communities often lack different kinds of capacities to meaningfully participate in project decision making: (1) the ability to understand and critique technical issues; (2) sufficient knowledge of their rights under national law and Bank policy;²³⁹ and (3) the skills necessary to negotiate with more powerful actors. Bank efforts to build capacity, where they exist, tend to focus only on technical skills. They typically do not seek to build long-term capacities or to enhance the negotiating and conflict resolution skills necessary for engaging with government officials and Bank staff.²⁴⁰

The speedy consultations have not worked to the interest of the poor whom they claim to help or support as the most civil society players are often not adequately prepared for the high level and technical discussions that are held. Lack of access to relevant information from government and donor agencies has disadvantaged the civil society from effective engagement.

—Report of CSO Consultation in Zambia on World Bank-Civil Society Engagement (Appendix C).

Anecdotal evidence suggests that Bank-led efforts to increase participation through capacity building are constrained by a lack of adequate funding and the absence of a centralized mechanism to support task manager initiatives.

3.8 Systematic improvements in the quality of participation are constrained by inadequate benchmarks, standards, and learning systems in the Bank. The Bank currently lacks adequate systems for capturing lessons learned from CSO engagements, and for tracking participation. Various Bank reports have noted that there is a lack of reliable or accessible data to track, monitor, and evaluate engagement with CSOs.²⁴¹ They have also noted that there has been a failure to develop appropriate indicators of impact and effectiveness of participation.²⁴² This is compounded by training and knowledge management systems that are inadequate for the needs of task managers, and a recruitment process that favours technical competence over skills needed for participatory activities.²⁴³

3.9 The Bank's accountability mechanisms for ensuring meaningful engagement are inadequate. There are few, if any, meaningful avenues for redress for citizens who believe that participatory processes have not been sufficient, or that the concerns that they have raised have not been adequately addressed in a project. The Bank's accountability mechanism, the Inspection

²³⁸ Ibid; see also Rukuba-Ngaiza et al., (2002), pp. 8, 25.

²³⁹ World Bank (2000c), p. 21; Rukuba-Ngaiza et al. (2002), p. 26.

²⁴⁰ Ibid.

²⁴¹ World Bank (2005a), p. 16, para. 31.

²⁴² World Bank (2000d), p. 12; World Bank (2000c), p. 30; World Bank, "IDA Review: Report on Country Consultations," Operations Evaluation Department (2001b), p. 16.

²⁴³ World Bank (2000c), p. 27; See the report from the Ugandan Consultation, Appendix C.

Panel, is not well suited to this task for two main reasons. First, while the Inspection Panel reviews compliance with mandatory and enforceable standards, there are few such standards with respect to participation for the Inspection Panel to apply. In most cases, public participation is considered to be discretionary and “best practice.” And the policies that do require consultation, such as the Environmental Assessment Policy or the Indigenous Peoples Policy, do not provide clear standards for evaluating their adequacy. Because the operational procedures afford so much discretion to Bank staff, it is exceedingly difficult for the Inspection Panel to conclude that staff did not comply with consultation requirements. Second, because the Inspection Panel process can be cumbersome, it lacks the agility to respond to complaints about participation quickly enough that they can be redressed before the project moves forward and the issues are mooted.²⁴⁴

The Bank has, however, done some notable work to improve mechanisms of “social accountability,” through which citizens can directly engage politicians and civil servants to improve public governance and service delivery. These include, for example, citizen report cards that provide a transparent mechanism for the public to assess the performance of public agencies.²⁴⁵ But while the World Bank is increasingly supporting such initiatives among CSOs and governments around the world, it has failed to employ the same tools in its own operations. Engagement between the Bank and civil society could be made much more meaningful if these same tools of social accountability were used to improve the Bank’s accountability to the public throughout its project cycle.

Conclusion

World Bank consultations have resulted in very little meaningful influence for citizens. The absence of CSO participation throughout the project cycle has led some to view the World Bank’s consultations as mere gestures in which participants are “treated like decorations . . . but their inputs [aren’t] taken into account.”²⁴⁶ In cases where inputs are considered but not accepted, the Bank does not generally explain its rationale. This sense of exclusion is aggravated by a disclosure policy that makes much information available only after key decisions have been made. And within the Bank, efforts to improve the quality of engagement are undermined by inadequate benchmarks and standards, as well as weak learning and accountability systems.

4. INSTITUTIONALIZED DIALOGUE MECHANISMS

On several occasions, the Bank and civil society organizations have attempted to go beyond the usual *ad hoc* approach to engagement, and seek to create more productive engagement mechanisms. The Joint Facilitation Committee (JFC) is one example of these kinds of efforts.

²⁴⁴ In particular, investigations can be slowed down unnecessarily by the requirement that the Board review eligibility and authorize an investigation.

²⁴⁵ Carmen Malena, with Reiner Forster and Janmejay Singh. “Social Accountability: An Introduction to the Concept and Emerging Practice.” Social Development Papers, Participation and Civic Engagement Paper No. 76, The World Bank (December 2004).

²⁴⁶ This quote, made by a respondent in an OED consultation, is cited in two OED reports: World Bank (2001b), p. 3; World Bank (2002d), p. 2. It is not clear from the report whether the statement was made by a donor agency, government, or CSO representative.

Previously, the Bank has created other global, regional, and thematic mechanisms, including the World Bank-NGO Committee, ECA NGO Working Group, and the External Gender Consultative Group (EGCG). These mechanisms have not played a major role in policy or project development, and are of minor significance when compared with the global, national, and project level consultations discussed in the previous sections. Nevertheless, they are worth reviewing here because: (1) the Bank's paper on World Bank-civil society engagement identifies establishing "new global mechanisms" as its most important priority; and (2) we think it important to reflect upon our own experiences in the JFC process to allow others to better understand the opportunities and pitfalls of these mechanisms.²⁴⁷

Institutionalized dialogue arrangements have a certain intuitive appeal for both civil society and the Bank. For civil society organizations, they appear to offer promising channels for raising issues and expressing concerns at the highest levels of Bank management. For the Bank, they have the potential to serve as a kind of external advisory board to help capture civil society inputs. And for both parties, they can provide opportunities for sustained dialogue on complex and contested issues that may help participants develop a more nuanced appreciation for differing perspectives that can lead to learning, negotiation and compromise.

In our experience with the JFC, however, these benefits have proven to be elusive. Below, we discuss some of the major obstacles that have compromised the usefulness of the JFC as a mechanism of engagement. Where pertinent, we reference similar experiences in other institutionalized dialogue mechanisms.

4.1 Generalized dialogue mechanisms are not well-suited to the current operations of the Bank or the state of global civil society. Over the past two decades, the World Bank's operations have expanded into a multiplicity of new substantive areas. At the same time, the range of organizations that are interested in, and knowledgeable about, the World Bank's operations has deepened and diversified. Many of these organizations have come to expect that they will have an opportunity to be heard by the Bank when issues of importance to them are being discussed.

Because of this proliferation of issues and actors, dialogue arrangements that lack a clearly defined and narrowly circumscribed substantive focus—like the JFC—are unlikely to be useful, and may even be counterproductive. Since most civil society organizations are issue or constituency focused, it is all but impossible to identify a group of civil society actors that can credibly speak to the full range of "civil society issues." As a result, dialogues on any particular issue will tend to be superficial, and will not produce the kind of specialized and rigorous analysis that can help shape policy development.²⁴⁸

Moreover, an institutionalized dialogue mechanism that is perceived to have a mandate to discuss an open-ended array of civil society concerns risks being seen as usurping political space from other organizations that have not been included. This, in fact, is what occurred with the JFC process. Some outside of the process accused the CSO members of having aspirations to create a

²⁴⁷ World Bank (2005a), p. 31.

²⁴⁸ Covey (1998), p. 106.

focal point for all civil society engagement with the Bank. As a result, the JFC became divisive within civil society, and at least some participants incurred significant reputational costs.

4.2 Institutionalized dialogue mechanisms have suffered from weaknesses in transparency, representativeness, and accountability. The legitimacy of each of these mechanisms has been challenged on the grounds that the members are not sufficiently transparent, representative or accountable to the broader community of civil society organizations. The JFC, World Bank-NGO Committee, and the EGCG were each criticized for having an insular and opaque selection process, in which few other organizations were consulted.²⁴⁹

[T]he Bank has relied on mechanisms such as the External Gender Consultative Group (EGCG) in order to say that it has conferred with women's groups, while the poor women all over the world who are directly impacted by the Bank's policies are given scant opportunity to meaningfully input into the Bank's decision-making processes.

—Women's Rights and Gender Equality at the World Bank: Experiences of Engagement, The Association for Women's Rights in Development (AWID), JFC Submission (Appendix D).

The civil society members of the JFC were also sharply criticized for being unrepresentative and unaccountable to other civil society organizations, and for failing to consult with other civil society organizations in developing the work-plan of the committee.

4.3 These mechanisms have been widely perceived as being vulnerable to World Bank manipulation and co-optation. Institutionalized dialogue mechanisms have been perceived as being extremely vulnerable to World Bank manipulation, and as providing a means for the Bank to deflect strong external criticism.²⁵⁰ For example, critics of the JFC have suggested that it was comprised mainly of civil society organizations that would not seek to hold the Bank accountable for the failures of past engagements.²⁵¹ Similarly, a gender advocate within the Bank described the EGCG as “Bank defined, managed and implemented. Low level and low-brow...and handled like a damage limitation measure.”²⁵² In some cases, the risks of World Bank capture have been exacerbated by the fact that many participants have lacked the institutional knowledge or technical expertise necessary to engage the Bank as “equal counterparts.”²⁵³ Finally, power imbalances on the committees have raised concerns about co-optation. Observers of the ECA-NGO Working Group have noted that the participants have no decision-making authority, and that many organizations are reluctant to criticize the Bank—in part, because are not well established and depend on the Bank for funding.

²⁴⁹ O'Brien et al., (2000), p. 46; S. Hellinger, A. Wilks, J. Majot, and S. Kretzman, “Update on the Joint Facilitation Committee: NGOs and World Bank Decide to Move Forward without Civil Society Support,” (Dec. 2003). Available at <http://www.civicus.org/new/media/JFCupdate3.doc>.

²⁵⁰ Covey (2000), p. 106; O'Brien et al. (2000), pp. 29, 46.

²⁵¹ Steve Hellinger and Alex Wilks . “Update: Joint Facilitation Committee Moving Forward with Agenda to Establish Guidelines for World Bank/CSO Relations.” (2003).

²⁵² Anonymous World Bank staff member, quoted in O'Brien et al.,(2000), p. 46.

²⁵³ Filiz Bikmen, JFC Submission of Filiz Bikmen, Turkish Member of ECA NGO Working Group (2005), Appendix E; O'Brien et al. (2000), p. 46; Hellinger et.al. (2003).

The working group members have almost no decision making power in this process. Some things are not consulted at all with the group (e.g. tactical decisions like organizing a working group meeting- we do not have a say in where, when, who should come, where to stay, how much to spend). When it comes to programmatic events (e.g. the local development/accountability conference, the forum) there is even less decision making power. We are ‘consulted’ but not empowered. Even in cases when most of the group disagrees with a suggestion, we are coerced into agreement/going ahead with what has been put forth. There were many times in which we heard the statement ‘Bank management would not agree with this’.

—The ECA NGO Working Group, JFC Submission (Appendix E).

Conclusion

Many suspect that the Bank has only created these institutionalized dialogue mechanisms for public relations purposes, or worse, to redirect more organic interactions into a forum that it can closely control. Regardless of whether these criticisms are fair or not, the perception that these dialogue mechanisms are controlled by the Bank substantially limits their utility as a tool for increasing civil society inputs into policy development or organizational learning.

V A FRAMEWORK FOR PARTICIPATORY DECISION-MAKING

The preceding review of World Bank engagements with civil society identifies a number of common issues that have arisen in various spheres of engagement and decision-making. While the Bank has recognized that reaching out to civil society is necessary for the design and delivery of more legitimate, effective and pro-poor policies and projects, civil society participants in Bank engagements have complained that the consultative processes have diverged from basic principles of democratic and participatory decision-making. Worse, the shortcomings in those engagements have precipitated a crisis of legitimacy among many public stakeholders.

That the same types of public complaints arise repeatedly in both project and policy development, in different geographic areas and policymaking environments, and at different levels within the organizational hierarchy, strongly suggests that the problems are systemic. We believe, they stem from a common source—a consistent inattention to basic principles of participatory decision-making on contested policy issues.

To effectively defuse these criticisms, the Bank must increase the quantity and quality of public participation across the full range of its strategic and operational decision-making. This requires that the Bank develop a comprehensive and systematic approach to public participation in which the basic principles of participatory decision-making are fully integrated into each stage of the policy and project decision-making process.

This section addresses this challenge in three parts. First, it identifies five core principles of participatory decision-making. Then, it identifies the stages of the decision-making process that provide critical opportunities for the public to raise issues and influence outcomes. Finally, it combines both parts into an analytic framework for more systematically evaluating and expanding public participation in all dimensions of World Bank decision-making.

1. Principles of Participatory Decision-Making

Any effort to make decision-making at the World Bank more participatory and responsive to public concerns must address a basic conceptual challenge. On the one hand, participatory and democratic decision-making is widely accepted as the touchstone of public legitimacy for international institutions like the Bank. But on the other hand, much of the political infrastructure that supports citizen participation at the State and local level—geographically bounded political communities, direct election of representatives, “one-person, one-vote” apportionment of the franchise, political parties, etc.—is conspicuously absent at the international level.²⁵⁴ The absence of these mechanisms, and the prodigious challenge of developing them, have led some observers to conclude that international institutions like the Bank are unlikely to ever be much more than venues for bureaucratic bargaining between elites.²⁵⁵

²⁵⁴ Boutros-Ghali (1995); United Nations (2004), p. 8; Joseph Nye, Jr. “Globalization’s Democratic Deficit: How to Make International Institutions More Accountable,” *Foreign Affairs*, (2001), 80(4), p. 3; Grant and Keohane (2004), p. 12; Kapur (2002), p. 75.

²⁵⁵ Robert A. Dahl, “Can International Organizations be Democratic? A Skeptic’s View,” in Ian Shapiro & Casiano Hacker-Cordon (eds) *Democracy’s Edges*. Cambridge: Cambridge University Press (1999), p. 19; Kapur (2002), p. 75.

We agree with these “democratic sceptics” that the World Bank will not soon (and may never) be governed under a system that meets the minimum standards of a Madisonian or Continental democracy. *The central question for us, however, is how much more the World Bank could be doing to pluralize its decision-making within these structural constraints, by opening avenues for more meaningful public participation.* We believe that there are substantial opportunities to apply basic participatory principles to all levels of policy, program, and project Bank decision-making.²⁵⁶

Towards this end, we have identified five core participatory principles that should inform World Bank decision-making. These are:

- Transparency and Access to Information;
- Inclusiveness;
- Quality of Discourse and Deliberation;
- Fairness under Rule of Law and
- Accountability.

The consistent application of these principles to all strategic and operational decision-making processes would help to structure fairer, more deliberative, decision-making processes that could better reconcile competing interests and visions of the public good.²⁵⁷ As such, they would help the Bank to realize more just and sustainable development outcomes, and to improve its legitimacy in the eyes of citizens who seek to influence its decision-making.

To do so, they must be applied with an eye towards redressing the profound inequities of voice, access and political power between different interests in development debates.²⁵⁸ If applied in this way, these principles can be powerful tools for enhancing the capacity of poor and marginalized people to influence the decisions that affect their lives.²⁵⁹ On the other hand, participatory mechanisms that merely replicate the power imbalances of domestic political processes are unlikely to empower the poor to determine their own development destinies. For example, if only special interests have voice and access, increased participation in technocratic decisions, will likely lead to bureaucratic capture. Similarly, comfortable orthodoxies will persist unquestioned if the terms of the debate do not allow sufficient space for dissenters to challenge the received wisdom. For this reason, the empowerment of marginalized stakeholders is a critical cross-cutting objective of applying these principles to the governance and decision-making structures of the Bank.

Principle 1: Transparency and Access to Information

Transparency involves making information accessible and understandable to interested stakeholders.²⁶⁰ Transparency enables people to participate meaningfully in public decision-making by providing them with the information they need to understand, evaluate, and influence

²⁵⁶ Daniel D. Bradlow, “The World Commission on Dams’ Contribution to the Broader Debate on Development Decision-making,” 16 *Am. U. Int’l L. Rev.* 1531, 1551 (2001c); William D. Coleman and Tony Porter, “*International Institutions, Globalisation and Democracy: Assessing the Challenges*” *Global Society* Vol. 14, No. 3 (2000): 388.

²⁵⁷ World Commission on Dams (2000), p. xxxiv; Michael Edwards, *Civil Society*, Polity Press (2004), p. 60; Woods (2003).

²⁵⁸ Edwards (2004), p. 69; Sol Picciotto, “Democratizing Globalism,” in D. Drache (ed), *The Market or the Public Domain: Global Governance and the Asymmetry of Power*. London: Routledge (2001).

²⁵⁹ World Bank, “World Development Report 2000/2001: Attacking Poverty” (2000), p.39.

²⁶⁰ International Monetary Fund (IMF), “Report of the Working Group on Transparency and Accountability,” IMF, (1998).

the actions of decision-makers. As such, it serves both normative and instrumental functions—it gives content to the public’s right to know what their representatives on doing in their names, and it leads to better governance and decision-making.²⁶¹

Effective transparency mechanisms make information available to citizens in ways that the information can influence their political choices.²⁶² They provide complete information about activities and options *before* key decisions are made, and in local languages, culturally appropriate formats, and in ways that are readily accessible and affordable.²⁶³ This requires both a general *presumption of disclosure*, in which information is considered to be public unless there are compelling reasons to keep it secret, and specific mechanisms to ensure that disclosure is timely and adequate.²⁶⁴

Principle 2: Inclusiveness

Inclusiveness requires that all people have the opportunity to participate in making decisions that will directly affect their lives. In particular, it involves bringing in politically disenfranchised or marginalized groups that might ordinarily be excluded from decision-making processes.²⁶⁵ Depending on the issues under consideration, this may include peasant associations and collectives, community-based organizations, environmental advocates, trade unions, women’s organizations, religious organizations, indigenous peoples’ organizations, youth groups, the disabled and health and education advocates.

Inclusive participation is a critical to the political legitimacy of decision-making. Even in democratic regimes, it is becoming increasingly difficult to maintain societal consensus around decisions reached in secret by small groups of elites-- particularly when those decisions impose substantial burdens and costs on excluded groups.²⁶⁶ As a result, policy solutions are more likely to gain public acceptance when all those who are affected have a voice in developing them.²⁶⁷

Inclusive participation improves the effectiveness and quality of decision-making in two important ways. First, by expanding the pool of information available to decision-makers, it increases the likelihood that critical issues will be addressed. Including contrarian voices is especially critical in this regard, as dissent plays a crucial role in uncovering problems that would otherwise go unnoticed. Second, decision-making processes that expose people to diverse ideas and perspectives, including those that they are inclined to reject, serve an important moderating

²⁶¹ Saul (2003), p. 9; World Bank, Foreword by James D. Wolfensohn, in “The World Bank Policy on Disclosure of Information.” (2002f). Available at <http://www1.worldbank.org/operations/disclosure/>.

²⁶² Archon Fung, David Weil, Mary Graham, and Elena Fagotto, “The Political Economy of Transparency: What Makes Disclosure Policies Effective?” Occasional Paper OP-03-03, Ash Institute for Democratic Governance and Innovation, John F. Kennedy School of Government, Harvard University (2004).

²⁶³ Paul J. Nelson, “Transparency Mechanisms at the Multilateral Development Banks,” *World Development*, volume 29, issue 11, (2001), pp. 1835-1847; IMF (1998).

²⁶⁴ Joseph E. Stiglitz, “On Liberty, the Right to Know, and Public Discourse: The Role of Transparency in Public Life,” Oxford Amnesty Lecture (January 27, 1999).

²⁶⁵ Coleman and Porter (2000), pp. 388-9.

²⁶⁶ Ann M. Florini, “Does the Invisible Hand Need a Transparent Glove? The Politics of Transparency,” Carnegie Endowment for International Peace (1999), p.2.

²⁶⁷ Edwards (2004), p. 60.

function. They help to build a culture of pluralism that dampens the tendency towards extremism that can occur when decision-makers only listen to people who see the world as they do.²⁶⁸

Proactive efforts to include marginalized stakeholders are often required to ensure that they have the opportunity to participate. This may include efforts to (1) systematically identify all those whose rights may be affected or who may bear the risks associated with the decision; and (2) reach out to them and provide whatever assistance they may need to participate (e.g. translation services, travel support, etc).²⁶⁹

Principle 3: Quality of Discourse and Deliberation

Decision-making processes must also allow participants to engage in meaningful deliberations about policy alternatives and objectives. They should be interactive and influential--that is, they should be structured to facilitate deliberative discussion and direct political exchange between all affected parties, and they should have a direct impact on policy outcomes.²⁷⁰ “Consultations” that seek only to extract information, or apprise stakeholders of decisions that have already been taken elsewhere, are rarely sufficient.²⁷¹

Deliberative processes allow affected people to freely and equally express their competing interests, perspectives, and visions of the public good. All contested issues, including those that are highly complex or technical, should be open to debate.²⁷² Participants should have the opportunity to make arguments and raise concerns with the expectation that the best ideas, not the most powerful interests, will prevail, and that they will be reflected in final decisions. Ideally, the objective is to resolve differences through negotiated outcomes that do not simply aggregate pre-existing preferences, but allow for those preferences to change, and common interests to be revealed, through reasoned discourse, ethical reflection, and political bargaining.²⁷³

For decision-making to be based on deliberation rather than raw political power, marginalized stakeholders must be enabled to participate on an equal basis with more entrenched interests.²⁷⁴ Thus, where contested issues are highly technical, all participants should have comparable access to the expertise necessary to independently challenge the claims of other parties. Participants must also have the option to withhold their consent to an agreement if their concerns are not adequately addressed. The freedom to withhold consent can help to neutralize the profound

²⁶⁸ Cass R. Sunstein, *Why Societies Need Dissent* (Cambridge: Harvard University Press, 2003), p. 150; Edwards (2004), p.58; Stuart Hampshire, *Justice is Conflict*, Princeton, NJ: Princeton University Press (1999).

²⁶⁹ World Commission on Dams (2000), pp. xxxiii, 209.

²⁷⁰ Benjamin R. Barber, *Strong Democracy: Participatory Politics for a New Age*, 20th Anniversary Edition Berkeley: University of California (2003), p. 181.

²⁷¹ There are circumstances in which mere information disclosure or data collection may be an appropriate form of public engagement, such as when those who are being informed have only a *de minimis* interest in the outcome. But when important interests are at stake, these superficial modes of public engagement are not a substitute for the more participatory and interactive forms of engagement described in this section.

²⁷² This is not to say that there is no role for technical or policy experts. While the insights of such experts should be brought to bear on complex and technical issues, they should not be the primary decision-makers where the underlying scientific knowledge is incomplete or highly contested, or where decision-making entails determining whether costs and risks are acceptable or fairly allocated. See, Bruce A. Williams and Albert Matheny, *Democracy, Dialogue and Environmental Disputes: The Contested Languages of Social Regulation*, New Haven: Yale University Press (1995), p. 18.

²⁷³ World Commission on Dams (2000), p.xxxiv; Sen (1999), p. 274; Barber (2003), p. 156; Picciotto,(2001), pp. 335-359.

Joshua Cohen, “Global Democracy, Without the State” unpublished paper (undated).

²⁷⁴ Edwards (2004), p. 59; Picciotto (2001); Jan Aart Scholte, “Democratizing the Global Economy: The Role of Civil Society” (Dec. 2004), p. 11.

inequities in political power and technical capacity between participants, and can help ensure that the concerns and aspirations of key participants will be accommodated.

In order for decision-making processes to be deliberative, they should:

- Ensure that clear expectations of what can be achieved are established at the outset through dialogue with interested parties. Decision-makers should be explicit about how the discussions will inform policy decisions;
- Justify decisions by providing clear explanations for the decisions that have been taken and the alternatives that have been rejected, so they can be evaluated and reasonably questioned, and so decision-makers can be held accountable;²⁷⁵
- Provide all participants with full and equal access to all politically relevant information, and the capacity to evaluate it;
- Honour negotiated agreements. When negotiated agreements are achieved, they should be fully respected by participants and those who will implement decisions and
- Afford participants the option to withhold their consent to an agreement if their concerns are not adequately addressed. Negotiated agreements become coercive if, at the end of the day, aggrieved parties cannot say no.

Principle 4: Fairness under Rule of Law

Public governance is inherently messy and potentially conflictual. Decisions about priorities, policy options, and objectives often require difficult tradeoffs between interests, and at least some groups may not be well-served by the outcomes. The willingness of those groups to bear the costs of collective decisions depends in large measure on their having been treated fairly in the decision-making process. If they do not believe that they have been treated fairly, they will have little reason to view adverse decisions as legitimate. Fairness, then, is a necessary prerequisite for the legitimacy of participatory decision-making.

Fairness requires that both the process and its substantive outcomes comport with shared principles of justice and equity.²⁷⁶ *Procedural* fairness requires that policies, rules and standards be developed and enforced in impartial and predictable ways, and that processes of representation, decision-making and enforcement are clear, mandatory and internally consistent.²⁷⁷ Common mechanisms to ensure procedural fairness include clear and mandatory rulemaking procedures, public participation requirements, and guarantees of individual access to appeals processes and other dispute resolution mechanisms. *Substantive* fairness requires that the distribution of costs, benefits and risks from policy outcomes are just and equitable.²⁷⁸ Principles of substantive fairness include equal protection under law, protections for fundamental rights, and prohibitions on apportioning outcomes on the basis of invidious distinctions between groups or individuals.

A clear commitment to fairness is particularly important for politically marginalized stakeholders that lack the wherewithal to defend their interests through raw political power. Fairness

²⁷⁵ Sunstein (2003), p. 150.

²⁷⁶ Coleman and Porter, (2000), p. 390.

²⁷⁷ Ngaire Woods, "Good Governance in International Organizations," *Global Governance* volume 5, number 1 (1999).

²⁷⁸ Coleman and Porter (2000), p. 390; Woods (1999).

principles can provide these stakeholders with indispensable assurances that their concerns will be heard, their interests will be balanced equitably, and that the agreements they negotiate will be respected.²⁷⁹ To provide these assurances, however, fairness principles must be mandatory and consistently enforced. Occasional or discretionary enforcement of these principles sends a signal that fairness is only a second-order concern, and is not likely to be sufficient to induce politically vulnerable groups to voluntarily participate.

Principle 5: Accountability

Accountability implies that decision-makers must answer for their actions and, depending on the answer, be exposed to potential sanctions.²⁸⁰ Accountability mechanisms allow citizens to control the behaviour of government officials and representatives to whom they have delegated public power.²⁸¹

Effective accountability mechanisms have four core components: *transparency*, *justification*, *compliance with standards*, and *enforcement or sanctions*.²⁸² *Transparency* and *justification* have been discussed in detail above. In short, they require that citizens be able to understand what public officials are doing and why. *Compliance* involves evaluating their actions against clear standards that are based on publicly accepted norms. These include both procedural standards (regarding transparency, inclusiveness, etc.) and standards for assessing outcomes (e.g., on poverty reduction, social equity, and human rights). *Enforcement* involves imposing sanctions for failing to comply with those standards.

2. Stages of Decision-Making

Civil society organizations have consistently complained that there are too few entry points in the World Bank's lending and policy-making processes for the public to influence decision-making. For example, public inputs are often solicited only after key strategic or operational decisions have already been made, and rarely during implementation or evaluation. *To expand these opportunities, the principles of participatory decision-making described above should be integrated into all stages of the Bank's strategic and operational decision-making.*

Despite their differences, the World Bank's lending and policy-making processes share a similar set of decision points, from agenda setting through evaluation. The project and policy lending cycles of the World Bank, like those of many public institutions, are generally described as a stable and predictable progression of discrete steps.²⁸³ Operational policy-making processes at

²⁷⁹ Edward P. Weber *Pluralism by the Rules: Conflict and Cooperation in Environmental Regulation*. Washington, D.C.: Georgetown University Press (1998), p. 107.

²⁸⁰ Ronald J. Oakerson, "Governance structures for enhancing accountability and responsiveness," in James L. Perry (ed) *Handbook of Public Administration*, San Francisco: Jossey-Bass (1989), p. 114.

²⁸¹ Goetz and Jenkins (2001), p. 6.

²⁸² Woods "Accountability, Governance, and Reform in the International Financial Institutions," unpublished paper (undated); Woods (2001); Coleman and Porter (2000); Grant and Keohane (2004).

²⁸³ The World Bank and IFC each have slightly different cycles (see www.worldbank.org >Projects >ProjectCycle, and www.ifc.org/ifcext/proserv.nsf/Content/IFCProjectCycle). However, policy lending in particular is rarely so orderly in practice. Policy lending cycles tend to be more complex, more subject to political interference, and less formalized than project lending cycles. Randall S. Clemons, and Mark K. McBeth, *Public Policy Praxis*. Upper Saddle River, New Jersey: Prentice Hall, (2001), pp. 79-94. See, also: Chris Roche, *Impact Assessment for Development Agencies: Learning to Value Change*, Oxford: Oxfam GB, (1999) p.31; Mark Turner and David Hulme. *Governance, Administration and Development: Making the State Work*, West Hartford, CT: Kumarian, (1997), pp. 57-81.

the Bank also follow a similar progression of steps, although they tend to be less well defined and more procedurally fluid than in lending operations.

These decision-making processes can be described, in somewhat stylized terms, as a series of six stages:

Stage 1: Issue framing and agenda setting

Needs are assessed, diagnostic research is conducted, and key issues and agendas are framed, defined, and prioritized. For lending operations, this may involve conducting diagnostic research such as strategic poverty and social assessments, and establishing broad directions and priorities through the formulation of Country Assistance Strategies (CAS) and Poverty Reduction Strategies (PRS). For operational policy-making, it involves identifying key areas of concern that may require a revised policy response.

Stage 2: Policy or project identification

Options are identified within the bounds set at stage 1. For lending operations, this involves developing more specific programs, projects, or policy reforms to achieve the priority objectives. Preliminary assessments of financial, economic, social and environmental factors are conducted, and alternatives are considered. For operational policy making, specific policy options and approaches are considered. By the end of this stage, all major decisions concerning the range of policies or projects under consideration have been made.

Stage 3: Preparation and appraisal/analysis

Studies are prepared to further assess technical, institutional, economic, environmental, social and financial issues facing the proposal. For lending operations, the Bank may provide technical and financial assistance to clients to conduct this analysis, and prepare its own appraisal. For project lending, this may include appraisal of sensitive environmental and social impacts as required by the Safeguard Policies. For policy lending, it may also include more systemic and indirect environmental, economic and social impacts of proposed reforms. For both projects and policies, alternative methods for achieving the same objectives are, ideally, also appraised. For operational policy-making, assessments of the likely impacts of the proposed policy change are expected at this stage. In all three contexts, this is currently where the majority of public consultation takes place.

Stage 4: Negotiation and approval by official decision-makers

The terms of a loan or policy are finalized and submitted for approval to official decision-makers. At the Bank, these decisions are made by the Board of Executive Directors. In borrowing governments, this may involve ratification by a specific ministry, a council of ministers, or a country's legislature, depending on national law.

Stage 5: Implementation, supervision and completion

The policy, program or project is implemented. For project lending, this may involve the construction of infrastructure or the implementation of service delivery programs. For policy lending, the reforms are put into effect, and may involve changes in a range of arenas such

as monetary and fiscal policy, trade and labour policy, privatization, foreign and domestic investment, etc. Plans may be adjusted to account for unanticipated challenges or events, in accordance with legal requirements, previous commitments, and the expectations of key stakeholders. Reviews may be conducted by World Bank staff to ensure that Bank guidelines and policies are being followed. For operational policies, the policies are applied to Bank operations.

Stage 6: Evaluation, adaptation and learning

The project or policy is reviewed to assess accomplishments and problems. Outcomes are measured against original objectives. Lessons learned are captured and disseminated. This is typically done well after completion of the project or policy reform.

3. A Framework for Participatory Decision-Making

A participatory approach to decision-making requires that the basic participation principles be applied at each stage of the project/policy cycle. As the experiences described in Section IV have shown, most engagements have been limited in scope and insufficiently participatory in quality. Currently, in Bank projects, citizens are sometimes engaged in project appraisal (stage 3), but this is primarily limited to public hearings required by the Bank as part of the environmental assessment process. In some cases, CSOs serve as implementers of development projects (stage 5), but even then are not involved in project evaluation. For Bank policies, civil society involvement is largely confined to consultations for Poverty Reduction Strategy Papers (stage 1). This applies only to IDA-eligible countries, and is constrained by the fact that the parameters for discussion are usually set in advance by governments and donor institutions. Even during those limited windows, public participation often fails to meet the minimum standards of transparency, inclusiveness, deliberativeness, fairness and accountability. In short, the project/policy cycle fails to systematically incorporate or encourage participatory citizen engagement.

Yet, a number of past World Bank efforts demonstrate that it is possible to include much deeper and broader participation at various stages of the cycle.²⁸⁴ Indeed, the former head of the Bank's Operations Evaluation Department has argued that the entire project cycle should be reconceived as a "learning cycle" to, among other things, more systematically incorporate the views and concerns of all significant stakeholders, adapt projects or policies built on consensus among stakeholders, and strengthen accountability and transparency in implementing agencies.²⁸⁵

The challenge for the Bank, then, is to ensure that the principles of participation are consistently and rigorously applied throughout the project/policy cycle.²⁸⁶ To help think through how this can be accomplished, Table 1 combines the principles and stages into a framework for thinking about what participatory decision-making should require at each decision point in the process. For the World Bank, this matrix should be used to structure engagement processes around its decision

²⁸⁴ For a series of examples from World Bank and IMF experience, see Robb (2003), as well as Caroline M. Robb, *Can the Poor Influence Policy? Participatory Poverty Assessments in the Developing World*. Second Edition. Washington, D.C.: The World Bank and the International Monetary Fund (2002).

²⁸⁵ Robert Picciotto and Rachel Weaving, "A New Project Cycle for the World Bank?" *Finance and Development*, volume 31, no. 4, (1994), pp. 42-44.

²⁸⁶ A number of the suggestions in this section are adapted from Robb (2003) and World Bank (2003b).

making cycles. For civil society, it suggests entry points for participation and a basis for assessing whether proposed opportunities for input meet their normative expectations of what a participatory process should look like. *This matrix is intended to be a preliminary review of the opportunities for pluralizing decision-making, and to provide a basis for further discussion on how more participatory and democratic decision-making can be operationalised.*

Table 1: A Framework for Participatory Decision-Making

Stage/ Principle	Issue-Framing & Agenda-Setting	Identification	Preparation & Appraisal	Negotiation & Approval	Implementation, Supervision & Completion	Evaluation, Adaptation & Learning
<i>Transparency & Access to Information</i>	• ensure access to all key documents, including Economic and Sector Work, CASs, PRSPs, and Joint Staff Assessments <i>prior to</i> discussions and key decisions (ensuring timeliness, translation, and affordability, subject to considerations of cost and relevance)	• make available the Project Concept Note, Project Information Document*, Integrated Safeguards Data Sheet,* and Sector Strategy Papers prior to board reviews	• make available the Project Appraisal Documents or Program Documents and Letters of Development Policy prior to approval decisions • make available, upon request, all documents and data used in preparing Environmental Assessments*, Indigenous Peoples Development Plans*, and Environmental Action Plans prior to board decisions	• make public the minutes of board meetings, as well as voting records of members • make public all draft documents used for deliberation, including the Memorandum of the President	• make available, for public comment, prior to finalization, Implementation Completion Reports as well as interim OED reviews of projects and programs, (e.g., Project Performance Assessment Reports, Impact Evaluation Reports, Country Assistance Evaluations, sector and thematic evaluations), and QAG synthesis reports.	• make available the OED's internal audit of projects
<i>Inclusiveness</i>	• conduct	• revisit		• submit PRSPs		• revisit initial

* The World Bank Policy on Disclosure of Information currently allows for release of some documents (marked with *) in time for public review before key decisions are made. However, most of documents listed in this table are made available only after discussion and decision making by the Executive Directors.

	comprehensive stakeholder analysis (e.g., through PSIA) • prioritize participation based on a rights-and-risks approach	stakeholder analysis to ensure its adequacy		and CASs to the Board after they have been subject to debate in national legislatures		stakeholder analysis to examine how it might have been improved
<i>Quality of Discourse & Deliberation</i>	• explicitly negotiate expectations for the engagement • provide justification for all major decisions • provide capacity building and funding for less powerful participants • allow affected stakeholder groups freedom to withhold consent • involve stakeholders in drafting PRSPs and CASs • broadly disseminate JSAs, and invite public comment prior to board discussions in order to better inform those discussions.	• involve stakeholders in identifying projects or policy reforms • build stakeholder capacity to assess risks, alternatives, and timetables • conduct participatory assessment of potential impacts of proposed reforms or projects • subject all proposals to public scrutiny and challenge • disaggregate potential impacts on different stakeholder groups	• involve stakeholders, and especially affected groups, in developing EAs (beyond nominal public hearings) and in assessing risks and alternatives. • subject EAs and plans to public scrutiny prior to approval • conduct comprehensive and public analyses of alternatives, including no-project options • examine tradeoffs and distributional impacts.	• encourage board members to provide rationales for their decisions	• use participatory M&E to develop indicators, to track poverty impacts, and to identify mid-course corrections • revisit policies, programs, and indicators to amend them as needed, through a follow-up process of participatory dialogue	• involve stakeholders in designing final reviews, using participatory M&E to evaluate impact on poverty • establish a centralized system for feeding findings back into policy and project cycle to enable learning for future reforms and projects

		• examine trade-offs • discuss how sequencing of policies might mitigate possible adverse effects • set outlines for a participatory M&E framework				
<i>Fairness under Rule of Law</i>	• use predictable rules and standards for deciding who participates and how decisions will move forward • develop a just and equitable basis for allocating costs, benefits, and risks • educate citizens on the country regulatory framework and Bank policies, including their rights to information, participation, and redress	• check that projects or reforms distribute risks, costs, and benefits in a just and equitable way • pay special attention to risks faced by marginalized groups	→	• require JSAs and other reviews to consider equity and justice issues • encourage governments to develop protections for marginalized groups	• use participatory M&E to revisit initial assessments on the distribution of risks, costs, and benefits	
<i>Accountability</i>	• establish mandatory minimum	• employ			• develop social accountability methods	→

	standards for consultation and participation at each stage of the cycle (standards that are enforceable but not cumbersome) • identify penalties or sanctions for failure to comply	independent social scientists to examine whether any stakeholders have been coerced, and what sanctions may apply			–e.g., Citizen Report Cards, Budget Watch initiatives, and other participatory means to publicize successes and failures, and to apply pressure on governments to improve performance	
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VI. INSTITUTIONAL IMPEDIMENTS TO PARTICIPATORY DECISION-MAKING

Section IV has shown that despite the Bank's stated commitment to participation, empowerment and good governance; its operations do not meet the basic standards of participatory decision-making necessary to achieve better development outcomes. This raises fundamental questions about the extent of the Bank's actual commitment to participatory decision-making, or, at a minimum, whether it has the ability to ensure that this commitment is implemented across its operations. Why, if the Bank recognizes that inclusive decision-making is so important to development, does it not ensure that it is done consistently well? Or, conversely, why, if the Bank is not serious about participation in its operations, does it continue to extol the virtues of participation?

Answering these questions requires some examination of the various organizational imperatives at play within the Bank that militate both for and against public participation. Like most large and complex bureaucracies, the Bank has multiple and, at times, competing organizational cultures and incentive structures that influence its priorities and effectiveness.²⁸⁷ This section explores these forces and explains how they affect the public's role in Bank decision-making.

1. Organizational Cultures

There are multiple and competing organizational cultures within the Bank, each of which affect the public's ability to influence decision-making. The first is a *culture of expertise*. The Bank prides itself on being an apolitical institution staffed by policy experts in a wide array of technical disciplines who rely on specific types of data and methodologies to inform and justify decision-making.

The culture of expertise constrains participatory decision-making at the Bank in several important ways. First, it tends to systematically undervalue other forms of knowledge and experience.²⁸⁸ Bank staff frequently complain that public inputs are "not substantive enough" or that CSOs do not always back up their assertions with methodologically sound evidence. As a result, they are more inclined to consult with each other, or with similarly credentialed experts employed by their borrowers, than with civil society and project affected peoples. And when they do consult with non-experts, it is often only to gain information and opinions to better inform their own decisions.²⁸⁹ Moreover, many civil society organizations have found that Bank experts are often dismissive of local or other knowledge systems that, for instance, may rely more on experience than on formalized technical analysis. As a result, they see the Bank's approach as condescending and arrogant, especially given the imbalance in financial and technical resources available to citizens and civil society organizations. This is exacerbated by the fact that Bank staff often represent political and social elites, who tend to

²⁸⁷ James Q. Wilson, *Bureaucracy: What Government Agencies Do and Why They Do It*. New York: Basic Books (1989), pp. 90-110; Judith Tendler's work describes similar institutional tensions at the U. S. Agency for International Development. Judith Tendler, *Inside Foreign Aid*. Baltimore, MD: Johns Hopkins University Press (1975).

²⁸⁸ Innes describes four different kinds of information central to deliberative communication: technical information, participants' own experience, stories told by participants, and images and representations used in discussions. See Judith E. Innes, 'Information in Communicative Planning', *Journal of the American Planning Association*, volume 64, no. 1 (1998), pp. 52-63.

²⁸⁹ World Bank (1996), available at www.worldbank.org/wbi/sourcebook/sb0100.htm#External

be privileged in terms of economic, educational, and social status in comparison with their CSO counterparts.

Second, an emphasis on expert driven decision-making creates incentives for problems to be framed in a way that appears to require expert solutions. Expertise thus becomes an obstacle to broader participation, as only those who have the requisite professional credentials are assumed to be relevant actors in policy making.²⁹⁰ This has the affect of marginalizing more participatory and disaggregated forms of analysis, thereby limiting the range of policy alternatives that can be considered.²⁹¹

Third, issues that are framed as “technocratic” are often, in reality, inherently political, and can not be legitimately resolved by the application of professional expertise.²⁹² For example, technical or policy experts are often confronted with situations in which the underlying scientific knowledge is incomplete or highly contested, or where decision-making entails determining whether costs and risks are acceptable or fairly allocated. Sorting out these conflicts is ultimately the responsibility of political decision-makers, and should be publicly resolved through negotiation and by reference to principles of distributive justice.²⁹³ While the insights of experts should be brought to bear on such complex and technical issues, these experts should not be cast in the role of primary decision-makers. Rather, educated experts should try to understand the views and concerns of citizens, in the citizens’ own terms, while also building long-term local capacities to engage on technical issues.

Participatory decision-making at the Bank is also limited by a *culture of secrecy*. Many civil society organizations, and some of the Bank’s own staff, have criticized the organization for being unnecessarily secretive with respect to information disclosure, decision-making, governance and deliberation.²⁹⁴ Although the Bank ostensibly operates under a “presumption of disclosure” that entitles citizens to the timely release of non-confidential information, the Bank usually only applies this presumption to documents that are specifically referred to in the Disclosure Policy. For all documents that are not specifically required to be disclosed under that policy, the Bank actually applies a presumption *against* disclosure. Thus, only a limited set of information is placed in the public domain, and often it is released too late for critical review and response or to inform public participation. This culture of secrecy results in extreme information asymmetries between the Bank and those who wish to engage it on policy or project related issues, and dis-empowers interested citizens from asserting and defending their interests.

An additional tension arises from what has been famously termed a “*culture of approval*”, based on the findings of an internal World Bank task force in 1992, headed by then Vice President Willi Wapenhans. The Wapenhans Report found that only a small minority of staff interviewed believed that the Bank’s analytical work during project preparation was adequate to ensure project quality. The report called into question the credibility of the Bank’s appraisal process, observing that many Bank staff used appraisals as marketing devices for

²⁹⁰ Coleman and Porter (2000), p. 381.

²⁹¹ This is what Michel Foucault has called “power/knowledge.” Michel Foucault “Two Lectures: 7 January 1976, 14 January 1976,” in Colin Gordon (ed) *Power/Knowledge: Selected Interviews and Other Writings 1972-1977*, New York: Pantheon, (1980), pp. 78-108.

²⁹² Ngaire Woods. “Multilateralism and its Alternatives: The Public Accountability Gap in Global Governance,” in Alnoor Ebrahim and Edward Weisband (eds), *Forging Global Accountabilities: The Public Ethics of Participatory Practices* (under review), pp. 5-6.

²⁹³ See, Williams and Matheny, (1995), p. 18; UNDP et. al. (2004), p. 15.

²⁹⁴ BIC (2004).

securing loan approval. In short, the Wapenhans Report observed “an ‘approval culture’ in which appraisal becomes advocacy.”²⁹⁵ Staff surveyed for the report provided various reasons for poor portfolio performance management; the most significant factors cited were inadequate resources, especially to inadequate time for supervision; deficient staff skills; distorted incentives; and pressures to lend.²⁹⁶

We could find no recent documentation of the extent to which these same problems persist today. However, the 2001 Annual Review of Development Effectiveness reported that “[a]n emphasis on lending appears to have limited the Bank’s effectiveness in some countries. Lending pressures were reported in five out of thirteen recently evaluated countries.”²⁹⁷ And the Bank’s recent return to higher-risk large infrastructure projects, particularly in middle-income countries with better repayment rates, suggests that the pressures to move money remain strong.²⁹⁸ This is also evidenced by a heightened concern that the transactions costs of its environmental and social safeguard policies are a substantial impediment to doing business.²⁹⁹ This deference to large borrower governments, which may not be particularly receptive to participation in the first place, serves to reinforce lending pressures at the expense of civil society engagement.

Taken together, this cultural landscape—of expertise, secrecy and approval—creates an institutional climate inhospitable to participatory decision-making. A culture of expertise undervalues forms of citizen knowledge and deliberative discourse that might instead complement technical analyses; a culture of secrecy undermines transparency and reasoned decision-making; and, a culture of approval values aggregate lending outputs over long-term outcomes such as empowerment, poverty reduction, and improved living standards.

2. Staff Incentives

Within this institutional context, there are a number of positive and negative incentives for staff to promote meaningful participation. The disincentives include:

- *Technical expertise* is necessary for justifying project and policy lending decisions, for recruitment, and for maintaining status. Considering a full range of alternative policy and project options would require collaborative, rather than authoritative, use of knowledge;
- *Lending pressures* reward quick appraisal and disbursement, and deference to borrower governments. Moving money is valued for promotion, while attention to participatory monitoring and evaluation is not;
- *Resources* available to task managers do not include special allocations for civil society engagement. Participation is thus viewed as an “add on” and a drain on time, money, and capacity and

²⁹⁵ World Bank, “Effective Implementation: Key to Development Impact. Report of the World Bank’s Portfolio Management Task Force,” (Wapenhans Report) (1992a) pp. 14, 16.

²⁹⁶ Ibid, p. 17. Also cited in Thomas, M.A. “Can the World Bank Enforce its Own Conditions? The World Bank and the Enforcement Critique of Conditionality.” Center for Institutional Reform and the Informal Sector (IRIS). College Park: University of Maryland, (undated), p. 6.

²⁹⁷ World Bank, “Annual Review of Development Effectiveness,” (2001), p. 34, as cited in Thomas, M.A.(undated): 6.

²⁹⁸ World Bank, “Infrastructure Action Plan” Washington, DC (July 8, 2003a); World Bank, “Enhancing World Bank Support to Middle Income Countries,” Washington, DC (March 2004b).

²⁹⁹ World Bank, “The Cost of Doing Business: Fiduciary and Safeguard Policies and Compliance,” Washington, DC (July 2001a).

- *Staff appraisals* do not evaluate the quality and impact of participatory mechanisms employed by staff. Staff, have neither positive nor negative incentives to improve the quality of participation beyond compliance with the letter of consultation requirements. Guidance and training are optional, and incentives to improve participation skills are weak. As a result, consultations can be held for the limited purpose of technically complying with the policy requirements, rather than to obtain and incorporate local inputs.

Despite these strong disincentives, there remain a number of positive incentives within the Bank for encouraging participation:

- Reduced reputational risks are achieved through early and frequent engagement with civil society. This is particularly true of large infrastructure projects, where the Bank has frequently been embarrassed by public opposition;
- Improved performance and effectiveness result from participation in all stages of the project and policy cycles. Because the impacts of projects and policies are not uniform across social sectors, participation by civil society enables better design, monitoring, and learning. It also facilitates the development of better qualitative measures of performance in poverty reduction.; and
- Empowerment is only possible through forms of participation in which decisions and resources are shared with the poor. The Bank's mission of poverty reduction cannot be achieved without such engagement.

The negative and positive incentives for participation differ in one key respect: the disincentives arise from immediate day-to-day pressures on operational staff, whereas the positive incentives are longer-term and are premised on a commitment to the Bank's mission of poverty reduction. *In other words, there is an incompatibility between short-term and long-term incentives.* Short-term incentives and rewards are not aligned with organizational objectives.

One of the Bank's assets identified by CSOs is a team of well informed and professional staff who at a personal level are highly appreciative of civil society contribution. This is particularly in reference to the Participation and Civic Engagement Group at the Bank Headquarters in Washington and the Social Development Advisors/NGO Liaison Officers and some Country Directors at the Country Offices.

[However]. . . The WB is strong on the rhetoric and weak on practice. . . World Bank Missions are fond of promising civil society good working relations which never materialise. As one participant observed, 'The World Bank does nice things about participation but doesn't implement them through their economic programmes.

—Report of CSO Consultation in Uganda on World Bank-Civil Society Engagement (Appendix C).

[A]s a consultant at the World Bank working on participation, while I saw many Task Managers doing their utmost in encouraging those they hired to ensure effective participation in project planning, I often saw their efforts fall flat in implementation. At the same time, I saw Task Managers and even country Directors clearly state that while they were required to invite public participation (by which they meant civil society "consultation") they were not required to do anything with the information that resulted from that participation.

I would suggest that people at the WB who truly want to improve their own practice are often stymied by the system within which they are working - time pressure (in terms of balancing competing demands from multiple projects) and low priority placed on the effectiveness/success of project interventions (vs. getting the loan out) and lack of funds to do more than the minimally required in-country project preparation activities, along with a focus on participation/consultation with big civil society (e.g., large national and international NGOs) vs. local civil society (e.g., potential beneficiaries) may be factors.

—Respondent to online survey (Appendix B)

Conclusion

Taken together, organizational cultures and staff incentives explain a lot about why the Bank has so often failed to translate its stated commitment to participation into more inclusive decision-making. The dominant organizational cultures and the more immediate staff incentives subordinate meaningful public involvement to other considerations. Meanwhile, the countervailing incentives for more democratic decision-making—reducing reputational risk and increasing development effectiveness -- are diffuse, long-term, and difficult to measure. The result is a set of organizational incentives and expectations that devalues participatory decision-making. As a result, public voice and accountability are subordinated to satisfying the demands of borrower and donor governments, minimizing overhead, and moving loans through the approval process in an expeditious manner. Ultimately, these organizational imperatives can lead the Bank to value public engagement more as a mechanism for gaining public approval for its decisions than for improving the quality of performance or empowering citizens to help determine their own development destinies.

VII. RECOMMENDATIONS

1. Cross-Cutting Recommendations

1.1 The World Bank should increase participation in its decision-making at each stage of the project/policy cycle. The project/policy cycle provides a structure for improving participation in Bank operations. In Section V, we proposed a framework for considering how each stage in this cycle can systematically be linked with basic standards of participatory decision-making. This framework offers an approach to developing benchmarks for what good process requires at each stage of decision-making. The Bank should use it as a way to think comprehensively about how to structure and expand participatory decision-making at each stage of the cycle. We also believe that civil society organizations could use this framework to: (a) assess in advance whether a proposed process meets their normative expectations, and therefore to help decide whether, or under what terms, to participate; and (b) evaluate processes to determine whether expectations and commitments were fulfilled.

As the matrix in Section V (Table 1) suggests, a comprehensive approach to pluralizing decision-making requires, at a minimum, that:

- All stages of the project/policy cycle should be transparent and enable access to information for public deliberation before key decisions are made;
- The capacity constraints of citizens and CSOs should be identified, so that efforts can be made to improve capacities and accessibility at all stages of decision-making (including, for example, considerations of language, timing, location, negotiation skills, etc.). This is particularly important for politically marginalized groups such as women, rural populations, and indigenous peoples;
- The Bank should provide adequate budgetary resources for participation and capacity building through all stages of decision-making. Where direct capacity building by the Bank risks cooptation, resources should be made available to third parties for building the capacities of participants;
- The Issue Framing and Agenda Setting stage should be preceded by a comprehensive stakeholder analysis, and prioritization based on a rights-and-risks approach, with special attention to marginalized groups;
- The Identification and Preparation and Appraisal stages should be based on participatory identification of options and risks, comprehensive and public analyses of alternatives (including no-project options), assessment of distributional impacts and trade-offs, and openness to public scrutiny and challenge;
- The Negotiation and Approval stage should involve public disclosure not only of board minutes and voting records, but also materials that can help citizens understand board decisions, such as board committee minutes and reports, meeting summaries, and draft documents used for deliberation. The Bank should also encourage debate on the project or policy reform in national legislatures prior to board discussion;
- The Implementation, Supervision, and Completion stage should use participatory monitoring and evaluation and
- The Evaluation, Adaptation, and Learning stage should involve participatory design and implementation, should include benchmarks for determining whether

engagements are meaningful, and should feed into a centralized system for informing future operations.

1.2 The World Bank should establish mandatory minimum standards and improve staff incentives for consultation and participation. Although, Bank literature and policy statements are replete with testimonials to the importance of participation and empowerment to achieving good development outcomes, the Bank has no required procedures for developing policy, and no clear minimum standards for soliciting or incorporating public inputs in its lending operations. Moreover, its internal incentive structures tend to subordinate participation to other considerations. As a result, public participation is usually *ad hoc* and discretionary, and the Bank generally only formalizes or requires it when forced to do so under external pressure.³⁰⁰

The Bank should develop two sets of mandatory process-based participation policies or standards. First, to increase fairness, predictability and transparency, it should adopt a fixed administrative procedure for developing and revising Bank operational policies and strategies.³⁰¹ Currently, the Committee on Development Effectiveness sets the parameters and procedures of these processes on a case-by-case basis. Second, the Bank should adopt a set of minimum requirements for public participation in different types of lending operations.

Many bank staff objected that this second set of standards would be unworkable in practice, and could only result in “tick the box” requirements that would not enhance the quality of participation. We recognize that performance-based standards could be unnecessarily restrictive if they were to specify strict and uniform outputs without regard to country context (e.g., number and diversity of participants, length of engagement).. Instead, we recommend process-based standards, for which there is a well-established precedent in the private sector (e.g., quality control through ISO 9000, environmental management systems through ISO 14000, or social auditing through the Accountability 1000 standard). Such standards do not set uniform output targets, but do require a commitment to continuous improvement through mechanisms of transparent review, stakeholder involvement, and organizational learning.

We note that there is a wealth of Bank literature on how to implement high-quality, participatory decision-making throughout the Bank’s operations and many Bank staff, in the exercise of their discretion, strive to follow best practice. As a result, there is an ample basis for crafting effective participation policies within the parameters of existing Bank practice. For example, the Latin America and the Caribbean Region has articulated a formal strategy for civil society engagement. There is no reason why each region should not be required to develop its own strategy, subject to regular peer review and improvement based on systematic assessment of lessons learned.

The participation policies/standards should include, for example:

- A predictable basis for including all parties that have a right or an interest at stake in the decision, or who may bear risks; and for establishing the range of issues under consideration. This includes identifying the specific interests and accessibility needs of various stakeholders, especially marginalized groups, and planning the outreach necessary for their inclusion;

³⁰⁰ Bradlow (2001a), p. 255

³⁰¹ Kingsbury et al. (2004), p. 2; Bradlow (2001a), p. 255.

- A process or set of ground rules for determining how decisions will move forward;
- Adequate notice and comment periods;
- A basis for building the capacities of less powerful participants;
- Procedures for public reporting and evaluation that might include: a list of stakeholders involved and how they were identified; details of the participatory process and schedule; discussion of main issues raised and how the process addressed them; an annex prepared by representatives of civil society on their views of the process and how those views have been addressed;³⁰²
- Participatory procedures for background research and analysis, including for assessing and distributing costs, benefits, and risks from the proposed policy or project in a just and equitable way and
- Accountability mechanisms, including penalties or sanctions for failure to comply with the standards, coupled with guarantees of access to dispute resolution or other appeals mechanisms.

A process-based participation standard would allow Bank staff to customize participation based on context (e.g., country-level political economy). At the same time, it would provide civil society with a more clear and predictable basis on which to engage with the Bank. More importantly, such a standard would allow for continuous improvement and organizational learning.

Moreover, to ensure that best practice becomes routine practice, the Bank should also revise its internal incentives for staff to improve participation through increased budgetary support, time allowances, capacity building, and performance appraisals that reward quality participation

1.3 The World Bank should improve the transparency of its governance and operations.

Transparency is, in many ways, the basis for participatory decision-making. Transparency enables people to participate meaningfully in public decision-making by providing them with the information they need to understand, evaluate, and influence the actions of decision-makers. While the World Bank has recently improved its information disclosure policies and practices, they still fall well short of international best practice. According to a recent UNESCO study, such international best practice includes:

- A guiding principle of maximum disclosure, in which all information is subject to disclosure unless there is an overriding public interest in keeping it secret;
- Broad definitions of the scope of information subject to disclosure;
- An obligation to publish proactively key documents and categories of information, even in the absence of a specific request;
- Clear, accessible mechanisms for the public to exercise of the right to information, including an independent mechanism through which denials of information requests can be appealed;
- Specific and narrow exceptions to the presumption of disclosure that can be overridden by a determination that disclosure will not cause substantial harm, or that the public interests would be served by release and

³⁰² This list is adapted from Oxfam International (2004), p. 10.

- Practical steps to promote greater access to information.³⁰³

We see no reason why, the world's leading development institution should not meet international best practice standards with respect to transparency. For the Bank to meet these standards, it would need to:

- Improve the transparency of its own governance structure and decision-making;
- Expand the range of draft and final documents, as well as other key decision documents, that are required to be disclosed proactively;
- Specify strict timelines for the disclosure of information, and in a timeframe that enables public deliberation before key decisions are made;
- Require that any refusals be justified by a written, substantive explanation of the reasons for the denial;
- Establish an independent appeals mechanism to review denials of requests for information;
- Subject all exceptions to disclosure to substantial harm and public interest tests and
- Limit the discretion of borrowers to determine whether a document should be released.

1.4 The Bank should respect, and proactively seek to expand and protect, political space for democratic and participatory decision-making in national political processes. The potential for participatory decision-making processes is much higher at the national and sub-national levels than in global public institutions like the World Bank. Thus, while it is essential for the Bank to increase participation in its own governance and operations, it is equally important for it to respect local democratic institutions and processes. The Bank should therefore seek to minimize conflicts between Bank operations and domestic democratic processes, and take steps to avoid usurping or crowding out effective mechanisms for public participation that may already exist. Towards this end, it should increasingly and proactively work with parliamentarians and a wider range of public agencies, and encourage parliamentary and local government review of loans and programs. Moreover, in countries in which democratic spaces are limited, the Bank should facilitate the use of more inclusive and democratic domestic decision-making processes. While the Bank is (and should be) constrained in the extent to which it can involve itself in domestic politics, there are a number of avenues for it to expand political space for affected people and their organizations to influence development decision-making. These include:

- Expanding the opportunities for the public to participate in dialogues between the Bank, other donors and borrowing governments on key strategic issues.
- Requiring borrowers to meet minimum standards in their participatory processes, and to explain how they will make those processes meaningful and effective. These standards should include protections for those that are marginalized in the domestic political process, such as requiring that particularly risky projects have broad community support.³⁰⁴
- Working to create positive enabling environments for civil society organizations to operate; and

³⁰³ Toby Mendel, "Freedom of Information: A Comparative Legal Analysis", UNESCO (2003).

³⁰⁴ World Bank, "Striking a Better Balance: The World Bank Group and Extractive Industries: Final Report of the Extractive Industries Review (2004f), p. v.

- Prioritizing lending to those agencies with a demonstrated commitment to participatory decision-making.

The Bank's traditional reliance upon finance ministries as the fulcrum of national policy-making should be reduced. This emphasis comes at the cost of disempowering governmental agencies that are potentially more representative and politically responsive, such as national parliaments. In so doing, the Bank may distort the checks and balances that make government entities accountable to one another. And, by marginalizing these other entities in decision-making, it precludes them from developing the experience and capacity that might enable them to discharge a more assertive oversight role in the future. While, admittedly, the Articles of Agreement require the Bank to interact with countries through their finance ministries, this does not preclude the Bank from concluding that serious governance problems exist where a finance ministry is unwilling to include parliament or other relevant government actors in decision-making, and rethinking the wisdom of the loan accordingly.

Finally, the World Bank should defend the political space it creates in domestic political processes. Meaningful participation, at the end of the day, is often about dissenting from popular positions, challenging settled orthodoxies, and confronting powerful interests. In many countries in which the Bank operates, this can be considered seditious, and can expose those who raise concerns to reprisal. The Bank, however, does not offer adequate assurances to those that participate in its consultation processes that they will not be punished as a consequence.³⁰⁵ The Bank should assess the political risks faced by those who participate in its consultation processes, and explicitly require borrower governments to respect the rights of those who participate. It should also be willing to take steps necessary to ensure that those who participate in its consultative processes will not suffer reprisals (including by calling loans or threatening to withhold disbursements).

³⁰⁵ Bradlow (1996).

2. Specific Recommendations

2.1 Recommendations for reforming institutional governance. In order to better align institutional governance with contemporary standards of participatory and democratic decision-making, the member countries should:

- Address the serious power imbalances between donor and borrower governments. This will require (a) re-allocating voting shares and Board seats, (b) providing some borrowing country Director offices with additional capacity and resources, and (c) ending the anachronistic prerogative of the United States to name the Bank President. Toward this end, the Board of Governors should solicit public input and publicly deliberate a range of proposals to strengthen the voices of borrowing countries, and should develop a fair and transparent Presidential selection process.
- Improve transparency to better enable the public to directly influence decision-making, and to hold their directors accountable for how they are represented. Draft documents should be made public before they go to the Board, so the public knows what issues the Board is addressing. Agendas should be available in advance of meetings, and transcripts should be released afterwards. Formal votes should be taken so that the public can understand the positions taken by their representatives.
- Develop new mechanisms to allow the public to put issues directly before the Boards of Executive Directors and Governors. For example, on particularly contentious issues, the Executive Directors should hold public hearings in which affected people are invited to testify, or host tripartite dialogues with bank management and civil society. These mechanisms would not only increase citizen voice, but would also enhance Board oversight of management, by improving its ability to gather information from external sources. The Board of Governors should use similar mechanisms for the issues that it does not delegate to the Executive Directors. An excellent precedent for this occurred during the second review of the Inspection Panel, in which the Board held an informal meeting with civil society organizations to discuss proposed revisions to the Panel's procedures.³⁰⁶
- Explicitly recognize the need for horizontal mechanisms of accountability and checks and balances on Bank decision-making. Most important, member governments should recognize international law, including international human rights law, as a limitation on Bank conduct. Where the Bank violates its legal obligations, aggrieved parties should have the opportunity to seek redress in courts of competent jurisdiction.

2.2 Recommendations for improving categories of engagement. In order to enhance participatory decision-making in the **development of World Bank policies**, the Bank should:

- Develop and implement a fixed administrative procedure for developing policies (cross-cutting recommendation 2);
- Be clear at the outset what issues are, and are not, under review;

³⁰⁶ Bradlow (2001a), p. 253.

- Use mechanisms such as civil society advisory groups to the public to participate in setting the agenda of the review, developing the research that will inform it, and developing the procedural guidelines under which it will be conducted;
- Provide meaningful avenues of redress for flawed consultations or failures to follow through on commitments made during the process;
- Clearly inform participants how their inputs were received and taken into account by providing minutes of meetings, iterative drafts, and a compilation of responses to substantive comments;
- Use participatory processes for monitoring and evaluating policy implementation to allow for ongoing learning and policy improvement and
- Establish participatory mechanisms for monitoring and evaluating the implementation of the new administrative procedure for policy development.

In order to enhance participatory decision-making in **national policymaking through PRSPs**, the World Bank should:

- Ensure that issues of macroeconomic policy, human rights, and gender equity are placed on the PRS agenda, and that priorities are identified by PRS participants through a deliberative dialogue;
- Establish clear guidelines and policies for transparency and access to information for PRS processes, including timely disclosure of key documents necessary for participatory decision-making. These documents should include, but are not limited to, the draft CAS, loan documents (including PRGFs and PRSCs), PRSP policy matrices, draft versions of JSANs, and Letters of Development Policy (cross-cutting recommendation 3);
- Make clear their intentions and objectives in a manner open to public scrutiny, and encourage governments to do the same;
- Require transparency and participation during all stages of the policy cycle, including drafting, implementing, and monitoring and evaluation of the PRSP (cross-cutting recommendation 1);
- Develop minimum standards for participation in PRSPs, supported by country-specific benchmarks. Each country should carry out an independent “PRSP Lessons Review” based on these standards.³⁰⁷ (Also see cross-cutting recommendation 2);
- Work with national governments to establish a permanent framework for effective participation that feeds into and builds on legislative processes. This includes increasing the participation of parliamentarians and line ministries, ensuring adequate time for broad public participation (especially in rural areas), and better integration of the process with national poverty planning procedures;
- Proactively work to expand and defend political space (cross-cutting recommendation 4);
- Provide resources and time for building the capacities of participants to engage more effectively. This includes training on interpretation of technical documents and technical papers, and on the development of policy alternatives, and more proactive inclusion of domestic stakeholders that may already have such capacities, such as local universities, think tanks, and trade union research centres;

³⁰⁷ Oxfam International (2004), p. 3.

- Require PSIA for all major policy reforms, accompanied by minimum standards to guarantee that the selection of PSIA topics represents multi-stakeholder interests, that there is support for local and independent researchers, and that PSIA examine a broad range of alternative policy options rather than simply mitigation measures;
- Explain how World Bank and IMF lending programs and strategies (i.e., PRGF, PRSC, CAS) have been shaped by the PRSP and
- Refuse to approve PRSPs unless minimum participation standards have been met, and they have been reviewed by national legislatures.

For enhancing participatory decision-making in **projects**, the World Bank should:

- Ensure full and timely disclosure of key documents necessary for participatory decision-making throughout the project cycle. These documents should include, but are not limited to, draft project documents and supervision and completion documents (cross-cutting recommendation 3);
- Expand participation at all stages of the project cycle, especially during agenda-setting, identification, and monitoring and evaluation (cross-cutting recommendation 1);
- Develop minimum standards and staff incentives for participation in projects in order to improve deliberation, strategic clarity, and feedback (cross-cutting recommendation 2);
- Systematically incorporate social analysis throughout project decision-making;
- Provide capacity-building support to project stakeholders not only on technical issues related to the project impacts, but also on legal rights and negotiation skills;
- Develop a learning system based on improved and participatory monitoring and evaluation (especially for poverty and social impacts), training and knowledge management systems better suited to the needs of task managers, better supervision and lines of responsibility for overseeing participation, and standards and benchmarks for participation coupled with mechanisms for redress and accountability;
- Ensure that participatory processes achieve broad community support for all high impact projects before loan approval and
- Develop meaningful avenues for redress for citizens that believe that participatory processes have not been sufficient, or that the concerns that they have raised have not been adequately addressed in a project.

2.3 Recommendations for institutionalized dialogue mechanisms:

- Institutionalized dialogue mechanisms such as the JFC have lacked credibility, raised suspicions among excluded civil society organizations, and have not had a demonstrable impact on policy development. To be useful, such mechanisms should:
- Focus on specific substantive areas. They should not be used as forums for generalized dialogues on a range of issues affecting civil society;
- Have a clearly articulated purpose and scope, transparent selection process, and broad representation;
- Be used primarily as an advisory mechanism during the planning stages of a broader consultative process. In this way, they can provide a means for civil

society to experts to help prioritize substantive issues to be addressed, frame a research agenda, and develop procedural guidelines to be used during consultations;

- Complement, and not supplant, more broad-based, organic and democratic consultation processes and
- Terminate at a specified time.

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APPENDIX A: Methodology

This report was drafted by two independent researchers commissioned by the civil society members of the JFC, from December 2004 to April 2005. The methodology consisted of:

1. Heavy reliance on secondary materials for analysis. The researchers drew from an extensive body of studies and reviews already conducted by CSOs, the World Bank, and academics. Drawing on this very recent work provided a much larger evidentiary base for our conclusions than would have been possible through reliance on primary research alone.
2. Consultations and focus groups with civil society organizations. A total of seven consultations and focus groups were conducted. Four of these were national-level consultations (in Uganda, Zambia, Senegal, and Republic of Macedonia), two focus groups were held at the World Social Forum in Brazil, and a focus group in Washington, D.C. These consultations and focus groups were intended to serve as an additional means of checking the validity of findings that were emerging from the existing literature.
3. Interviews. Fifty-three individual interviews were conducted with members of CSOs (23), Bank staff, management, consultants, and executive directors (25), and academics (5). This does not include interviews or conversations with CSO representatives on the JFC.
4. Online survey. Several short-answer questions were distributed through an online survey in the first week of February to approximately 18,000 subscribers of the CIVICUS electronic newsletter, and to 283 email addresses that included JFC list-serve members, and other civil society contacts and list-serves. A total of 79 responses were received at the time of writing. This low return rate suggests that these responses should be treated with caution, and that they are probably less representative than the findings from the national consultations (point 2 above).

In addition, this is a draft document that is now undergoing a review process that involves several steps:

1. Detailed review by the CSO members of the JFC.
2. Public release of the draft document (on April 13) for comment and distribution on the CIVICUS list-serve and others.
3. Discussion and feedback at the World Bank Civil Society Forum (April 20-22), with translations available in French and Spanish.
4. Review by several scholars familiar with Bank-civil society engagement issues.

SURVEY MONKEY RESULTS (N=79)

1. DESCRIPTION OF ORGANISATION OR NETWORK (72)

a. Location of respondents

Africa: 22

1 Burkina Faso
1 Cameroon
1 DRC
2 Ghana
2 Kenya
1 Malawi
6 Nigeria
2 South Africa
1 Togo
3 Uganda
1 Horn of Africa
2 Sub-Saharan Africa (Kenya, Uganda, Cameroon)

Americas:4

1 Latin America
1 Mexico
1 Canada
1 USA

West Indies: 1

Europe: 10

1 Austria
2 Cyprus
2 France
1 Germany
1 Poland
1 Romania
1 Russia
1 Scotland

Middle East:2

2 Turkey

Asia:8

1 Cambodia
1 India
1 Malaysia
2 Nepal
3 Pakistan

No location provided 24

b. Types of respondents

9 Local CSOs
16 National CSOs
3 Regional CSOs
12 International CSOs
3 Media
1 NGO liaison service
1 UN association
1 Faith-based organisation
1 Centre for governance and qualitative studies
2 Government owned development finance institution
1 Interdenominational development agency
2 Trust
2 Grantmaking institution
1 Constitution and Bill of Rights Education project to train paralegals
1 Law firms
2 Individuals
5 Universities
9 Cannot tell

2. ENGAGEMENT/CONFRONTATIONS WITH THE WORLD BANK (56)

a. Frequency of interaction

	no interaction/ experience with WB	with occasional or indirect interaction	frequent or direct interaction
Frequency of interaction	8	24	12

b. Nature of interaction

	Positive	negative	confrontational	collaborative
Nature of interaction	7	12	6	15

c. Quotes that capture the overall tenor of the responses:

‘WB has played a very important role in the creation and development of the Romanian Association for Community development. In 1998, most RACD members have been trained by WB trainers as community development facilitators. The training quality and high relevance of the approach for the Romanian context had determined us (the trainees) to create an organization (RACD) focused on community development. World Bank had also supported RACD in its starting stage through a start up grant of 10,000USD. Since 1999, we have constantly tried to learn more about WB experiences world wide and to use these experiences in what we do.’

‘WB funded (with IIZ-DVV) an international conference in Botswana: Adult Education and Poverty Reduction: A Global Priority in June 2004. Conference asked for WB to engage with relevant AE organisations to devise an international policy on adult education. Have since started to talk to individuals in WB about how to progress this agenda. In order to start this process WB rep was invited to speak at our centre's launch here in UK. This decision was made in order to identify a suitable person who would be willing to listen to our centre as a starting point for the envisaged discussions. Original decision to involve WB in conference was taken by IIZ-DVV. This was a pragmatic funding issue, but it also brought in government officials and NGOs who would otherwise not have attended.’

‘Interactions with the WB have been very one sided. They collect information about an issue, do an analysis, make conclusions, and then present them. There is little room for influencing their conclusions. There has been some collaboration in the analysis part of the process, but for the most part, any thinking outside of the WB mindset is not welcome. The little collaboration that exists is perfunctory. WB policies that effect government decisions, whose negative consequences are mainly felt by people at the lowest levels of the economic pyramid and often times whose positive consequences are reserved for the upper echelons of the power and financial ladder, appear to be untouchable by anyone, any organization at the local level. Even after a structure for an activity is put in place, there is little room to dialogue about the details of setting it up and implementation.’

‘We have been involved with the World Bank in the context of the Joint Assessment Mission for Sudan. The JAM was intended to produce a document indicating needs for a post-conflict Sudan which would be presented to the bank's donor countries at the upcoming Oslo Conference in April 2005. Donor countries would then make pledges for the reconstruction of Sudan and post-conflict transformation efforts following the peace agreement which was signed by the warring faction in Sudan last January 2005. The JAM invited our organization to validate the document and ensure that CSO views and feedback were incorporated. The engagement was a last minute attempt to bring on-board CSO and NGO working in Sudan and did not clearly show how feedback and input into the JAM process and findings would be incorporated into the final document. At another level SUDIA has most recently developed an action-research project for the region of Darfur State, in western Sudan. The bank has indicated an interest in funding our work, and we were keen on keeping institutions like the WB and the other multinational organizations informed about our work. The success of the Darfur action-research project is dependant on the extent whereby these players (WB/IFAD, EU etc.) endorse our findings and incorporate recommendations into their planning and interventions.’

‘We have had conflicting views on relations with the WB within the organization. More "powerful" levels (e.g., at the international headquarters or in regional offices) have sometimes been more critical of engagement with the WB than country-office levels, where in view of the larger context, we have sometimes found it important to maintain constructive links if only to keep up to date with the debates and share our views as appropriate. One area of consensus across the organization, however, is not to accept official funds from the WB.’

‘Our experience interacting with the World Bank has been mostly confrontational due to the fact that some WB employees tried to control the process of public participation in the Nile Basin Initiative. We had to submit complaints to the WB against specific employees, which went unanswered. The structure formed by the World Bank/Nile Basin governments to fake public participation called the Nile Basin Discourse had excluded international NGOs and Diaspora organizations from sharing in the process mainly

APPENDIX B: Summary of Survey Results

through selective invitations/sponsorship. We had to confront the WB employees involved because we believe there is no real sustainable development without real public participation in the whole process from decision making, to planning, implementation and monitoring. Also the fact that a project supported by the WB had very unfavourable response from the IMF CAO; the Bujagali hydroelectric dam in Uganda.'

'Founded in 1990, FPP has been actively engaged in trying to halt/mitigate destructive WBG projects and programmes and create greater accountability through policy reform ever since. Senior staff have been engaged in this effort since 1984 under previous NGO hats. Our human rights based approach makes us focus on abuses and then push for reforms that will respect rights. Despite the prevarications of WBG and many broken promises we continue to engage with WBG, but have less and less belief in reform and more and more of an emphasis on damage limitation.'

'Our organization did not confront the WB in fact we were the Prime Movers in recommending to the National Accountability Bureau (NAB) following approvals from major stakeholders and finally in their National Anti Corruption Report (NACS) that the World Bank guidelines should be implemented across the board. This recommendation was then taken up by the Public Procurement Regulatory Authority (PPRA) with a few changes related to the Integrity Pact and the LCS.'

'ECA region NGO WG on interaction with the WB, JFC, sub-contractor of the WBI on several projects in St. Petersburg and North-West Russia. Participation in a number of consultations with CSOs organized by the WB. For NGOs it's important to engage with large intergovernmental organizations, as well as perform a watchdog function, since WB exercises great influence on internal policy of a borrowing country.'

'We interact with the Bank regularly. We believe that only dialogues can we resolve differences in order to achieve the same development goals. We do not choose non-engagement because it would be against our faith-based value of respect and dignity for each other.'

'The World Bank has a very strong influence over the government and its policies in our country. Informal discussions with some of the members of the cabinet in government have for long blamed the World Bank for some of the decisions we, community based organisations, were challenging or questioning. So we wanted to visit the representatives of the World Bank in the country. This has been an impossible task. They say that we have to discuss with the government and not with them. The Bank is not open to dealing directly with community based organisations. We have not managed to have one single meeting with the World Bank office in the country. And we have tried in the last 3 years to have one. Writing letters, calling, etc... does not work. We gave up last year! Then the government informed us of the PRSP and the possibilities of getting engaged. We participated in it, happy to be given space. But then that space started to decrease and be reduced by the organisers, because of some key disagreements. Instead of a culture of dialogue and compromise, we discover that we were mere objects of decoration. Someone forced the government to have us there, but they really did not want us there. So we decided not to participate any longer in these fake consultations.'

3. QUALITY OF ENGAGEMENT PROCESS (49)

	"yes"	"no"	"somewhat"	"n/a"
a. Influence on structure of the consultations and issues	9	12	7	17
b. Adequate information of the nature and purpose of the dialogue	15	7	5	15
c. Documents provided ahead of time and in appropriate languages	9	15	4	16
d. Open, inclusive and participatory consultation	12	9	8	16
e. Feedback on how their views were taken into account after the consultation	4	19	4	16

f. *Quotes that capture the overall tenor of the responses:*

'When consultations are organised by Paris-based French desk, there are preparatory discussions on points to be evoked. It is different when organised by Washington. b. Yes, but needs to have an e-mail address (which is a problem for some African CSOs) C. No, lack of documents in French (again a problem for African CSOs) and often less than 1 month before, which is not enough ahead to read materials d. Not open and inclusive. The WB selects NGOs it wants to invite on each particular subject on her list of NGOs (which is not complete). Consultations are participatory when not too big. e. Not at all. No final minutes of meetings compiled and diffused, no follow-up of the process.'

'We have had many opportunities to influence the consultation process. We mostly do not have bad experience with any of the process from a. to e. What we question however, is how serious the Bank is taking the CSOs' comments. Whether or not there are changes at the heart of the Bank's operation. Sometimes it feels like it is business as usual for the Bank and that our comments do not have any impact.'

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'We knew that they existed but were not provided copies in advance of the meetings themselves d. Regarding the last such consultation that I attended: It was open and inclusive in the sense that the door was not barred to interested attendees. It was not inclusive in that substantive participation was not available to those who did not have an opportunity to study relevant documents well ahead of time. It was not particularly participatory in that time had been allocated to a few participants and there was little to no space for those not already on the agenda. At the same time, few of the people on the agenda seemed to have time to finish voicing their ideas/concerns/opinions. It was not particularly participatory in that the WB staff who ran the meeting primarily listened to comments from the attendees but did not provide substantive reactions on them or indicate whether the comments from the attendees were deemed relevant or not. In sum, rather than "participatory" the meeting seemed to be part of a bi-directional exchange of information in which the WB provided information to key attendees ahead of time and the key attendees provided their reactions to the materials that they had been given. e. (Again re the meeting commented upon in d above) I don't know. I received a brief written report on the meeting. I heard about some of the results through a friend who is a WB staff member who was peripherally involved with the meeting. I also heard expressions of frustration from one of the key participants who said that, while they had received a written communication and thanks for participation they did not know whether anything substantive had come out of their participation.'

'Not sure if we actually influenced structures, though we have over the last 4 years attended WB consultation meetings and expressed our views there. b.c.d.e. large documents in English were received for reading 1-2 days before the consultation meeting. Sometimes, the larger context within which the consultation was taking place was not adequately clear. As NGOs coming from outside the system, this made it difficult to contextualize our comments (independently, for now, of what the quality of our comments would have been). Since we often did not know what proceeded and came after the particular consultations we attended, it was difficult to assess whether they had indeed been participatory including wider sections of the population or not. Certainly at the meetings we attended, all comments were taken and noted down in seemed, in a fairly open atmosphere. the main concern of ours has been that participants do not seem to be informed of what happens to their comments, what happens after consultation meetings and what final documents come to look like. in contrast, the ADB seems to have become much better in providing follow-up feedback, certainly since 2003 onwards.'

'We presented the issues and they were well addressed -it was an open discussion and the officer took time to listen and she took the action to contact NACC programme. -By the end of the discussion we felt well attended. But we still fill that the World Bank needs to de-link the civil society funding from the government and involve people from the rural community in discussions and decision making.'

'This is a daft question. We have been involved in very numerous consultations and each one is different. You should be asking which consultations have been better and which worse.'

'We engaged in consultations with the Bank on the foregoing assessment. The Bank did not accept all our suggestions (most prominently the suggestion that more the report be actually researched and written by local experts, in addition to involving stakeholders in consultations). The Bank was receptive to a number of other suggestions. Participants were informed of the nature and purpose of the dialogues we held around these issues in-country. One problem, however, is that this was often explained in "Bank-speak." Documents were provided in advance, and the dialogue was open, inclusive, and participatory. Participants received some feedback on how their views were taken into account. THE PRIMARY PROBLEM IS THAT THE REPORT HAS BEEN TIED UP WITHIN THE BANK'S BUREAUCRACY. INDEED, PROCESS SEEMS TO PREVAIL OVER SUBSTANCE. MORE THAN A YEAR HAS PASSED SINCE INITIAL DISCUSSIONS WITH STAKEHOLDERS AND BY THE TIME THE REPORT IS FINALLY RELEASED, IT WILL BE SIGNIFICANTLY OUT-OF-DATE.'

'Consultation is not participative decision making.'

4. CONSULTATIONS SERVING WIDER POLITICAL OBJECTIVES (44)

	# reporting that WB practice did change	# reporting that practice did not change	# who do not know*
a. Improvements in WB policy or practice	5	10	9
b. Increased domestic political leverage	8	10	5

* The 'don't knows' are often because it is too early to tell

Quotes that capture the overall tenor of the responses:

'Yes, in the procedures, not in the substance. Improvements on paper, did not always lead to improvements on the ground. Success or failure was related to many factors, such as political, economical etc.'

'My sense is that the Bank is becoming more open to civil society consultation and increasingly recognizing - not just at the level of its President but more generally throughout the organization - the importance of civil society engagement. However, the Bank warns that the representative character of civil society needs to be assured. Some CSOs in the North purport to represent opinion of CSOs in the South but whether they do so in fact is far from clear. Engagement with the WB increases visibility, and people in our organization have appreciated that contact. It's too much to say that we gained leverage 'in the domestic political context,' especially

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since our Washington DC Chapter/Division (UNA-NCA) is only part (though the largest individual chapter, by far!) of a larger national organization, UNA-USA, and UNA-USA is the central policy formulating body. UNA-USA also is more likely to interact with the top management of the WB than UNA-NCA.'

'HEROFAT GROUP believes that the WB is now opening more collaboration links with NGOs.'

'We were not trying to change policy. However, it seems to us that the Bank is missing a significant opportunity in not becoming more engaged in the global networks we're working with...it seems to me that the problem has to do with the Bank pushing along on a certain trajectory, and not being able to raise it's head up to see what is happening that's new and different in global governance and how it might get involved.'

'WB policy improved in the 1980s, peaked in the mid-1990s and has been weakening ever since although new lines of dialogue are opening up as others close off. Project level due diligence seems to have become more routinised and perfunctory but malpractice has been harder to expose. They tick more boxes now but actual change is not widely evident. Increased programmatic lending and 'process projects' have all decreased community level accountability.'

'The TI-Mission of April 2002 did help in that the WB officials led by James Wall and Abid Hassan were aware of our views and supported / influenced the decision of the MOF to go ahead with the recommendations of the WB given in the CPAR with regards to the establishment of the PPRA. Unfortunately the WB itself has not fully appreciated the recommendations of TI-Pakistan with regards to the LEAST COST SYSTEMS for all Engineering / Consultancy services with respect to Pakistan.'

'I don't know. For instance, in discussions after our brown-bag presentations we have frequently been told that the WB already uses the types of best practices that we refer to. However, as a consultant at the WB working on participation, while I saw many Task Managers doing their utmost to in encouraging those they hired to ensure effective participation in project planning, I often saw their efforts fall flat in implementation. At the same time, I saw Task Managers and even country Directors clearly stated that while they were required to invite public participation (by which they meant civil society "consultation") they were not required to do anything with the information that resulted from that participation.'

'In some instances, we were able to include languages in Bank documentations. Our criticisms of the Bank's conditionalities and among other CSOs' complaints may have triggered the Bank's review of and the IMF's seeking to reduce their conditionalities imposed on borrowing countries. Leverage on the Bank can only be obtain with help of key governmental/donors support as well as allies in the Bank. CSOs can not hope to bring about change on our own.'

'The WB says to CSOs it is going to change, but it is only announcements. No change in reality, partnership with civil society is only a communication operation.'

'Some policies were decided beforehand and were not negotiable as was made explicit in corridors.'

c. Factors leading to success or failure:

1. The World Bank policy is too meticulous.
2. Any policy that is not people oriented would surely fail by matter of time.
3. Administrative bottle neck and corruption
4. Lack of genuine interest in having a dialogue with CSO the dialogue with CSO. The WB seems interested in dialogue as 'window-dressing', and only as far as the CSO's with whom it is involved are in agreement with policy and direction that the WB is taking.
5. Capacity of NGOs to continue the engagement; follow up on the issues- info sharing is getting better.
6. Being not really committed to public participation lead to its failures, e.g. Bujagali and the Nile Basin Discourse.
7. More could have been achieved if there had been more continuity in pursuing the issues.
8. The WB should first introduce best practices, outcomes, benefits in developing countries which had to struggle with similar problems to the public, NGO's and administration.
9. Excellent research, good communication and real participative decision making make for successes. Dealing with the fundamental goal of the bank and its neo liberal agenda often mean wins rarely occur.
10. I would suggest that people at the WB who truly want to improve their own practice are often stymied by the system within which they are working - time pressure (in terms of balancing competing demands from multiple projects) and low priority placed on the effectiveness/success of project interventions (vs. getting the loan out) and lack of funds to do more than the minimally required in-country project preparation activities, along with a focus on participation/consultation with big civil society (e.g., large national and international NGOs) vs. local civil society (e.g., potential beneficiaries) may be factors.

5. LESSONS LEARNED (48)

a. Respondents who would participate again

	# yes*	# no	# yes with reservations

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Respondents who would participate again	32	2	5
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* No-one said yes with reservations, they were very keen to participate again, but did have the following suggestions

Key reservations or conditions:

1. There should be real assistance given to grass roots organisations who work very hard to ensure that poverty is reduced, people are empowered and life becomes more comfortable for grassroots people in hidden corners of Africa.
2. The WB must be open to criticism and recipient of constructive external advises
3. There must be proper information coordination, and assurance that policies and instructions are adhered to when implementing programmes.
4. The right individuals within WB must be consulted
5. Interactions should be well advertised so that participants prepare themselves for such events.
6. Written concerns or feedback around the consultations signed on by participating CSO's should be sent to the WB offices in the region and in Washington.
7. There should be on going information sharing session.
8. There should be respect for the role played by NGOs as well as advocacy and transparency of the process itself which often determines the outcome
9. Consultations should be better focused and have more continuity.
10. There should be greater transparency/disclosure in the discussion of the pros and cons of our application
11. There needs to be flexibility on part of the Bank in approach e.g. agenda setting, less of the technical language.
12. There need to be longer lead in times. Mediating institutions should attenuate Bank control of agenda and outcomes. Open participation. Self selection of sponsored participants. Shared control of minutes. Clarity about possible outcomes at the outset. Provision of all information in the right languages well in advance. Multilingual interpretation as standard practice.
13. All Contracts should be placed on the WB's website and should include details of award of Contracts, fund dispersal, Implementation of IP's and appropriate sanctions etc. We would recommend that the WB in participation with TI-Pakistan hold training workshops for Contractors, Consultants and Government Organizations etc. so as to improve interfacing and transparency in evaluation and award of contracts, which to date is being manipulated by certain Government Organizations.
14. All shades of opinion should be included without pandering to in country political pressures for example issues of sexual minorities in Nigeria
15. The World Bank should not recycle old people for consultations, new people should be utilized for divergent views for a wide range of actions
16. People outside of the capital should be invited and sent more background information, well in advance, report on how the inputs were used/not used, consult with civil society before a document (for ex. Russia's CAS) was adopted by the Board of the Directors and not after, etc.
17. There should be a wider net cast in substantively involving NGOs in the discussion. The largest NGOs, while they are clearly important and should have a voice, do not always have sufficiently close links to WB project beneficiaries and do not have a monopoly on good ideas.
18. Only if there is a commitment from the coordinators (government and Bank) to make us participate in defining the agenda, the participants and the space for negotiation.

b. Key recommendations:

1. WB should be open in its operations and engaging in more similar consultations and dialogue where necessary. My advice is that my being open minded in its policy advisory to nations without any hidden agenda, more CS would then interact readily with WB or issues relating to its improving concerns for accountability and good will of the citizens, via even an annual convention sponsored by WB and its affiliates.
2. A quarterly WB bulletin that would present WB programs and future working directions. This is on the web but it would be helpful to have this kind of bulletin
3. WB membership and power should be more equally divided and representative of the types of communities it was set up to help serve. Not those countries themselves (i.e. post-war Europe) but countries in or coming out of conflict.
4. What is critical is that CSOs show (a) they have done their homework, and know the facts of the situation and policy that are raising with the Bank; (b) know how the Bank works - particularly if the objective is to change how it works; (c) can demonstrate, through membership or otherwise, that they represent an important development issue and constituency, affecting the development of poor countries and the perspectives of poor countries - and this in contrast to a perspective of an interest group formed in the North consisting of a limited number of people in the North - trying to use the WB to promote certain policies in the South. We need also to bear in mind the importance of the Bank's current decision - making structure, and bring our pressures to bear in the member states and their representatives on the Bank's Board of Directors, and not just on the staff.
5. Open-Door Policy that allows Civil Society to link up with the World Bank at any time.
6. Create networks with mass. Be able to show real and tangible results of your CSO work and how collaboration with you will benefit not only the target population, but also the WB. (Self interest is always powerful.) Identify people within the WB

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- (IMF and UN, too) who are strategically thinking about real CSO input, and create relationships with them. They can advocate from within. Be willing to go to the press, to the streets, and make noise.
7. Try and prepare in advance for these consultations. Talk to other CSO's and NGOs who will be involved in the consultations. Elaborate your position post-consultations and make the WB aware of these positions.
 8. The WB should aim to establish long-term relations with reliable, trust-worthy NGOs independently of ad-hoc consultation meetings. That way, we would know one another, where each was coming from, and this would improve the outcomes of actual consultations in my view, also, as said earlier, to inform NGOs of consultation meetings more in advance from now on, provide the documents in time, inform about the context of the consultation (what occurred before and what comes after) and revert to consultation participants with the final document once it is ready.
 9. Avoid confrontation, be highly professional, and acknowledge that you are dealing with people as dedicated to overcoming poverty as you are. Listen to what the staff has to say, it often makes good sense.
 10. To engage with Bank, you need to be very clear with your facts - and they (Bank) like statistics. You need to know what exactly you want the Bank to do
 11. Be sceptical; be very well prepared; write everything down and agree on minutes/records of all meetings to avoid Bank being able to forget the promises it made in previous rounds of the dialogue. Be prepared to be in for the long haul.
 12. Study the WB structure and work in a country in advance, write your suggestions/amendments in advance and send to the WB staff, agree your positions on the issues discussed with your partner organizations to present a collective view, work with your government as a main interlocuteur of the WB
 13. Take a proactive role. Use the opportunity to help people at the WB figure out how to run with the good ideas that they have.
 14. Set the rules of engagement, define what every party wants to negotiate, analyse together the situation (not get an analysis beforehand made by others), create an ombudsman for the process.

APPENDIX C: Notes from National Consultations

- Republic of Macedonia
- Senegal
- Uganda
- Zambia

NATIONAL CONSULTATIONS WORLD BANK — CIVIL SOCIETY ENGAGEMENT IN R.MACEDONIA

REPORT FORM THE WORKSHOP

April, 2005

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Workshop was organized and report was provided by
Macedonian Center for International Cooperation (MCIC)

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Summary of key issues

1. The participation of the main actors of civil society in the process of creation/planning of the World Bank general policy and development strategies in the Republic of Macedonia in the previous period is insignificant. The majority of organizations do not have sufficient information neither regarding the mechanisms nor the possibilities and ways in which they could provide their contribution in the creation of the Bank's strategies. An exception from this situation is only the participation of FOSIM in several development strategies.
2. The approach towards informing the civil society organizations, in order to present the World Bank programs or to collect the experiences and opinions of the civil society organizations regarding certain issue/s is non-existent, nor is there any information regarding such a necessity.
3. In situations when the Bank concludes agreements with the Ministries for the development of certain fields (exp. The Ministry of culture or the Ministry of labor and social policy), again, in the process of preparations of the policies and strategies there is a lack of participation of local organizations and local self-government from the region for which the project is intended, including the target groups as well. Also, throughout the implementation phase of such three-party agreements supported by the World Bank, during the mediation of the Ministries and the Local self-government there is a lack of any type of communication between the civil society organizations and the World Bank.
4. Experiences vary regarding the process of planning and implementation of the World Bank programs/projects. It can be concluded that the Bank's approach towards the civil society organizations is closer to a certain degree, while the inclusion in the process of implementation is increased. Yet, in the part of the monitoring and evaluation of the projects/programs there is a complete lack of feedback from the local office of the Bank. The same applies to the possible follow-up activities.
5. The communication of the Bank with the Union, as one of the important factors within civil society sector, is frequent. The Bank listens to the opinion of the employees and employers, poses questions, without giving explanation on the goals of its visits, the aims and follow-up activities.
6. Despite the fact that the results achieved on the level of implemented projects supported by the Bank are satisfactory, still one cannot talk about some significant results or wider effects from the project itself. This is due to the short time-span of the projects (6 months), a period which is not even close enough to grasp the impact of the implemented projects over the wider environment or their possible replication effects. In those places where the projects should become the obligation of the local self-governments there exists neither a form nor a mechanism that would continue the cooperation between the local-self government and the civil society organizations with the aim to reinforce the effects from the project and enable sustainability.

7. The tardiness of placement of funds on the side of the Bank and not adhering to fiscal agreements places the civil society organizations in a situation whereby they are not able to fulfill the obligations towards the implementers of certain activities. In addition, the civil society organizations face serious difficulties due to exchange rates differences and the decrease of value of the American dollar and are put in a situation to cover these differences from other funds.

Recommendations³⁰⁸

- Increasing the informing and communication between the World Bank- civil society sector through establishing regular practices of informing the civil society organizations regarding the goals and objectives of the World Bank in Republic of Macedonia.
- Increasing the opportunities for cooperation and impact of the civil society sector in the creation of the development policies of the WB on national level.
- Increased transparency of the Bank for possible mechanisms of impact of the civil society sector in the creation of general policies, strategies and programs at national level.
- Inclusion of civil society organizations in the needs assessment and strategies and programs preparation of the World Bank. This type of inclusion refers not only to key actors in the civil society sector, but also through use of various forms and channels of joint forms (networks – formal and informal, on regional, national and local level, support centers etc.). This or similar type of participation of the civil society sector in the creation of national strategies and programs to be established as one of the Bank's general principles.

Possible forms:

- Forming a national consultative body with the representatives from civil society organizations from different sectors, to be consulted with regards to preparation of policies, strategies and programs of the World Bank.
- Forming local committees/bodies etc.
- Establishing the practice of gender concepts mainstreaming in the creation of the general policies, strategies and programs of the Bank at national level.
- Establishing practices of financing long-term and mid-term length programs, in order to increase the results and impact of the projects/programs and their sustainability.
- Improving communication with the local Bank office in the process of monitoring and evaluation of projects, especially in the part of providing feedback from the conveyed evaluation to the users of the funds.
- Improving the level of information about positive examples and good practices and enabling follow-up activities.
- Adhering to fiscal provisions of contracts and concluding the agreements in local currency.

³⁰⁸ More specific recommendations can be find in discussion paper form group A and B

1. Short introduction

The joint committee (JFC) for facilitating the cooperation between the World Bank and the civil society is a consultative group with the task to facilitate and find transparent and democratic mechanisms for more effective cooperation among civil society organizations and World Bank on global level.

JFC believes that the strengthened cooperation between the World Bank and civil society organizations could lead to more effective poverty reduction.

The aim of the Committee is to:

- prepare a framework and guidelines for the cooperation of World Bank and the civil society
- to establish transparent, accountable and democratic mechanisms for future cooperation.

In order to achieve the above mentioned aims, JFC has devoted itself to a more encompassing analysis of the previous experience of cooperation between the World Bank and the civil society organizations using a number of methods and techniques: national and regional consultations with organizations which cooperated with the World Bank; public opinion polling; analysis of existing documentation and strategies of the World Bank in cooperation with the civil society sector; individual interviews etc. This data will be presented at the Global Policy Forum to take place in Washington from 20 to 22.04.2005.

The aims, of this Forum at which 160 representatives of civil society organizations, foundations, government institutions, leading World Bank and International Monetary Fund representatives will participate, are:

- to promote an all-encompassing dialogue between the World Bank and the civil society organizations regarding the strategies for poverty reduction and other development issues of common interest;
- to analyze the Bank and civil society organizations' experiences on global level in the past years and to propose standards and mechanisms for improvement of these relations;
- to encourage increased understanding and cooperation between the World Bank and the civil society organizations.

The Macedonian center for International cooperation (MCIC) was asked by CIVICUS (Global alliance for citizen participation in whose frameworks is the Secretariat of JFC) to organize the national consultations for cooperation between the World Bank – civil society in Republic of Macedonia.

The workshop took place on 29.04.2005 in the Parliamentary club in Skopje, Republic of Macedonia. At it were present 38 participants representing a number of civil society organizations from Republic of Macedonia, which have had experience cooperating with the World Bank

2. Purpose of the workshop:

National consultations for cooperation with the World Bank - civil society in Republic of Macedonia

The aims of the national consultations are in close correlation with the goals on the global level and those are:

- To determine the experiences of civil society organizations in the cooperation with the World Bank and
- To extract specific recommendations regarding the ways in which the World Bank can be more transparent, accountable and responsive towards the needs of the civil society.

3. Methodology of the workshop

The methodology of the workshop was outlined in the Terms of reference provided to MCIC by CIVICUS. The workshop consisted of two plenary sessions, introductory and final as well as group work.

At the introductory session a short overview of the events on global level was presented as well as introduction to the consultations and aims of the workshop.

The aims of the session were explained to the participants in the working groups and these are:

- a) identifying the key challenges – experiences, issues and problems with co-operation with the WB and
- b) offering recommendations for improving the transparency, accountability and democratic decision-making of the WB
- c) Selecting a presenter for the Global Policy Forum – Washington.

Then the methodology of work was explained which consisted of identifying the key challenges and offering recommendations with regards to 4 areas: policy, process, context and result in the co-operation of WB with CSOs. For each area a leading issue was defined in advance, for which the participants identified the key challenges by writing them individually on cards in order to enable all participants to state their position, then a discussion followed regarding them and in the end were given recommendations for each of the areas. In order to facilitate the discussion more effectively besides the leading question, which was written down, sub-questions for each area were posed verbally.

At the end of the discussion in the working group, each group was obliged to chose a representative that will participate on the Global Policy Forum in Washington D.C

The criteria under which the presenters should be chosen were:

- Candidates present at the consultations.
- Excellent knowledge of English language (written and spoken).
- Experience in the work and cooperation with the World Bank.
- Deepened understanding of the civil society sector, the Millennium Development Goals and Poverty Reduction Strategy
- Active participation at the discussions

Slavica Endzevska from FOSIM and Stojan Misev from Association for Emancipation, Solidarity and Equality of Women in RM (ESE) will represent this group at Global Policy Forum.

The final plenary session consisted of presenting the findings and recommendations of the work in groups.

Introductory and closing plenary session were facilitated by Neda Maleska-Sacmaroska, working groups were facilitated by Vesna Jovanova and Zarko Konevski.

In the continuation of this report the discussions and recommendations of the work groups follow.

4. Discussion paper, group A

The work group A consisted of 15 members of civil society organisations (CSOs) in the Republic of Macedonia which had established cooperation with the World Bank (WB) in an indirect way, through associative grants, within the framework of the Project for Development of Municipalities through Culture and Micro Projects for Social Services.

4.1 Policy

Question: *Whether and how have the civil society organizations been involved in the creation of the general policy (strategy, goals, and programs) of the WB in Macedonia?*

Sub-question: *Have CSOs in some way succeeded to pressure or to influence the WB general policy creation?*

The responses given, and the discussion which developed, firstly pointed out the absence of the organizations in the general WB policy creation processes, and secondly the lack of knowledge on the ways (non-transparency of the process) in which WB determines its general policies and the possibilities for involving the organizations in the process. Only one involved organisation stressed that they were included in the consultations during the creation of policy for decrease of poverty.

On the other hand, participants stressed that strategies are not created locally, but on a central level, in cooperation with the ministries. They talked about the need of establishing practice of involving the CSOs and the local governments (LG) as participants in this process, via presenting recommendations on the main priorities before preparing of the strategies. The existing local capacities, joint forms of civil society activity, such as the networks and the NGO Support Centres, should be used in the process.

Additionally, the participants stressed the need for establishment of criteria for including the CSOs in this process, especially those who work on realisation of the Millennium Development Goals. Furthermore, they emphasised that creation of general policies should also include taking into consideration the experiences and evaluations of the projects realised by CSOs in the given area.

Recommendations regarding the policy:

- Inclusion of civil society organizations (CSOs) in the evaluation of the needs before creation of the strategies;
- Defining of criteria for inclusion of CSOs in the creation of WB strategies;
- Using of established channels (joint forms of CSO) – NGO Support Centers, and local level networks.

4.2 Process

Question: *Whether and in what way have you been included in the process of preparation, implementation, monitoring and evaluation of the programs and projects in which you have participated?*

Sub-questions: **Have you been implementers only?**
Have you been in partnership relation with the WB?
Have you received consultations from the WB?
Is it possible to make concessions, that is, the project to undergo certain corrections in the period of implementation (if there is an objective reason for that)?
Has the capacity building of the civil society organization been included?

Participants provided various perspectives regarding the inclusion of the CSOs in the process of preparation of programs and projects.

Namely, some of the organizations were involved in the definition of priorities of the respective municipalities (a process described as lengthy and quite complicated). Afterwards, after winning public tenders—process element based on the initial definition of priorities—those same organizations were involved in the implementation of the projects.

The remaining organizations were not included in the initial definition of the priorities, since they were not included in the coordinative bodies formed by the LG for that purpose. Their comments pointed out that those priorities came out ill-defined because of the narrow interests of specific CSOs which participated in the need evaluations in certain municipalities through the coordinative bodies. For example, drug abuse was defined as a priority problem in a municipality which, according to the available data, lacks significant incidence of this kind. Furthermore, in another example, the women's issues were put as a priority, without prior consultation with the CSOs dealing with that area, and the coordinative body had no female members.

In another sense, when referring to the basic problems during the definition of municipal priorities, some participants pointed out the lack of transparency of the whole process of establishing priorities within the municipalities, continuation of cases involving lack of prior connections between the CSOs and the municipality targeted with the implementation of the project (prior acquaintance and cooperation), and lack of clarity of the process of connecting of CSOs with the municipalities. In that direction, a proposal was put forth to strictly define the criteria for selection of CSOs which would participate

in defining the municipal priorities, while paying attention to the territorial and thematic connections of the CSOs which aspire to become implementers and the LG which has the appropriate priority defined.

Organizations participating in the discussion had divided opinions on the issue whether the organizations chosen for the needs evaluation for particular municipalities should be denied the opportunity to become the implementers of project based on those needs, or the process should remain unchanged, namely LGs to invite CSOs to form coordinative body to define the priorities, and then those same CSOs to have equal right as other, noninvolved CSOs, to participate in public tenders.

The view that the process of needs evaluation should maybe also include independent experts was countered with the response that it is still better to engage the local CSOs which have capacity for that in this process only, with adherence to the rules for prevention of conflict of interest.

The discussion continued in the direction of connecting all key actors of the priority defining process, project implementation, and the process of monitoring and evaluation. The necessity for cooperation of the LGs, SCOs, WB and the relevant ministries was emphasized, in order to prevent overlapping and duplication of certain activities. This lead to highlighting the role of the LG, which should not be reduced to evaluation only, but should also include active participation and support of the CSOs in the process of project implementation.

Recommendations regarding the process:

- **Cooperation and coordination of the SCOs, LGs, WB and the appropriate ministries;**
- **Defining of criteria for selection of SCOs which would participate in the defining of priorities;**
- **Connecting the municipalities and the SCOs which have experience in the municipalities based on territorial and thematic approach;**
- **Forming of commission/body consisting of SCOs, LGs and the authorized ministries.**

4.3 Context

Question: *How and how much the local environment (political, economic, social) models your relations with the WB and how much the Ministries and local government influence your relations with the WB?*

The discussion regarding this question moved into direction of informing that the CSOs, which established cooperation with the WB indirectly, in fact have no direct contact with the WB, but proceed roundabout via the LGs and the ministries. Mediation by the ministries and the LGs in the communication between the CSOs and the WB is viewed as a flaw in the process of implementation of the activities. Therefore exists a need for creation for a form of straight communication between the NGOs and the WB in order to surpass the lack of transparency of the whole process. Direct communication is necessary

in cases when misunderstandings between the CSOs and the LGs arise during implementation phase.

On the other hand, the participants pointed out that WB should improve the supervision of the work of project units, and to inform the CSOs about the finished evaluations, because of noted occurrences in which project units provided "apparent evaluation" for WB, with CSOs receiving no feedback about it.

In regard to the environment, the CSOs from Eastern Macedonia indicated that they feel excluded and unattractive when compared with the crisis regions. Therefore they suggested that besides local priorities to define national priorities too, which would provide competitive conditions for all.

Recommendations regarding the context:

- **Improving the supervision of the work of project units (control by WB) and feedback on the evaluation;**
- **Including the WB in the monitoring, especially the relations of CSOs and LGs (when needed);**
- **Including of all municipalities in the application – defining regional and national priorities.**

4.4 Results

Question:	<i>What are the results of your cooperation with the WB and how has the cooperation impacted the improvement of WB practices?</i>
Sub-questions:	Have any significant changes been achieved as a result of your cooperation with the WB? Which are the factors that brought to the success or failure of your cooperation with the WB?

The discussion that developed regarding the results included the opinion that some of the organizations are still implementing projects, and the results would be available after their completion. Several organizations indicated positive experiences, and the fact that WB respected the recommendations by tender winners. Again, the lack of direct way to communicate between the WB and the CSOs, especially regarding sharing of experiences, was indicated as a weakness. Furthermore, all organizations emphasized that the period of 6 months for initiation and implementation of certain projects is not sufficient to produce significant results. This was especially relevant with projects intended to become responsibility of the local governments, without any form of agreement that the CSOs and LGs would continue the cooperation after the project completion. Therefore, remains a need to define long-term priorities supported by WB, in order to have increased influence, but also to enable closure of activities in one whole. Participants emphasized that this would strengthen the cooperation between the CSOs and LGs, also. This would also comprise the need of including the implementing NGOs in defining the subsequent activities.

On the other hand, the discussion participants emphasized the need for adhering to the agreement provisions, especially the fiscal provisions, because the CSOs sometimes are

forced into situation of inability of fulfilling the obligations towards the implementers of certain activities, with existing contracts, due to tardiness of funds placement by WB. Another problem this area is due to the differences in currency exchange rates and the fall of the U.S. dollar, forcing the CSOs to mobilize funds from other sources in order to make up for the differences. Therefore, the participants recommended conclusion of future contracts in local currency.

Recommendations regarding the results:

- **Increase of the time span for implementation and support of the micro-projects;**
- **Including the implementing NGOs in defining of subsequent activities;**
- **Defining long-term priorities supported by WB in order to increase influence;**
- **Acceleration of fiscal provisions of the agreements;**
- **Concluding agreements in local currency.**

5. Discussion paper, group B

The work group B consisted of 16 members of civil society organizations (CSOs) in the Republic of Macedonia which had established contact with the World Bank (WB) in a direct way, through financing projects via the WB grant program.

5.1 Policy

Question: *Whether and how have the civil society organizations been involved in the creation of the general policy (strategy, goals, and programs) of the WB in Macedonia?*

Sub-question: *Have CSOs in some way succeeded to pressure or to influence the WB general policy creation?*

The responses given, and the discussion which developed, firstly pointed out the absence of the organizations in the general WB policy creation processes, and on the other side lack of knowledge on the ways (non-transparency of the process) in which WB determines its general policies and the possibilities for involving the organizations in the process.

The experiences of the representatives in the discussion vary. Part of them point out examples whereby they had some part in influencing the WB programs, but a large part state that they have never nor in any way been involved in the process of planning the general policy of the Bank (its strategy and goals).

There are experiences of consultations during program creation, but not for the WB strategy. According to the previous experience of FOSIM consultations have been made in relation to certain issues, on the global level and at national level, example: Roma strategy, Programs for education reform, when they were included in the process at an early stage. It was suggested that during the preparation of the Roma strategy made by FOSIM and WB they were supposed to involve also Roma experts or NGO representatives in the preparation of that strategy. It pointed that Roma organizations were involved in relation to the preparation of the initiative for the Roma inclusion decade, but not in the creation of the program of WB.

According to the opinion of one organization there are experiences of direct contacts and visits from WB officials and consultations over certain issues for example regarding the issue of unemployment, but not participation in strategy creation.

The experience and viewpoint of the Association of Unions of Macedonia is similar, there is no inclusion of the Union in the process of preparation of strategy of the WB. Suggestions have been given in relation to programs, via organized working sessions with the WB. The experience other organization is that there is not any information regarding the WB's need to collect the experiences and opinions of the civil society organizations.

Besides FOSIM the other organizations have not participated in the creation of the general policies of the Bank. There do not exist publicly available official mechanisms for participating in policy creation. There is a lack of knowledge regarding the type of mechanisms the Bank uses while preparing the general policy, whether there are annual/three-year planning programs and how the information process flows. In addition, there is no follow-up information after the organizations have been involved in the cooperation with the WB, so that other organizations can find out about the ways for their future participation. One representative in the discussion pointed out that if they had not met at a meeting like this they would not know how the other civil society organizations cooperate with the World Bank.

Recommendations regarding the policy:

- **increased possibility for influencing the creation of WB policies.**
- **increased transparency of the Bank and their informing for possible mechanisms of influence.**
- **improved informing regarding the goals and objectives of WB in Republic of Macedonia.**
- **in the creation of the programs it is necessary to enable the participation not only of the key actors of civil society but also smaller organizations.**
- **investigating the needs at the local level through forms and direct participation and taking into consideration the regional needs and the needs of different groups.**
- **Civil society sector participation during the creation of national programs to be one of the general principles of the Bank.**

- **To use the recommendations of the civil society organizations in creating the general strategies as well as from the monitoring of activities at the local level.**
- **To take into consideration the gender concepts when creating the strategies and politics of the WB, especially at the local level.**

5.2 Process

Question: *Whether and in what way have you been included in the process of preparation, implementation, monitoring and evaluation of the programs and projects in which you have participated?*

Sub-questions:

- Have you been implementers only?**
- Have you been in partnership relation with the WB?**
- Have you received consultations from the WB?**
- Is it possible to make concessions, that is, the project to undergo certain corrections in the period of implementation (if there is an objective reason for that)?**
- Has the capacity building of the civil society organization been included?**

In the discussion on these questions the participants emphasized that there is general satisfaction from the involvement of representatives of civil society organizations in the consultations and information exchange. For example, there is inclusion and cooperation within the working groups for creation of local strategic action plans and determining priorities (via focus groups). The information and opinion exchange is most frequent at the level of specific projects, during which there is a possibility for influencing the process of project implementation from the side of the organizations. A positive assessment has been given to the WB in relation to its flexibility in order to meet the objective modifications which happened to the project in the period of implementation. Some participants in the discussion pointed out that there is involvement in the implementation process, monitoring and evaluation, but on the side of the WB Headquarters (without feedback).

At national level, it was stated that there is a lack of transparency and accountability of the work of the Bank. In most cases, there is no feedback from the local office on the basis of the implemented project. There are experiences whereby projects which were submitted to the WB would be completely accepted without comments and without previous consultations, which were also absent after the start of project implementation. The representative from an organization pointed out that in the cooperation with the WB they were left with the feeling that there is no interest for the type and quality of the supported project nor was there feedback on the quality of the implemented project. There are experiences whereby the civil society organizations have not been included in the monitoring and assessment, and only rarely in follow-up activities. Thus, there are no

mechanisms or they are not made available with regards to the way in which to secure follow-up information.

The representative from the Association of Unions in Macedonia pointed out that from their experience, the Bank often listens to the opinion of the workers and employers, but does not state the objectives for its visits and follow-up activities. WB appears with questions, without explaining what will happen in the future. The main direction is that this information should come from the Government. On the other hand, the Government, bases its excuses for the reforms on the recommendations from the World Bank, but with distorting the information, as if these are WB requests. In the three-party communication (among the Union, Government and the Bank) the cooperation of WB varies and mostly the Bank does not give information for the recommendations.

Recommendations regarding the process:

- **More information from the WB on the goals and the programs which it creates when using information from relevant actors in the civil society sector.**
- **Forming of a national consultative body with representatives from civil society organizations from different sectors, which would be consulted in relation to WB strategies and programs.**
- **Increased participation of the WB in the preparation, implementation, monitoring, evaluation and follow-up activities of the programs and projects at the local level.**
- **Increased control and monitoring over the implementation of local plans and programs (taking into consideration real priorities).**
- **Increased participation of the civil society organizations in the creation of programs, monitoring and evaluation.**
- **Increasing the capacity of the World Bank for informing on the processes in the Bank via improved public relations.**
- **To respect the criteria established by the Bank itself during selection of project implementers.**
- **Increasing the engagement of international experts in the evaluation of national programs and recommendations providing.**

5.3 Context

Question: *How and how much the local environment (political, economic, social) models your relations with the WB and how much the Ministries and local government influence your relations with the WB?*

In the discussion of this question half of the stated experiences state that the local environment and conditions help the direct approach to the Bank even without the mediation of the local government (LG). The environment and the events in the society positively impact the relations with the WB. Very often, the local political dynamics determines or not, the participation of certain organizations in the WB programs in

Macedonia. The cooperation among the NGO, LG, ministries and the business sector has had a positive influence for winning and implementation of projects. The WB name is prominent so for certain participants this has had a positive impact in the relations with the LG.

In the discussion where also pointed out examples which stated that the LG and the Ministries have no impact on the relations of the organizations with the bank, but on the contrary, that the initiatives emerge from the WB and civil society organizations.

Yet, very often the LG is an obstacle for the relations with the Bank. An example is the Ministry of culture and LG which have positioned themselves as a filter between certain NGOs and created a barrier. In that way, the Ministries and LG in several occasions can negatively influence the relations of the organizations with the WB.

Recommendations regarding the context:

- **The criteria for cooperation established by the WB to be objective and to emerge from the conditions in society.**
- **Increased transparency for the possible mechanisms to influence decisions (on the national and local level).**
- **Forming a body that would consist of representatives from civil society organizations, business sector and government institutions and would participate in the project selection.**
- **To increase the participation of the WB experts in the evaluation and recommendation for the projects.**
- **Increasing the pressure of the WB over the Government in the ratification of international conventions.**

5.4 Results

Question: *What are the results of your cooperation with the WB and how has the cooperation impacted the improvement of WB practices?*

Sub-questions: **Have any significant changes been achieved as a result of your cooperation with the WB?**
 Which are the factors that brought to the success or failure of your cooperation with the WB?

The participants in the discussion pointed out that the cooperation with the Bank can be assessed as being on a satisfactory level, but that it cannot be perceived as having an impact over projects improvement. Certain discussants stated that as a result of the cooperation with the civil society organizations, the fund for NGO projects support has been increased, and more important, the level of trust on both sides has been increased, which creates the opportunity for increased influence over the Bank's practices. The discussants pointed out several examples of project activities results which were achieved as a direct outcome from the cooperation with the WB. Part of the examples include

increased municipal development, increased number of seasonal and permanent employed persons, created network of NGOs from the Bregalnica region etc. In this way the capacity of the civil society organizations has been increased and their image improved.

Still, very often there is a lack of information from formal and informal sources on how the cooperation impacted the WB nor is it known whether the cooperation is improved.

The participants laid out several ideas through their discussions as to how the Bank could work in the future. One idea is the WB to take upon itself the financial burden for the practical implementation of projects (in poorer countries). Another idea suggested the new programs to be created taking into consideration the positive experiences and lessons learned from the previous programs.

Recommendations regarding the results:

- Increased feed-back and presentation of the results from certain projects and programs to the funds' users.
- Improved information and communication regarding the results.
- Coordination and co-operation with the civil society sector in program creation and implementation.
- Forming a body of CSO members with the function of evaluation service and feed-back providing.
- Building upon positive results and establishing mechanisms for programs' sustainability (LG to take over financing of the programs).
- Generally accepted experience from practice to be generally accepted and supported on the long-run.
- Independent external evaluation of the programs and results which the World Bank is implementing.
- Establishing practices for financing long-term and mid-term programs which would provide sustainable results.

Additional recommendations:

- More information regarding the services and conditions established by the World Bank
- To use the local experiences and resources when creating new WB programs.
- To take into account and avoid overlapping with similar and current programs and projects of other donors and development agencies and organisations.

6. Instead of conclusion

This report from the consultations conducted is a proposal from the civil society organizations present at the forum in the direction of improving the policy and practice of the World Bank for cooperating with the civil society. At the same time it provides an

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overview of the current relations between the World Bank and the non-governmental organizations and identifies some of the main issues and challenges in these relations.

The document does not pledge to articulate an all-encompassing or unified "civil society standpoint" regarding the issues to be reviewed, but serves as a basis for further discussion in the direction of improving the cooperation of the World Bank and civil society.

NMS/NMS

Br. 10-201/2-2005

Skopje, 01.04.2005

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Annex 1. List of participants						
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Report of the National Session: Civil Society on the Policy of the World Bank in Senegal

See full text of original report in French below, following this summary English translation

37 participants of a single day workshop, debated the current state of cooperation of the World Bank with Civil Society in Senegal, and presented recommendation on how to improve this collaboration. They represented the following groups within civil society:

- women
- youth
- unions
- NGOs
- the disabled
- researchers
- artists

The workshop assessed in frank discussions to what extent civil society's voice had been taken into account in important policy discussions including that of the PRSP process, NEPAD, among others.

It was noted that, although to a certain extent the Bank is to blame for a lack of clarity in dialogue, civil society also bears part of the blame for not proposing clear and viable alternatives. Many participants entertained criticism not exclusively towards the bank but also toward civil society themselves. Questions were raised concerning their credibility and the cooperation within the CS sector itself. Solutions that were pointed out to this effect include the need for capacity building of civil society actors to be able to discourse at the same level towards the WB. At the same time, the WB has to popularize and make more accessible their intervention mechanisms.

Discussions also concentrated on the transparency and accountability of the World Bank's interventions in Senegal.

The civil society of only two countries across Africa (Senegal and South Africa) was consulted in this format on their opinions about their relationship with the World Bank. One participant noted that civil society could consider themselves less as partners and more as guests of the WB, since there is no formal and direct dialogue between themselves and the institution. Furthermore, CS is consistently not included when it comes to negotiations between the government and the WB.

Group sessions:

1) Dialogue mechanisms between CS – WB

Through the logic of cooperation of current initiatives (NEPAD, Cotonou accords, PRSP) and in order to achieve the MDGs, an in depth reflection and harmonization among non-governmental actors is very much needed.

Recommendations:

- strengthen technical cooperation, harmonization and networking among CS, government and WB

- promote current initiatives that link CS to all project phases (from needs assessment to evaluation)
 - Promote ethically managed projects/ transparency
 - Implement a strong CS coalition to act as ‘watchdog’ to monitor and evaluate WB projects and programmes
- 2) Opinion of CS over WB policies in Senegal
CS is not fully participating in the implementation of WB projects. These projects and policies have thus far not had positive social impact.
(No recommendations made in Group 2 discussions)

Overall Recommendations:

Promote and develop the possibilities of participation and implementation of certain programmes in order for these to have a positive impact on the population, contribute to strengthen actors capacities, and ensure an improved management of funds for the public good/

Recommendations for an effective participation of CSOs

- refuse to be co-opted (‘rubberstamping’)
- capacity building
- systematization of lessons learned
- social impact evaluation of WBs policies, programmes and projects; participatory diagnostic of social impact
- implementation of a dynamic operational framework for coordination
- WB: Improvement of information dissemination and awareness raising of the general population
- WB: increase transparency in the decision-making process
- Effective participation of CS in the development of national policies and within programme monitoring

Quotes:

Mrs. Woré Seck: “How can we create a viable environment in order to facilitate a true partnership between the different partners working alongside the World Bank?”

Mr. Amacodou Diouf: “We have to recognize that the Senegalese, African and Global civil society, although it entertains an unwavering discourse towards the World Bank, it has often failed to present viable alternatives.”

REPUBLIQUE DU SENEGAL

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CONSEIL DES ORGANISATIONS NON GOUVERNEMENTALES
D'APPUI AU DEVELOPPEMENT

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RAPPORT DE LA JOURNEE DE « CONSULTATION
NATIONALE DE LA SOCIETE CIVILE SUR LES POLITIQUES
DE LA BANQUE MONDIALE AU SENEGAL »

Centre Amadou Malick GUEYE, 1^{er} Avril 2005

**Rapporteur : Mamour NGALANE,
Consultant**

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 - 3.1. Les travaux du groupe 1
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INTRODUCTION

Le 1^{er} Avril 2005, s'est tenue au Centre Amadou Malick GAYE à Dakar, la journée de consultation nationale de la société civile sur les politiques et programmes de la Banque Mondiale au Sénégal.

Cette journée initiée par le Conseil des Organisations Non gouvernementales d'Appui au Développement, dans la perspective de la rencontre prévue à Washington très prochainement, a regroupé bien des acteurs de la société civile nationale (voir liste en annexe) venus de toutes les régions du Sénégal et du niveau national.

- les femmes ;
- les jeunes ;
- les syndicats ;
- les ONG ;
- les handicapés ;
- les chercheurs ;
- les artistes.

Les travaux présidés par Mme Woré SECK et M. Amadou DIOUF, Vice Présidents du CONGAD, en présence de la Direction Exécutive, se sont déroulés en plénière et en ateliers et ont permis d'enregistrer en une journée des résultats fort importants qui feront l'objet d'un suivi rigoureux dans la perspective de pouvoir mesurer les efforts qui seront déployés et les acquis qui seront enregistrés conséquemment.

1. OUVERTURE DES TRAVAUX DE L'ATELIER : MOTS D'OUVERTURE

A la suite de la mise en place des participants, Mme Woré SECK, Vice Présidente du CONGAD, après s'être félicitée de la présence effective de tous les acteurs de la société civile nationale ciblés pour cette rencontre, a tenu à rappeler le contexte de la dite journée. Selon Mme Woré SECK, il s'agit de débattre très largement et en profondeur des politiques, projets/programmes mis en œuvre au Sénégal par la Banque Mondiale et de formuler des propositions concrètes et pertinentes allant dans le sens d'une meilleure prise en charge des préoccupations de la société civile par la Banque Mondiale.

Mme Woré SECK n'a pas manqué dans ses propos préliminaires de fustiger la situation peu viable vécue présentement par les ONG contrairement aux Bureaux d'Etude plus privilégiés dans le cadre de la stratégie de faire-faire mise en œuvre à travers des projets/programmes financés par la Banque Mondiale ex : PNIR, AFDS, etc.

A la suite de Mme Woré SECK, Mr Boubacar SECK, Responsable de la Communication, représentant le Directeur Exécutif (absent), a également rappelé qu'il s'agit d'un contexte particulier (la Banque Mondiale vient d'avoir un nouveau Directeur). En effet, pour M. SECK, la question à se poser est : comment réunir les conditions et possibilités d'un véritable partenariat avec les différents partenaires, en l'occurrence avec la Banque Mondiale ?

La réponse, selon lui, devrait surtout provenir de la capacité des participants à la journée à faire des propositions concrètes.

A la suite des propos préliminaires, il y a eu un tour de table pour permettre une présentation individuelle des participants. Cela a permis de se connaître mutuellement et surtout de rendre plus chaleureux et plus amical le climat de travail.

2. LES TRAVAUX EN PLENIERE

2.1. Exposé introductif

Après avoir adressé des remerciements aux participants et à l'équipe exécutive du CONGAD qui n'a ménagé aucun effort pour l'organisation de cette importante rencontre, Mr Amacodou DIOUF, Vice Président du CONGAD s'est arrêté sur l'absence de documentation de base pour préparer une telle rencontre.

Mais, néanmoins, selon Mr Amacodou DIOUF, « toute société civile africaine doit pouvoir se prononcer sur les activités de la Banque Mondiale ». Ensuite, il a rappelé l'existence du Comité ONG/BM, sa composition et la mission qui lui était assignée, à savoir « réfléchir sur les différentes politiques de la Banque Mondiale mises en application au Sénégal ».

Mr DIOUF a par la suite insisté sur les objectifs de la rencontre qui consistent à examiner les expériences de la société civile dans ses relations avec la Banque Mondiale et de faire des propositions concrètes, mais aussi sur la notion de faire -faire introduite dans les mécanismes de participation des ONG à la mise en œuvre des programmes de la Banque Mondiale.

Selon lui, la Banque Mondiale met en œuvre des programmes au Sénégal avec des financements minima de 8 millions de dollars (PDIS, PNIR, CNLS, PSAOP, Mobilité Urbaine, PST2, PAC/ADM, etc.). La Banque Mondiale a beaucoup insisté ces dernières années pour que la société civile soit impliquée dans la réflexion, l'exécution, le suivi, l'évaluation des projets/programmes. La question à se poser est de savoir « est-ce que cela est fait ou pas ?

En effet, les discussions doivent tourner autour de cela.

Mr DIOUF a salué l'émergence d'un lobby de jeunes spécialistes au sein de la Banque Mondiale ces dernières années, qui se bat pour l'introduction de nouvelles politiques à caractère social à la place des politiques orthodoxes qui ont montré partout leurs limites.

La consultation nationale organisée au Sénégal est organisée également en Afrique du Sud, ce qui en fait une tâche lourde mais fascinante parce que ce sont les deux seuls pays en Afrique qui ont eu le privilège de préparer les documents en perspective de la rencontre de Washington.

Par ailleurs, selon Mr DIOUF, il faut également saluer les consultations indirectes. (CONGAD/BM dans le cadre des missions d'évaluation des dix (10) ans de la Banque Mondiale) qui sont des mécanismes à appuyer dans le cadre du partenariat avec la Banque Mondiale.

Selon Mr DIOUF, même si on reconnaît qu’au sein du forum sénégalais, africain, mondial, la société civile a un discours tranchant vis-à-vis de la Banque Mondiale, il faut également reconnaître que l’une des faiblesses de cette société civile est son incapacité à faire des propositions alternatives pertinentes.

La société civile nationale se doit de valoriser son implication dans des processus et s’efforcer à faire des propositions alternatives coordonnées et fort intéressantes :

- processus DSRP ;
- processus Convention de Cotonou avec Union Européenne/ACP ;
- processus – politiques / programmes initiés par la Banque Mondiale ;
- processus NEPAD ;
- processus OMD ;
- processus - concertation avec FMI ;
- processus – Programme Lead Africa ;
- processus MCA.

Mr Amacodou DIOUF a poursuivi son exposé en se posant bien des questions.

- est-ce que les programmes de la Banque Mondiale, les financements IDA doivent être conçus et exécutés tels que le gouvernement le veut ? ou doit-on tenir compte de la vision et des préoccupations de la société civile ? (fonds publics remboursables par le contribuable sénégalais) ;
- doit-on travailler sur l’appui budgétaire ou sur l’appui programme (fonds mis dans un compte pour servir les populations à la base ? ;
- comment la société civile peut influencer les politiques de la Banque Mondiale à travers le gouvernement ? ;
- la Banque Mondiale est-elle disposée à prendre en compte les observations de la société civile à l’endroit du DSRP ? ;
- est-ce que la société civile nationale peut dire que les activités de la Banque Mondiale sont transparentes dans notre pays ? est-ce possible d’apprécier les pratiques à notre niveau ? ;
- la Banque Mondiale doit-elle être comptable devant la société civile sénégalaise ? ;
- sommes-nous capables d’interpréter les données fournies chaque année par la Banque Mondiale (publications annuelles de la Banque Mondiale) ?.

Avant de terminer son exposé, Mr DIOUF a rappelé que le CONGAD a disposé ces deux dernières années d’un petit fonds de la Banque Mondiale pour financer deux à trois projets d’ONG/d’OCB, ce qui représente un élément de succès à souligner dans le cadre du partenariat.

Par ailleurs, à la suite des interpellations sur la nécessité qui s’imposait d’organiser des ateliers régionaux avant la rencontre nationale, M. DIOUF a répondu qu’il s’est posé des problèmes de moyens et de temps mais que la pertinence des rencontres régionales est à reconnaître.

Enfin, après avoir rappelé la rencontre tenue avec le Représentant résidant du FMI, en présence du Directeur des Opérations Afrique, il a souligné l’ouverture manifestée par cette institution réputée orthodoxe et l’impérieuse nécessité pour la société civile nationale de

poursuivre la concertation en dégageant des mécanismes de partenariat durables et en formulant des propositions concrètes dans ce sens.

Mr DIOUF a, en outre, rappelé les résultats attendus de la journée.

- indiquer les expériences sénégalaises en matière de partenariat entre la société civile et la Banque Mondiale ;
- formuler des éléments de recommandations pour améliorer le dispositif de partenariat.

2.2. Les débats

A la suite de l'exposé introductif de Mr Amadou DIOUF, une liste est ouverte pour enregistrer les réactions. Plusieurs intervenants ont pris la parole et les débats ont surtout tourné autour des aspects suivants :

- les remerciements à l'endroit des responsables du CONGAD pour avoir organisé une telle rencontre ;
- la Banque Mondiale nous considère comme un partenaire crédible certes, mais est-ce que la société civile est méritante ?
- la Banque Mondiale nous consulte, nous demande notre avis sur les programmes en exécution dans notre pays mais le problème c'est l'incapacité de la société civile à proposer des alternatives, à faire des critiques pertinentes et constructives. Il s'agit d'une lacune à corriger ;
- la société civile sénégalaise en général, ne maîtrise pas tout le contenu du DSRP (seul une poignée d'individus est bien au fait des choses) ;
- il fallait qu'il soit d'abord tenu des rencontres régionales avant la rencontre nationale ;
- le feed-back (disponibilité du document) de la mission d'évaluation des dix (10) ans de la Banque Mondiale ;
- existe-t-il un rapport à la suite de la rencontre nationale tenue sur l'impact des politiques de la Banque Mondiale ? ;
- nous devons nous estimer heureux pour cette confiance de la Banque Mondiale et nous poser la question de savoir si la société civile sénégalaise a la même confiance et la même ouverture vis-à-vis de la Banque Mondiale ? ;
- y a-t-il une synergie entre la consultation nationale organisée au Sénégal et celle organisée en Afrique du Sud ? ;
- nous devons nous montrer très concrets pour pouvoir aboutir à des résultats satisfaisants ;
- par rapport au DSRP, il y a une multitude d'acteurs de la société civile impliquée dans le processus, ce qui soulève des inquiétudes et des réserves. Il faut travailler à l'unité et pour cela avoir le courage de revoir les choses ;
- il faut faire d'abord l'évaluation de l'action des acteurs de la société civile, en l'occurrence ceux impliqués dans la mise en œuvre des programmes de la Banque Mondiale .

Des questions à se poser : « qu'est-ce que nous avons apporté à l'effort de santé » ?

« qu'est-ce que le Réseau Santé, Sida et Population est devenu ? (créé en 1998 sur insistance de la Banque Mondiale).

Le document de contractualisation existe dans le domaine de la santé : « qu'est-ce que les ONG ont fait ou peuvent faire » ?

Il faut réfléchir secteur par secteur et faire le bilan de l'action des ONG. Il faut également reconnaître qu'il n'y a aucune capitalisation des interventions des acteurs de la société civile ;

- une importante masse d'argent est investie dans notre pays, il faut procéder à l'évaluation financière. Les dettes continuent d'augmenter et à ce titre il faut manifester cette peur pour que les gens comprennent qu'on est entrain d'hypothéquer la vie des générations actuelles et futures ;
- il faut faire attention à des propositions immatures. Il faut faire d'abord le point de ce qui est fait au Sénégal : projets porteurs, suivi et aboutissement des projets exécutés, projets envisagés, projets terminés ;
- il faut se garder des propositions qui émanent de séminaires et non de la base : des rencontres de ce genre, on peut en organiser sans recourir à des moyens importants (tout juste une salle) ;
- il y a une autocritique à faire pour extirper les tares et insuffisances qui font que nous sommes de moins en moins respectés par nos partenaires. Les coordonnateurs des projets, les agents d'exécution, ce sont les sénégalais. A terme, on risque de perdre toute crédibilité parce que souvent on donne l'impression de ne pas être soucieux de l'atteinte des résultats consignés dans les documents contractuels à travers la stratégie du faire-faire. Par ailleurs, nous devons nous poser des questions sur :
 - les formats des projets ;
 - la façon dont les projets sont négociés ;
 - la façon dont les projets sont exécutés.

Une demi-journée est peu suffisante pour abattre tout le travail demandé ;

- peut-on avoir un partenariat viable et durable avec la Banque Mondiale si on sait qu'au sein de la société civile le partenariat souhaité n'existe pas ? Dans la dynamique du DSRP, il y a une concurrence entre acteurs de la société civile ;
- les pratiques de faire-faire et d'agence d'exécution sont à revoir ;
- quel est le vrai discours à tenir vis-à-vis de la Banque Mondiale ? ;
- la société civile sénégalaise doit être impliquée en amont et en aval dans la gestion des programmes de la Banque Mondiale ;
- la politique définie par la Banque Mondiale dure dix (10) ans, ce qui démontre qu'elle n'est pas facilement changeable quelque soit le discours tenu ou la pression exercée ;
- les financements de la Banque Mondiale, ce sont des prêts que le contribuable sénégalais doit rembourser ;
- nous devons continuer à enregistrer des réactions vives de la part de la société civile pour que les attitudes de la Banque Mondiale et du FMI puissent changer à la faveur des orientations sociales souhaitées ;
- les élus locaux et le secteur privé sont des acteurs de la société civile et à cet effet, il faut absolument arriver à les avoir à nos côtés dans le cadre de la poursuite de cette dynamique enclenchée.
- dans le cadre des négociations gouvernement/Banque Mondiale, la société civile est toujours écartée, ce qui est à fustiger ;
- il y a une société civile qui ne s'intéresse qu'à l'augmentation des salaires (cas des syndicats de travailleurs). Il faut aller dans le sens de dire voilà « comment il faut gérer ce pays ». Les préoccupations des populations sont-elle bien prises en compte ? Les ONG doivent jouer le rôle de sentinelle et d'alerte ;
- de par l'incompréhension du gouvernement, des projets sont souvent bloqués ex : projet de 15 milliards pour appuyer la musique au Sénégal ;
- nous ne sommes pas des partenaires de la Banque Mondiale, sinon des invités. Il n'existe pas de cadre formel et direct de dialogue entre nous et la Banque Mondiale.

A la suite des débats forts enrichissants, Mme Woré SECK a tenu à expliquer la non tenue de rencontres régionales par manque de temps et de moyens et a fait remarquer que sept cellules

régionales sont représentées et les personnes présentes sont bien au fait des programmes mis en œuvre la Banque Mondiale et du processus du DSRP.

Mr. Amacodou DIOUF a magnifié l'opportunité de la rencontre qui est une première au Sénégal offrant l'occasion de critiquer et de faire des propositions.

Il a en outre indiqué qu'il y a des secteurs essentiels au Sénégal et qui ne sont pas touchés par les crédits de la Banque Mondiale ex- la culture, la musique etc.

Pour Mr DIOUF, il y a lieu de capaciter les acteurs de la société civile pour qu'ils soient en mesure de tenir le discours qu'il faut vis-à-vis de la Banque Mondiale, d'interpréter et de populariser les mécanismes d'intervention de la Banque Mondiale.

Très souvent, pour la plupart des dynamiques et processus (OMD, DSRP, MCA, etc...), c'est seulement la superstructure qui comprend mais les autres ne comprennent rien, ne maîtrisent rien.

Il est difficile de s'autocritiquer si l'on ne connaît pas le message qu'il faut développer pour cette autocritique.

Si on est agence d'exécution technique de la Banque Mondiale, on accepte la politique de la Banque Mondiale et partant on devient un élément de plaidoyer de cette politique.

En effet, selon Mr Amacodou DIOUF, l'intérêt est d'élargir le débat aux différentes régions du Sénégal, aux différentes sensibilités.

Quant à la mission d'évaluation des dix (10) ans de la Banque Mondiale, c'est certain qu'un feed-back sera fait et si le document n'est pas volumineux (analyse pays) tout le monde en sera informé.

Pour Mr DIOUF, des rencontres de ce genre intéressent également la BAD et en réponse à d'autres interpellations, il dira que :

- il est tout à fait disposé à se rendre auprès du CNJS pour faire un exposé sur les mécanismes de la Banque Mondiale ;
- le CONGAD a exigé une Assemblée Générale du RESSIP mais hélas. Les acteurs impliqués dans le RESSIP doivent prendre leurs responsabilités pour que les choses marchent ;
- il y a la pression mondiale pour amener la Banque Mondiale à changer de façon de faire ;
- il ne s'agit pas non plus d'être nihiliste mais de pouvoir reconnaître que des progrès tangibles sont entrain d'être faits par la Banque Mondiale dans le sens de la promotion de programmes sociaux (Initiative PPTE) ;
- le DSRP, ce n'est pas seulement la Banque Mondiale, il y a d'autres bailleurs de fonds. Par ailleurs, l'unité recherchée dépend de notre bonne volonté, nous acteurs de la société civile nationale.
- il faut atténuer les critiques, car il y a des exercices participatifs quelques parts, ex : PDEF, DSRP etc.

A la suite des débats et échanges en plénière, deux groupes de travail ne sont constitués et ont travaillé pendant au moins trois heures de temps en atelier

3. LA RESTITUTION DES TRAVAUX DES GROUPES DE TRAVAIL

3.1. Les travaux du groupe 1-: thème : mécanismes société civile – Banque Mondiale (voir liste en annexe).

AXE1 : synthèse du diagnostic

L'atelier considère que dans la relation Banque Mondiale ONG, il existe plusieurs cadres de concertation et des mécanismes de collaboration pouvant nous offrir l'opportunité d'un nouveau partenariat prenant en compte l'intérêt des populations et de nos structures.

Concernant l'évaluation globale des mécanismes de la collaboration autour d'une vision et d'expériences vécues, l'atelier considère que le contexte de mise en œuvre de l'initiative PPTTE avec différents processus comme le DSRP, le NEPAD, l'accord de Cotonou, etc. orientés vers la réalisation des OMD requiert une réflexion approfondie et harmonisée du côté des acteurs non gouvernementaux en vue d'améliorer leur impact sur le développement national.

L'atelier considère que le système de partenariat actuellement en vigueur marginalise les organisations de la société civile (OSC) qui occupent la position d'exécutant. C'est pourquoi, les OSC doivent réinterroger leurs rôles et leurs places dans les mécanismes généraux de partenariat en vue d'inverser la tendance. Il y a eu des acquis et des insuffisances dont le premier diagnostic qui reste encore général mérite d'être approfondi à d'autres échéances. Les acquis enregistrés dans la gestion de la dimension sociale dans les programmes en cours, résultent de la pression des OSC.

Il existe de nombreuses possibilités d'agir pour infléchir les relents d'orthodoxie de la Banque Mondiale car la société civile est loin d'avoir épuisé sa capacité de proactivité comme force de proposition.

D'autres acquis peuvent être comptabilisés en termes de participation aux différents exercices dans l'élaboration de documents stratégiques (PRN, PDEF...).

Il faut relever par ailleurs les dysfonctionnements dans la démarche des OSC qui limitent les chances de mise en œuvre en vue d'un partenariat durable et dynamique :

- problème d'éthique découlant de l'attitude concurrentielle des OSC ;
- précipitation dans la soumission des offres techniques ;
- attitudes peu ou faiblement critiques sur les positions du gouvernement lors des négociations portant sur les mécanismes de financement et le cadrage des politiques ;
 - **éparpillement des interventions ;**
- les faiblesses en suivi / évaluation
- faiblesses en renforcement des capacités

AXE 2 : recommandations

- renforcer la coopération technique, la concertation et la mise en réseau pour harmoniser l'intervention dans les rapports de coopération avec le gouvernement et la Banque Mondiale ;
- assurer le suivi en termes de gestion de l'existant (plan d'action, plates-formes de la société civile ONG) concernant les différents projets de partenariat entre société civile – Gouvernement – Banque Mondiale ;

- promouvoir des programmes indicatifs nationaux et des projets qui associent la société civile à toutes les phases : identification des besoins ou conception, mise en œuvre et suivi – évaluation ;
- promouvoir l'éthique et la déontologie dans la gestion des projets et programmes, l'utilisation des fonds et l'évaluation contradictoire des projets et programmes ;
- mettre en place une coalition forte de la société civile chargée de suivre et d'évaluer spécifiquement les projets et programmes de la Banque Mondiale.

3.2. *Les travaux du groupe 2 : position de la société civile sur les politiques / programmes / projets de la Banque Mondiale au Sénégal*

1. Constats :

- les OSC ne cautionnent pas la plupart des politiques passées de la Banque Mondiale ;
- pas d'impacts sociaux positifs des politiques, programmes et projets de la Banque Mondiale ;
- la société civile ne participe pas de façon pleine et effective à l'élaboration des politiques, programmes et projets.

2. Recommandations générales

Promouvoir et développer des possibilités de participation à la mise en œuvre de certains programmes :

- qui seraient plus bénéfiques aux populations ;
- qui contribueraient à renforcer les capacités des acteurs ;
- qui permettraient de veiller à une meilleure utilisation des fonds par les pouvoirs publics.

3. Recommandations pour une participation efficace des OSC.

- refus de servir de faire-valoir ;
- renforcement des capacités ;
- systématisation et capitalisation des expériences (OSC) ;
- évaluation de l'impact social des politiques, programmes, projets de la Banque Mondiale ;
- mise en place d'un cadre opérationnel et dynamique de concertation au sein du CONGAD ;
- diagnostic participatif de l'impact social des politiques et programmes de la Banque Mondiale au Sénégal ;
- meilleure prise en charge de l'information et de la sensibilisation des populations par la Banque Mondiale ;
- transparence dans la prise des décisions ;
- participation effective en amont (élaboration des politiques nationales) et en aval (contrôle) ;
- meilleur positionnement des OSC en tant que interlocutrices de la Banque Mondiale.

3.3. *Les débats*

A la suite des restitutions des travaux de groupes, quelques réactions sont enregistrées et ont surtout porté sur :

- les recoupements existant s entre les deux groupes ;
- la nécessité d'atténuer certains critiques et de revoir certains termes utilisés ex « refus de servir de faire-valoir » ;
- le fait de reconnaître que les OSC sont victimes de leur diversité : source des difficultés pour enclencher des dynamiques unitaires ;

- la nécessité de formaliser le cadre de suivi des recommandations formulées (comment le rapport va parvenir aux uns et aux autres ? comment le rapport va être suivi ? comment les OSC doivent se comporter dans l'avenir ?) ;
- le nécessité d'ajouter dans le cadre de la meilleure prise en compte de l'impact social , « le respect des normes fondamentales de travail » ;
- le fait qu'une communauté ne peut pas se développer si elle ne fonde pas sur des exigences (remembrement) ;
- le fait qu'il y a plus de questions posées que de réponses concrètes apportées .

4. CLOTURE DES TRAVAUX : CONCLUSIONS TIREES ET RECOMMANDATIONS

En clôturant les travaux, Mr Amacodou DIOUF a tenu à présenter d'abord les excuses de Woré SECK empêchée, avant de souligner que l'exercice de la journée est une façon de tester la rapidité de réaction de la société civile sénégalaise.

Pour lui, les résultats enregistrés sont très importants, traduisent la position de la société civile sénégalaise et peuvent être brandis partout.

La consultation d'aujourd'hui n'est pas du tout peine perdue et que tous les éléments ressortis des ateliers et des travaux en plénière sont à prendre en compte. Ils vont servir de situation de référence (aspect pédagogique de la chose).

Un cadre permanent de réflexion autour des politiques/programmes/projets de la Banque Mondiale est créé et il va constituer une force de propositions.

Autres aspects soulignés, c'est que si le gouvernement parle de faire-faire et les OSC parlent de faire valoir, cela veut dire qu'il y a une autre bataille qui est nationale.

Après avoir fustigé les facteurs suggestifs qui concourent souvent à l'élimination de certains ONG dans l'exécution des programmes de la Banque Mondiale, Mr Amacodou DIOUF a préconisé la création d'un véritable comité de liaison pour faciliter les relations Banque Mondiale / Société Civile.

Selon Mr Amacodou DIOUF, faute de moyens, la société civile sénégalaise n'est pas certaine d'être représentée à la rencontre de Washington mais des initiatives seront prises dans ce sens.

En outre, les relations secteur privé / société civile doivent être promues et développées , selon Mr DIOUF.

Après avoir exprimé toute sa satisfaction par rapport aux résultats atteints, Mr DIOUF a remercié les participants au nom du Conseil d'Administration et de la Direction Exécutive du CONGAD pour les efforts qui ont été déployés.

Il a invité les participants à développer des initiatives pareilles en direction d'autres partenaires et d'autres programmes (OMD, NEPAD, Lead Africa, MCA).

En ces termes, il a déclaré clos les travaux de la journée de consultation nationale sur les politiques et programmes de la Banque Mondiale au Sénégal.

TERMES DE REFERENCES
DE LA JOURNEE DE CONSULTATION NATIONALE DE LA SOCIETE
CIVILE SUR LES ACTIVITES DE LA BANQUE MONDIALE
AU SENEGAL

CONTEXTE ET JUSTIFICATION

Depuis plusieurs décennies, la Banque Mondiale apporte son concours multiforme dans le financement du développement de notre pays. Les actions de la Banque ont suscité plusieurs réactions des populations, de la société civile en général ainsi que de secteurs importants du gouvernement en place.

Les différentes politiques initiées par la Banque ont été à l'origine de nombreuses critiques parce que dépouillées d'une dimension sociale dans leur mise en œuvre, voire dans leur conceptualisation.

Les relations entre la Banque et les ONG ont connu des frottements sincères afin d'aboutir à une collaboration constructive et à un partage d'idées riches partant d'un souci commun de développement du pays.

Ainsi, plusieurs mécanismes de collaboration et de travail ont été pensés afin de trouver un cadre adéquat d'échanges avec les fonctionnaires et autres autorités de la Banque Mondiale dans le but de rendre régulières les consultations et discussions avec les acteurs de développement national autour des politiques de cette dernière.

Plusieurs rencontres avec des missions de la Banque ont été tenues dans le cadre de la revue des programmes et dans le cadre des évaluations.

Ce phénomène s'est accentué depuis que le gouvernement de la République du Sénégal a initié une stratégie nationale de lutte contre la pauvreté en se fondant sur des mécanismes nationaux de création de richesse, de renforcement des capacités, de la promotion des services sociaux de base et de l'amélioration des conditions de vie des groupes vulnérables.

Mais en même temps, en rapport avec la communauté internationale, le Sénégal développe des partenariats afin de réaliser les objectifs définis par le NEPAD, le PNUD à travers les Objectifs de Développement du Millénaire (ODD), et les autres Partenaires de la coopération bilatérale.

Ces initiatives requièrent une réflexion approfondie et harmonisée du côté des acteurs non gouvernementaux afin d'améliorer leur impact sur le développement national. Cela justifie la mise en place d'un cadre national « Société Civile » disposant d'une force d'analyse et de proposition vis-à-vis des politiques de la Banque au Sénégal afin d'améliorer le niveau de notre participation lors de l'examen des orientations de la Banque Mondiale en direction de notre pays.

L'organisation de la journée de consultation nationale autour des politiques et programmes de la Banque Mondiale au Sénégal complète les mécanismes de concertation existants entre la Banque et les ONG, mais aussi permet à la Société civile nationale de joindre celle des autres pays africains dans la cadre d'un dialogue mondial « Banque Mondiale – Société civile / ONG ».

La présente Journée de consultation nationale de la Société civile, notamment des ONG, porte sur un examen détaillé des activités de la Banque Mondiale au Sénégal dans une perspective de propositions de politiques vis-à-vis des populations, des gouvernements et des organisations de la société civile. Elle entre dans le cadre de la préparation de la rencontre périodique mondiale entre « la banque Mondiale et les ONG ».

OBJECTIFS DE LA CONSULTATION

L'objectif principal de la journée de consultation nationale porte sur la production d'un large point de vue de la société nationale sur les politiques de la Banque Mondiale au Sénégal.

Les **objectifs spécifiques** visés portent sur :

- a- échanger autour des politiques et programmes financés par la Banque Mondiale au Sénégal ;
- b- donner un point de vue de la société civile nationale sur les politiques de la Banque Mondiale dans le pays ;
- c- proposer des recommandations, critiques et suggestions dans un rapport national issu de cette consultation.

DESCRIPTION DE LA JOURNEE

La consultation nationale porte essentiellement sur la réunion de toutes les composantes de la société civile nationale (ONG, Syndicats, OCB, etc.) pour formuler un point de vue sur les activités de la Banque Mondiale au Sénégal et ses relations vis-à-vis de la société civile et particulièrement des ONG.

Types d'activités :

Les activités prévues à cet effet porte sur :

- a- la tenue d'une journée nationale de consultation de la société civile autour des politiques de la Banque Mondiale au Sénégal ;
- b- la production du rapport national de la société civile sur les politiques de la Banque Mondiale au Sénégal .

Cibles :

Les représentants de la Société Civile Nationale (ONG, Syndicats, OCB)

Lieu :

Centre Amadou Malick GAYE (Ex Centre de Bopp Dakar-Quartier de Bopp) Dakar

CONSULTATIONALE DE LA SOCIETE CIVILE SUR LES POLITIQUES ET PROGRAMMES DE LA BANQUE MONDIALE AU SENEGAL

Centre Amadou Malick GAYE, 1^{er} Avril 2005

PROGRAMME

- 9 H 00 – 9 H 30** : Mise en place des participants (tes)
- 9 H 30 – 9 H 40** : **Mot d’ouverture des représentants du CONGAD**
- 9 H 40 – 9 H 55** : Présentation des participants (tes)
- 9 H 55 – 10 H 25** : Exposé introductif
par Amacodou DIOUF
- 10 H 25 – 10 H 45** : Discussions/échanges
- 10 H 45 – 11 H 00** : Pause – café
- 11 H 00 – 14 h 00** : Travaux de groupes
- 14 H 00 – 15 H 30** : Pause – Déjeuner
- 15 H 30 – 16 H 30** : Restitution des travaux de groupes
- 16 H 30 – 17 H:** Synthèse et clôture de la rencontre

GROUPES DE TRAVAIL

Atelier 1 : Mécanismes de partenariat Société Civile et Banque Mondiale

Atelier 2 : Position de la Société Civile sur les politiques et programmes de la Banque Mondiale au Sénégal

ATELIER 1

Mécanismes de partenariat Société civile et Banque Mondiale

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Fatou Kiné	NIANG	CRJS Kaolack
Raky Chaupin	MANGOU	Réseau Siggil Jigeeen
Mohamed Habib	SARR	Conseil National de la Jeunesse
Samba	THIABE	ADEF/AFRIQUE
Sarrany	BODIAN	CCF SENEGAL
Guissé	PENE	Association des Métiers de la Musique du Sénégal (A.M.S)
Cheikh Tidiane	ATHIE	ACDEV
Moussa	MBALLO	ONG « 7a » Maarewu Kolda
Oumar	DIOP	Handicap Form Educ
Hamidou Aboubacry	DIALLO	CERFLA
Cheikh Tidiane	SARR	Enda TM / Ecopop

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Appendix C: Consultation Notes

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Appendix C: Consultation Notes

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Ugandan CSOs Consult on World Bank- Civil Society Engagement

1st March 2005

Background

Uganda National NGO Forum convened a Civil Society consultation on the 1st March 2005 to discuss the extent to which civil society has found the World Bank consultative processes meaningful, worthwhile and effective in influencing World Bank's policies, operations and its governance structure. Participants were selected from a wide range of experiences of their organisations in past or present engagements with the World Bank. Some of this engagement has been direct and some has been indirect as those which work on poverty-related policies and monitoring issues inevitably have to confront World Bank related policies. A cross section of the CSOs which attended the consultation reveals the following spread;

- Sectoral - health (Uganda National Health Consumers Organisation [UNHCO])
- Environment (Advocates Coalition for Environment and Development [ACODE], Uganda Environment Education Forum [UEEF], Environmental Alert, Uganda Coalition for Sustainable Development [UCSD] etc)
- Children and youth (Uganda Child Rights NGO Network [UCRNN] and Save the Children in Uganda)
- Disability (National Union of Disabled People of Uganda [NUDIPU])
- Debt Relief Campaigns (Uganda Debt Network)
- District CSO representatives (Gulu NGO Forum, NGO Forum – Kayunga, and Life Concern Nebbi)
- International NGOs (Concern World Wide and Save the Children in Uganda)
- Trade Unions (National Organisation of Trade Unions [NOTU])
- Civil Society apex/network organisations (Uganda National NGO Forum)
- Civil society think tanks and Research Organisations (Development Research and Training [DRT], Advocates Coalition for Environment and Development [ACODE], Kabarole Research Centre [KRC].)

The following are the outcomes of the consultation which are to inform a Joint Facilitation Committee's report at the forth-coming World Bank-Civil Society Global Policy Forum scheduled for April 2005.

Previous and Ongoing Processes of Civil Society Engagement with the World Bank

Most of the experience of Ugandan CSOs fall under the rubrics of critical engagement (such as on debt, independent evaluations of World Bank supported projects etc.) and 'full engagement' (Poverty Reduction Strategy Papers [PRSPs], participation in the World Bank Funded Northern Uganda Social Action Fund [NUSAF], SAPRI, and other World Bank supported projects and initiatives).

Issues Arising from CSO Engagement with the WB

A. POSITIVE EXPERIENCES

1) Changing for the Better

CSOs at the consultation feel that there have been positive changes in the way the Bank relates with CSOs and much of this can be traced from the coming into office of James Wolfenson as President of the Bank, and the launching of the Comprehensive Development Framework (CDF) as well as introduction of the Poverty Reduction Strategy Papers (PRSP) as frameworks for macroeconomic, structural and social policies and programs to promote growth and reduce poverty. CSOs recalled how in his first visit to Uganda, Mr. Wolfenson sought out and met with CSO representatives and was perceived as being very keen to listen to what they had to say. When told that time was up and he had to go to meet the Minister of Finance, he is reported to have said that “I have to listen to CSOs have to say and I will not leave until they are done”.

2) The Role of Individual Bank Staff

One of the Bank’s assets identified by CSOs is a team of well informed and professional staff who at a personal level are highly appreciative of civil society contribution. This is particularly in reference the Participation and Civic Engagement Group at the Bank Headquarters in Washington and the Social Development Advisors/NGO Liaison Officers and some Country Directors at the Country Offices. In particular, James Adams in his tenure as the Bank’s Country Director for Uganda and Tanzania (1998-2002) played a key role in improving the relationship between the Bank, civil society and the Uganda government. At least CSOs at the consultative meeting indicated that their engagement was motivated and facilitated by personal contacts with influential Bank staff, both at Country Offices and in Washington who knew what their organisations are capable of.

3) The Bank and Participation

The World Bank’s adoption of key concepts propounded by civil society, including the very concept of participation/civic engagement, in particular its support for Participatory Poverty Assessments (PPAs) and other participation aspects of Poverty Reduction Strategy papers (PRSPs) have gone a long way in building confidence and trust between the Bank and civil society. The support for CSOs to participate in key national policy forums such as the donor-Government annual meetings (the Consultative (CG) meetings), Public Expenditure Reviews, and invitations to annual meetings of the World Bank B as well as special events usually around PRSPs were considered positively by CSOs. So was the publication of WB documents on the internet and the InfoShop. While CSOs recognised that this is not accessible to as many CSOs as they would like, it is a good first step towards getting key WB documents into the public domain.

4) From Ostracisation to Full Engagement – The NOTU Experience

The National Organisation of Trade Unions in Uganda (NOTU) shared its experience of a journey that has moved from ostracisation where the organisation would not be invited to any official discussions either by the Bank or the Government of Uganda particularly at the at the height of the much hated austere economic reform processes of the late 1980s and early 1990s that focused on all the things that trade unions stand against i.e. privatisation, retrenchment, anti-collective bargaining all of which resulted in many workers’ rights being violated i.e. no discussion on minimum wages was allowed, to tentative engagement and now to full engagement (see text box below).

Tracing the Evolution of NOTU's Engagement with the World Bank

NOTU's main focus is on implementing ILO Conventions, promoting social security and advocating on areas that affect labour. Prior to 1996, the World Bank and therefore the Government of Uganda did not believe in the fact that privatisation was causing a lot of damage to workers in Uganda and in Africa. However, this began to change when at a meeting in Washington in 1990 the Bank accepted that indeed this was the case. Whereas NOTU had been ostracised by both the Bank and the Government, in 2000 the process of tripartite dialogue began. In 2003, an economist with NOTU was hired to work at the World Bank for one year, and as he made a lot of worker-related input onto the PRSP, this proved to be a big turning point for NOTU-Government-Bank relations. Since then, the Bank and the Government have been working closely with labour unions whose issues had been forgotten. The International Confederation of Free Trade Unions to which NOTU is affiliated has opened an office in Washington which facilitates Bank and trade union engagement. NOTU feels that it's better accepted by the Bank's Country Office than by the Ministry of Finance, Planning and Economic Development.

5) The Bank Appoints an Advisor on Disability

Persons with disabilities highlighted the fact the Bank since 2002 has appointed a special Advisor on Disability which has started the process of mainstreaming disability into Bank operations.

B. KEY CHALLENGES

1) Fusion that has led to Confusion

CSOs reported how they are sometimes baffled when they are dealing with the Bank and when the Government of Uganda. Even when they know Government sometimes holds different views from those of the Bank; officially these views are fused with those of the Bank to the extent that it becomes impossible to distinguish what is the Government's position and what is the Bank's position. It was also noted that on several occasions the Bank avoids taking a public stand by hiding behind the Government on issues that CSOs think it should own up and take responsibility. By knowing the power dynamics, it is not difficult to tell whose positions these official statements reflect. For example, civil society has found it very difficult to get any opinion and also access information from the Bank regarding the successor to the Nutrition and Early Child Hood Development Project. The Bank keeps on referring civil society to the Government. Given that the Bank is a key stakeholder in all Bank-funded projects, CSOs asked 'who is fooling who'?

2) Closed Spaces and Secret Dealings

Civil society organisations noted that despite the apparent opening up to civil society by the Bank, there are spaces that are still considered a 'no-go' area for civil society. It is not clear for example why the World Bank is very reluctant to invite civil society to participate and engage fully in key bank policy processes such as the Country Assistance Strategies despite the rhetoric suggesting the opposite. It was also noted when dealing with civil society, the Bank sometimes uses delaying tactics until such a time when the Bank says 'we have moved on' because the issue is no longer relevant and has been overtaken by events. A case in point is the highly-billed Structural Adjustment Participatory Review Initiative (SAPRI) process that started as a tripartite one between Government, civil society and the Bank. Once it became clear that the findings

would not portray the Bank in good light, it played delaying tactics, and thereby nullifying the initiative.

Closed Spaces on Workers' Issues during the Privatisation Process

Another example is the NOTU engagement with the Bank on issues related to SAPs, i.e. privatisation. NOTU was totally blocked from participating in any official discussions with the Bank and the Government regarding the economic reform measures embodied in the dreaded Economic Reform Programme (ERP) based on market liberalization paradigm. NOTU was concerned with the high costs associated with implementation of the adjustment reforms, especially retrenchment, anti-collective bargaining which resulted in many workers being inadequately remunerated (minimum wages), issues that were not considered worth discussing with NOTU by the Bank until after the effects of the reforms had been dulled by time.

3) Fragmented and Inconsistent Dealings with Civil Society

The meeting noted that the Bank's approach regarding civil society engagement is both fragmented and inconsistent. It has been very difficult to predict the Bank's behaviour regarding its interaction with civil society. The evidence of this is that there hasn't been any attempt to initiate a clear forum or mechanism for engagement with CSOs in a consistent manner. At country level there is no institutionalised mechanism for CSO-Bank engagement. It looks like the Bank basically perceives Government as its key development partner while viewing CSOs as peripheral stakeholders to be involved only as and when it suits the Bank. Despite the establishment of the portfolios of Social Development Advisors at country World Bank offices, civil society is yet to see this translated into an effective channel for regular civil society engagement.

4) Twisting Civil Society Concepts and Terminology

While the World Bank has adopted many development concepts espoused by CSOs, civil society sometimes finds it difficult to understand meanings given to these concepts by the World Bank i.e. 'pro-poor growth', 'participation' etc. The coining of terms such as 'retrenchment', 'down sizing' to 'right sizing' attests to a fundamental problem of trying to hide reality by clothing it in sweet sounding terminology.

5) Engagement on World Bank Terms – Choosing from a Set Menu

The Bank's attempt at engagement with civil society is based on the Bank's set terms and guidelines (it sets the agenda, invites civil society, chairs the meetings, etc) which contradict the very essence of partnership. These terms as well as the real agendas in most cases are unknown to civil society. This is by all intents and purposes participation of the un-equals. As far as civil society is concerned, "the World Bank is too powerful" to engage meaningfully. Where the Bank initiates engagement, there is a semblance of 'success'. Where CSOs take the initiative or lead the process as in SAPRI, things don't always work out to their expectations. CSOs repeated instances when the World Bank President told them that "I am doing you a favour by dealing with you. I am under pressure from my shareholders not to give voice to unelected, self appointed groups that have no legitimacy. They say that they are the elected representatives of the people and it is they who should be listened to".

6) Lack of Willingness to Accept and Learn from Mistakes

CSOs noted that the Bank refuses to accept failure even when civil society has researched information and constructive criticism. Civil society's view therefore is that the Bank is not predisposed as a learning organisation.

Save the Children and the World Bank Disagree on how to Use NECDP Evaluations

The Nutrition and Early Child Hood Development Project is a loan which was approved in 1998 but implementation did not begin until 2001. By the time the project ended, only 13% of the children had been reached and 60% of the Community Action Plans had been partially funded, yet the project had spent \$ 36.5 million. The World Bank had itself commissioned a number monitoring and evaluation studies for the project and Save the Children undertook an analysis of these evaluations producing a report entitled “Thin on the Ground”. Its main conclusions were that resources were being wasted on such a large-scale community nutrition project because it had major design and implementation limitations. That in spite of these problems having been identified by the official evaluations, the project implementation had improved over time because project development processes and monitoring and evaluation were inadequate. The analysis questioned the added value of the project in its current form to the people and children of Uganda. Save the Children therefore recommended that the project should not be replicated before reviewing all the recommendations and plugging the information gaps. However, the Bank and the Government of Uganda have secretly gone ahead to design a new programme without involving civil society. The Ministry of Health and Project officials protested Save the Children findings and it is not clear that the concerns raised have been adequately addressed.

Participants also cited the case of Bujagali Hydro Electric Power Project where ACODE undertook an Environmental Impact Assessment (EIA) of the project assessing the extent to which World Bank EIA guidelines had been complied with. While CSOs have concluded that in its current design the project is not viable, the best that the Bank has done was to call for more EIAs to be undertaken.

Some participants raised a curious phenomenon where constructive criticism has been received with negative and personalised reactions. One participant cited a case where he reported findings of Uganda Participatory Poverty Assessment (UPPAP) which indicated that ‘the rich were getting richer and the poor poorer’. For two years, the then Country Director would not talk to this civil society researcher. The same was true for an NGO Forum representative after he had co-authored a report that was highly critical of the Bank’s programmes in Uganda.

7) Communication Deficiencies

CSOs noted that there is sometimes lack of effective coordination of initiatives involving civil society and World Bank Headquarters in with the Bank’s Country Offices. For example, attempts to have the local World Bank staff get involved in World Bank Head Quarters supported study carried out by DRT study called “Gender and Social Dimension on HIV transmission among refugees and IDPs in the Great Lakes region” were unsuccessful. “It has taken me a year to secure an appointment, and I still haven’t got it yet” said a DRT representative. ACODE also cited a similar case with its initiative with the World Bank on *Partnership for Principle 10 on Access to Information and Justice*. It has proved to be very difficult sometimes for CSOs to access vital information that would enable them constructively engage with the Bank at country level. Cases were cited where initiatives between the Bank and CSOs stalled but the Bank provided no written explanation. One example was the discussions to institute a Community Score Card. The other example where the component of civil society in the LVMEP turned out to be empty promises and no explanation was given.

8) Strong Rhetoric not Matched by Practice

The WB is strong on the rhetoric and weak on practice. The engagement of civil society in the design of WB projects raises further questions as to the intentions of the WB's commitment to civil society engagement. There is failure on part of the Bank to make a deliberate effort to get beneficiary input. For example, there is apparently limited participation of civil society in the design of the Northern Uganda Social Action Fund (NUSAF), the Lake Victoria Environmental management Project (LVEMP) and the Nutrition and Early Childhood Development (NECDP) projects. World Bank Missions are fond of promising civil society good working relations which never materialise. As one participant observed, "The World Bank does nice things about participation but doesn't implement them through their economic programmes."

Despite the rhetoric that CSOs are important players in the bank's processes, it has not deliberately undertaken activities to build their capacity. In most project designs for World Bank projects, no resources are put aside for capacity building for CSOs. All project resources are normally channelled through Local Governments whereas CSOs have their own structures. Consequently, there is no empowerment of the people.

NUDIPU's Engagement with the World Bank

A case in point was the efforts by the National Union of Disabled Persons of Uganda (NUDIPU) which negotiated for the Bank to provide computer technology for the blind. These computers were actually purchased but the Bank put too many qualifiers for implementing partners, i.e. they were to have 10 years experience working with that technology which they knew was not available in Uganda. As a result, to date, those computers are still at the World Bank Offices in Kampala. In the NUSAF, NUDIPU has been engaging the Bank to ensure that the project design caters for people with disabilities as beneficiaries. However, Bank staff have misperceptions about disability, such as the disabled not being adequately educated, not being mobile and therefore no groups of disabled have been formed to benefit from community action projects, whereas NUSAF itself is supposedly designed to benefit vulnerable groups. Since then, NUDIPU has actually gone ahead and formed the groups as well as informing the Bank of their existence.

9) The World Bank, Transparency and Accountability

Participants felt very strongly about the World Bank and accountability. As one participant put it, "There are things we cannot fool ourselves about. Can we really talk about accountability in respect of the Bank? I don't think the Bank believes in it." "Democracy is tilted. Shareholding is not by members buy by shares, where the rich members have the greatest influence"

C Recommendations for improving World Bank Transparency, Accountability & Responsiveness to Civil Society Concerns.

CSO representatives attending the consultation made the following recommendations;

- 1) The World Bank builds on the positive experiences for example, it should sustain and advance the initiatives started under Mr. Wolfenson's presidency in trying to bridge the gap between the Bank and CSOs. The Bank should institutionalise the positive role played by individual staff.

- 2) The website and the idea of the InfoShop should be extended to make it more encompassing for the wider civil society. Outlets through civil society channels should be explored and increased.
- 3) Experiences such as that of NOTU should be give serious consideration in ensuring that a wide cross section of CSOs are included in Bank supported participation as early and accept and learn from constructive criticism.
- 4) The Bank should be more willing to take its responsibility for its policy advice and actions rather than hiding behind the Government on issues that CSOs ascribe responsibility to the Bank
- 5) In designing programmes and projects, the Bank should ensure that no space is closed to civil society. Trust should be built so that civil society uses those spaces more responsibly.
- 6) The Bank should articulate and share the objectives, guidelines and outcomes for engagement, plus defining the engagement mechanisms with civil society at country level.
- 7) The office of those with portfolios for linking with civil society (Social Development Advisors) should be strengthened to be the focal point for civil society engagement at country level.
- 8) Improve communication between Washington and Country Offices so that there is one Bank rather than two Banks.
- 9) The Bank should contribute more resources towards the building capacity for CSOs in a way that is civil society-driven.
- 10) The Bank should do more to close the credibility gap regarding its accountability and democratic credentials.

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Appendix C: Consultation Notes

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NATIONAL CONSULTATION ON WORLD BANK – CIVIL SOCIETY ENGAGEMENT

ZAMBIAN REPORT

“We are not government but if we are partners in development, we demand consultation from conceptualization to implementation”

Introduction: The level of engagement between the World Bank and the Civil Society has been described by many civil society actors as a space that exists on the frontier of risk and opportunity. The consultation has been described by many as being long overdue. The high poverty levels in the nation where over 73% of the population is surviving on less than a dollar a day compounded by the huge debt that the country services is a clear indication of the need to have an effective world bank – civil society engagement. **Henry Malumo** from the Civil Society Trade of Zambia who is also the National Civil Society MDG Campaign Coordinator carried out a few discussions with a number of strategic individuals and organisations. Among the organisations were the Jesuit Centre for Theological Reflection (JCTR), Foundation for Democratic Process (FODEP), Zambia Alliance of Women (Z.A.W), Peasant Farmers Association of Zambia and the Civil Society Trade Network of Zambia (CSTNZ).

Findings: a discussion with **Jack Jones Zulu**, the Policy Analyst at the JCTR, said that the process can be described in two ways. Firstly, there has been situation where government and the World Bank have met to make important decisions and the civil society was invited at the last minute to comment and not change anything. Secondly, the Bank would meet with government and later on call on the civil society to legitimize their document. The question that Jack put across was whether the civil societies were being consulted and whether they were part of the process?

The civil society is willing to work with government and the bank to bringing about the needed change in the lives of many Zambians. The privatization of the mines and other government parastatals is one area where civil society engagement was totally sidelined. Recent World Bank consultations have shown an increasing interest in broad based consultations among all the stakeholders and the civil society. The Bank has further realized that policies that exclude the broader participation of the civil society are rarely accepted by the people. The PRSP and the HIPC processes are some of the examples where there has been government, civil society and World Bank consultations. The only unfortunate aspect in the PRSP and HIPC consultations is that 20% of the civil society recommendations were rejected. The rejected recommendations were the key issues that the civil society team proposed. The issues were addressing the component of macro –economics. The continued pressure by the Bank to finance the social sector with the exclusion of the productive sector is a wrong approach. The lack of consultation from conceptualization had led to the circumstance.

The consultations surrounding the Poverty Reduction Growth Facility (PRGF) are yet another clear programme that has been developed at the total exclusion of the civil society. The civil society has constantly requested for a broader stakeholder consultation but government and the cooperating partners have not listened. The divided voice in the area of debt has widened the gap between government and the civil society in its to the World bank. President Mwanawasa has joined the civil society in calling for total debt cancellation while the Minister of Finance has gone round saying that Zambia has the capacity to pay the debt.

The sector advisory group of micro-economics frame work for Zambia has only two civil society representation while government and the cooperating partners have more than five each. If decisions are about numbers, the n the civil society is at a disadvantage because when it comes to voting, we are out numbered.

Stephen Muyakwa, National Coordinator for the Civil Society Trade Network of Zambia on the other hand has bemoaned the lack of capacity among the civil society actors which is worsened by the rushed consultations between the Bank and the civil society. From a very long time the Bank has been identified with rushed decisions concerning many cardinal issues. The speedy consultations have not worked to the interest of the poor whom they claim to help or support as the most civil society players are often not adequately prepared for the high level and technical discussions that are held. Lack of access to relevant information from government and donor agencies has disadvantaged the civil society from effective engagement. It is the hope of many Zambians that the Freedom of Information Bill that is currently in parliament will receive a positive response.

Patrick Kaumba, Programme Officer for the Foundation for Democratic Process (FODEP), the current scenario in Zambia is that government together with the World bank have continued to impose programmes on the people of Zambia at the exclusion of the civil society. This led to lose of confidence in the World Bank and the government by most civil society actors. As a nation we need to develop home grown programmes that respond to the challenges of the Zambian people.

Mundia Matongo, Programme Officer for the Zambia Alliance of Women (ZAW), some of the benchmarks agreed by the World Bank and the government were done at the exclusion of the civil society.

Hachiinda Jones Muleya, President for the Peasant farmers Association of Zambia, the level of engagement between the civil society and the Bank has not yielded any meaningful development. The privatisation of the mines, the current crisis in the education sector where close to 1,000 teachers could not be employed due to the HIPC conditionalities is a clear incidence of poor civil society and World Bank engagement.

Challenges

- I. One of the major challenges being faced by the broader civil society family in the process of engagement is the lack of capacity to negotiate.
- II. Lack of access to classified information that relates to policy formulation.
- III. The need for Zambian driven programmes.
- IV. Direction of resources at the social sector with the exclusion of the productive sector

Conclusion: The recent World Bank consultations have shown a window of hope for civil society engagement. One concrete example is when the President of the World Bank and the Director of the IMF had a direct interface with the civil society, which has not been the culture in the past. The Zambian civil society is ready to have an effective engagement with the World bank that is holistic.

Recommendations

1. We want to be part of the agenda setting and agenda implementing process.
2. The World Bank should support capacity building programs for the civil society.
3. The role of the civil society in the consultations should not be perceived as a favour but as an important role that should be institutionalised.
4. Programmes that do not include civil society participation from conceptualization to implementation should not be legitimized.
5. There should be equal representation at major consultations, government should facilitate the participation of the civil society at these events.



Women's Rights and Gender Equality at the World Bank: Experiences of Engagement

Submission to the JFC Discussion Paper on
World Bank – Civil Society Engagement
March 2005

The following paper has been prepared as a Constituency Perspective contribution to the World Bank – Civil Society Engagement Discussion Paper being prepared by the civil society members of the JFC. It is based on consultations and discussions with our members and partners in recent years, and in particular on a survey conducted of a sample of our members with specific World Bank engagement experiences. Any comments or questions should be directed to Joanna Kerr, AWID Executive Director: jkerr@awid.org, + (416) 594-3773.

1. The Constituency:

Advocates for and experts in women's rights and gender equality, including representatives of women's organizations from both the global South and the North, have engaged with World Bank processes in various ways such as participating in consultations, presenting submissions, lobbying and protesting over the past ten years. Since the 1995 Fourth World Conference on Women in Beijing, several distinct mechanisms for engagement, research and advocacy have emerged (including several NGOs: Women's Eyes on the World Bank, Women's Edge, and Gender Action, among others; and two World Bank mechanisms: the External Gender Consultative Group, the Consultative Council on Gender for the Middle East and North Africa) in addition to the numerous engagements by women's organization at the national level. As noted by Carolyn Long,

Although at present there is no way to systematically catalogue or analyze advocacy done by women's organizations at the national level, Southern women's groups have been promoting gender concerns to the Bank for many years. Southern women's groups have long been among those civil society organizations working to convince the Bank to end or significantly alter structural adjustment policies imposed on their countries. They have also been at the forefront of groups urging an end to user fees in health, water and education, which governments have imposed as conditions on certain World Bank lending. ISAAF International in India and the Tanzania Gender Networking Program are two of many women's organizations advocating these change. In many instances, women's groups have been included in the

consultative processes with civil society conducted for the formulation of the CAS in borrower countries.³⁰⁹

The Association for Women's Rights in Development (AWID) is an international membership organization with close to 6000 members in approximately 120 countries, approximately half of whom are based in the global South. AWID's members include a diverse group of practitioners, policy-makers, researchers, funders, students and others working to advance women's rights and gender equality in development processes. In our work, we have heard of many different engagement experiences with the World Bank and we have participated on the JFC in the hopes of contributing to the formulation of more democratic, accountable, transparent, and responsive civil society engagement processes. From our perspective, proof of the effectiveness of engagement by women's rights and gender equality advocates would be an engendered set of Bank policies and an investment portfolio that promotes women's rights and gender equality.

Overall, it is clear that in order to promote gender equality and women's rights, the World Bank needs to take civil society engagement much more seriously, increasing transparency, democratic practices and the effectiveness of engagements. We have seen the Bank change its public discourse and rhetoric over the years, but the underlying economic model and their approach to loans and projects has remained constant.

The problem, from our perspective as an organization that works to improve the lives and women and girls globally, is that *the World Bank's activities actually have harmful impacts on women and regress women's rights and gender equality*, not simply that they ignore gender issues. We believe this to be unacceptable for any international institution and improving civil society engagement mechanisms could represent one step towards increasing accountability and human rights compliance of the Bank.

While progress had been made to improve gender-sensitivity at the Bank, particularly around the time of the 4th World Conference on Women in 1995, we have seen back-sliding in recent years. Today, there continues to be a lack of understanding by Bank staff of gender issues and policies within the institution.³¹⁰ Moreover in terms of engagement and consultation, the Bank has relied on mechanisms such as the External Gender Consultative Group (EGCG) in order to say that it has conferred with women's groups, while the poor women all over the world who are directly impacted by the Bank's policies are given scant opportunity to meaningfully input into the Bank's decision-making processes.³¹¹

³⁰⁹ C. Long, *The Advocate's Guide to Promoting Gender Equality at the World Bank*, Women's Edge, 2003.

³¹⁰ See Zuckerman, E., and W. Qing, "Reforming the World Bank: Will the New Gender Strategy Make A Difference?" (Heinrich Boll Foundation and Gender Action, 2003) [Updated version forthcoming in 2005].

³¹¹ While the External Gender Consultative Group (EGCG) was a positive development, bringing the expertise of some excellent gender advocates to the Bank, their impact was very limited. For example, they were influential with respect to the

Members strongly urge the Bank to implement its own research and rhetoric on gender issues and women's rights. The Bank's own insights into the gendered impacts of poverty and debt as well as their recommendations for improving gender equality and women's rights are not implemented at all in their actual investments. The gap between Bank rhetoric and bank reality remains massive.

2. Experiences of Select AWID Members:

During January and February 2005, we surveyed several of our members who responded to a request we issued to our membership for participants and who indicated that they had specific experiences engaging with the World Bank. As such, we did not select the respondents to represent specific views or experiences. In fact, the respondents included NGO representatives, campaigners and people who had worked as paid consultants for the World Bank, all of whom have different experiences, interests and perspectives on World Bank engagement.

The survey included 22 questions, administered by email or through a telephone conversation. The survey results, while far from comprehensive, do provide insight into the engagement experiences of gender advocates and gender experts and are useful for reflecting on and critically analysing the experiences of women's groups and gender equality advocates in World Bank-civil society engagement processes.

The members that we spoke with included two from Nigeria, one from Ethiopia, one from Senegal, one from Indonesia, one from Bulgaria, one from Cameroon, one from Mexico, two from Canada and two from the USA. They had engaged with the World Bank during various periods between 1986 and the present, one for as long as eighteen years with the others averaging around two years. Three had participated in SAPRI consultations and three in HIPC consultations; six had participated in PRSP consultations and four in CAS consultations. Eight had participated in project-level consultations around specific projects or programs, including: research projects on the gender aspects of poverty and inequality in Bulgaria; the Kecomapan Development Project; a conference on sport in Morocco (participation sponsored by the WB); monitoring World Bank sectoral reform projects in Latin America; impact evaluation of SAPs; Assessment of FCFA Devaluation; local consultation and social analysis on potable water supply; a background study for the disbursement of a large loan; gender assessment of WB supported Chad and Cameroon Oil Pipeline; gender assessment of Structural Adjustment in HIPC post-conflict countries; assessment of transparency and independence of SB inspection panel; and as a subject matter analyst in National Agricultural Extension Project, among others. One of the people we surveyed had also been involved in a worldwide campaign for the cancellation of debt to HIPC countries and two had been involved in various international campaigns and advocacy efforts to improve the effectiveness, gender sensitivity and accountability of World Bank operations as well as monitoring of World Bank projects and policies. One is also involved in work on the World Bank and the Millennium Development Goals.

Bank's research studies on women but they had little influence in terms of investment and policy decisions.

What follows is a compilation of the respondents' answers to our survey questions.

How do World Bank policies or practices impact on the interests of your organization or group?

Positively: Two respondents felt that World Bank policies and practices had a positive impact on their organizations.

Negatively: One respondent felt that their policy of disbursing funds through the government impacted negatively on his organization. He also felt that their failure to consider the local culture led to conflict. Two respondents felt that the needs of the poor were not addressed by the World Bank, with one of them being of the view that the World Bank caters to upper and middle income groups, and is not interested in women. One respondent felt that they were not friendly to small business concerns and this had a gendered impact.

In addition, one respondent provided the following list of negative impacts:

- a) It violated women's human right – shrinking government revenues, leading to cuts in social programs that could promote gender equality.
- b) Because of its power, the Bank can pressure governments making them more accountable to the Bank than to their own citizens.
- c) The World Bank gets into business that it should not be involved in. It now puts its nose in all aspects of life that impact on women and social justice, from NGO status to justice systems, union organizing to worker's rights, arts and culture, etc.
- d) World Bank programs divide civil society organizations because they confuse those weak on economic policy and sideline human rights activists.
- e) The Bank corrupts the notion of good governance and economic performance, and countries can get away with all sorts of human rights violations as long as they have good track recordings of implementing World Bank-IMF reforms.
- f) The Bank corrupts economic analysis by continuing to use its power to sustain the long rejected notion that poverty can be measured simply based income and consumption.
- g) The Bank maintains the debt crisis because debt management is a tool of control.

Why did you choose to engage with the World Bank or focus on the World Bank as an object of campaigning? What did you aim to achieve?

Three of the respondents chose to engage with the World Bank because they view it as having a lot of influential global and local power. One of these said that the World Bank is crucial as his country is dependent on aid and the World Bank is one of the few agencies with the ability to provide large amounts of development assistance. He hoped to achieve change by ensuring that rural voices were heard.

One respondent indicated that she had chosen to engage with the World Bank in order to challenge it and show that it holds an important responsibility for poverty escalation in the last 25 years. She also chose to engage in order to show that the World Bank contributes to human rights and environmental violations, she wanted to

expose the Bank showing how it had never actually changed its approach (only its public discourse had changed). She wanted to show that it was truly on the side of corporations at the expense of the social welfare of poor people. And she wanted to support the voices of those who are calling for the Bank to “close their shop”.

Another explained how in 1995, the feminist movement had empirical evidence that the World Bank and IMF designed and carried out policies and projects with the same patterns for different countries with different needs, i.e. structural adjustment and reform projects. These loans featured imposed conditionality which had negative impacts on women. They therefore chose to launch a campaign which demanded: an increase in civil society’s (particularly women’s) participation in World Bank policies and projects; the institutionalization of a gender perspective in World Bank policies, projects and programs; an increase in World Bank investments in women; and an increase in the number of women in high level positions at the Bank.

Two of the respondents had responded to tender invitations put out by the World Bank for projects that they were running. One of these two felt that as the World Bank project was large, it would have a greater impact in their area of work. Another respondent recognized the World Bank as having great influence and believes that by engaging with the World Bank the Millennium Development Goals can be achieved and the global economic imbalances remedied.

One respondent said she was attracted by World Bank materials on gender, economics, education and politics.

One respondent said she was hired as field researcher. Another one was hired as a consultant and hoped to bring a change in the lives of the women targeted by her project.

How did you think that your campaign or engagement would bring about change?

Four of the respondents hoped that the World Bank would change its policies and practices after hearing the views of stakeholders. They therefore endeavoured to make the voices of disadvantaged stakeholders heard. Two other respondents said that their engagement made a practical change in the lives of their stakeholders as they were involved in the implementation of specific World Bank projects. Another respondent teaches research on gender and social science and she felt that her teaching impacted her students who engaged with the World Bank, while two of the respondents who had been consultants for the WB felt that the question was not applicable in their particular context.

Another explained that at the Beijing Conference (1995), it was decided that pressure needed to be applied on the Bank through a campaign(s) or else the World Bank would not become more inclusive nor would it change its operations in order that they be supportive of women’s rights and gender equality. By closely monitoring the Bank’s activities and applying pressure through a campaign, they had hoped to bring about positive change for women.

Another respondent indicated that because the World Bank is very concerned about its image given the global outcry about its malpractice, therefore if the Bank could be

forced to respond, change could result. Moreover, by conducting economic education, the real face of the World Bank is revealed and more people join the ranks organizing against international financial institutions. Constituency-building is a slow, but important process, and giving more courage and language is local activists is part of the change process.

Did you originally view the World Bank has an impediment to or lever for positive change? Has your view changed?

One respondent had viewed the World Bank as a “blind institution”, as it did not consider gender issues in its agenda, yet its operations were causing direct damage to women. Through their work they learnt that the World Bank played a crucial role and could be used strategically to promote gender equality, however it became evident constant pressure was necessary in order to sustain gains made.

Six respondents originally viewed the World Bank as a lever for positive change, and still think of it as such. One of them said that her organization supports institutional change and believes that ‘insider and outsider’ strategies can be used in institutional change. Her organization believes in working from the inside and therefore sees the World Bank as a vehicle for positive change. Another respondent was impressed by the expertise of World Bank professionals whom she found to be ‘precise and a pleasure to work with.’

Two respondents thought that the World Bank was an impediment in some ways, and a lever in others. They said that World Bank projects are good and therefore it is potentially a lever for positive change. They said that on the other hand, it is an impediment in that it works with and supports governments, which may be corrupt and poorly run, rather than funding civil society directly. In this way, the intended beneficiaries do not properly benefit from World Bank programmes. One respondent also said that a few World Bank projects are ‘white elephants.’

Three respondents viewed the World Bank as an impediment to positive change. One said that at first she was not sure but now she is certain that it is an impediment. Another respondent said that the World Bank is an impediment due to the mode and structure of its governance and its affiliation to rich countries at the expense of poor ones. Another noted that given its ideological basis, the World Bank is unable to change without changing its underlying framework and vision.

What strategies did you use?

Four respondents collected information from stakeholders and relayed it to the World Bank, three by way of reports and one by writing letters. One of these respondents said she endeavoured to frame the issues in a way that they would be taken into account by the World Bank. Another one said that she used personal advocacy by talking to the World Bank official in charge of her project. One respondent used the strategy of referring to materials and using practical involvement. Several respondents said that they used training and awareness raising.

Several indicated that they used a combination of strategies, including one who indicated that she used: strategic planning and capacity-building of women's organizations at the national level in order that they better understand, monitor and interact with the World Bank; coordination and alliance-building to ensure that their recommendations were implemented and that other social movements incorporated gender into their work; project follow-up and implementation on the ground, including follow-up on the commitments made by the World Bank at the 4th World Conference on Women (Beijing, 1995); and information dissemination and education, both to women's organization and to the press throughout their region. Another respondent listed the following set of strategies used: policy analysis, assessment, participatory appraisals, policy debate, economic literacy, media, internet campaign, network creation, community-based organizing, and interviews.

If consultations were used, how were they structured? Were they inclusive, transparent and meaningful?

One respondent said that their organization was invited to a forum to give views on Country Assistance Strategy. Two respondents said that consultations were by face-to-face interviews and meetings. (Three did not indicate how they were structured.)

Six respondents said that they were inclusive and transparent. Five said that they were meaningful, while one said that the outcome of the CAS report would reveal whether the consultations were meaningful.

Did the engagement meet your expectations? What was achieved?

Four respondents said that their expectations were met. One respondent said that her engagement usually met her expectations because her most of her recommendations were acted upon, but it failed to meet her expectations when some of her recommendations were not implemented. Her work resulted in villages getting piped water near their homes, and in one particular village into their homes. However, she had recommended that women be encouraged and allowed into non-traditional roles like being water pump operators, but this did not happen. One respondent said that awareness was raised and attitudes were changed, while another said that she did not expect immediate results, but is confident of gradual change.

One respondent said that it met her expectations in that nothing much was achieved because the project was managed by a governmental body

Three said that their expectations were not met. One of them said that she was under-utilized and felt at odds with her role. Another, although she said that it did not meet her expectations, did admit that they learnt some things such as monitoring and evaluation systems, how to compare research and how to look at the project in terms of 'the bigger picture.'

Did the engagement help your group gain leverage in your domestic political context?

Four of the respondents said that their group had gained leverage, while four said that their group did not gain leverage.

What factors do you believe led to the success or failure of your endeavours?

Success:

- The World Bank's use of experts.
- Telling the truth and presenting the reality on the ground.
- Careful data collection and analysis as 'the World Bank likes numbers.'
- Involvement of stakeholders in project development.
- Using empirical studies to strengthen advocacy.
- Information, financial support and planning.
- The awareness raised about the World Bank.
- Being consistent; sticking to the rigor of the analysis and human rights principles.
- Respecting the local constituency.
- Being humble, recognizing that development is a learning process.

Failure:

- Lack of finance and of co-operation from holders of political office.
- World Bank was more interested in what financial experts and economists had to say than what the respondent had to say.
- The fact that their group is a young organization in the midst of thousands of NGOs in her country.
- Limited resources/funds to continue the work.

What skills or capacities do women's organizations and gender equality advocates need in order to critically engage the World Bank?

- Better coordination, networking and collaboration.
- Knowledge of how the Bank is constituted, the organization, decision-making, funding, policies and projects.
- Very strong economic knowledge and evidence-based research.
- Understanding of World Bank policies and projects, and the way they impact current social, economic and political paradigms.
- Strong capacity in presenting local realities.
- Understanding of importance of monitoring Bank activities. Design proper methodology to monitor Bank policies.
- More financial support. Ability to generate resources needed.
- Micro-credit.
- Solid advocacy skills and experience; ability to present realities in a simple and clear manner.
- Economic literacy. They must know 'bank speak' and be able to package themselves so as to market their project. Must be able to use World Bank systems and structures. They need to perceive the World Bank as a partner or ally who is going to help and engage with it accordingly.
- They need to realize that they are fighting uphill struggle, need to use whatever knowledge they have to 'manipulate' people, need to recognize their limitations within World Bank.
- Advocacy and campaigning skills.

- Strong ability to make links between policies, projects and programs, and local realities.
- Gender impact analysis skills.
- Management skills, political involvement and leadership skills, theoretical and practical gender mainstreaming skills.
- Capacity building training, development studies training.

How does the local political context impact on consultations or other engagements with the World Bank?

One respondent said that the local political context impacted positively because the local governance structures co-operated with her group. Two people said that the local political context did not have an impact on their engagement. One person said that she experienced a little pressure as to which assistants to hire, but generally did not regard the local political context as having any impact on her consultations. She had anticipated that she may experience some hindrances as a woman working in an Islamic country, but she did not experience any.

Three respondents said that the lack of democracy, the poor governance and corruption in their country impacted negatively on their engagement with the World Bank. They felt that funds were diverted and World Bank assistance did not therefore reach those in real need of it. Another noted that difficulties resulting from the World Bank and IMF praising a country for keeping inflation down and sustaining a respectable growth rate, while that government is violating human rights, women's lives are in jeopardy, and poverty and corruption are increasing.

One respondent saw three different factors that practically impact on consultations and engagements:

- a) the power that the World Bank has over the government, for example it has more power in Nicaragua, El Salvador and Bolivia than it has in Mexico, Argentina or Brazil.
- b) the nature of the government, such that if the government is more open to transparency, participation and accountability, then the Bank will be too, and vis versa.
- c) the level of awareness at the local level, and the expectations and demands of participants, for example where participants have little information about the Bank, its impacts and the country's economic situation, the consultations tend to be easier for the Bank, but where participants are well-informed, then the consultations tend to be more conflictive and difficult.

Has information disclosure concerning World Bank meetings, documents and negotiations in your country been adequate? Has information been accessible?

Seven of the respondents felt that information disclosure was inadequate and information was inaccessible. One of these respondents was of the view that it did not make sense not to avail information, especially the social data gathered. Another respondent said although it was difficult to access information from both the World Bank and the government, it was much more difficult to access it from the government.

Three said that the information was adequate and accessible. One of them who had been a consultant said that they had transparent systems, lots of staff meetings even with short-term consultants and accessible annual reports. Another said that they were good and open while another said that information was freely available in government regional offices and libraries.

One respondent noted that the availability of information depended on factors such as the influence/power of the World Bank in the given country, the willingness of the government to disclose information, and the level of awareness of civil society. Another noted that many documents are available, such as research reports and briefings, but sensitive documents are seldom available. She characterised it as a “cat and mouse game”, where the World Bank and IMF say “yes, we are supposed to disclose agreement but you have to understand that the document belongs to governments and we can not release them without their permission. Go see your government.”

Are you satisfied with the World Bank’s response or follow-through after the engagement?

Five respondents said that they were satisfied. One of them said that the World Bank was excellent, holding press conferences for dissemination of results, and providing continued support. Another said that she was very satisfied with the monitoring and evaluation process which gave rise to new projects. Of the five, one said that he was satisfied ‘to some extent’ while another said she was ‘somewhat’ satisfied.

Five people said they were not satisfied, with one saying that her suggestions were not implemented, and another saying that it was very hard to get a hold of people as they are ‘always busy.’

Based on your experiences, how would you suggest improving:

a) Transparency in process?

- There is a need for greater transparency in calls for project tenders. More publicity needs to be done for the tendering process.
- Bank staff should ensure false hopes are not raised. Villages should be told that a visit is not a guarantee of a project.
- Making all documents, even preliminary ones and concrete-specific ones, publicly available on the internet.
- Insistence on good governance on part of government and freedom of information.
- Involvement of civil society members from different sectors and sexes.
- Work with and listen to local NGOs, not government.

b) Accountability of the World Bank to women’s organizations and gender equality advocates?

- Make gender issues a priority as they have still not been prioritized.
- Increase publications on gender and women’s issues.
- Better coordination between EU, UN, WB, gender authorities/ women’s machinery.

- More consultations with women's organizations; they should have a say in the shaping of their policies and programmes.
- World Bank needs to be clear about what results they are trying to achieve related to gender equality or else they do not have anything solid to be accountable to.
- Reports should be shared with stakeholders.
- Making information available before they become policy and before contracts are signed with governments.
- Openness on side of World Bank and engaging with women as a distinct group with distinct needs.
- Give attention to these organizations in its overall plans.
- Increase the number of gender specialists in the Bank and give them sufficient resources and authority to be effective in their work.
- Integrate a gender perspective into policies and projects by establishing concrete operational procedures for Bank staff.
- Provide resources for gender analysis and research in each procedure, including CAS, PRSP, Country Economic Memorandum, etc.

c) Overall decision-making and follow-up by the World Bank?

- The World Bank is trying to incorporate gender into their policies. However they need more women in the highest decision-making positions. More women must also be involved in consultations as consultants and in day-to-day management.
- The World Bank should give NGOs feedback on proposals and why they were not accepted.
- Do evaluations after project has been implemented.
- Democratization of World Bank governance through election. The World Bank should be a 'world' bank and not a bank for rich nations.
- Involving poor countries as well as rich countries in decision making.
- The culture and traditions of the local people should be considered.
- Increase the number of women in senior positions within the Bank, particularly in regional vice-presidencies and country departments.

If you have other comments or insights which you would like to share with respect to your experiences in engaging with the World Bank, please include them here.

- The World Bank needs to publicize its projects more. It should publish and disseminate more information about their projects. For instance, information on a World Bank project in Asia has not been made widely available and there has therefore been a big loss in terms of results and impact.
- The World Bank has high quality experts whom it is a pleasure to work with.
- Women need to continue monitoring World Bank policies and projects. If we leave the Bank off of our agenda then it will take gender issues over its agenda. The Bank will not move towards gender equality unless women demand it.
- Initially the World Bank officials had a superiority complex. However they accepted the people they worked with who are also experts. Overall, she enjoyed and benefited from the engagement.

- This world body should recognize the underprivileged in their programmes and bypass the governments of the countries they work in.
- It was a good experience to work with the World Bank, which is better than other organizations because they are very professional in preparing and executing projects.
- People ‘talk out of 2 sides of their mouths’ and what is suggested by the more liberal staff is often overridden by those with authority.
- Attention should be given to women in the least developed countries and to higher education and removing gender stereotypes in education systems.
- The World Bank should be careful when dealing with despotic governments and be more on the people’s side.
- The primary issue to consider at this time is that absence of the World Bank and IMF from the Beijing +10 process. They were present in Beijing in 1995 and Wolfenson responded to women’s demands. The fact that they have not participated in Beijing+10 processes is an indicator of how gender has fallen I their priorities.
- Many women and social movements say that monitoring the World Bank promotes structural adjustment and reform projects. It is also true however that the World Bank is still “running the world” in many areas and this is why women should be there, pressuring the Bank to carry out the Beijing commitments.

3. In Conclusion:

As these survey results show, the experiences of gender equality and women’s rights advocates and experts in engaging with the World Bank have been diverse. In terms of actually advocating for changes to the Bank’s policies and projects that would advance women’s rights and gender equality (as opposed to engaging with the Bank as a paid consultant, for example), experiences have not been positive in that they have not resulted in sustained advances for women. The Bank’s activities continue to have harmful impacts on women, as both years of research and the experiences of poor women in the South attest to.

JFC Submission
Filiz Bikmen, Turkish Member of ECA NGO Working Group
March 2005

I am preparing this submission to comment on the 'institutionalized dialogue' format otherwise known as the ECA NGO working group. The regional level 'working group' idea/practice of the Bank goes back a long way. 5 years ago all of the regional groups were 'disbanded' and the ECA one is the only one standing. The group (although the directive comes mainly from the Bank) has attempted to clarify role and vision/mission, but in my 2 year involvement, I have yet to see any progress. I attribute this lack of progress mainly to the lack of clear strategic objectives and priorities of what the Bank (and CSOs) aims to achieve in this initiative. It is unclear to what degree this WG has support from the Bank management, though in a meeting with the current VP for the region (Shigeo Katsu) at the 2003 Global meetings, it was clear that he was quite aware and somewhat skeptical about this initiative.

Over the past 2 years, the working group has met several times in different parts of the region to debate potential joint projects, new strategies, and other related issues. Unfortunately this did not result in any specific outcomes. In this paper I would like to focus on what I perceive to be the 2 main root causes for this lack of progress:

Formation and Function of the working group.

I. Challenges in the formation of the working group

- a. Pre-selection of assembly participants (generally led by Country office person, outgoing WG member and a few other local organizations) forms the base from which working group members are elected. Each country is allotted a 10-15 person contingent from whom they elect a member to the working group and an alternate. Focal points are appointed by the members (for 'sub regional' representativeness such as from Central Asia, Caucuses and Central/Eastern Europe). This system creates a lot of bureaucracy and complications. Even though the aim is to achieve a 'representative' group, it is simply impossible to achieve this. Our working group (the second working group since its inception) expressed disagreement with this set up on several occasions, and suggested that the Bank consider selecting 'members' in a more informal yet transparent manner (such as the JFC). 'Bank' representatives did not agree.

II. Challenges in the function (operation) of the working group

a. Structure:

1. The group is an informal one, with no legal entity/personality. This was one of the most challenging aspects and created many difficulties when it came to functioning.
 - **External Funding**- Without a separate legal entity of the group, funds which would be raised would either go to one of the organizations of the WG members or through the Bank. The option to have funding go through one of the NGOs in the network created much discussion and debate on issues regarding transparency/accountability and potential conflict of interest. The other alternative was also not appealing: Not many private funding sources would be willing to make a grant to the World Bank!
 - **Internal Funding**- The Bank allocates approximately 20kUSD/year. WG has almost no discretion on how its spent (see decision making).
 - **Identity/Positioning**- For a long time, the working group's official name was "ECA NGO WG on the World Bank". It was over a year ago that the group decided this name would limit possibility to raise funds for joint initiatives. It was decided to eliminate the 'on the World Bank' part but the very scope and mission of the group was still very much related to the Bank and its own projects.

b. Central Office (DC) vs. Country Office relationships:

1. Another factor which created a lot of difficulty was that the group was officially connected to the central Bank offices though a 'steering committee' (although there is never any contact with anyone from the Bank except Mr. Jan Pakulski in OPS department). Country office representatives were 'called in' on an 'as-needed' basis (e.g. when a WG meeting would be taking place in a particular country, etc.) and not connected to the groups dialogue in any formal way. Although WG members were encouraged to reach out and meet country office reps, and could pursue opportunities to promote 'dialogue' together, this was neither expected nor organized. It was mainly left to the discretion/personality/capabilities of the individual people involved. The WG was simply not designed to forge these links.

b. Purpose /Content:

1. The region 'ECA' covers countries which vary significantly in economic, social and cultural realities and challenges. There are very few Bank projects which concern more than one region or sub region. As such, together with the other challenges, it was difficult to find/create a common agenda around which we could unite. When this was brought up for discussion, there were some WG members (mainly those from non-Russian speaking countries) which suggested that there is too much disparity between West and Eastern parts of the 'ECA' region and the grouping was not natural in terms of agenda. This proposition to 'split' the ECA region was vehemently opposed by the Bank.
2. The Bank attempted to structure the working group so that members/involved participants would actively engage/assess issues related to their work in the region/country. This amounted to commissioning position papers using 'free labor' – which was very discouraging for members.

c. Competency /Involvement:

1. It is quite well known that civil society is not very developed in most of the ECA region- for one reason or another. As such, when compared to members of the JFC (action aid, etc), members in the working group did not necessarily have the background or technical skills to be an 'equal counterpart' to the Bank.
2. At least half of the group was generally passive in discussions/decisions regarding the group and its activities.

d. Decision making:

1. The working group members have almost no decision making power in this process. Some things are not consulted at all with the group (e.g. tactical decisions like organizing a working group meeting- we do not have a say in where, when, who should come, where to stay, how much to spend). When it comes to programmatic events (e.g. the local development/accountability conference, the forum) there is even less decision making power. We are 'consulted' but not empowered. Even in cases when most of the group disagrees with a suggestion, we are coerced into agreement/going ahead with what has

been put forth. There were many times in which we heard the statement 'Bank management would not agree with this'.

III. Value Add of the WG - Together with its challenges and obstacles, the working group initiative has enabled/catalyzed **some** dialogue among civic and Bank actors, albeit rather arbitrarily and without specific focus.

- a. **Information Sharing**- Although there are a lot of emails/information sharing among the 1000+ NGOs which are on the list serve, unfortunately, most of the communication is one way (from only a few active WG members and secretariat to the network). There have been some representatives in the network which have made a significant effort to be active and use this platform as an opportunity to engage- but there is no objective assessment on where and how much.
- b. **Seminars/Events**- Such activities generally present a valuable opportunity for NGOs in the region to network and learn new things. Albeit not necessarily organized by the WG (Bank preferred to do this themselves instead and say that the event was organized 'under the auspices of the ECA NGO WG'), these events did have some networking value.
- c. **Education about how the Bank works**- As a WG member, I can say that I learned an immense amount about how the Bank works. Even though this is not the main objective of the working group, I would suspect quite a few of us would say the same thing.
- d. **Awareness/connection to Country Office**- Perhaps due to my increased understanding/knowledge about Bank related issues, or perhaps due to my commitment to promote effective Bank-CSO cooperation in Turkey, I was connected to the Bank operation in Turkey as a result of my involvement in the group. Again, this has yet to result in any major outcome (I helped to organize a few CAS consultations and encouraged them to translate some key sections of the CAS to Turkish), but it is a start.
- e. **Suggestions for future**-
 1. Conduct regional consultations and/or some sort of assessment/survey to determine if there is really a need for such a structured engagement mechanism between NGOs. In order for this to be effective it needs to be owned by the NGOs. As such, an appropriate focus needs to be determined (which could be **sub-regional** (meaning, Central and Eastern Europe or Central Asia as a sub-region), or around specific **themes**. If such initiatives will be joint Bank-

NGO, the following are imperatives for the initiative to have SOME chance of success:

- Clarity of purpose and function
- Diversity of funding- Should be more balanced!
- Composition of group- Not based on an 'election' but rather based on initiative and interest (as opposed to pressure/obligation)
- Inclusion of more Bank counterparts at the central and country level

**Indigenous Peoples and the World Bank:
experiences with participation**

by

Tom Griffiths

**Summary review compiled by the Forest Peoples Programme for JFC Discussion
paper on World Bank – Civil Society Engagement**

May 2005

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I. Introduction and background:

This paper summarises some of the experiences of indigenous peoples with participation in World Bank policy processes and World Bank projects and programmes. The summary is based on a review of existing literature and documentation as well as various published statements and briefings of indigenous peoples' organisations and support NGOs.ⁱ The paper commences with a historical sketch of World Bank interactions with indigenous peoples before assessing the quality of participation in various standard-setting and sector-review processes. The paper goes on to examine briefly various and ongoing problems with the implementation of World Bank participation rules in its projects and programmes. A short review of experiences with World Bank accountability mechanisms is then undertaken.

The paper finds that indigenous peoples' experiences of participation in World Bank policy processes have often not been favourable. World Bank policy processes have failed to address demands that indigenous peoples have made for the last 15 years e.g., in relation to human rights and free, prior and informed consent (FPIC). Recent independent sector reviews sponsored by the Bank have enabled more effective participation, but the Bank has failed to act on their progressive recommendations - creating disillusion among indigenous peoples who engaged with these processes. Meaningful indigenous participation remains absent or superficial in the Bank's adjustment and programmatic loans that now form a growing part of its portfolio. At the project and programme level, the assessment confirms that participation is often low grade and so many projects are still experienced as top-down interventions. The paper sets out a series of recommendations calling on the World Bank to undertake major reform and adopt a rights-based approach to participation and development.

Who are Indigenous Peoples?

Though there is no agreed international definition, it is now increasingly accepted that indigenous peoples are a self-identified category of peoples in the Americas, Africa, Europe, Asia and the Pacific. These peoples define themselves as "indigenous" and as distinct from dominant national societies. The principle of self-identification is established in ILO Convention 169 and has been consolidated in the formal decisions and recommendations of UN human rights bodies.ⁱⁱ The same principle has been strongly endorsed by indigenous peoples themselves and has been adopted in Article 8 of the United Nation's Draft Declaration on the Rights of Indigenous Peoples.ⁱⁱⁱ For its part, the World Bank applies a broad approach to defining indigenous peoples that recognises that "indigenous peoples" may encompass a diversity of human societies that exist in a variety of historical, national and local situations. The Bank's existing policy on Indigenous peoples, known as Operational Policy 4.10, states that for the purposes of Bank operations, the term "Indigenous Peoples" refers to a "*distinct, vulnerable, social and cultural group possessing the following characteristics in varying degrees:*"

- self-identification and identification by others as members of a distinct indigenous cultural group
- collective attachment to ancestral territories and to natural resources in these areas
- presence of customary social and political institutions
- an indigenous language, often different from the national language^{iv}

Relations between the World Bank and Indigenous Peoples:

Historical relations between indigenous peoples have often been tense and marked by a lack of trust. The difficult relations and absence of trust that continue until today stem partly from the serious negative social and cultural impacts inflicted on indigenous communities by past World Bank-financed infrastructure, extractive and industrial projects. These large-scale and destructive Bank projects were widespread in the 1960s, 1970s and 1980s, and resulted in severe adverse impacts on indigenous peoples in Latin America, Asia and Africa. Since the 1980s, deep indigenous resentment of the World Bank has also stemmed from its imposition of unwanted austerity and adjustment measures that have generated poverty and increased commercial pressures on indigenous territories.^v Most of these World Bank loans did not involve any participation of indigenous peoples in the preparation, design and implementation of projects. If any degree of participation was involved, it was usually low grade superficial or passive participation during project implementation.^{vi} Bank projects were consequently experienced by indigenous peoples as government-backed, top-down and imposed development interventions.

For example, in the 1960s and 70s the World Bank provided a loan to the Panamanian government for the construction of the Bayano dam, which displaced Kuna families to marginal lands without adequate compensation for loss of their fields, crops and forests.^{vii} In Guatemala, in the early 1980s the World Bank financed the infamous Chixoy dam which involved large-scale forced relocation that was subsequently implicated in the government massacre of 369 displaced people.^{viii} In Brazil, World Bank support for Amazonian development schemes led to land invasions and high mortalities among affected indigenous peoples from introduced diseases.^{ix} In Central India the World Bank had supported the establishment of huge timber plantations on tribal lands with shattering effects on the displaced Muria people. In the Philippines, the World Bank had offered to support the construction of the Chico Dams, which would have flooded some 80,000 Kalinga and Bontoc people off their lands. Tribal mobilisation against the dams triggered repression and insurgency.^x

Early World Bank Policy on Indigenous Peoples:

In response to severe international criticism of the destructive impacts of its projects, the World Bank adopted its first policy on “tribal” peoples in 1982.^{xi} Known as Operational Manual Statement 2.34 (OMS 2.34), this policy required Bank staff to include measures to protect affected peoples’ land rights, health, and cultural integrity and ensure their participation in project planning and implementation. This groundbreaking policy affirmed for the first time that the World Bank should actually set social and environmental rules and standards for its lending. However, due to a lack of social science staff and a failure to mainstream the policy into its operations, the policy did little to reform Bank practice^{xii} and indigenous peoples rarely enjoyed any level of participation in Bank projects, which they still experienced as top-down interventions. Bank projects therefore continued to have serious negative impacts on indigenous peoples throughout the 1980s.^{xiii}

II. Experiences with participation

The first part of this main section of the review paper will examine experiences with World Bank policy processes, consultations and sector reviews. The final section of part II will briefly review experiences at the project and programme level.

A. World Bank policy and review processes

Indigenous peoples' past and present experiences with Bank policy processes have more often than not been unfavourable and reveal a series of problems that have impeded effective and informed participation. Experiences of indigenous peoples in engaging with sector reviews have been variable. However, even in the few cases where review processes have proved useful, indigenous peoples have been bitterly disappointed with follow-up processes in which the Bank has failed to act on official recommendations relating to indigenous peoples (see below).

World Bank Indigenous Peoples Policy and its Revisions

The first World Bank policy on "tribal" peoples was elaborated internally by Bank staff in 1980-82 without any participation by indigenous peoples. Real engagement between the Bank and indigenous peoples on policy and accountability issues first occurred in 1987, at a time when the then-new World Bank President, Barber Conable, had finally admitted that many of World Bank projects had resulted in negative impacts on indigenous peoples and their environment. At a face-to-face meeting co-organised by Survival International and Oxfam-America, three indigenous leaders from Colombia, Peru and Bolivia recommended to the Bank's president that the Bank undertake major reforms to ensure compliance with its policies. The leaders also called for tri-partite binding agreements between the Bank, the Borrower and affected peoples in all cases where loan operations affected their communities and their territories.

The 1987 meeting did not result in any clear commitments on the part of the Bank. However, in an effort to improve implementation, the World Bank did begin to employ more environmental and social staff in the late 1980s, including some anthropologists with experience of indigenous issues who were set to work at reviewing and updating the Bank's policy towards indigenous peoples. These specialists began work on the policy internally without a public consultation process.

In 1990, indigenous organisations such as COICA made clear recommendations to the World Bank demanding a policy which included (i) recognition of indigenous rights as set out in international law (ii) *direct consultations with indigenous peoples* in the elaboration of the policy (iii) no development projects in indigenous areas without the informed consent of the peoples affected (iv) participation of the indigenous organisations, which represent the affected peoples, throughout the full project cycle (v) establishment of tripartite commissions, including governments, funders and the affected peoples, to oversee project implementation and (v) prioritisation of indigenous development alternatives.^{xiv}

Unfortunately, these calls for direct indigenous participation were disregarded. Policy makers went ahead alone inside the Bank without sharing their drafts and or their thinking. The Bank adopted the revised directive on Indigenous Peoples known as Operational Directive 4.20 (OD4.20) in 1991. Indigenous leaders and support NGOs criticised the World Bank at the time that the new policy was released for not having elaborated it through a participatory process in consultation with indigenous peoples. The FPP, for instance, noted that the policy did not respect the right of indigenous peoples to self-determination, failed to uphold the right to reject unwanted projects, ignored key indigenous demands and contained ambiguous provisions.^{xv}

The International Alliance of Indigenous and Tribal Peoples of the Tropical Forests, which held meetings with the World Bank to discuss the new policy in 1992, also called for a much stronger recognition of indigenous peoples' rights, recognition of the right of free prior and informed consent and the establishment of tripartite oversight mechanisms to carry out accountable and transparent planning, implementation, monitoring and evaluation of the projects.^{xvi}

Controversial revision of OD4.20

Since 1994, OD4.20 and other safeguard policies have been undergoing a process of revision as part of a Bank-wide "conversion" process that intends to standardise policies into a new three-tier format: Operational Policy (OP), Bank Procedures (BP) and Good Practice (Sourcebook).^{xvii} The first part of the policy revision process was again criticised by indigenous peoples for failing to involve their representative organisations at an early stage.^{xviii} Four years into the process, the first round of public consultations on an "Approach paper" began in 1998. Indigenous organisations submitted written comments and made oral presentations in a series of consultations with indigenous peoples' organisations, governments and NGOs in Brazil, Costa Rica, Ecuador, Vietnam, the Philippines, India and Russia.^{xix} Each meeting produced a brief report of recommendations which was posted on the Bank's web pages.^{xx}

Indigenous inputs to the consultation reiterated many of their earlier demands that any policy: (a) be informed by a participatory review of implementation of the existing policy (b) be fully consistent with international standards on the rights of indigenous peoples (c) specify that securing indigenous land and resource rights be an essential precondition for project appraisal and approval (d) expressly prohibit forced relocation (e) recognise the indigenous right to free prior and informed consent to any developments proposed on their lands and territories and (f) require the involvement of affected indigenous peoples in *negotiations* between the World Bank and the client government regarding loan agreements. Crucially, indigenous peoples repeatedly requested that their key recommendations be incorporated in the revised policy.

After further lengthy internal consultations among Bank staff and governments, the World Bank released its first draft of a revised Indigenous Peoples Policy to the public in March 2001. Public consultations began in July 2001 and ran until February 2002 and involved 25 meetings involving participants from 14 countries. The Bank was proud that it had carried out so many meetings and had consulted over 1000 "stakeholders" in total. However, indigenous peoples who engaged with the process reported negative experiences and complained of serious flaws with the process.

Indigenous criticisms of the Bank 2001-02 consultation process:

Indigenous organisations and NGOs asked Bank staff at the outset of the consultation how indigenous peoples' comments would influence the contents of the final draft policy. They were alarmed to learn that the contents of the final policy were "unlikely to change significantly" and that issues of principle rejected in the first round of public consultation in 1998/99 were unlikely to be included in the final draft.^{xxi} Asked to clarify this issue, the Bank then asserted that no subject was "off the table".^{xxii}

However, no clear explanation of how external comments would influence the policy was ever provided.^{xxiii} Once the Bank's 2001-02 consultation meetings got underway, they were roundly condemned by indigenous peoples for being rushed and for lacking informed and representative indigenous participation, and for failing to meet the Bank's own guidelines on meaningful public consultation (Table 1).^{xxiv}

Participants who took part in the consultations report several fundamental problems with the consultations.

- letters to the Bank's policy revision team received perfunctory responses^{xxv}
- many in-country meetings did not provide sufficient time for open and reasoned discussion, being largely taken up with presentations by Bank staff: of the total of 25 meetings, 11 of them only lasted for one day^{xxvi}
- most meetings lacked a timely *prior* provision of relevant documentation^{xxvii}
- some meetings suffered from poor moderation and translation facilities^{xxviii}

In several cases indigenous participants issued public statements and wrote letters to the Bank^{xxix} condemning the meetings as insufficient and lacking in meaningful and informed participation e.g.,

"...this space for discussion established by the World Bank is not considered by our organisations as a consultation..." (Joint statement by representatives of the Confederation of Indigenous Nationalities of Ecuador (CONAIE) and the National Indian Council of Venezuela (CONIVE), Cuzco, 23 October 2001)^{xxx}

"The external stakeholders' consultation at New Delhi, 26 November 2001, cannot be considered as truthful to the objectives of this consultation...its recommendations cannot be seen as reflecting the perceptions and views of the indigenous peoples of India in any way" (Joint Statement by indigenous representatives present at the stakeholders' consultation, India, 26/11/01)^{xxxi}

Throughout the 2001/02 consultations, indigenous organisations also expressed their severe disappointment that the revised draft, now known as OP/BP 4.10, did not protect indigenous peoples' in line with internationally agreed standards and had disregarded many of their key recommendations made in the first round of public consultations in 1998.^{xxxii} In March 2002, 48 indigenous peoples' organisations and support NGOs from Central and South America reiterated their concerns about the whole revision process in a letter to the President of the World Bank while attending an Organisation of American States (OAS) meeting of the Working Group on the American Declaration on the Rights of Indigenous Peoples.^{xxxiii}

In response to the letter, the World Bank invited indigenous leaders to a meeting in Washington D.C.. At that meeting in July 2002, six indigenous representatives who attended the discussion again underlined the concerns about substance and problems with the consultation process. Indigenous participants in the meeting called on the

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World Bank to address all these unresolved concerns about Draft OP/BP4.10 in a collaborative way with indigenous peoples themselves.^{xxxiv}

Table 1: A critical summary evaluation the World Bank's 2001/02 public consultations on its draft revised Operational Policy on Indigenous Peoples (OP/BP4.10)

World Bank Criteria for effective Public consultation^{xxxv}	Assessment and comments (based on indigenous peoples' statements and reports of support NGOs)
PREPARATION	
- review lessons from past consultations	There was no public assessment of the quality of the first round of public consultations on the IP policy revision (98-99).
- identify relevant stakeholders: ensure appropriate venue and meeting dates	Independent indigenous representatives reportedly made up just 10% or less of the participants in some consultations, except in those that took place at indigenous gatherings, such as the Russian Indigenous Federation. When indigenous people in India noted the extension in the consultation period, they requested another consultation with more indigenous participation. In response, the Bank simply offered an insignificant amount of money for them to organise a meeting themselves.
- develop a participatory consultation strategy	The 'consultation strategy' that was released gave no benchmarks for measuring the relative success of each meeting, and referred to no effectiveness criteria.
- publish advance schedule for consultations	The schedule that was finally posted gave no specific information, participant lists were withheld, and the schedule changed a number of times. Schedules were only made public once the consultations had already begun. The last consultations (Africa) were announced only a few weeks in advance.
- disseminate all relevant information well in advance of the public meeting (30 days)	In many cases, participants saw the information for the first time upon arrival at the consultation meeting. In other cases, they were given the draft policy a week or two in advance, with no supporting explanatory materials with which to analyse it.
HOLDING THE CONSULTATION	
- select impartial chairperson(s) with facilitation skills to manage opposing interests and "solicit views and transmit them frankly"	Reports indicate that chairpersons were chosen randomly, and facilitators were not prepared. In Peru (October 22/01) the facilitator said to indigenous participants "Don't get so upset about this, it is only a policy."
- establish atmosphere of openness and trust among participants	Because in most of the consultations participants were mixed government, World Bank and indigenous representatives there was not an atmosphere of complete openness. This could have been remedied by holding separate meetings for indigenous people to discuss their views independently (as was done in the Philippines).
- provide clear, non-technical information in the local language	There was no clear, non-technical information from the World Bank providing an explanatory framework for the policy conversion process or the proposed changes.
- Ensure all participants have an opportunity to be heard	The majority of the consultations were one and a half

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opportunity to express their views (levelling techniques). - Accommodate questions and clarifications as well as objections.	days or less, with limited time for question and answer sessions. Participants were unclear as to how their input was going to be taken into account, limiting their willingness to contribute. See complaints in reports from Philippines, Peru, Delhi and Russia.
FOLLOW-UP	
- ensure issues raised by participants are actively followed-up	There was no clear direct follow-up to the consultation meetings held in 2001/02 to address issues raised.
- report back to stakeholders how plans will be modified in the light of their comments and recommendations	A WB summary did not answer important questions nor suggest what changes in the revision might be expected as a result of the consultations. Rejection of the consultations by several participants is not recorded.
- provide stakeholders with an opportunity to review revised draft documents	According to the WB 'summary,' participants would see the final documents only after the Board of Directors approves them.
- enable participants' recommendations to be incorporated into final documents	Bank staff said that 'controversial' issues such as prior informed consent and land rights would be noted separately to the Bank's Board, but not incorporated into the revision.

After intense pressure from indigenous participants in the July 2002 meeting, Bank officials agreed to delay the finalisation of OP/BP4.10 to await the completion of its implementation review of OD4.20 being carried the Operations Evaluation Department (OED).^{xxxvi} After much struggle and after no less than four years, indigenous peoples had persuaded the Bank to accept one if its recommendations!^{xxxvii}

At the same time, the World Bank accepted the invitation made by the indigenous participants to co-organise and jointly host a roundtable with indigenous peoples' representatives to discuss their multiple concerns in more depth. This face-to-face dialogue went ahead in October 2002 in the Bank HQ. During the roundtable discussion which involved 15 indigenous leaders from Africa, Asia and the Americas, one indigenous representative from Ecuador reiterated indigenous concerns and emphasised that what is important is not the number of consultations and participants present, but the quality and credibility of the participation process:

“It is not a question of how many consultation meetings the Bank has carried out. It is a question of whether or not indigenous peoples who took part in those meetings feel that they have enjoyed proper participation and to what extent they consider that their concerns are being addressed in the revised policy”^{xxxviii}

At the end of the discussions the indigenous participants again formally rejected the March 2001 draft revised policy. They expressed their appreciation for the meeting as a space to air their concerns and reiterate their demands, which centred on the Bank's obligation to uphold indigenous peoples' rights protected under international law.^{xxxix} While closing the meeting, Vice-President Ian Johnson made commitments to re-write the OP and explore the feasibility of a more focused legal roundtable with indigenous leaders, Bank lawyers and human rights experts to jointly assess OP 4.10 safeguards against international law.^{xl} In the meantime, throughout 2003, indigenous spokespersons continued to press the Bank to address their concerns: at the United Nations Permanent Forum on Indigenous Issues (UNPFII)^{xli} and through the World Bank's own Extractive Industries Review (EIR) (see below). The final report of the EIR released in December 2003 made specific recommendations in relation to the Bank's revision of its policy on Indigenous Peoples and backed the indigenous call for a legal roundtable. Crucially, the EIR affirmed that, to be considered an effective safeguard, the policy must be acceptable to indigenous peoples themselves.

The EIR report was followed by a whole series of letters from indigenous organisations and support NGOs calling on the Bank to ensure that the final version of OP/BP 4.10 incorporate the recommendations of the EIR report. Despite official statements in the UN and follow-up letters from indigenous leaders, the World Bank delayed any legal roundtable and declined to make any further commitments on the issue. Finally, after more than a year and with very short notice, a member of the Bank's legal team eventually agreed in May 2004 to meet a small number of indigenous leaders on the margins of the UNPFII. To the surprise of the participants, the Bank sought to maintain that this informal meeting constituted the requested legal roundtable. Participants were given just 12 hours to comment on a revised draft of the OP. Indigenous participants put it on the record that they did not accept the meeting as the requested formal legal roundtable and noted that the time given for comments on the new draft was grossly inadequate.^{xlii}

More process problems at the final stages of policy revision:

In December 2004, the Bank team finally released the second draft of the revised OP4.10 for 90 days' public consultation. On examining the draft, indigenous leaders and support NGOs tracking the process were disappointed that the Bank did not incorporate clear language on FPIC, but instead included the retrograde language of Free Prior Informed *Consultation* (FPICon) that emerged from the Bank's weak and regressive response to the EIR report. This language was included in OP 4.10 even though it had been explicitly rejected by indigenous peoples in July 2004 (see below). At the same time, some potentially useful elements of the draft OP, such as a new mandatory requirement for social assessments, have been welcomed. Indigenous leaders stressed that they were unable to properly assess the potential utility of other proposed safeguards, such as "broad community support", because they were unable to scrutinise the Bank's draft proposals for binding procedural rules in BP 4.10 that are meant to underpin the general safeguard commitments in the OP.

Unfortunately, to the surprise of indigenous organisations and NGOs and contrary to previous Bank practice, the World Bank did not release the BP with the OP in December 2004. On questioning this radical break from previous policy processes, Bank policy makers advised that there had been an internal decision not to circulate the draft BP for comment. Bank officials therefore now propose to fundamentally change the status of this critical procedural policy instrument to a "non-board" document. The failure to release the BP document prior to Board approval further undermined indigenous peoples' trust in the Bank's flawed policy-making process.

In May 2005, the World Bank's Board of Directors approved OP4.10 without any significant changes to the December 2004 draft. Indigenous peoples' have noted some positive elements in the new policy, but express disappointment that the final revised policy fails to uphold their right to free, prior and informed consent, lacks effective provisions to recognise and respect indigenous peoples' customary rights to their lands territories and natural resources and contains scant language on informed participation. Indigenous peoples are disappointed that the new revised policy has not incorporated their recommendations on the need to include vital procedural safeguards to ensure third party verification of the existence or non-existence of "broad community support":

Of specific concern is the World Bank's recent decision to require a process of free prior and informed consultation with affected indigenous peoples' communities to ascertain their broad community support for a project, rather than requiring the free prior and informed consent of the affected indigenous people. By merely requiring the World Bank to verify that the borrower has gained the "broad support from representatives of major sections of the community"- with no guarantees as to what information will be disclosed and when, how such verification will be conducted and by who, and how the collective decision-making processes and structures of the affected indigenous people will be recognized and respected- the free prior and informed consultation process stands to reduce indigenous peoples rights to a mere technical procedure. The weakening of free prior and informed consent as an international standard for indigenous peoples stands to severely threaten the lands, territories, and natural resources of

indigenous peoples and to undermine their internationally recognized human rights [*UN Permanent Forum on Indigenous Issues, Fourth Session, May 2005: Collective statement on Multilateral Development Banks (MDBs) and Indigenous Peoples' Rights, Including Free Prior Informed Consent*]

World Commission on Dams

In June 1994, more than 2000 civil society organisations signed the Manibeli Declaration calling on the World Bank to establish and “independent comprehensive review of all Bank-funded large dam projects”. Anti-dam campaigners, including indigenous organisations and dam-affected communities, hoped that such a review would vindicate many of their criticisms and help lead to a major reform of Bank policies and practice. After dragging its feet, in 1997 the World Bank and the IUCN finally agreed to oversee the establishment of the World Commission on Dams that would review large dams in general, and not only those financed by the World Bank.

The negotiations for agreeing the mandate and modalities of the Commission were tense, and at times civil society and indigenous peoples’ organisations threatened to withdraw unless their conditions for a credible process were met. The major stumbling block centred on the demands that the selection of Commissioners include experts from dam-affected peoples which the World Bank and IUCN were reluctant to accept.

In the end, the World Bank backed down and the composition of the 12-member Commission of the WCD was agreed in 1998. Crucially, the Commission included one indigenous leader from the Philippines. The deliberations of the WCD were assisted by the WCD Forum that constituted a consultative body with 68 members, 20 of whom were drawn from NGOs and dam-affected grassroots social movements, including indigenous peoples’ organisations.^{xliii} The work of the WCD included commissioning case studies and research and holding public hearings in Africa, Asia and Latin America. WCD also commissioned a thematic study on indigenous peoples, ethnic minorities and dams which it agreed should include case studies written by indigenous peoples themselves and include a public hearing to listen to the case studies and discuss conclusions and recommendations. Indigenous peoples thus prepared their own detailed cases outlining the impacts of dams on their peoples and territories in Norway, Guatemala, Namibia, Malaysia, the Philippines, Chile and Canada.^{xliv} The Indigenous peoples were also able to present their experiences to WCD consultations and comment on drafts of thematic studies. Despite efforts to impede open multi-stakeholder discussions by some governments, the WCD and its Commissioners succeeded in agreeing a consensus multi-stakeholder report that was published in November 2000.

Though not without problems (e.g., some documents were never translated into local languages), the inclusive WCD process has been widely praised by indigenous peoples as well as environmental, human rights and development NGOs. This is because the elaboration of the WCD mandate and its policy framework involved the active incorporation of different rights holders and non-governmental stakeholders whose inputs were able to shape the work programme of the Commission and influence its final recommendations.^{xlv} In particular, the inclusion of an indigenous commissioner and indigenous participation in the consultative body helped ensure that key indigenous recommendations actually made it into the consensus report.

Indigenous peoples who engaged in the process were especially satisfied that the final WCD guidelines for sustainable dam development fully recognises indigenous peoples' right to free prior and informed consent (FPIC) and establishes that FPIC is a *process* whereby each stage of a project cycle is subject to prior agreement by potentially affected indigenous and tribal peoples.^{xlvi}

Disappointment with World Bank response to WCD

Although the WCD review was considered best practice in public policy-making, the Bank's negative attitude to the process and its limited follow-up to this major global review and has been disappointing.^{xlvii} As a major sponsor of the exercise, indigenous organisations and others had expected the Bank to act on the WCD recommendations and incorporate new standards in its policies. This has not happened and the Bank has only committed to using the WCD report as a "valuable reference" tool. Though the WCD process is being followed up by UNEP, the World Bank Group has so far still failed to incorporate its major recommendations into its revised policy on Indigenous Peoples and its other mandatory safeguard policies. The World Bank's refusal to implement the WCD recommendations has been heavily criticised by civil society and indigenous organisations that engaged in the process.^{xlviii}

Indigenous peoples and civil society concerns about the Bank's reluctance to accept the recommendations of the WCD are becoming more acute as the Bank is now planning to recommence large-scale lending to "high-reward/high risk hydraulic infrastructure projects" (see Section B below).^{xlix}

Extractive Industries Review (EIR)

The World Bank's Extractive Industries Review (EIR) was an initiative set in motion in 2001 by the President of the World Bank Group, James Wolfensohn. The EIR was undertaken primarily in response to pressure on the Bank from members of Friends of the Earth-International and other environmental NGOs calling on the institution to cease funding for oil, gas and mining sector investments. However, after experiencing little direct control over the WCD review and its findings, the Bank proposed an EIR procedure which lacked many of the elements of autonomy that gave the WCD its credibility with people outside the Bank.

Unlike the WCD, the aim was not to review extractive industries as a whole, but just to focus on the World Bank Group's (WBG) engagement with the extractive sector (oil, mining, gas). Another major difference was that whereas the WCD included a whole board of independent commissioners, the EIR centred around an 'Eminent Person' (EP): Dr Emil Salim ex-Indonesian Minister for the Environment and Population during the 1980s and early 1990s. It was Dr Salim alone, who had authority to decide what the final report of the consultation process would say.ⁱ The early terms of reference for the EIR and its organisation were strongly criticised by civil society organisations for giving undue influence to the World Bank and for limiting the scope and potential outcomes of the study.ⁱⁱ In response to these criticisms, the EIR terms of reference were partially revised and the EIR secretariat was moved to Jakarta outside the Bank.ⁱⁱⁱ

Despite the problems with the process, indigenous NGOs and support NGOs including the FPP were able to persuade the Eminent Person that he should commission a series of fully independent indigenous case studies of the impact of World Bank extractive sector activities on

indigenous peoples in Colombia, Cameroon, Papua New Guinea, India, Indonesia, the Philippines and Russia.^{liii} The indigenous authors of the studies were able to present their powerful stories directly to Emil Salim in a workshop held in April 2003. The participants forcefully expressed their frustrations with the World Bank and made far reaching recommendations calling on the World Bank to fully respect their rights through reform of their policies and practice.^{liv}

Doubts about the credibility of the EIR process were confirmed in early 2003 when the first outline draft of the report was posted on the EIR web site. Indigenous organisations and NGOs were alarmed to see that their recommendations had been disregarded and the draft report concluded that Bank engagement with the sector was beneficial and should continue. In the EIR regional Asia-Pacific consultation meeting, indigenous organisations joined NGOs in a walk out in order to publicly express their dissatisfaction with the process. Civil society and indigenous organisations threatened to pull out of the process altogether unless immediate changes were made to the final stages of the EIR process to ensure the final compilation of its report would be inclusive, independent, and be guided by a multi-stakeholder advisory panel, that would include at least one indigenous expert. This panel was formed in June 2003 and included an indigenous leader from Argentina.

Reports from indigenous and NGO panelists indicate that the panel worked relatively well. Drafts were shared with members of the advisory panel for comment on a regular basis right up until the finalisation of the report. Emil Salim, however, was the sole author of the report and exercised complete editorial control.

The result was a frank report that made a series of progressive recommendations about how the World Bank Group should reform and how human rights, including indigenous peoples' rights and FPIC, should be respected in World Bank policies and operations.^{lv} Indigenous and support organisations that took part in the EIR consider that the combination of direct testimony by indigenous peoples and direct indigenous participation in the drafting process helped bring about some useful outcomes in the final report. Like the WCD review, the EIR report recognised that indigenous peoples should have the right to give their free, prior and informed consent throughout each phase of the project cycle and that FPIC should be seen as the principle factor in determining if the World Bank, its borrowers and the private sector have a "social license to operate" or not.^{lvi} The same report recommended that the World Bank work with the UNPFII in a joint effort to incorporate FPIC and other measures to respect indigenous peoples' rights into the Bank's safeguard policies and project-related instruments.^{lvii}

Despite these important substantive gains in the final stages of the EIR, indigenous organisations and NGOs stress that for much of the two-year process they were obliged to divert a lot of their efforts to trying to rectify a review framework that was badly designed and excessively controlled by the World Bank and, which had ignored civil society calls for a truly inclusive and independent review.

Disillusion with the World Bank response to EIR:

In June 2004, the World Bank released its formal response to the EIR report and the EIR recommendations. Civil society and indigenous organizations that had engaged with the EIR

were disappointed with the vague Bank response and the fact that many critical issues were deferred to ongoing processes such as the IFC safeguard update and the revision of the Bank's Indigenous Peoples Policy. In particular, indigenous peoples were indignant that the Bank's management response (MR) did not accept the EIR recommendations on indigenous peoples and FPIC, but instead advised that the Bank will only support EI projects with free, prior and informed *consultation* (FPICon) resulting in the "broad community support" of affected communities. In a letter to the Bank in July 2004, indigenous organisations strongly rejected FPICon language:

The (Bank's) misappropriation and misinterpretation of FPIC as free, prior and informed consultation is unacceptable. In principle, the same is also the case for applying a 'broad community acceptance/support' standard to indigenous peoples as this undermines indigenous peoples' internationally guaranteed right to consent to activities that affect us and equates indigenous peoples and our rights to those of any local community. In effect, this negates indigenous peoples' self-determining status and rights by casting indigenous peoples as nothing more than a sub-set of local communities.^{lviii}

Indigenous peoples and support NGOs also complain that the Bank's position on FPIC as cited in its initial response to the EIR was clearly incorrect. For example, the Bank affirmed that all governments and industry are opposed to FPIC, which is a false statement as FPIC has been accepted by a number of countries and industry associations.^{lix} Despite an indigenous petition (signed by 60 indigenous organisations worldwide) rejecting the MR and calling on the Bank's governors to fully adopt the EIR recommendations on human rights and Indigenous peoples, the flawed management response was endorsed by the Bank's board in August 2004.^{lx}

The problematic FPICon language repudiated by indigenous peoples was therefore subsequently included in the Bank's revised policy on Indigenous Peoples (OP4.10) adopted in May 2005 (see above), though it now seems this flawed language is likely to be deleted from the IFC's draft performance standards. Despite this late move by the IFC to address indigenous complaints, serious criticisms of the IFC process still stem from signs that its safeguard policy update process is failing to properly address human rights and other key EIR recommendations.^{lxi}

World Bank Fails to learn from past mistakes:

Taken together, indigenous peoples' experiences of participation in the World Bank's consultations on its policy revision process have not been good. Indigenous peoples share a widespread perception that instead of acting on indigenous priorities, the revisions to the World Bank safeguard policies have mainly addressed the concerns of borrower governments and private sector clients – thus greatly diminishing their credibility as safeguards for indigenous peoples. While sector reviews have been comparatively more effective at enabling inputs, the Bank's refusal to adopt progressive recommendations that have stemmed from these reviews has left indigenous peoples and indigenous activists increasingly sceptical of the Bank's so-called "consultation" processes. The Bank's own guidelines on public consultation acknowledge that such a feeling of alienation is likely to emerge where people judge that their time and energy have not influenced a process:

With public participation, the main lesson learned is that the meaningfulness of the exercise is proportional to the scope for influencing decisions which may affect participants...People may feel alienated and deceived if important decisions have already been made before consultation is initiated...”^{lxii}

Face-to-face engagement between indigenous peoples and Bank officials, such as the 2002 roundtable on draft OP4.10, has proved useful for raising concerns. However, indigenous peoples and support NGOs have been frustrated that the Bank has not fulfilled key commitments e.g., to hold a legal roundtable. Disenchantment is also high because the World Bank seems to be incapable of learning from past mistakes. Recent examples of ongoing errors include:

- Rushed consultations with incomplete documents in the wrong languages. For example, in August 2004 the IFC launched a consultation on its Safeguard Policy Update that was widely condemned for failing to meet the standards of good faith public consultation.^{lxiii}
- Making decisions on policies that may directly affect indigenous peoples without ensuring their direct participation. For example, in 2004/05 the Bank has rushed through a new pilot “Country Systems Approach” that is likely to have major implications for the way the Bank will deal with indigenous peoples affected by its loan operations. To date, however, the Bank has not held a targeted consultation with indigenous peoples on its controversial proposals, which as they stand do not even meet with new commitments made in the draft revised OP4.10.^{lxiv}
- Making key decisions on standards directly relevant to and of interest to Indigenous peoples behind closed doors. For example, Bank policy makers and senior management took a unilateral decision not to disclose the draft Bank Procedures on Indigenous Peoples (BP4.10) prior to its formal adoption – thus depriving indigenous peoples of the opportunity to participate in a vital part of the safeguard framework to be employed by the Bank.

B. World Bank Projects and Programmes

The World Bank does not have a stand-alone policy on public and community participation in its projects and programmes. Nonetheless, mandatory participation and information disclosure requirements are embedded within 14 World Bank operational policies, including the previous and existing policy on indigenous peoples. The previous Indigenous Peoples Policy, which remains in force until July 2005, requires that:

The Bank's policy is that the strategy for addressing the issues pertaining to indigenous peoples must be based on the informed participation of the indigenous people themselves... (Paragraph 8).

In relation to the development and implementation of an IPDP the former policy stipulated that:

Mechanisms should be devised and maintained for participation by indigenous people in decision making throughout project planning, implementation, and evaluation... (Paragraph 15(d)) (See end note # 68)^{lxv}

The Bank's 1995 guidelines on participation and indigenous peoples advise Bank staff that the "building blocks" of effective indigenous participation should include:

- use of vernacular languages with skilled interpreters
- involvement of indigenous peoples' representative organisations
- capacity-building to enable informed engagement
- adequate time for consultation so that indigenous views can be addressed
- special procedures to ensure that indigenous women have a voice
- repetition of meetings ...over a long period of time^{lxvi}
- *culturally appropriate* participation methods^{lxvii}

Failure to implement participation standards and guidelines:

Although the World Bank has rightly adopted several binding rules and best practice guidelines on participation, these have often not been applied in its projects and programmes affecting indigenous peoples. Independent case studies of World Bank projects in Latin America, Africa and Asia carried out by indigenous peoples themselves have also found compliance with OD4.20 is often weak and sometimes highly unsatisfactory, especially with regard to the critical needs for indigenous peoples' participation and secure land rights. These studies confirm that World Bank staff and project agency engagement with indigenous peoples has frequently been late, perfunctory and/or culturally inappropriate. It is not uncommon for indigenous communities to only learn of a project once it has already started after key assumptions made and decisions taken by outsiders.^{lxviii}

The failure to implement the existing participation standards is confirmed by the World Bank's own evaluations. A desk-based review of 89 Bank projects affecting indigenous peoples approved after January 1992 and closed prior to 31 May 2001 carried out as part of the OED evaluation of the implementation of OD4.20 found that 38% of projects had not applied the policy at all.^{lxix} Even where the OD had been applied to some degree, the review of the 1992-2001 project sample found that indigenous peoples were only involved in the decision-making process relating to the project in half of the projects – leading to the conclusion that "*even among the projects that applied the OD...participation of indigenous peoples in decision making and in financial management is still low*".^{lxx} OED examination of 87 "open projects" approved after 2001 that affect indigenous peoples found that almost 20% had little or no measures at all to enable indigenous participation.^{lxxi} The same review found that those projects that do include participation components, usually confine such measures to conventional consultation meetings.^{lxxii} Field evaluation of projects also found that many projects lacked any capacity building for affected communities restricted their informed participation in project design and implementation.^{lxxiii} A 2004 internal evaluation of 48 full-size and medium-sized projects undertaken by the World Bank found that just 28% of its biodiversity projects in Latin America involved high levels of indigenous participation on project design. The same review found that 38% of projects suffered from "low" participation of indigenous peoples and only limited involvement of indigenous peoples in project preparation.^{lxxiv}

Disagreement over the meaning of informed and effective participation:

Damning as these official statistics are, the actual level of genuine participation in Bank projects may well be far lower in practice. In other words, though the World Bank, implementing agencies and evaluation teams may consider participation has taken place in a specific project or programme, time and again affected indigenous communities report that consultation and participation has been seriously deficient. Today, there is a growing tendency for Bank staff to document indigenous “participation” in project preparation processes (usually listing a series of meetings and workshops and organisations that attended as an annex to project appraisal documents). However, communities and their representative organisations often do not feel they have been properly consulted and do not consider they have enjoyed informed participation in project design. There is a widespread feeling that so-called “participation” in Bank projects is partial and usually restricted to village meetings in which consultants “extract” information about development “needs”, more to fulfil their own requirements than to address the genuine priorities of indigenous communities.

Indigenous peoples’ affected or “targeted” by World Bank projects experience a serious cultural disconnect between their own understandings of effective participation and the understandings of “participation” held by World Bank staff, consultants, and government and NGO implementing agencies. In many cases, indigenous peoples complain that project agencies confuse “consultation” with informed participation, when the two relate to quite distinct processes. **Indigenous peoples stress that they do not wish to be “consulted” or “participate” in development which is beyond their direct control or is without their prior consent.**^{lxxv}

Meaningful participation must include the right to influence decisions and determine their own path of development, including the right to reject unwanted development proposals. In many cases indigenous organisations complain that they have been unable to influence key decisions on project design relating to budget allocations, disbursement and the role of indigenous organisations in project governance. Key projects documents and annual operational plans are often not available at the community level. Indigenous peoples complain that these documents remain in the hands of project elites and government officials in towns and cities.^{lxxvi}

Even projects identified as “best practice” by OED evaluations, are not considered as such by some of the key indigenous organisations involved. One example is the *Brazil-Bolivia Gas Pipeline Project* which involved several public meetings with indigenous organisations about project design and regarding the IPDP. After these meetings, some indigenous leaders felt they had been manipulated and that their own decisions and concerns were not respected by the Bank:

We wanted to alter the proposed route of the pipeline but we had no influence – it was already decided. I see it now as a game that has no concrete result for us...the workshops and discussions are held simply to comply with Bank guidelines. We conclude that the Bank’s discussions are organised to stem our criticism of proposed projects (President, Asamblea de Pueblos Guaraní - APG, October 1999)^{lxxvii}

Indigenous representatives that have occupied places on the executive bodies governing Bank loans complain that they do not enjoy effective participation in project governance and lack adequate technical assistance and capacity building to enable their informed participation. A case in point is the World Bank-implemented *Indigenous Management of Protected Areas in the Amazon (PIMA)* project in Peru. Although the president of the indigenous peoples’ organisation

AIDSEEP has a seat on the governing body of the project, indigenous leaders complain that their priorities are sidelined by the other non-indigenous members who form the majority of the project Directorate.^{lxxviii} The PIMA case reveals that, where governance bodies are dominated by government and NGOs and a majority voting system is used, indigenous peoples' representatives are often marginalised on key decisions and are thereby actually disempowered by the project.

Project “participation” as a government tool for social control and co-option

As noted above, another frequent indigenous criticism is that World Bank-sponsored consultation meetings are used primarily by project officials and consultants to give legitimacy to the project, gain access to communities, divide opinion and pressure local indigenous communities to accept the external agendas of governments, development agencies, big business and NGOs.^{lxxix} In the worst cases, instruments that are supposed to ensure informed participation such as the Indigenous Peoples Development Plan (IPDP) are used by World Bank project agencies to promote their own top-down agendas.

In the *Andhra Pradesh Community Forest Management Project*, for example, the IPDP was largely written by external consultants. The final adopted plan aims to extinguish customary rights and reduce the traditional dependence of indigenous communities on forest lands. At the village level, most indigenous leaders are not even aware that such a plan exists. On learning of its unjust objectives they express stiff opposition to the IPDP goals that threaten to infringe their rights and undermine their livelihood security.^{lxxx}

Indigenous peoples often complain that World Bank projects that “target” their communities in the name of development and conservation are implemented by NGOs that have weak links to the communities. These intermediary NGOs hold consultation meetings and undertake rapid “participatory” methodologies that are completed in a very short time. Ironically, “participatory” methodologies that were formulated in the 1990s to avoid imposed development planning (e.g., Participatory Rural Appraisal – PRA), have become another top-down tool for extraction of local information by outsiders and project elites.^{lxxxi}

Lack of effective or culturally appropriate monitoring indicators:

A further finding of the OED evaluation of the implementation of OD4.20 is that World Bank projects typically lack adequate indicators for indigenous participation and some lack monitoring systems altogether. Even projects with stand-alone IPDPs normally lack participation indicators. In many Bank projects, it is thus impossible to verify if indigenous peoples have participated or not. It is even harder to assess the quality of participation as most indicators are based on quantitative outputs (number of meetings etc) rather than on measures of the effectiveness of type of participation delivered.^{lxxxii} Even where participation indicators are used in World Bank projects, this review has found no evidence to show these have been agreed upon in a participatory manner with affected communities.

Progress at the Project and Programme Level?

There are a few cases where indigenous peoples have enjoyed a greater level of participation in the Bank projects. In some regions such as Latin America, the Bank has introduced “do good” projects targeting indigenous peoples, which aim to support poverty reduction, ‘ethno-development’, natural resource management and land titling.^{lxxxiii} These new approaches have brought mixed results and critics argue they have caused divisions in national and local indigenous movements, failed to

address the underlying structural causes of indigenous poverty and, so far, have not been very effective in addressing the policy, legal and practical problems that undermine indigenous land and resource security.^{lxxxiv}

Though not without significant problems, indigenous organisations acknowledge that some of the Bank's ethno-development and natural resource management projects in Latin America have involved more effective participation. Case studies reveal that more informed participation in these projects has been the result of long project preparation times, intensive staff inputs, willingness to pay unusually high transaction costs, strong borrower commitments to reform and genuinely participatory decision-making both in project preparation and implementation.^{lxxxv} One reported example of high quality implementation is found in the *Natural Resource Management Project* in Colombia where a successful land titling programme for indigenous peoples and Afro-Colombians was supported by the Bank under complex and difficult local circumstances.^{lxxxvi}

Limited or defective participation in national-level policy processes:

Despite the emergence of a new generation of Bank loans targeting indigenous peoples at the project level, indigenous organisations monitoring the World Bank point out that much of the Bank's business is now channelled through country-wide programmatic loans. Many of these new loans directly or indirectly promote unsustainable, top-down development based on foreign direct investment, export-led growth, structural adjustment and the industrial extraction of natural resources. Indigenous peoples complain that these largely unaccountable development interventions continue to have severe negative consequences for indigenous peoples and their territories throughout the world. They point out that these operations lack transparency and are largely unaccountable to the public.^{lxxxvii}

In the same way, indigenous peoples are usually not even consulted in relation to World Bank technical assistance loans that assist the reform of natural resource legislation that directly affects the rights, territories and welfare of indigenous peoples.^{lxxxviii} Indigenous peoples point out that the World Bank applies double standards in its loan operations. While social development projects may feature participatory activities and consultations, major Bank interventions in the energy, water, mining, governance, land administration sectors are undertaken behind closed doors with little or no indigenous or public participation at all and limited or zero information disclosure.^{lxxxix}

In 1999 The World Bank began to introduce Poverty Reduction Strategy Papers (PRSPs) in highly indebted countries (HIPC) with the aim of replacing its top-down adjustment loans with more participatory strategic poverty alleviation programmes driven by grassroots priorities. However, the PRSP process has so far failed to foster alternative macroeconomic models. Indigenous and civil society groups have been frustrated that their own plans for economic and social development have been sidelined by the PRSP process, which has continued to apply the conventional adjustment remedies based on privatisation, foreign-direct investment and export-led growth.

Even if civil society organisations and NGOs gain some level of participation in the PRSP process, indigenous organisations are left out or marginalised or just identified as "poor people" to be measured, counted and documented. In Rwanda, for example, though much of the PRSP

was reported to be written by foreign consultants in coordination with the Ministry of Finance, urban-based NGOs were able to make some inputs. However, according to information available to this review, indigenous groups such as the Batwa were not meaningfully consulted prior to the adoption of the PRSP. One apparent exception to the poor participation record in PRSPs is Bolivia, where indigenous representatives were at least involved “to some extent” and succeeded in securing some specific policy provisions on indigenous peoples.^{xc}

Is the World Bank learning lessons?

Evidence from recent projects and programmes in Asia and Africa reveals that some World Bank loan operations continue to lack effective indigenous participation during project design and preparation. During implementation, projects still tend to apply pro-forma consultation exercises that do not enable meaningful participation. In Jharkhand State in India, for example, voices of dissent from Adivasi leaders have been routinely ignored in World Bank public consultation meetings in 2003 and 2004. The Bank and government have pushed through plans for pilot investments for a controversial forestry Joint Forest Management (JFM) project, even though numerous statements by Adivasi organisations have rejected the state’s 2001 JFM policy.^{xc}

Despite serious and unresolved controversies over the GEF-assisted India Ecodevelopment project (IEP) that closed in 2004, the government of India is seeking GEF and World Bank finance for another IEP-style intervention, that is to be renamed a *Biodiversity Conservation and Rural Livelihood Project*. As current proposals stand, there are few indications that indigenous and tribal organisations have been consulted about the project. Furthermore, local Adivasi communities and support NGOs have not requested this new project. The proposed project has all the makings of yet another imposed and unwanted programme conceived and implemented by government agencies and conservationists.

There are also signs that the Bank continues to base project preparation on “consultations” in countries where freedom of expression is seriously constrained. In 2005, for example, the World Bank is moving to lend money to the controversial Nam Theun II dam in Laos. Bank consultants acknowledge that the dam will displace 6,200 indigenous people from 17 villages on the Nakai plateau.^{xcii} Although indigenous peoples have attended consultation meetings on the project, and have been able to express their concerns,^{xciii} native speaking observers have criticised the narrow remit of the consultation and the doubtful impartiality of some project information provided in local languages.

Despite requests by major donor governments that the World Bank (IDA) “take into account” the core values and strategic priorities of the WCD in preparing and evaluating new dam projects, Nam Theun II clearly does not conform to WCD strategic priorities. Indigenous peoples’ free, prior and informed consent has not been sought during consultations and no agreement on how to express and verify consent was made prior to the planning process. Furthermore, communities faced with resettlement have not been given access to legal or other independent support. Participation has been confined to outdated, low-level “consultation” where the views of villagers are listened to and documented by project officials and consultants.^{xciv}

Continuing top-down World Bank interventions in Africa also remain common. For example, in the Democratic Republic of Congo, the World Bank has been heavily criticised by indigenous

and civil society organisations for pushing through reforms to the Forest Code without meaningful consultation with forest-dependent communities and their representative organisations.^{xcv} In Cameroon, the Chad-Cameroon pipeline project, that has been hailed by the Bank as a “model” extractives project, has struggled to ensure meaningful and effective participation by affected Bagyéli communities. What modest gains have been made in this controversial project have come after long protests and years after they were formally required by Bank policies.^{xcvi}

In Latin America, reports indicate that greater indigenous participation in Bank projects has become more prevalent in recent years. In Bolivia, for example, indigenous organisations complained bitterly in the mid-1990s that they were given virtually no prior information regarding the first phase of the World Bank/GEF *Sustainability of the Bolivian Protected Area System* project (GEF I), but had gained some participation in the GEF II project in recent years.^{xcvii} Under the GEFII programme some indigenous organisations have been supported by the World Bank/GEF to co-manage protected areas. However, indigenous leaders complain that the attitudes of some implementing agency staff and government officials still blocks effective indigenous participation in decision making, and stifles the disbursement of funds allocated for indigenous communities and indigenous project components.

Despite these gains in some programmes, as discussed above, even so-called “do good” projects in Latin America still suffer severe problems and have been unable to deliver effective participation. In Peru, for example, the Bank learning and innovation loan for the *Proyecto de Desarrollo de los Pueblos Indígenas y Afroperuanos (PDPIA)* has been roundly condemned by the indigenous movement for failing to deliver effective indigenous participation, disregarding indigenous priorities and overlooking irregularities in the governance of the project.^{xcviii}

There is little evidence from any region to show that the World Bank has enhanced effective participation in national policy formulation, programmatic lending or technical assistance loans. In India for example, in 2004, civil society organisations condemned the World Bank’s new 2004 Country Assistance Strategy (CAS) for being based on a flawed consultation process that lacked transparency, failed to provide prior information, provided just two-days notice prior to public meetings to discuss the draft CAS and disregarded the concerns of rights holders and citizens.^{xcix}

C. Accountability and Redress mechanisms

Independent evaluations of the usefulness of the Inspection Panel have shown that while it has proved relatively successful in highlighting compliance problems, its centralised complaints procedure is cumbersome for grassroots communities and has so far shown limited capacity to stimulate adequate corrective actions to address local grievances.^c Where complaints have been launched early on in a project cycle and prior to Board approval, complaints that have been upheld by the Inspection Panel have been successful in stopping flawed projects going ahead. However, once a project has already got underway, the Inspection Panel has not been effective at delivering solutions.

There is also mounting evidence that the IFC and MIGA's centralised Compliance Ombudsman Office (CAO) suffers similar problems given its very technical approach, its distant base in Washington DC and its reliance on infrequent field "missions". Affected indigenous communities such as those in Singrauli in India have complained that Inspection Panel field visits to their communities have been very rushed. Concerns have also been expressed about the lack of full independence of panel field missions when investigators have been accompanied by government officials and Bank staff involved in the problem project.^{ci}

In Cameroon, NGOs observers report that Inspection Panel visits to affected Bagyéli communities in 2003 did not involve impartial translation services. Due to defective translation, key issues being raised by the aggrieved community members were not conveyed to the investigator resulting in a skewed and unhelpful Inspection Panel report. Communities who took the time to work with local NGOs to submit a complaint to the Panel were left deeply disillusioned on learning of the contents of the Panel report that did not record their concerns faithfully.

In some cases, indigenous communities that have launched complaints to the Inspection Panel have felt disempowered after learning that they have no direct influence over the process after submitting their complaint. Many observers point out the Inspection Panel and CAO are not fully independent and their assessments of the eligibility of claimant requests for investigation are often based on the advice of the Bank's own legal department. At the same time, the "standards of harm" which claimants must meet to be considered eligible have been criticised for being unduly narrow and confined solely to issues relating to (now sometimes outdated) safeguard policies. Given these limitations with existing accountability mechanisms, indigenous and civil society organisations have been calling on the Bank and other IFIs to require complementary accountability mechanisms for their development operations at the project or programme level that are more agile, more accessible, more independent and mandated to deliver redress.^{cii}

D. Conclusions and Recommendations

This review has discussed indigenous peoples' experiences of participation in four World Bank activities: sector reviews, World Bank policy making, national policy processes, and World Bank financed programmes and projects. Some key findings and recommendations are set out below.

Sector reviews:

Main findings:

- Concerns expressed by indigenous peoples and civil society about problems with review processes and consultation procedures tend to be dismissed by the World Bank – resulting in flawed consultations from the outset (e.g., Extractive Industries Review – EIR: 2001-2003)
- World Bank determination to press head with flawed review processes in the face of public criticisms generates controversy and wastes time as indigenous peoples' organisations and NGOs expend energy trying to rectify the process or organising to boycott it

- Indigenous and civil society organisations have not been satisfied with the participation in sector reviews run entirely by the Bank because they have not been able to significantly shape findings and outcomes of the review (e.g., Forest Policy Implementation Review and Strategy Process: 1999-2002).
- Participation of indigenous peoples has been relatively effective in reviews where indigenous experts and indigenous organisations have been part of an inclusive and impartial process independent of the World Bank Group (e.g., World Commission on Dams)
- Semi-independent reviews applying the Eminent Person (EP) model have proved useful in ensuring balanced participation where an advisory panel has included different rights holders and interest groups, but final outcomes ultimately depend on the credibility and decisions of the EP e.g., EIR, 2001-03
- World Bank follow-up and commitment to act on the findings of sector reviews have been weak, and this has generated frustration and disillusion among indigenous organisations and leaders who engaged with these processes
- The World Bank failure to adopt progressive recommendations of sector reviews it has sponsored has continued to weaken already minimal (and often non-existent) trust that indigenous peoples and civil society organisations have in the World Bank Group.

Recommendations:

- Minimum conditions for the engagement of indigenous peoples and civil society engagement and participation should be agreed prior to commencing the review
- The World Bank and other agencies party to (or the subject of) the review must affirm how review findings and recommendations will influence policy and practice (as part of the agreed terms of engagement)
- Terms of reference of the review body should be mutually agreed with indigenous peoples and major groups
- Reviews should be conducted in a framework that guarantees maximum independence from the World Bank Group
- Participation, transparency, accountability mechanisms should be built into the work programme of the review and into the procedure for compiling the review report and recommendations

Policy revisions and standard-setting processes:

Main findings:

- Indigenous peoples have been deeply disillusioned that the World bank has failed to incorporate practical standards on issues that they have requested for over fifteen years e.g., human rights and free, prior and informed consent
- Policy revision processes at the World Bank have been marked by defective public consultations that have been condemned by indigenous peoples who engaged with the process e.g., revision of World Bank Indigenous Peoples Policy (Draft OP/BP4.10)
- Public consultation procedures have not complied with the Bank's own policies nor with its guidelines for effective participation processes for indigenous peoples e.g., OP4.10

- World Bank policy makers tend to place emphasis on the quantity of consultations, while indigenous peoples emphasise what is important is the quality of informed participation
- Explanations of how indigenous peoples' inputs to policy processes will or will not affect the outcomes of the policy process have not been provided, or explanations are unclear (e.g., Draft OP/BP4.10)
- Bank policy-makers are slow to react to legitimate concerns about process expressed by indigenous peoples and support NGOs, sometimes taking years to respond e.g., need for full implementation review of OD4.20 to inform Draft OP4.10
- Policy revision processes have suffered a lack of transparency for long periods where indigenous peoples are not informed of progress nor of how their inputs are being dealt with e.g., OP4.10
- Commitments made in face-to-face meetings are not followed up or are fudged e.g., legal roundtable on OP4.10
- The current draft OP4.10 proposes a two-tier standard for participation: one for investment projects and one for protected area projects, which is not acceptable
- Major changes in policy are introduced without adequate consultation e.g., late insertion of country systems safeguard option in draft OP4.10
- Trust has been weakened when policy makers and senior Bank management have closed down participation spaces during the final stages of policy revision e.g., decision not to publicly release BP4.10 prior to its adoption.

Recommendations:

- The World Bank (and other agencies) should not launch public consultations on policy revision until terms of engagement have been mutually agreed with affected rights holders and other interested parties
- Include clear explanations and commitments on how inputs by indigenous peoples will influence the policy
- Where indigenous peoples so choose, in addition to public consultations, establish an advisory body with self-selected indigenous experts and/or representatives to give guidance on policy analysis and revision
- Do not ignore rejection of the consultation: attend to these as a matter of urgency
- Respect and address indigenous concerns about process problems or infringements of the agreed terms of engagement in a timely manner
- Be prepared to suspend a consultation process to address concerns
- Do not change the consultation process or renege on participation and disclosure commitments
- Provide incentives for staff overseeing the policy revision to ensure all that, as a minimum, all consultations meet with World Bank rules and guidelines and indigenous peoples participation rights established in international and national laws
- Where required, provide capacity building to enable indigenous peoples to enjoy informed participation the process e.g., funds for autonomous and independent preparatory meetings
- In relation to current revision of the IBRD/IDA Indigenous Peoples Policy: publicly release draft BP4.10 and take steps to ensure effective indigenous participation in public scrutiny of its contents prior to its finalisation and adoption

- In relation to the IFC Safeguard Policy Update Process: ensure that meaningful participation is facilitated to enable indigenous peoples to comment on the proposals
- Refrain from adopting the World Bank/IFC revised policies in the event that indigenous peoples do not consider that the draft policies constitute adequate safeguards to protect their rights

National policy processes

Main findings:

- Country Assistance Strategies (CAS) are sometimes formulated without the effective participation of indigenous peoples and their representative organisations and contain policies and contain policies that are not acceptable to them
- Participation of indigenous peoples in Poverty Reduction Strategy Papers (PRSP) is weak or non-existent, and is based on outdated and low-grade consultation procedures
- CAS and PRSP often fail to properly mainstream human rights, including indigenous peoples' human rights into their policies and objectives
- World Bank technical assistance loans for national legal and policy reforms affecting indigenous peoples lack transparency and do not feature mechanisms for informed participation
- Preparation and appraisal of programmatic adjustment or “development policy” loans usually do not enable informed participation of indigenous peoples.
- Adjustment loans represent a growing part of the World bank's lending portfolio, but the institution has not instituted additional effective public participation mechanisms to adapt to its changing business

Recommendations:

- Ensure World Bank country strategies and World Bank-financed policy formulation processes mainstream human rights, indigenous peoples' rights issues into CAS policies and objectives
- Improve and make mandatory public participation mechanisms in World Bank promoted or assisted national policy processes, including technical assistance interventions
- Where particular rights holders, such as indigenous peoples, reject Bank policies in a World Bank consultation meeting, the Bank should refrain from adopting such policies. As an absolute minimum, objections and dissenting views made in public should be recorded in a general way in the preface to such official documents (while protecting the identity of specific individuals or organisations).

Projects and programmes:

Main findings:

- Indigenous peoples still experience most World Bank-assisted project and programmes as top-down interventions run by governments and outsiders
- Affected or “targeted” communities have often not requested such projects
- Much is written about participation in Bank project and programme documents, but in practice the out-dated information-sharing “consultation” model remains dominant.

- Such consultations fail to ensure adequate provision of all relevant information and the pros and cons of World Bank plans. Incomplete information prevents informed participation and drastically inhibits informed decision-making among affected communities;
- Key project documents are often not available to representative organisations and communities or are only available in inappropriate languages, which frequently prevents informed participation
- Key elements of the project that affect indigenous peoples are designed by outsiders and adopted without their prior agreement e.g., IPDPs
- World Bank projects that affect or involve indigenous peoples are sometimes marked by disagreements over whether or not informed participation has taken place.
- So-called “consultation” is often culturally inappropriate and does not respect cultural and linguistic customs and decision-making practices of indigenous peoples
- Low-level “passive”, “information-giving” and “consultation” modes of participation remain the norm in project preparation
- Project implementation normally only involves low-grade “functional” participation in external predetermined project goals and activities are imposed through micro-planning, project “committees” or “self-help” groups.
- World Bank standards on participation contained in its operational policies are routinely violated in projects and programmes affecting indigenous peoples, particularly in Africa and Asia
- World Bank projects sometimes violate indigenous peoples’ participation rights established in international law and under national legislation
- Indigenous peoples do not normally participate in negotiations between the World Bank and Borrower government over the loan agreement and its conditions
- Loan agreements between the International Finance Corporation and private sector “clients” are confidential and indigenous peoples affected by IFC projects are not involved in the negotiation of such agreements
- Where indigenous peoples do secure some participation in project governance, they are often marginalised and their concerns and proposals are overruled by non-indigenous project authorities
- Indigenous representatives on project governance bodies are not provided with technical support to enable their informed participation.
- Participation mechanisms for engagement with World Bank complaints processes are weak and defective e.g., Inspection Panel, CAO

Recommendations:

To move away from the outmoded participation standards confined to measures to ensure benefit sharing and social mitigation, the World Bank must ensure that its development standards, including its proposed IFC performance standards, adopt a rights-based approach to participation and development. To this end, the Bank’s revised policies must:

- Acknowledge the World Bank Group’s responsibilities and obligations under international law, including its obligation to respect human rights, including the rights of indigenous peoples in all its policies and operations;

- Explicitly state that the activities and investments of the World Bank Group shall not hinder or undermine state obligations to respect national and international human rights norms
- Include a clear statement that the World Bank will not finance projects/activities that contravene borrower/host country obligations under international law, including their obligation to respect the rights of indigenous peoples.
- Establish that the World Bank (including the IFC) will only support projects that have the free, prior and informed consent of affected indigenous peoples arrived at through their customary decision-making processes and institutions subsequent to meaningful and good faith consultation and their informed participation commencing at the earliest stages of project design, and agreement on benefits
- Require indigenous peoples' informed participation in all decision-making processes in relation to World Bank policies and projects that may affect them and may impact on their lands and territories
- Stipulate that all World Bank projects affecting indigenous peoples (not just those perceived or judged to have adverse impacts) must respect indigenous peoples' right to give or withhold consent to any proposals that affect their lands and communities
- Require mechanisms for independent (of the World Bank and borrower/client) third party verification and certification that prior agreement exists and has been freely obtained.
- Where consent is given, require that such prior approval and attached conditions are detailed in written agreements between the indigenous peoples, borrower/client and the World Bank. The mutual agreement and acceptance of documentation of consent will be verified by the representative organisation(s) of the affected community and certified by an independent third party.
- Require that draft IPDP, IPP or any other written project instrument targeting indigenous peoples are not adopted until their contents and budget have been agreed by affected communities
- Written agreements on consent and on specific project plans will be included in loan covenants and shall provide mechanisms to ensure that indigenous peoples can access and obtain meaningful remedies in cases of breach of the written agreement.
- Establish that Indigenous peoples, if they so choose, have the right to participate in all impact assessments and baseline studies.
- Require a built-in grievance/complaints/mediation mechanism for addressing disputes about the existence of consent in the initial and in subsequent stages of project discussions and in each stage of the project cycle (should the project go ahead).

ⁱ The aim of the paper is to review key experiences documented in existing literature and draw out critical lessons and identify obstacles to meaningful and effective participation.

ⁱⁱ Irene Daes, 1996, *Supplementary Report of the Special Rapporteur on the Protection of the Heritage of Indigenous Peoples* United Nations Sub-Commission on Prevention of Discrimination and Protection of Minorities, forty-eighth Session, E/CN.4.Sub.2/1996/22; *General Recommendation VIII concerning the interpretation and application of article 1, paragraphs 1 and 4 of the Convention (1990)*; *Concluding Observation of the Committee on the Elimination of Racial Discrimination. Denmark* 21/05/2002.; See also *Report of the Special Rapporteur on the situation of human rights and fundamental freedoms of indigenous people, Mr. Rodolfo Stavenhagen, submitted pursuant to Commission resolution 2001/57*. UN Doc. E/CN.4/2002/97, at para. 100

ⁱⁱⁱ <http://www1.umn.edu/humanrts/instree/declra.htm>

^{iv} Indigenous peoples need not fulfil all the criteria to be considered “indigenous” by World Bank staff. The Bank’s wide-ranging approach therefore encompasses the ‘tribal’ people of Asia, Afro-American communities in Latin America and marginalised ethnic communities in Africa (OP4.10 paragraphs 3. and 4).

^v See, for example, Treacle, K (1998) “Treacle, K (1999) “Ecuador: structural adjustment and indigenous environmentalist resistance” pp.219-264 in Fox J A and Brown L D (Eds)(1998a) *The Struggle for Accountability: the World Bank, NGOs, and grassroots movements* The MIT Press, Cambridge (MA) and London

^{vi} On different types of “participation”, see Pimbert, M (2003) “The Promise of Participation: democratising the management of biodiversity” *Seedling, July(2003):23-28*

^{vii} López, A (1992) “Alto Bayano: cronología de la lucha del pueblo kuna” *Este País No.36(1992):25-28*

^{viii} Stewart, J et al. (1996) *A People Damned: the impact of the World Bank Chixoy Dam in Guatemala* Witness for Peace, Washington, DC.

^{ix} Davis, S (1977) *Victims of the miracle CUP, Cambridge*; Price, D (1989) *Before the bulldozer: the Namibiquara Indians and the World Bank* Seven Locks Press, Washington

^x Bello, W, Kinley, D and Elinson, E (1982), *Development Debacle: The World Bank in the Philippines*, Institute for Food and Development Policy, San Francisco; Drucker, C (1984) “Dam the Chico: Hydro Development and Tribal Resistance in the Philippines” in Goldsmith, E. and Hildyard, N. (eds.) *The Social and Environmental Effects of Large Dams*, Volume 2: case studies, Wadebridge Ecological Centre, pp. 304-313

^{xi} On the negative impacts of World Bank development projects on indigenous peoples during the 1960s and 1970s, see Davis, S (1977) *Victims of the miracle CUP, Cambridge*; Price, D (1989) *Before the bulldozer: the Namibiquara Indians and the World Bank* Seven Locks Press, Washington, DC; Bello, W, Kinley, D and Elinson, E (1982), *Development Debacle: The World Bank in the Philippines*, Institute for Food and Development Policy, San Francisco; Drucker, C (1984) “Dam the Chico: Hydro Development and Tribal Resistance in the Philippines” in Goldsmith, E. and Hildyard, N. (eds.) *The Social and Environmental Effects of Large Dams*, Volume 2: case studies, Wadebridge Ecological Centre, pp. 304-313; DeWalt, B R (1986) “Economic Assistance in Central America: development or impoverishment? *Cultural Survival Quarterly* 10(1)(1986):14-18; López, A (1992) “Alto Bayano: cronología de la lucha del pueblo kuna” *Este País No.36(1992):25-28*

^{xii} A Bank internal review of the implementation of the policy, carried out in 1987, found that more than half of the projects affecting indigenous peoples had ignored the policy altogether. See, World Bank (1987) *Tribal Peoples and Economic Development: a five-year implementation review of OMS 2.34 (1982-86)* Office of Environmental and Scientific Affairs, World bank, Washington, DC

^{xiii} Mindlin, B (1990) “Le projet Polonoroeste et les Indiens” *Bresil, Indiens et Developpement en Amazonie - Ethnies* 11-12 (1990):87-96; Treece, D (1987) *Bound in Misery and Iron: the impact of the Grande Carajás Programme on the Indians of Brazil*, Survival International, London; Colchester, Marcus (1986) “Banking on Disaster: International Support for the Transmigration Programme” *The Ecologist* 16 (2/3): 99-110; see also Morse, B and Berger, T (1992) *Sardar Sarovar: report of independent review* Resource Futures International, Ottawa and Rich, B (1994) *Mortgaging the Earth: the World Bank, environmental impoverishment and the crisis of development* Beacon Press, Boston

^{xiv} IWGIA Yearbook 1990.

^{xv} See also, Colchester, Marcus (1992) *The World Bank’s Policies towards Tribal and Indigenous Peoples in Tropical Forests*. Information circular, World Rainforest Movement, March 1992.

^{xvi} 1992 *Charter of the Indigenous-tribal Peoples of the Tropical Forests*, Article 25.

^{xvii} Under the new safeguard framework the Operational Policy (OP) sets out the requirements and binding principles. The Bank Procedures (BP) outlines the mandatory procedures that Bank staff must follow to apply the policy standards set out in the OP. The Sourcebook is a not mandatory, and constitutes a guidebook on good practice.

^{xviii} Gray, A, Cariño, J, Dutry, C and Trio, W (1997) *Indigenous Peoples Participation in Global Environmental Negotiations* International Alliance of Indigenous-Tribal Peoples of the Tropical Forests and European Alliance with Indigenous Peoples – Indigenous Peoples Participation in Sustainable Development No. 2, London at page 42.

^{xix} In some cases, indigenous peoples’ organisations criticised the Bank’s 1998/99 consultations for lacking adequate numbers of representative indigenous leaders.. See especially, Asian Indigenous and Tribal Peoples Network -AITPN (2002) *The World Bank Defaults on Past Promises: why the World Bank’s draft policy on Indigenous Peoples should be rejected* AITPN, New Delhi at page 21.

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<http://lnweb18.worldbank.org/essd/essd.nsf/28354584d9d97c29852567cc00780e2a/5e23e566bed37cd6852567cc0077f48d?OpenDocument>

^{xxi} Comments made by Bank staff overseeing the revision of the World Bank Indigenous Peoples Policy to NGOs (ILRC, BIC, CIEL, Oxfam, Amazon Alliance) on July 17, 2001 in Washington DC, and in a meeting with the Forest Peoples Programme in London on July 31, 2001. Support NGOs followed up these meetings with a letter to Vice-President Ian Johnson, entitled “*Request for Clarification: indigenous peoples and civil society inputs to the final round of external consultations on the revision of the World Bank’s Indigenous Peoples Policy*” [letter dated 8 August 2001]. No direct written response to the letter was received from the Bank.

^{xxii} World Bank (2001) *World Bank Draft Indigenous Peoples Policy: Public update # 2 on consultations with external stakeholders* December 15, 2001 - at page 2, bullet point 5 - www.worldbank.org/indigenous

^{xxiii} The World Bank’s final summary of the consultations did include a flow diagram setting out the process for finalising the Indigenous Peoples Policy, but this outline only set out the components of a scheduled process. It did not explain *how* or by *which mechanism* inputs by indigenous peoples and external stakeholders would (or would not) influence the contents of the final draft policy - see World Bank (2002) *Summary of consultations with external stakeholders regarding the World Bank Draft Indigenous Peoples Policy (Draft OP/BP4.10), April 18, 2002* at Annex B.

^{xxiv} Tebtebba Foundation (2001a) *Report on the Stakeholders consultation on the World Bank’s draft policy on Indigenous Peoples (OP/BP4.10), 22 October 2001*

- Tebtebba Foundation (2001b) *Statement of the TEBTEBBA Foundation ((Indigenous Peoples’ International Centre for Policy Research and Education) and the Cordillera Peoples’ Alliance on the Stakeholder’s Consultation on the World Bank’s Draft Policy on Indigenous Peoples (OP/BP4.10);*

- Transparencia (2001) *Mesa de trabajo sobre derechos indígenas: revisión de la políticas 4.20 y 4.10 del Banco Mundial* Oaxaca, agosto de 200

- Selverston-Scher, M (2001) *World Bank consultation on the revision of the IP policy (OP4.10) - “Andean Region”, 22-23 October 2001, Cuzco, Peru* BIC, Washington, DC

- Sulyandziga, R (2001) *Discussion on OP4.10 of the World Bank Concerning Indigenous Peoples: information about consultations held in Khabarovsk, Moscow and Nar’yan Mar, October 2001* Russian Indigenous Peoples of the North Training Centre;

- CONAIE and CONIVE (2001) *Declaración de la Confederación de Nacionalidades Indígenas del Ecuador y el Consejo Nacional Indio de Venezuela en el marco de la consulta regional andina sobre población indígena del Banco Mundial* 23 de octubre de 2001

- CORE (2001) *Statement of Core (Indigenous Peoples’ Advocacy and Resource Centre for India’s North East) external stakeholders consultation on the World Bank’s Draft Policy on Indigenous Peoples (OP/BP4.10), New Delhi, India, 26 November 2001.*

- *Declaración de los pueblos indígenas participantes en la 19 Sesión del Grupo de Trabajo sobre Poblaciones Indígenas de las Naciones Unidas sobre las preocupaciones acerca de las políticas del Banco Mundial* Ginebra, Julio de 2001.

- Center for Economic and Social Rights (CDES)(2001) Letter sent to World Bank signed by 140 indigenous peoples’ organisations, NGOs and individuals, 14 December 2001

^{xxv} For example, a detailed letter sent to the Bank by the Centre for Economic and Cultural Rights (CDES) of Ecuador, which questioned the consultation process and contents of the March 2001 Draft OP4.10 (endorsed by 146 Indigenous peoples’ organisations, NGOs and individuals from 35 countries (23 Southern, 12 Northern)), received a one page reply from the Bank. In its reply, the Bank simply thanks CDES for its interest in the matter and notes that similar concerns have been raised by other stakeholders and had been noted by the Bank. See also Selverston-Scher, M (2002) *Letter to ESSD*, dated May 13, 2002 expressing concerns about the World Bank’s flawed consultations on the revision of its Indigenous Peoples Policy at page 2 (point 6.).

^{xxvi} In Manila, a one-day meeting was held in October 2001 in which half the day was taken up by Bank presentations which left insufficient time for reasoned discussion - see Tebtebba Foundation (2001) *Report on the Stakeholders consultation on the World Bank’s draft policy on Indigenous Peoples (OP/BP4.10), 22 October 2001.* See also Selverston-Scher, M (2002) Letter to Navin Rai, ESSD, dated May 13, 2002 expressing concerns about the World Bank’s flawed consultations on the revision of its Indigenous Peoples Policy at page 2 (point 4.).

^{xxvii} For example, in India, background documentation was only distributed on the morning before the meeting held in New Delhi on 22 November 2001 (Melina Selverston-Scher, BIC, pers.comm). In the case of the meeting in Chapada dos Guimarães in Brazil, participants were astonished to hear from Bank staff that the lack of prior

documentation was due to a shortage of funds for the consultation - ISA (2001) *Consulta sobre a nova política do Banco Mundial para os povos indígenas* Internal ISA report.

^{xxviii} In the Bank's consultation meeting in Cuzco, adequate Spanish-English translation for key Bank staff was lacking and had to be provided in an *ad hoc* manner by NGO participants. In the same meeting, indigenous speakers were repeatedly cut off by one co-moderator, who also astonished participants when he advised them not to take the Bank's Indigenous Peoples Policy too seriously - see Selverston-Scher, M (2001) *World Bank consultation on the revision of the IP policy (OP4.10) - "Andean Region"*, 22-23 October 2001, Cuzco, Peru BIC, Washington, DC. Lack of complete prior documentation and deficient orientation and background documents were also reported in the consultations held in India - see Burman, R - B.K. (2001) *World Bank policy guideline in respect of indigenous peoples and process of revision of same* Comments and consultation report, unpublished memo, circulated by Email December 2001 at pages 3, 4 (para.6), 5 (para 7).

^{xxix} Letter to James Wolfensohn from indigenous participants in Huejutla, Mexico, 24/11/01. See <http://www.bicusa.org/policy/IndigenousPeoples/mexico.htm>

^{xxx} Joint Statement signed by Blanca Chancoso (CONAIE) and José Gregorio Diaz and María Andarcia (CONIVE) in the City of Cuzco, 23 October 2001.

^{xxxi} Joint Statement by indigenous representatives present at the external stakeholders' consultation on the World Bank's revised Draft Policy on Indigenous Peoples. Signed by D Roy Laifungbam (CORE) and Jarjum Ete (APWWS and IWRC), New Delhi, 26 November 2001.

^{xxxii} *Statement by indigenous peoples participating in the 19th Session of the UN Working Group on Indigenous Populations about concerns regarding the revision of the World Bank's Indigenous Peoples Policy* July 2001 <http://forestpeoples.gn.apc.org/Briefings/World%20Bank/IPstatementJuly01English.htm> An analysis of the March 2001 draft OP/BP4.10 made by FPP, found that out of a total of 20 key indigenous recommendations made in 1998-99, the 2001 document had included just 2 (some measure of protection for cultural resources and inclusion of sacred lands in the policy's provisions on land and resources). On the failure of the 2001 Draft OP4.10 to protect indigenous peoples' rights in accordance with international law, see AITPN (2002) *The World Bank Defaults on Past Promises: why the World Bank's draft policy on Indigenous Peoples should be rejected* AITPN, New Delhi. See also, MacKay, F (2002a) "Universal Rights or a Universe unto Itself? Indigenous peoples' human rights and the World Bank's draft OP4.10 on Indigenous Peoples" *American University International Law Review* 17(3):527-624.

^{xxxiii} Letter to James Wolfensohn from indigenous leaders and NGOs attending the OAS meeting on the Inter-American Declaration on the Rights of Indigenous Peoples, 15 March 2002.

^{xxxiv} Letter to James Wolfensohn from indigenous leaders and NGOs attending the OAS meeting on the Inter-American Declaration on the Rights of Indigenous Peoples, 15 March 2002.

^{xxxv} Annex 7-1: "Public consultation in the Environmental Assessment Process" pp-208-211 in World Bank (1991) *Environmental Assessment Sourcebook: Volume I - policies, procedures, and cross-sectoral issues* World Bank Technical Paper. See also

^{xxxvi} Letter to Hector Huertas, Lourdes Tiban, José Carlos Morales, Paulo Pankararu, Arlen Ribeira and Suhas Chakma dated 16 and 17 July 2002 from Ian Johnson, Vice President, Environmentally and Socially Sustainable Development Department (ESSD), World Bank, Washington, D.C

^{xxxvii} Paradoxically, the OED review team and TOR did not ensure informed participation of indigenous representatives in the finalisation of the review and the drawing up of its recommendations to the Bank. As a result, some (though not all) of the recommendations of the OED review have been criticised by indigenous peoples' organisations as unhelpful and unacceptable (see summary report of Indigenous Peoples Roundtable, 2002. Available at: <http://www.forestpeoples.org>

^{xxxviii} Indigenous leader's comment to World Bank Roundtable on Draft OP/BP 4.10, October 2002. See: http://forestpeoples.gn.apc.org/Briefings/World%20Bank/wb_ip_round_table_summary_oct02_eng.htm

^{xxxix} Indigenous Peoples Declaration (2002e) *Indigenous Peoples' Statement to a Roundtable Discussion on the Revision of the World Bank Policy on Indigenous Peoples*, 18 October 2002, Washington, D.C

^{xl} http://forestpeoples.gn.apc.org/Briefings/World%20Bank/wb_ip_round_table_summary_oct02_eng.htm

^{xli} *Report of the Permanent Forum on Indigenous Issues on its Second Session*. UN Doc. E/2003/43; E/C.19/2003/22, at para. 33.

^{xlii} Letter from indigenous leaders to D Freestone, World Bank legal department, 21 May 2004

^{xliii} Imhof, A, Wong, S and Bosshard, P (2002) *Citizen's Guide to the World Commission on Dams* International Rivers Network (IRN), Berkeley at pages 5-7

^{xliv} IWGIA (1999) *Dams, Indigenous Peoples and Ethnic Minorities* Indigenous Affairs No.3-4, June 1999, IWGIA and Forest Peoples Programme, Copenhagen

^{xlvi} For a thorough analysis of the successful elements in the governance, design and operation of the WCD work programme, see Dubash, N, Dupar M, Kothari, S and Lissu T (2001) *A Watershed in Global Governance? An independent assessment of the World Commission on Dams* World Resources Institute, Lokayan and Lawyer's Environmental Action Team, Delhi, Washington DC and Dar Es Salaam

^{xlvi} "A New Policy Framework" and "A Set of Guidelines for Good Practice" at pages 213-307 in WCD (2000) *Dams and Development: a new framework for decision making* Earthscan, London and Sterling

^{xlvi} The World Bank expressed the view that it was somehow prevented from being able to 'buy in' to the WCD. However, civil society and indigenous organisations query the basis for this suggestion. Although it is true that the World Bank and IUCN, which jointly set up the WCD, were excluded from direct participation on the team of Commissioners – as it was felt this would compromise its independence – the Bank was in no way excluded from participating in the wider WCD process. The lack of 'buy in' by the World Bank was in many ways self-imposed. No budgets were allocated for Bank staff to travel to WCD meetings and Bank senior management pre-judged the outcome of the Review. Some staff rejected the Commission's draft conclusions even before the Commissioners had agreed to them.

^{xlvi} http://www.evb.ch/index.cfm?page_id=551&yy=2001

^{xlvi} World Bank (2003) *Water Resources Sector Strategy: strategic directions for World Bank engagement* World Bank, Washington, DC; See especially, Bosshard, P, Bruil, J, Horta, K, Lawrence, S and Welch, C (2003) *Gambling with People's Lives – What the World Bank's New High-Risk/High-Reward Strategy Means for the Poor and the Environment* Environmental Defense, Friends of the Earth, International Rivers Network, Washington, DC

ⁱ Colchester, M (2001) *The World Bank's 'Extractive Industries Review' – A credible and independent review of world bank engagement in the mining, oil and gas sectors ? An NGO report on the Planning Workshop of the Extractive Industries Review of the World Bank held in Brussels between 28-30th October 2001* FPP briefing, Moreton-in-Marsh

^{li} *Subject: Civil Society Concerns Regarding Extractive Industries Review* Letter from civil society organisations to Emil Salim, 8 November, 2001

^{lii} Letter from Emil Salim to Civil Society Organisations, 30 January 2002

^{lii} Colchester, M, Loreto Tamayo, A, Rovillos, R and Caruso, E (Eds)(2003) *Extracting Promises: Indigenous Peoples, Extractive Industries and the World Bank* Tebtebba Foundation and Forest Peoples Programme, Baguio

^{liv} Corpuz, V (2003) "Forward" at page 9-10 in Colchester, M *et al* (Eds) *op.cit.*

^{lv} *Striking a better balance: the World Bank Group and Extractive Industries – the final report of the EIR* Volume I, December 2003

^{lvi} MacKay, F (2004) *Indigenous Peoples Right to Free, Prior Informed Consent and the World Bank's Extractive Industries Review* Forest Peoples Programme, Moreton-in-Marsh

^{lvii} *Striking a better balance: the World Bank Group and Extractive Industries – the final report of the EIR* Volume I, December 2003 at page 50.

^{lviii} Letter from 60 indigenous peoples' organisations and indigenous NGOs to World Bank Board of Directors, July 19, 2004

^{lix} See MacKay, F (2004) *Indigenous Peoples Right to Free, Prior and Informed Consent and the World Bank's Extractive Industries Review* Forest Peoples Programme, Moreton-in-Marsh at page 24.

^{lx} *Ibid.*

^{lxi} Forest Peoples Programme (2005) *Critical Analysis of IFC's Draft Performance Standard 7 on Indigenous Peoples* FPP, Moreton-in-Marsh, April 2005

^{lxii} Annex 7-1: "Public consultation in the Environmental Assessment Process" pp-208-211 in World Bank (1991) *Environmental Assessment Sourcebook: Volume I - policies, procedures, and cross-sectoral issues* World Bank Technical Paper Number 139, World Bank, Washington, DC

^{lxiii} Letter to James Wolfensohn and Peter Woicke. See <http://www.foei.org/ifi/ifc.html>

^{lxiv} Jenkins, B (2005) *Comments on the World Bank's Country Systems Approach* BIC, Washington, DC. See also, MacKay, F (2005) "The Draft World Bank Operational Policy on Indigenous Peoples: progress or more of the same? *Arizona Journal of International and Comparative Law* 22 . Moreover, the option for use of 'country systems' in Draft of OP 4.10 was inserted very late in the process and therefore indigenous peoples have only had the opportunity to submit written comments during the 90 day comment period initiated in December 2004. Proper space to enable a meaningful participatory discussion on country-systems and their potential role and adequacy as a framework for safeguards has not been provided.

^{lxv} An initial examination of the Bank's new revised policy on Indigenous Peoples adopted in May 2005 indicates that clear rules on indigenous peoples' participation have been eroded as clear requirements on the need for informed participation and indigenous peoples' participation in decision-making are now confined to a footnote (OP 4.10 footnote 4). Numerous submissions made to the World Bank by the FPP and other organisations during the policy revision process stressing the difference between "consultation" and "participation" and the need to clarify policy language, were regrettably largely disregarded in the final policy.

^{lxvi} Davis, SH and Soeftestad, L T (1995) *Participation and Indigenous Peoples* Social Development Paper No. 9, June 1995, ESSD, World Bank Washington D.C. at pages 13-15

^{lxvii} Appendix II - Working Paper Summaries: "Participation and Indigenous Peoples" in World Bank (1996) *The World Bank Participation Sourcebook* www.worldbank.org/wbi/sourcebook/sba212.htm

^{lxviii} See, for example, Griffiths, T and Colchester, M (2000) *Indigenous Peoples, Forests and the World Bank: policies and practice* FPP, Moreton-in-Marsh. See also Griffiths, T (2005) *The GEF and Indigenous Peoples: indigenous peoples' experiences with GEF Biodiversity Projects* FPP Report, Moreton-in-Marsh

^{lxix} OED (2003a) *Implementation of Operational Directive 4.20 on Indigenous Peoples: an independent desk review* January 10, 2003, Country Evaluation and Regional Relations (OEDCR), OED, Washington, DC at page 14 (paragraph 3.4).

^{lxx} Ibid. at page 20 (paragraph 3.2.1)

^{lxxi} OED (2003b) *Implementation of Operational Directive 4.20 on Indigenous Peoples: an evaluation of results* April 10, 2003, Country Evaluation and Regional Relations (OEDCR), OED, Washington, DC. at Table 2.2, page 11

^{lxxii} Ibid. at page 20

^{lxxiii} Ibid. at page 23

^{lxxiv} World Bank/GEF team - PowerPoint presentation to World Conservation Congress, 2004

^{lxxv} Gray, A (1997) "Development Practice and Indigenous Peoples" pp.287-305 in Büchi, S, Erni, C, Jurt, L and Rüeg, C (Eds)(1997) *Indigenous Peoples, Environment and Development* IWGIA, Copenhagen

^{lxxvi} See, for example, Forest Peoples Programme and Samata (nd) *A preliminary independent evaluation of the Andhra Pradesh Community Forest Management Project* forthcoming

^{lxxvii} Griffiths, T (1999) *World Bank Projects and Indigenous Peoples in Ecuador and Bolivia* Latin America Review for the Biodiversity Support Program, Consultant Report for the Forest peoples Programme, November 1999

^{lxxviii} Gutiérrez Laya, O (2004) *El Proyecto – Manejo de las Area Protegidas en la Amazonia Peruana por las Comunidades Nativas – un estudio de caso y evaluación independiente* Independent evaluation report <http://www.forestpeoples.org>

^{lxxix} See especially, Hildyard N, Hegde P, Wolverkamp P and Reddy S (1998) *Same Platform, Different train: the politics of participation* <http://www.thecornerhouse.org.uk/item.shtml?x=51958>

^{lxxx} Griffiths, T, Rebbapragada, R and Kalluri, B (2005) "The Great 'Community Forest Management' Swindle In India – critical evaluation of an ongoing World Bank-financed project in Andhra Pradesh" in *Broken Promises: how World Bank policies fail to protect forests and forest people's rights* World Rainforest Movement, FPP, RF-UK, EDF, Global Witness – see www.forestpeoples.org

^{lxxxi} Feeney, P (1999) *Accountable Aid: local participation in major projects* Oxfam, Oxford

^{lxxxii} OED (2003b) *op.cit.* at page 35 (paragraph 3.54).

^{lxxxiii} For a list of current World Bank projects directly targeted at indigenous peoples, see: <http://lnweb18.worldbank.org/essd/essd.nsf/28354584d9d97c29852567cc00780e2a/529a277b1d68810d852567cc0077fad3?OpenDocument> On World Bank approaches to ethnodevelopment, see Partridge WL Uquillas JE and Johns K (1996) *Including the Excluded: Ethnodevelopment in Latin America* Paper Presented to the Annual World Bank Conference on Development in Latin America and the Caribbean, Bogotá, Colombia June 30-July 2 1996; Nieuwkoop van, M and Uquillas, J (1999) *Defining Ethnodevelopment in operational terms: lessons learnt from the Ecuador-Indigenous and Afroecuadorian Peoples Development Project* ESSD, World Bank, Washington, DC;

^{lxxxiv} See, for example Macas, L (2001) Banco mundial y Prodepine: ¿hacia un neoliberalismo étnico? ICCI Boletín No.25, April, 2001. Email journal from icci@waccomm.net.ec; Assies, W, van der Haar, G and Hoekema, A (Eds)(2001) *The Challenge of Diversity: indigenous peoples and the reform of the state in Latin America*. Thela-Thesis, Amsterdam. See also van den Berg, M H J (2002) *Mainstreaming Ethnodevelopment: poverty and ethnicity in World Bank policy* RISQ <http://www.risq.nl>

^{lxxxv} See also OED (2003b) *op. Cit.* at page 31 (paragraph 3.4.2).

^{lxxxvi} Ng'weno, B (2000) *On titling collective property, participation and natural resource management - implementing indigenous and Afro-Colombian demands: a review of Bank experience in Colombia* unpublished document, World Bank, Washington, D.C., September 2000

^{lxxxvii} Griffiths, T (1999) *World Bank Projects and Indigenous Peoples in Ecuador and Bolivia* Latin America Review for the Biodiversity Support Program, Consultant Report for the Forest peoples Programme, November 1999

^{lxxxviii} See, for example, Rovillos, R, Ramo, S and Corpuz, C (2003) “Philippines: when “Isles of Gold” turn to Isles of Descent” at pages 200-237 in Colchester, M *et al* (Eds)(2003) *Extracting Promises: indigenous peoples, extractive industries and the World Bank* Tebtebba Foundation and FPP, Baguio

^{lxxxix} Griffiths, T (1999) *op. cit.*

^{xc} Feiring, B (2003) *Indigenous Peoples and Poverty: the cases of Bolivia, Guatemala, Honduras and Nicaragua* MRG International, London

^{xc} Griffiths, T and Bosu Mullick S (2004) *World Bank plans for forestry project in Jharkhand State (India) continue to cause controversy* <http://www.forestpeoples.org>

^{xcii} Levett, C (2005) “Dam a watershed for World Bank: Controversy surrounds a proposed large hydro-electric project in Laos” *Sydney Morning Herald*, March 25, 2005.

^{xciii}

http://siteresources.worldbank.org/INTLAOPRD/Resources/jim_chamberlain_monitoring_report_on_nt2_consultations.pdf

^{xciv} Imhof, A and Lawrence, S (2005) *An Analysis of Nam Theun 2 Compliance with World Commission on Dams Strategic Priorities* International Rivers Network and Environmental Defense, Washington DC and Berkeley

^{xcv} Rainforest Foundation (2004) *Stop the carve up of the Congo forests* <http://www.rainforestfoundationuk.org/stop-the-carve-up-of-the-congo-forests>

^{xcvi} FPP letter to the President of the World Bank, expressing concern at the World Bank’s failures in applying Operational Directive 4.20 in Cameroon, May 2004 www.forestpeoples.org

^{xcvii} *Notes of a meeting between indigenous peoples, local community representatives and the chairman of the GEF, Kuala Lumpur, 16 February 2004* FPP internal briefing. On the GEF project in Bolivia and its work on indigenous territorial rights and co-management.

^{xcviii} COPPIP (2003) “Pueblos Indígenas Piden Corte Efectivo del Proyecto del Banco Mundial” *Correo Indígena* Año 2, 70, 31 October 2003

^{xcix} *Civil Society Organisations Reject World Bank Country Assistance Strategy* Press Release, New Delhi, August 10, 2004

^c Clark, D, Fox, J and Treacle, K (Eds)(2003) *Demanding Accountability: civil society claims and the World Bank Inspection Panel* Rowman and Littlefield Publishers, Lanham at page 266

^{ci} Treacle, K, Fox, J and Clark, D (2003) “Lessons Learned” in Clark, D, Fox, J and Treacle, K (Eds)(2003) *op. cit.* at pages 268-269

^{cii} See, for example, *Indigenous Peoples’ Statement to a Roundtable Discussion on the Revision of the World Bank Policy on Indigenous Peoples*, 18 October 2002, Washington, D.C. See also Bridgeman, L (2001) “World Bank reform in the “Post Policy” Era” *Georgetown International Environmental Law Review* 1013 (2003)