

*Issues and Options for Improving Engagement
Between the World Bank and Civil Society Organizations*

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ABBREVIATIONS AND ACRONYMS

| | |
|---------|---|
| ARDE | Annual Review of Development Effectiveness |
| CAS | Country Assistance Strategy |
| CBO | Community-based Organization |
| CDD | Community-Driven Development |
| CDF | Comprehensive Development Framework |
| CFP | Concessional Finance and Global Partnerships Vice Presidency |
| C-GAP | Consultative Group to Assist the Poorest |
| CIVICUS | World Alliance for Citizen Participation |
| CSO | Civil Society Organization |
| DEC | Development Economics Department |
| ESSD | Environment and Socially Sustainable Development |
| EXT | External Affairs, Communications and United Nations Affairs Vice Presidency |
| FY | Fiscal Year |
| GAVI | Global Alliance for Vaccines |
| GEF | Global Environment Facility |
| HDN | Human Development Network |
| HIPC | Heavily Indebted Poor Country |
| IDA | International Development Association |
| IDB | Inter-American Development Bank |
| IDF | Institutional Development Fund |
| IFCB | International Forum for Capacity Building |
| IFIs | International Financial Institutions |
| IMF | International Monetary Fund |
| LCR | Latin America and the Caribbean |
| LEG | Legal Department |
| MAI | Multilateral Agreement on Investment |
| MAP | Multi-Country AIDS Program |
| MDG | Millennium Development Goals |
| MDJ | Monterrey/Doha/Johannesburg |
| NGO | Non-governmental Organization |
| OECD | Organization for Economic Cooperation and Development |
| OED | Operations Evaluation Department |
| OP/BP | Operational Policy/Business Procedure |
| OPCS | Operations Policy and Country Services Network |
| OVP | Operational Vice Presidents |
| PAD | Project Appraisal Document |
| PIC | Public Information Center |
| PREM | Poverty Reduction and Economic Management |
| PRSP | Poverty Reduction Strategy Paper |
| PVO | Private Voluntary Organization |
| QAG | Quality Assurance Group |
| SAPRI | Structural Adjustment Participatory Review Initiative |
| SDV | Social Development Department |
| UN | United Nations |
| WBI | World Bank Institute |
| WSF | World Social Forum |
| WSSD | World Summit on Sustainable Development |
| WTO | World Trade Organization |

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Issues and Options for Improving Engagement Between the World Bank and Civil Society Organizations

EXECUTIVE SUMMARY

The purpose of this paper is to assess the World Bank's recent relations with civil society organizations (CSOs), and to propose options for promoting more effective civic engagement in Bank-supported activities and managing associated risks in the future.

This paper analyzes the Bank's extensive experience over the past few years in engaging CSOs in a broad range of development operations and in policy dialogue at the local, national and transnational levels. The Bank's member governments remain the institution's owners, clients and decision makers, and its ultimate accountability is to these shareholders. Yet they have supported the expansion of Bank-CSO engagement from the early 1980s to today in recognition of the benefits for development effectiveness and poverty reduction. During Mr. Wolfensohn's tenure as Bank President from 1995-present, the Bank has placed a high priority on strengthening engagement with CSOs, including appointing staff in most of the Bank's country offices to facilitate these relations. Civic engagement is now an integral piece of the Bank's strategy to strengthen the investment climate and promote empowerment in developing countries, and is part of the Bank's business model. The importance of such an empowerment and participatory approach to development has been reflected in Bank operational policies and staff guidelines, recent IDA Replenishment reports, and the 2000 and 2004 World Development Reports, and it underpins the Comprehensive Development Framework (CDF) and Poverty Reduction Strategy Paper (PRSP) approaches. The Bank regards constructive engagement with CSOs as an important factor in supporting the global development agenda laid out in the recent summits in Monterrey, Doha, and Johannesburg, and in supporting developing countries' efforts to achieve the Millennium Development Goals (MDGs).

The Bank today is taking deliberate steps to engage a wider, and more complex, spectrum of organizations and constituencies within global, national and local civil society. The Bank recognizes the differing situations between countries as well as the different environments—legal, institutional, political and social—that shape the opportunities for civic engagement. To frame the discussion, this paper provides a definition of CSOs as not-for-profit, non-governmental institutions, covering a wide range of organizations from development NGOs and think tanks to trade unions, foundations, faith-based organizations, disabled persons organizations, community-based organizations, media (independent and non-profit), and business associations. The paper then scans the authorizing framework for Bank-CSO relations and some of the implications of changes that have occurred inside and outside the Bank since the 1998 review entitled *The Bank's Relations with NGOs: Issues and Directions*, which discussed the evolution of Bank-civil society relations from 1981-1998.

The Bank's engagement with CSOs can be grouped into three categories of activity: *facilitation, dialogue and consultation, and partnership.* As a facilitator, the Bank supports civic engagement in countries that are designing Poverty Reduction Strategies, and in implementing and monitoring an array of Bank-financed projects, ranging from HIV/AIDS treatment and prevention to microcredit schemes. Through dialogue and consultation, the Bank directly engages CSOs and seeks their views on issues of mutual interest, such as the Bank's operational policies and Country Assistance Strategies (CAS). Executive Directors on the Bank's Board meet regularly with CSOs, as do Bank management and staff. And in the category of partnerships, the Bank is working with CSOs on joint initiatives in biodiversity, health, education, youth development and numerous other areas. Many Bank legal agreements with governments contain grant-making components, such as Social Funds and AIDS programs, through which resources are channeled to CSOs to implement social service programs. The Bank also manages an array of grant mechanisms and donor-supported trust funds that provide direct support for CSO-initiated projects.

While the overall trend has been one of broadening and deepening engagement of CSOs in the Bank's work, approaches to engagement vary widely, and some significant constraints exist. Some member governments and Bank staff remain cautious about CSO engagement, which can be attributed to many factors, including concerns about the roles, representation and accountability of CSOs. Other institutional constraints to effective civic engagement include: a lack of reliable and/or easily accessible data to monitor and evaluate the Bank's engagement with CSOs; insufficient guidance to staff on good practices and procedures to follow when engaging with CSOs; disclosure and transparency issues; weak incentives for Bank staff to engage CSOs; and funding and procurement limitations. Cost-benefit considerations are of particular concern for the Bank, as it aims to improve the cost effectiveness of its operations and to reduce the costs for developing country clients of doing business with the Bank. Likewise, some CSOs are wary of engaging with the Bank because they find it cumbersome to do so, or they do not believe it will yield much benefit. Bank management has acknowledged the need to address many of these internal and external concerns.

An important consideration for the Bank and its member governments is that the dramatic expansion in the size, scope and capacity of CSOs around the globe since the early 1990s has already had a major impact on global development, and that impact is likely to grow in the future. These changes have been aided by the process of globalization and the expansion of democratic governance, access to telecommunications, market transformations, and economic integration. CSOs have become significant players in global development finance, are increasingly influencing the shape of global and national public policy, and have become important channels for delivery of social services and implementation of both publicly and privately financed development programs. The growing focus among policy makers and citizens on the need for good governance and greater transparency has also opened new doors for CSOs as players in the development business, and parliamentarians, media and opinion leaders increasingly rely on CSOs for information, sectoral expertise and/or policy advice.

As the influence of CSOs continues to grow, they are also attracting greater public scrutiny, prompting calls for greater accountability. Some government authorities, notably parliamentarians in developing countries, have begun to question who CSOs represent and how much weight should be given to their views vis-à-vis the views of elected officials and other stakeholders. There has been growing interest from within the civil society sector, as well as from governments and donors, in the use by CSOs of codes of conduct, accreditation programs

and forms of benchmarking that encourage the common pursuit of good practice in performance, accountability and transparency in their management and operations. At the same time, many governments and international agencies have taken steps to adapt to this changing civil society and governance landscape, in some cases including civil society representatives in national delegations or policy setting bodies. This in turn has led to calls for the Bank to review its own norms and mechanisms for engagement; to further mainstream participation in Bank-supported research and analysis, policy dialogue and operations; and to encourage member governments to open space for civic engagement in development policy making and programming.

The changes in civil society also have prompted an evolution in the styles of CSO engagement with the Bank and other multilateral institutions in recent years. On one hand, unprecedented numbers of CSOs are involved in implementing Bank-supported projects, as contractors or as grant recipients. On the other hand, CSOs have organized extensive protests and advocacy campaigns targeting Bank and other international meetings, which have been viewed by some as evidence of a crisis in CSO confidence in multilateral institutions. These protests warrant measured analysis. Some have been rooted in growing public concerns about globalization and persistent social and economic inequities, and in opposition to governments' structural adjustment and economic reforms. Others have been aimed directly at Bank policy and lending decisions, or dissatisfaction with the process or outcomes of Bank-supported consultations. Even when the responsibility for the decision or process in question rests with an individual government, CSOs often believe that targeting the Bank, with its political and financial clout and international media scrutiny, is more likely to get attention and force change than targeting the government involved. There was an overall shift toward more peaceful engagement in the wake of the violence which occurred in 2000 and 2001 at the international meetings in Prague, Quebec, and Genoa, and particularly after the September 11, 2001 terrorist attacks, but experience shows that some groups remain committed to using obstructive tactics or even violence. With these more militant groups, there is little basis for the Bank to expect that constructive relations are possible or desirable. However, the evolution of the World Social Forum (WSF) and other civil society forums suggest that even some of the more radical social movements may be maturing, recognizing the need to move beyond using protest as an advocacy tool and engaging policy makers in serious debate about policy alternatives.

Recent Bank/IMF Annual and Spring Meetings, where substantive dialogue has occurred as well as protests, demonstrate the complex relations that often exist between CSOs and the Bank. It is important for the Bank and its member governments to recognize that many CSOs feel it is appropriate to play dual roles as critics and allies. Critical advocacy and peaceful protest have played important roles in the past in promoting effective reform and policy changes, such as the adoption of expanded debt relief, environmental and social safeguard policies, information disclosure and the Inspection Panel. Today, CSOs are appealing to the Bank to tackle a new generation of development challenges, such as ensuring debt sustainability after debt relief has been provided, thorough application of safeguards, protection of human rights, and increasing the voice and participation of developing country governments and their citizens in global decision-making processes. Many of these issues are at the heart of the evolving relationship among the Bank, its member governments, CSOs, and the private sector, and relate to difficult questions of country ownership, sovereignty, and political power. The Bank and its member governments should seize the opportunity to strengthen relations with CSOs which may represent constituencies sympathetic to the protesters' messages, yet which opt for constructive engagement rather than confrontation. Particular emphasis should be on building relations with

groups which empower poor people and have the analytical skills, operational capacity, and/or networks to contribute to the global effort to reach the MDGs.

As CSOs become more influential actors in public policy and in development efforts, the Bank's business case for engaging CSOs grows stronger, as a key component of an effective institutional strategy for poverty reduction. Civic engagement, including the integration of poor people's voices and citizen participation into public policy, is an important means for the improvement of service delivery schemes and accelerating progress toward the MDGs, as outlined in the World Development Report 2004: *Making Services Work for Poor People*. As an inter-governmental institution, the Bank's challenge is to promote civic engagement that helps member governments exercise their leadership role to promote sustainable development and achieve the MDGs in a cost-effective, participatory, equitable and accountable manner.

The analysis in this paper points to four main issues and challenges for the Bank as it seeks to achieve more constructive and effective engagement with CSOs in the future:

Issue 1: Promoting best practices for civic engagement

The Bank's mainstreaming of civic engagement has led to a wide variety of approaches and practices, some more effective than others. This variety can result in dissatisfaction among Bank staff, member governments and CSOs in terms of the quality and outcome of the engagement. The solution lies in finding better ways of promoting and sharing good practices across the Bank, and also in soliciting regular feedback from member governments and CSOs on the strengths and weaknesses of the Bank's engagement practices.

Issue 2: Closing the gap between expectations, policy and practice

The gap between the Bank's messages and corresponding expectations, policies and practices suggests a number of constraints to effective Bank-CSO engagement. Taking further steps to close this gap can help to promote more constructive and effective relations in the future.

Issue 3: Adapting to changes in global and national civil society

Significant changes in global and national civil society have occurred over the last several years, which warrant adjustments in the ways the Bank engages with CSOs institutionally.

Issue 4: Achieving greater Bank-wide coherence and accountability

The decentralized responsibility in the Bank for engaging CSOs is a major challenge that poses both opportunities and risks. This calls for reviewing the management and staffing arrangements and improving the mechanisms to achieve greater Bank-wide coherence, coordination and accountability.

To address these issues, 10 priority actions are proposed:

- Establish new global mechanisms for Bank-CSO engagement to help promote mutual understanding and cooperation.
- Establish a Bank-wide advisory service/focal point for consultations and an institutional framework for consultation management and feedback.
- Pilot a new Bank-wide monitoring and evaluation system for civic engagement.
- Conduct a review of Bank funds available for civil society engagement in operations and policy dialogue, and explore possible realignment or restructuring.
- Review the Bank's procurement framework with a view toward facilitating collaboration with CSOs.
- Institute an integrated learning program for Bank staff and member governments on how to engage CSOs more effectively, as well as capacity-building for CSOs on how to work effectively with the Bank and its member governments.
- Hold regular meetings of senior management, and periodically with the Board, to review Bank-civil society relations.
- Develop and issue new guidelines for Bank staff on the institution's approach, best practices, and a framework for engagement with CSOs.
- Emphasize the importance of civil society engagement in the guidance to Bank staff on the preparation of the CAS as well as in CAS monitoring and evaluation.
- Develop tools for analytical mapping of civil society to assist country and task teams in determining the relevant CSOs to engage on a given issue, project or strategy.

A number of other options for improving the Bank's engagement with CSOs require further discussion among Bank management, member governments and CSOs, and are outlined in Section 7 of this paper.

Issues and Options for Improving Engagement Between the World Bank and Civil Society Organizations

1. INTRODUCTION

1. **The purpose of this paper is to assess the World Bank's (hereafter the Bank)¹ recent relations with civil society organizations (CSOs), and to propose options for promoting more effective civic engagement in Bank-supported activities and managing associated risks in the future.** This paper was initially drafted by the Bank's Civil Society Team (CST) anchor² as a follow-up to an October 2001 meeting of Bank Vice Presidents, at which time it was agreed that recent internal and external developments warranted a strategic review of the status of the Bank's relations with CSOs.
2. **Strengthening Bank-CSO relations is important to various Bank sector strategies, in support of implementing the institutional Strategic Framework and the global development agenda set forth in the Millennium Development Goals (MDGs) and international summits in Monterrey, Doha, and Johannesburg.³** This paper serves as a follow-up to the 1998 paper *The Bank's Relations with NGOs: Issues and Directions*, which reviewed the history of Bank-civil society relations from 1981-1998 and some of the lessons learned during that period.⁴ Since the Bank's Board of Directors adopted the first operational directive on working with NGOs in 1981, the Bank has come to recognize the development effectiveness and risk management benefits of engaging CSOs, and has steadily expanded this engagement both in operations and in policy dialogue. This trend has been supported over the years by the creation in the early 1980s of the Bank-NGO Committee and the NGO/CSO anchor team at Bank headquarters, and since 1995 by a Bank-wide Civil Society Group (CSG) comprising civil society and external affairs specialists who are located across the institution in various headquarters departments and in most country offices.⁵ Today, nearly all operational staff spend some time on civil society

¹ In this paper, the term World Bank and the recommendations herein refer to the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA), but not to the other institutions which comprise the World Bank Group (International Finance Corporation, Multilateral Investment Guarantee Agency, and the International Center for Settlement of Investment Disputes).

² The Bank's core Civil Society Team (CST) currently comprises 7 full-time professional staff from the External Affairs (EXT), Environmentally and Socially Sustainable Development (ESSD) and Operations Policy and Country Services (OPCS) vice presidencies at Bank headquarters. The CST serves as an institutional focal point for Bank-civil society relations, replacing what was formerly called the NGO and Civil Society Unit.

³ See the World Bank's *Strategic Directions for External Affairs: Facing Challenges, Defining New Opportunities* (World Bank 2001f), and *Empowering People by Transforming Institutions: An Implementation Plan for Social Development in Bank Operations* (World Bank 2005a).

⁴ *The Bank's Relations with NGOs: Issues and Directions* (World Bank 1998b), presented to the Board in August 1998, is a key reference document on Bank-civil society relations. It summarizes the history of Bank-NGO relations and the substantial progress made over nearly two decades, and key issues going forward.

⁵ The Bank-wide Civil Society Group (CSG) is an informal grouping of approximately 120 staff located in more than 70 country offices and across various departments in Bank headquarters in Washington. This includes focal points which have been designated for outreach to specific constituencies, e.g. trade unions, faiths, foundations, children and youth, and disabilities. It should be noted however that most of these staff are not full-time dedicated to civil society engagement; they have operational or other responsibilities in their respective units.

engagement, as promoting partnerships and stakeholder participation have become part of the Bank's business model.

3. **Civic engagement has increased substantially during the last few years in Bank-supported investment and programmatic lending operations, as well as in the design, implementation and monitoring of national poverty reduction strategies.** This is evident in the expanded use of social accountability⁶ and participatory techniques for budget allocation and service delivery, the growing incidence of CSO participation in the design and monitoring of Poverty Reduction Strategy Papers (PRSPs), and the emergence of operational innovations and partnerships with CSOs, examples of which are referred to later in this paper. This paper is meant to complement other documents which provide much more detailed discussions of Bank-CSO engagement in specific regional, country, or issue-based contexts.⁷ This paper focuses on various cross-country issues in recognition that as CSOs become more connected around the globe, the way in which issues and relations are managed at the local level often affects relations at the global or institutional levels, and vice-versa. The authors also have consulted many recent external reviews on global civil society trends and Bank-CSO relations.⁸
4. **It can be argued that the Bank is now in its third generation of engaging CSOs in poverty reduction and development efforts.** During the first generation, from the early 1980s to early 1990s, the Bank was focused on opening its doors to CSOs, and learning how to promote participation. The second generation, from about 1992 to 1999, focused on expanding and mainstreaming participation in Bank operations and policy dialogue. Although the mainstreaming and learning process continues, since late 1999 the Bank has entered a new phase in which external and internal changes are forcing its relations with CSOs to expand and evolve. At the same time, there has arisen a new set of challenges to Bank-wide coordination and coherence that is examined in this paper.
5. **Because Bank-CSO relations are inherently dynamic, the issues and actions put forward in this paper warrant ongoing review by Bank management, member governments and interested CSOs.** This paper is intended to promote discussion of next steps. To frame the discussion, the paper begins with a working definition of CSOs, briefly reviews the rationale and authorizing framework for engaging CSOs in policy dialogue and operations, and describes the different types of Bank interactions

⁶ Social accountability is an approach towards building accountability which relies on civic engagement, i.e., in which it is ordinary citizens and/or CSOs who participate directly or indirectly in exacting accountability from public institutions. Social accountability mechanisms are hence demand-driven and operate from the bottom up. See paragraph 23 for more discussion on this topic.

⁷ For example, see *World Bank-Civil Society Engagement: Review of Fiscal Years 2002-2004* (World Bank 2005c); *Empowering the Poor and Promoting Accountability in LCR: A Regional Framework and Strategy for Engaging Civil Society FY02-FY04* (World Bank 2002m), the upcoming LCR strategy document on *Inclusive Governance*, and *Civic Engagement to Improve Development Effectiveness in Europe and the Central Asia Region: The Role of the World Bank* (World Bank 2003a).

⁸ See attached bibliography for a complete list of Bank and other documents consulted in preparation of this paper. This paper is based on numerous discussions held from approximately 2000-present with Bank staff, Managers and Executive Directors, including meetings of the Bank's civil society and external affairs staffs, and discussions with key contacts in global civil society. Key reference documents include the 1998 OED study on *Nongovernmental Organizations in World Bank-Supported Projects* (World Bank 1998a), *The Bank's Relations with NGOs* (World Bank 1998b), the *World Bank-Civil Society Collaboration Fiscal Years 2000/2001 Progress Report* (World Bank 2001g), and the EXT booklet *Working Together: World Bank-Civil Society Relations* (World Bank 2003i).

with CSOs. The paper then examines some of the reasons for CSOs' expanding influence on global and national public policy, the nature of recent high-profile protests and campaigns against the Bank, and some of the views and concerns voiced by CSOs which regularly engage with the Bank. Finally, the paper lays out four sets of issues and ten priority actions, with the objective of improving the effectiveness of future civic engagement by the Bank and increasing its impact on poverty reduction. The paper also suggests a number of other options which could be taken to address these issues, but on which further discussion and consensus-building may be required. These proposals should be seen neither as a panacea, nor as comprehensive, but as steps which the Bank, its member governments and CSOs alike can support to help improve the overall quality of engagement.

2. NEW PLAYERS, NEW SCENARIOS: DEFINING BROADER ENGAGEMENT WITH CIVIL SOCIETY

6. **The Bank uses the term *civil society organizations* or *CSOs* to refer to the wide array of *non-governmental and not-for-profit* organizations which have a presence in public life, expressing the interests and values of their members or others, based on ethical, cultural, scientific, religious or philanthropic considerations.** This definition of civil society, which has gained currency in recent years in academic and international development circles, refers to the sphere *outside* the family, the state and the market. It excludes for-profit businesses, although professional associations or business federations may be included.⁹ There has been a deliberate shift away in the last few years from use of the term *NGO*, which refers more narrowly to professional, intermediary and non-profit organizations which advocate and/or provide services in the areas of economic and social development, human rights, welfare and emergency relief. The Bank traditionally has focused on NGOs in its operations and dialogue, given their prominent role in development activities. Today, however, there is general acceptance that the Bank must, and has begun to, reach out more broadly to CSOs, including not just NGOs but also trade unions, community-based organizations, social movements, faith-based institutions, disabled persons organizations, charitable organizations, media¹⁰, research centers, foundations, student organizations, professional associations and many others. Civil society has been described by one expert as the arena in which people come together to pursue interests they hold in common -- not for profit or for the exercise of political

⁹ Note: There is no universally accepted definition of the term *civil society*, which can be traced to Thomas Hobbes and the Scottish philosopher Adam Ferguson. What is important is not that everyone agrees who is "in" and who is "out" in some abstract sense, but to have a working definition to guide the Bank's decision-making. In this definition, "non-governmental" and "not-for-profit" are key indicators; "for-profit" business or the "private sector" is treated as separate. For further discussion, see *The Bank's Relations with NGOs: Issues and Directions* (World Bank 1998b). See also The World Bank, *Consultations with Civil Society: A Sourcebook* (World Bank 2001a).

¹⁰ It is acknowledged that "media" comprise both for-profit publishing and broadcasting corporations and conglomerates, Internet service providers, public radio and television, and not-for-profit entities. Some media are also state-owned or state-controlled. It is not surprising, therefore, that there is debate whether media, or which components of media, should be considered part of civil society. We acknowledge the validity of the debate, but for purposes of this paper elect to include independent and non-profit media as part of civil society.

power, but because they care enough about something to take collective action in the public arena.¹¹

7. **Classification of CSOs is often difficult, given the heterogeneity of institutional interests, organizational dynamics and philosophical perspectives.** While an individual CSO may be classified as local, national or transnational, it may operate at more than one of these levels simultaneously. Some CSOs may be involved strictly in service delivery, some in capacity-building, and others only in policy advocacy or research, but increasingly groups are involved in more than one of these activities at the same time. Some examples of CSOs that transcend geographical and functional divides include well-known international networks and movements such as CARE, Caritas, CIVICUS, Oxfam, Transparency International, Via Campesina and the World Council of Churches. CSOs also form alliances and coalitions with one another at local, national, and/or transnational levels, both formal and informal. These alliances may shift depending on a specific task, issue or political context. For example, religious and women's groups, which may coordinate to provide food and schooling to needy populations in a humanitarian crisis, may split over the issue of providing access to family planning services. Another example is that environmental and agrarian reform groups, which are often allies on empowering rural communities, may clash over the issue of access to land in protected areas. In addition, CSOs vary widely with respect to their philosophical and ideological orientations, which may be influenced by faith, historical commitment to public service, politics, the nature of their membership, or by their individual leaders. This helps to explain the very lively and rapidly changing debate within global civil society on almost every facet of CSO organization, structure, and practice, including their diverse views on whether, or how, to engage with the Bank.
8. **It is also important to recognize that different levels of capacity, access to power, information and economic resources can be found among CSOs, particularly contrasting large global or national CSOs with community-based organizations.** CSOs located in Northern countries or even some in capital cities of developing countries may have multi-million dollar budgets and be invited regularly to meet with national and global policy makers, whereas CBOs in grassroots communities in Southern countries working on behalf of poor people generally have less access and fewer resources available to them. These obstacles may prevent them from participating as effectively in policy debates as their counterparts in the capitals. CSOs in developing and transition countries more generally are often constrained by the lack of appropriate policy, legal and regulatory frameworks for civic engagement, limited internet access, and/or by restrictions on free press or forums for public debate in their countries. In some cases, local CSOs may rely on their allies in richer countries to advocate on their behalf. In other cases, local CSOs are actually branches of international CSOs and partly financed by the international organization.
9. **The diversity and complexity of global civil society pose challenges to effective engagement with governments and international organizations.** In his February

¹¹ Edwards 1999, p.1; Alan Fowler also notes that by this definition, not all forces present in civil society play a positive role in development; for example, there are organizations which are in favor of social or cultural segregation, or are linked to organized crime, see his January 2000 UNRISD paper, *Civil Society, NGOs and Social Development: Changing the Rules of the Game?*

2003 Presidential Lecture at the Bank, Dr. Kumi Naidoo, Secretary-General and CEO of CIVICUS, noted that this diversity is an asset, but it also “throws up fundamental questions about whose voices are heard and in which venues, how resources are accessed and distributed, and who is speaking for whom.”¹² Navigating these relationships requires more targeted stakeholder analysis and participatory approaches, and is an important reason why over time the Bank has decentralized much of its relationship management with CSOs to the country level. However, the increasing transnational networking of CSOs also requires consistent strategic engagement at the global level. These challenges are discussed further in Sections 5 and 6 of this paper.

3. RATIONALE AND POLICY FRAMEWORK GOVERNING THE BANK’S ENGAGEMENT WITH CSOS

10. **The Bank’s member governments are the institution’s clients, owners and decision makers, yet Bank Management and member governments alike have recognized that engaging proactively with a variety of other stakeholders, including CSOs, improves development effectiveness.** This participatory approach to development has been reflected in at least 15 Bank operational policies or guidelines to staff, including Good Practice (G.P.) 14.70 on *Involving NGOs in Bank-supported Activities*; recent IDA Replenishment reports; the 2000 and 2004 World Development Reports; the Bank’s 2001 Strategic Framework Paper and subsequent Strategy Update Papers; and is embodied in the Comprehensive Development Framework (CDF) and Poverty Reduction Strategy Paper (PRSP) approaches. Additionally, the Bank’s *Empowerment Framework* identifies public access to information, inclusion and participation, accountability and local organizational capacity as four key elements of an effective empowerment strategy.¹³
11. **Engaging with CSOs contributes to poverty reduction in a number of ways, including:**
 - ***promoting public consensus and local ownership*** for reforms and for national poverty reduction and development strategies by creating knowledge-sharing networks, building common ground for understanding, encouraging public-private cooperation, and sometimes even diffusing tensions;
 - ***giving voice to the concerns of primary and secondary stakeholders***, particularly poor and marginalized populations, and helping ensure that their views are factored into policy and program decisions;
 - ***strengthening and leveraging impact of development programs*** by providing local knowledge, identifying potential risks, targeting assistance, and expanding reach, particularly at the community level;
 - ***bringing innovative ideas and solutions to development challenges*** at both the local and global levels;

¹² Naidoo 2003.

¹³ Narayan 2002. pp. 18-24.

- ***providing professional expertise and increasing capacity*** for effective service delivery, especially in environments with weak public sector capacity, in post-conflict situations or in humanitarian crises; and
- ***improving public transparency and accountability*** of development activities, and thus contributing to the enabling environment for good governance.

12. **The Bank's staffing arrangements have evolved in recent years to support the demands for broader engagement of civil society.** As noted above in paragraph 2, the Bank has a small anchor Civil Society Team (CST), comprising EXT, ESSD and OPCS staff at headquarters (replacing what was formerly known as the NGO and Civil Society unit), which serves as an overall institutional and global-level focal point and resource for Bank management, staff and CSOs on Bank-civil society engagement. The Bank's regional departments and most country offices also have staff who serve as focal points for civic engagement at their respective levels. In addition, the Bank now has staff based in different network departments whose task is to deepen engagement with specific constituencies *within* civil society, such as trade unions, youth, faith-based organizations, and disabled peoples organizations (HDN); foundations (CFP); indigenous peoples (ESSD); and poor people's networks (PREM). All of these staff act both as direct interlocutors for the Bank with CSOs and also to provide advice and support to the Bank President and senior management team, country and sector directors, and task managers for their engagements in operations and policy dialogue with CSOs.

13. **The benefits of engaging CSOs are supported by a number of Bank studies over the past decade, as well as by anecdotal and case study experience.** A few references deserve specific mention in this paper. First, the 1994 final report of the Bank's Participatory Development Learning Group, endorsed by the Board of Directors, concluded that, "There is significant evidence that participation can in many circumstances improve the quality, effectiveness, and sustainability of projects, and strengthen ownership and commitment of government and stakeholders."¹⁴ Then in 1998, OED concluded in its review, *Non-governmental Organizations in World Bank-supported Projects*, that a majority of projects studied showed potential for success because their preparation and early implementation were highly participatory.¹⁵ In the 1999 DEC policy research report, *Assessing Aid: What Works, What Doesn't and Why*, the authors found in one study that government agencies that actively sought to encourage involvement of beneficiaries achieved a 62 percent success rate in their projects, while those that did not achieved just a 10 percent success rate.¹⁶ The 2000 World Development Report, *Attacking Poverty*, and the contributing study series, *Voices of the Poor*, lay the foundation for the empowerment, security, and inclusion framework, and documented the key role played by community groups in poverty reduction efforts.¹⁷ Also in 2000, ESSD published *From Confrontation to Collaboration*, which described how improved

¹⁴ World Bank 1994. See also *Participation in Development Assistance*, OED, Precis No. 209, Fall, p.3. (World Bank 2001d).

¹⁵ Gibbs 1998 p. 34.

¹⁶ Dollar 1999.

¹⁷ Narayan 2000; World Bank 2001h.

relations in Brazil among government, civil society, and the World Bank resulted in more accepted public policies and more effective projects.¹⁸

14. **An OED study of participatory processes in Bank-assisted projects completed in 2001 concluded that participation of primary and secondary stakeholders (including CSOs) increased significantly during the mid-1990s, and the resulting benefits have been significant.**¹⁹ Quality Assurance Group (QAG) assessments also have shown a high correlation between overall project quality and quality of participation.²⁰ The *World Bank-Civil Society Engagement: Review of Fiscal Years 2002-2004* illustrates how consultations with CSOs during CAS preparation can increase the CSOs' capacity to engage in the national development debate and can yield important findings and recommendations that improve the overall quality of the CAS.²¹ OED's *2002 Annual Review of Development Effectiveness* (ARDE) states that the effectiveness of Bank lending operations for sector and thematic objectives is influenced by the extent and quality of stakeholder participation. The 2002 ARDE encouraged experimentation with outcome-based operations and innovative partnerships with private and voluntary organizations as some means toward greater development effectiveness.²² OED's 2004 evaluation of the Bank's work in Social Development also concluded that stakeholder participation in project design and on a continuing basis throughout the project cycle, leveraging of local CSO capacity, and engaging CSOs that can partner with communities until they can "go it alone" are all critical factors in successful Bank-financed projects.²³ The World Development Report 2004 highlighted the significant percentage of services delivered by non-state providers (including CSOs) in areas such as health, where in many countries 80 percent or more of expenditures are in the non-state sector. The centrality of non-state provision was reinforced in a recent DFID funded study of services in six countries, which again documented the large proportion of service delivery by non-state providers (primarily CSOs) in health, education, water and sanitation.²⁴ Furthermore, the WDR 2004 argued for the establishment of accountable relationships among policy makers, service providers and poor people, and documented the critical role that citizens and CSOs can play, both as suppliers and clients of services, to improve the access and quality of water and sanitation, education, and health care services. The 2004 WDR pointed to examples of how CSOs help make social expenditure budgets understandable to ordinary citizens, how parent associations monitor the use of public education resources in their local schools, and how water users associations track contracting and distribution arrangements.²⁵

¹⁸ Garrison 2000.

¹⁹ World Bank 2001d.

²⁰ World Bank 2000d.

²¹ World Bank 2005c; World Bank 2001g, p. 6; World Bank 2001d; World Bank 2000c. See also World Bank's *Social Development Update* (World Bank 2002g) at:

[http://lnweb18.worldbank.org/ESSD/sdvext.nsf/66ByDocName/MonitoringCivicEngagementinBankLendingandPolicyInstruments/\\$FILE/monitoring-civic-engagement.pdf](http://lnweb18.worldbank.org/ESSD/sdvext.nsf/66ByDocName/MonitoringCivicEngagementinBankLendingandPolicyInstruments/$FILE/monitoring-civic-engagement.pdf)

²² World Bank 2002b.

²³ *An OED Review of Social Development in Bank Activities* (World Bank 2004a).

²⁴ *Non-State Providers in Service Delivery*, University of Birmingham, 2005.

²⁵ *World Development Report 2004: Making Services Work for Poor People*. (World Bank 2003h).

- 15. Recent Bank experience has shown that civic engagement in public policy can enhance the transparency of public institutions.** The Bank's "social accountability" agenda seeks to build local institutions that utilize civic engagement to improve policies and programs, and to facilitate accountability, transparency and performance of public services. In the context of decentralization and Community-Driven Development, social accountability helps to strengthen links between citizens and local governments, and assists local authorities and service providers to be more responsive to the priorities of poor people. A promising model of social accountability is the Peru Programmatic Social Reform Loan (PSRL), which is supporting the national medium-term social reform program. While seeking to make the social spending policy more open, this loan pursues a more effective use of public anti-poverty expenditures. The Peruvian government has piloted a "report card" to evaluate how citizens rate the performance of selected social services. This is expected to result in a substantial increase in poor people's access to health and education services, and greater protections for vulnerable groups during humanitarian crises.²⁶
- 16. Despite this body of experience supporting the role of civic engagement in development effectiveness, many Bank staff and their counterparts in government remain cautious about engaging CSOs.** One of the contributing factors is the lack of clarity, fragmentation, and the ad-hoc nature of the existing operational guidelines for staff. Existing good practices encourage staff to consult or otherwise engage CSOs, but it is optional for staff to avail themselves of best practices, advice or training in this area, and incentives to do so are often weak. Focal points that have been established during the past few years to promote engagement with specific constituencies like faiths, children and youth, disabilities, foundations and trade unions are located in different vice presidential units across the Bank, somewhat disconnected from one another as well as from regular operational and policy decision-making processes. This often gives rise to wide variances in engagement practice across the Bank. Many Bank staff and their government counterparts also may have limited understanding of the nature and breadth of civil society, of what engaging CSOs can offer, or how they can engage effectively.
- 17. Bank-CSO engagement that fits within the Bank's purposes is entirely permissible under the Bank's Articles of Agreement, so long as the general provisions of the Articles are observed.**²⁷ In general, the Bank's activities must relate to economic considerations, including the economic implications of social, political and cultural factors that arise in CSO engagement. More specifically, neither the Bank as an institution nor its staff members may interfere in the political affairs of member countries. This limitation means, among other things, that the Bank cannot engage in, or be perceived as engaging in, partisan politics. Nor can the Bank and its staff members allow their decisions to be influenced by the political character of member countries. The government agency that serves as the Bank's channel of communications in each country should be alerted to Bank interactions with CSOs in that country. While these stipulations do not generally pose a constraint on Bank-

²⁶ World Bank-Civil Society Engagement: Review of Fiscal Years 2002-2004 (World Bank 2005c).

²⁷ The Bank's purposes are set out in Article I, while the general provisions highlighted in this paragraph can be found in Article III, Section 2 and Article IV, Section 10. IBRD Articles of Agreement, as amended effective February 16, 1989. www.worldbank.org.

CSO engagement, there is still a need for guidance for Bank staff in these sensitive areas.

18. **Also, concern about the legitimacy, transparency and accountability of CSOs are often voiced by Bank staff and member governments.** Among the most common critiques heard is that CSOs are not elected and do not represent anyone but themselves. Many parliamentarians complain that CSOs are consulted at the expense of parliamentary involvement and established democratic processes. Other critiques are that many CSOs are neither democratic nor transparent in their own management structures and practices, or that they can undermine or circumvent government responsibility to set policy or ensure delivery of social services.²⁸ The Bank's Voices of the Poor study team found that intermediary NGOs/CSOs do not garner the same trust from poor people as do their own community-based organizations.²⁹ Some intermediary CSOs may be more preoccupied with "upward" accountability to donors at the expense of "downward" accountability to poor people and local constituencies. Pressures of fundraising, weak management skills, and difficulties in scaling up operations can pose limits to CSOs' effectiveness and accountability.³⁰
19. **Concerns are also expressed by Bank staff and client governments that promoting civil society participation increases the cost of doing business.** OED's participation study found that engaging primary and secondary stakeholders can be resource- and time-intensive; for example, the costs of consultations for those CASs studied by the OED team ranged as high as 30 percent of the CAS budget.³¹ Consultations and other mechanisms of participation can also introduce new tensions, such as competition among stakeholders with different interests, or raising issues or expectations that cannot be addressed by the Bank or by a specific project or task team. However, it should be noted that task managers interviewed for OED's participation study reported that the benefits of participation outweigh the costs.³² Likewise, OED's recent review of social development activities within the Bank found that higher upstream costs incurred due to participation of stakeholders are outweighed by the improved sustainability of the projects.³³ Task managers, however, report that they are looking for technical and financial support and guidance for where, when, and how to engage.³⁴
20. **Summary of issues:** Engagement with CSOs in a wide variety of Bank activities is a *de facto* part of the Bank's operational policy framework. This is based on more than two decades of acquired institutional experience, including both quantitative and qualitative data that demonstrate the benefits of engaging CSOs. Yet in practice there is still a wide variance across the Bank due to the ad-hoc nature of this framework, weak incentives, concerns about civil society accountability, and the time and cost associated with promoting participation and civic engagement. This disparity has also resulted from the otherwise beneficial efforts to decentralize and mainstream the

²⁸ Mohammed 1997; Transcript of World Bank Annual Meetings 2002, Seminar's Capstone Session with Foreign Minister Trevor Manuel and Development Minister Jan Karlsson. (World Bank 2002j).

²⁹ Narayan 2000.

³⁰ Edwards 2000.

³¹ World Bank 2001d.

³² World Bank 2001d.

³³ World Bank 2004a.

³⁴ Schiffler 2004.

Bank's engagement with CSOs at the country and project level. These factors have contributed to dissatisfaction among Bank staff, governments and CSOs alike with the quality and outcome of the engagement. Indeed many Bank staff have expressed the need for more good practice guidance and support when engaging CSOs.

4. A FRAMEWORK FOR ENGAGEMENT: EXPANSIONS AND CONSTRAINTS

21. **Just as the actors involved in Bank-CSO relations vary widely, so do the types of interactions. To provide a framework to examine the Bank's civic engagement activities, the Civil Society Team has grouped them into three categories of activity: *facilitation*; *dialogue and consultation*; and *partnership*.** Each set of activities may take place at the local, national and transnational levels. An individual CSO may be involved simultaneously with the Bank in all three categories, and at more than one of these levels. Many CSOs consider it entirely appropriate to engage in advocacy and accountability activities while also acting as service providers. Thus, it is important to recognize that positive relations with CSOs in one area do not guarantee positive relations in another. For example, it is not uncommon for a CSO to be engaged in dialogue as a critic of the Bank on structural adjustment policy, yet still engage in an operational partnership with the Bank or receive Bank funds for a project on environmental resource management. It is also important to recognize that CSOs traditionally have been much more engaged in some sectors of the Bank's work, namely in social policy, social services and the environment, than in macroeconomic policy, trade or finance. Indeed, knowledgeable CSOs often view some units of the Bank quite differently from others, depending on such factors as their accessibility, perceived openness to new ideas and perspectives, and track record in providing feedback.

22. **The Bank's *facilitation* role is when the Bank provides guidance, technical or financial assistance to client governments to engage with CSOs in Bank-supported activities.** This group of activities forms the largest component of Bank engagement with CSOs, and is geared toward enhancing the effectiveness of Bank-financed projects and policy reforms. The Bank helps build capacity of governments and CSOs to engage constructively with one another by: providing advice, resources, and training; sharing knowledge and best practices; convening or supporting multi-stakeholder discussions; encouraging and sometimes helping negotiate terms of engagement. Desk reviews of Bank project documents conducted annually by ESSD show that, in both absolute and relative numbers, *intended* civil society involvement in Bank operations has risen steadily over the past decade, from 21.5 percent of the total number of projects in FY 1990 to 41 percent in FY 1995 and 74 percent in FY 2004. The Bank is also encouraging countries to implement projects linking local CSOs and local authorities in Community-Driven Development (CDD) approaches, for which lending was close to \$2 billion in FY2003.³⁵ CSO participation is an important element of the Bank's strategy in the Low Income Countries Under Stress

³⁵ The assessments of civil society involvement, which are based on a review of Project Appraisal Documents and Presidents' Reports, are 'actual' for the identification, preparation, and appraisal stages of the project cycle, and 'intended' for the implementation, monitoring, and evaluation. See World Bank-Civil Society Engagement: Review of Fiscal Years 2002-2004 (World Bank 2005c)

(LICUS) Initiative, and it has been recognized that broad capacity-building across society is needed to help those countries build momentum for reform and improve social service delivery.³⁶ In FY 2004, the Bank piloted a Civil Society Assessment Tool (CSAT) in three LICUS countries (Angola, Guinea-Bissau and Togo), to assess CSO capacities in those countries, to identify ways to draw on the resources they have to offer, and to assist them in building capacity where needed.³⁷

- 23. The Bank's facilitation role has expanded further since 1999 into helping governments engage CSOs in the preparation of PRSPs and implementing an approach based on the CDF.** These efforts are premised on models of participatory engagement in macroeconomic and social policies. The CDF and PRSP frameworks have presented new challenges for Bank staff as they support governments in managing these processes and ensuring meaningful participation. For example, the Malawi PRSP included strategies to strengthen public sector transparency and accountability and ensure popular participation in decision-making. In Tajikistan, PRSP literature was disseminated in several languages to ensure that all citizens could access the information. In Albania, Mongolia and several other countries, the Bank has assisted the formation of CSO working groups with government officials as they are preparing the PRSP.³⁸ The Bank is also playing a proactive role to help bring specific constituencies such as trade unions, faith groups, parliamentarians, persons with disabilities, and youth leaders into these processes.³⁹
- 24. The Bank has also expanded its facilitation role into the area of *promoting social accountability and strengthening civic engagement in public policy and public life.*** Social accountability is an approach toward building accountability which relies on civic engagement, i.e., in which ordinary citizens and/or civil society organizations participate directly or indirectly in exacting accountability from holders of power. Social accountability mechanisms are hence demand-driven, and operate from the bottom-up. The Bank is working with an array of CSO partners to help developing countries institutionalize mechanisms for transparency and accountability as a means to improve governance and public service delivery, while helping to empower citizens, especially poor people, women and indigenous peoples. Social accountability initiatives include formalizing public consultation and participation of CSOs in all the stages of the government's budget cycle, policy and budget formulation (e.g., Brazil); budget review and analysis (India, South Africa, Kenya); public expenditure and input tracking (Uganda and Bolivia); and performance monitoring and evaluation (India and Philippines). The Bank is sharing knowledge about participatory budget planning and monitoring processes with local governments

³⁶ World Bank 2003c; Board discussion on LICUS Initiative implementation on January 9, 2003.

³⁷ The Civil Society Assessment Tool (CSAT) is an analytical tool designed to assess a) relationships within civil society, and among civil society, government and donor organizations, b) institutional rules and cultural norms for civic engagement, and c) CSO role in delivering services to the poor and improving the country's governance. See CSAT Concept Note. (World Bank 2004b).

³⁸ The Bank's Social Development staff provide operational support and knowledge management on participation to teams engaged in the PRSP process. Key references include: *Good Practices and Lessons Learned in PRSP* (World Bank 2004c) (<http://www.worldbank.org/participation/PRSP/goodless3.htm>); the draft internal document *Organizing Participatory Processes in the PRSP* (www.worldbank.org/participation/partprsp.pdf); and *Participation in Poverty Reduction Strategy Papers: A Retrospective Study* (World Bank 2002f).

³⁹ See Egulu, L. 2004. *Trade Union Participation in the PRSP Process*. Social Protection Discussion Paper, World Bank: Washington, D.C.

and CSOs; providing training and technical assistance to both CSOs and government officials; and helping clients design mechanisms by which users can evaluate services, such as citizen's report cards. The Civil Society Budget Initiative, launched by the Bank in conjunction with a number of specialized CSOs and bilateral donors, has conducted workshops in a number of countries to introduce CSOs and governments to civil society budget work.⁴⁰ The Bank is also helping countries strengthen their policy and legal frameworks to provide more enabling environments for civil society and civic engagement for social and economic development and poverty reduction.⁴¹ For example, in 2003 the Bank conducted an analysis of the legal, political, economic and socio-cultural constraints on the capacity of civil society groups in Senegal to engage in the decentralization process, with the aim of improving local governance and service delivery.⁴² The Bank also has conducted a participatory assessment of the legal and regulatory framework for civic engagement in Albania to identify impediments to a more effective role for civil society in the country's social and economic development, and develop policy and legal reform priorities.

- 25. *Dialogue and consultation* are areas where the Bank engages bilaterally with CSOs, with the knowledge and support of member governments. *Dialogue* occurs in many forms and venues, at local, national and transnational levels, and may be initiated by Bank management and staff or by CSOs themselves.** The representatives on the Bank's Board of Directors also meet bilaterally with CSOs from the national constituencies they represent, as well as with CSO representatives who may visit Bank headquarters in Washington to lobby them on specific issues. Engaging in such dialogue with CSOs increases public awareness and understanding of the Bank's activities and objectives, and brings to the Bank's attention the concerns and experiences of CSOs on topics of mutual interest, such as strategies for achieving the MDGs or improving project impact. Dialogue also allows the Bank to respond to public inquiries and to engage critics in debate. Dialogue is not necessarily expected to result in specific, short-term outcomes, but it can lead to greater development effectiveness over time by improving understanding of issues and encouraging cooperation. At the country level, most Bank offices have set up formal and/or informal mechanisms for regular dialogue and engagement with local and international CSOs working in their country. At the global level, some recent examples of Bank-CSO dialogue include discussions held alongside the Bank's Annual and Spring Meetings; the 2002 UN Summits in Monterrey, Mexico and Johannesburg, South Africa; and the 2003 WTO Trade Ministerial in Cancun, Mexico. One of the oldest examples of a Bank mechanism for dialogue with civil society is the former World Bank-NGO Committee, created in 1982 as a global platform for interaction with leading NGOs in the North and South. For many years, the Bank-NGO Committee played a useful role in strengthening the quantity and quality of CSO participation in Bank policy dialogue and projects. Yet as the Bank

⁴⁰ Inaugural and current partners in the CSBI are the International Budget Project (USA), Center for Democracy (Bolivia), the Institute for Democracy in South Africa, IDASA (South Africa); the Ford Foundation, FUNDAR, Mexico, the Uganda Debt Network, the National Center for Advocacy Studies, India, and the Municipality of Porto Alegre, Brazil. Funding has been provided by the Department for International Development in the UK (DFID) and the Swedish International Development Agency.

⁴¹ These activities are discussed further on the new website on civic engagement and law at: <http://www.developmentgateway.org/civic>.

⁴² Beck, L. and Thindwa, J., Civil Society in Senegal: The Demand Side of Decentralization, 2003.

began to broaden its engagement with CSOs in different sectors, the Committee began to lose its niche. In December 2000, the Bank and CSO members of the Committee decided that it was time to create a new platform for engagement at the global level, which should be more broad-based. A Joint Facilitation Committee (JFC) comprising various global and regional CSO networks and senior World Bank representatives was established as a transitional mechanism to lead this effort.⁴³

26. Consultation, as distinct from dialogue, is a process focused on a specific topic or document on which the Bank is soliciting feedback. The term *consultation* brings with it certain expectations among CSOs that the process will contribute to decision-making, such as on policy or project design, implementation or evaluation. It should be noted that some consultations, such as those on Bank-financed projects and on PRSPs, are not the sole responsibility of the Bank; thus, the Bank's role in them may be as a facilitator. But consulting directly with civil society has become a key input for the Bank in preparation of most CASSs, sectoral strategies and operational policies.⁴⁴ A noteworthy example was the series of consultations held with CSOs around the globe in 1999 for the Bank-IMF review of the Heavily Indebted Poor Countries (HIPC) debt relief program. The input gathered during those consultations helped shape the decision by the Development Committee in September 1999 to enhance the HIPC framework and link debt relief to countries' poverty reduction strategies by asking countries to prepare a PRSP based on the CDF principles. Likewise, perspectives from CSOs around the globe were solicited in the 2002 Bank-IMF comprehensive review of the PRSP experience, and helped shape the review's recommendations. Global consultations with CSOs in 2000-2001 on the Bank's information disclosure policy contributed to the Board's adoption of a revised policy, with new categories of documents disclosed, and support for new strategies to improve the staffing and operations of the Bank's Public Information Centers as well as translation of documents into the local languages of project-affected peoples. From 2001-2004, the Bank (jointly with IFC and MIGA) commissioned a global, multi-stakeholder review of its work in the extractive industries, which led to the adoption of a new framework explicitly linking future extractive industry investments to good governance and poverty reduction impacts, and also stepping up the Bank's support for investments in renewable energy and energy efficiency.⁴⁵ Recent OED evaluations on IDA, forestry, HIPC, PRSP, and indigenous peoples also have been informed by public consultations.

27. The third major type of Bank-CSO engagement is *partnership* in operations and/or advocacy at the national, regional, and transnational levels. There are numerous Bank-government-CSO partnerships at the national level in areas such as education, environment, microenterprise, health and rural development. The term *partnership* suggests shared ownership and decision-making over project design, implementation and use of resources, so not all operational engagements with CSOs would meet this test. An innovative example at the national level includes the social

⁴³ See CIVICUS 2003. Joint Facilitation Committee, *Terms of Reference for the World Bank – Civil Society Joint Facilitation Committee*.

<http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/CSO/0,,contentMDK:20133856~pagePK:220503~piPK:220476~theSitePK:228717,00.html>

⁴⁴ World Bank 2001g; World Bank 2005c..

⁴⁵ *Striking a Better Balance—The World Bank Group and Extractive Industries: The Final Report of the Extractive Industries Review*, World Bank Group Management Response, September 17, 2004 (World Bank 2004e).

monitoring initiative in Argentina, which is training and financing local CSOs to monitor government programs as a response to the economic crisis. An example of partnership at the regional level is the Pakiv European Roma Fund, a joint effort of the Bank, European NGOs, foundations, and governments to promote the social and economic development of Roma peoples.⁴⁶ Some recent examples of transnational partnerships include: the Global Alliance for Vaccines (GAVI), a partnership with the Bill and Melinda Gates Foundation, other CSOs, the United Nations and pharmaceutical companies to expand vaccine coverage in poor countries; the Structural Adjustment Participatory Review Initiative (SAPRI), in which the Bank teamed up with CSOs, local research institutions and governments in six countries to conduct research on the impact of macroeconomic and sector reform policies; the Global Development Gateway, which was launched by the Bank and is now an independent foundation, bringing together governments, donors, companies and CSOs for knowledge sharing and partnership building on the Internet; and the International Forum for Capacity Building (IFCB), a CSO and donor-supported initiative to build capacity of southern CSOs to engage in international policy making.⁴⁷ In addition, the Bank has placed particular focus on supporting partnerships that are aimed at promoting global public goods and standard-setting, linked to the outcomes of the 2002 World Summit on Sustainable Development in Johannesburg. Examples include the Alliance for Forest Conservation and Sustainable Use, in which Bank and World Wildlife Fund staff are working together in more than 40 countries to conduct joint research, analysis and programs in forest protection; the Africa Stockpiles Programme, which is addressing the issues of pesticide-contaminated waste; the Global Water Partnership, which is promoting alliances and information exchange on integrated water resources management in line with the Dublin-Rio principles; and the Global Reporting Initiative, which is setting guidelines for reporting on economic, environmental and social performance of businesses, investors and nonprofit organizations.⁴⁸

28. **Numerous funding mechanisms have been made available to support these different categories of Bank engagement with CSOs.** Many of the Bank's client governments choose to work with various CSOs as direct development partners and pass Bank project funds onto them or contract CSOs for specific types of work. One good example of this is the Multi-Country AIDS Program (MAP). Out of MAP's \$1 billion budget, approximately \$500 million has been set aside in Bank grant funds to be channeled to CSOs. As of mid-2004, at least 20,000 small-scale CSO projects have been funded by these grants in order to carry out AIDS treatment, surveillance, prevention and education activities, as well as impact mitigation, at the local level.⁴⁹ Social Funds are another important Bank funding mechanism, employing CSOs to assist governments in delivering social services to poor communities. Institutional Development Fund (IDF) grants and special funds such as the Japan Social Development Fund (JSDF) aim to encourage governments to adopt more

⁴⁶ These and other examples are listed on the civil society page on the Bank's website: <http://www.worldbank.org/ngos>

⁴⁷ For these and other partnerships, see *The World Bank's Approach to Global Programs: An Independent Evaluation, Phase 1*, OED, August 1, Annex D (World Bank 2002i); *The World Bank's Partnerships: An Update*, FRM (World Bank 2002k), available at: [http://wbln0023/rmc/rmc.nsf/DOCs/PATS+Documents/\\$File/SecM2002-0427A.pdf](http://wbln0023/rmc/rmc.nsf/DOCs/PATS+Documents/$File/SecM2002-0427A.pdf)

⁴⁸ See "Partnerships – The Next Step in People, Planet and Prosperity: Outcomes of the World Summit on Sustainable Development" (World Bank 2003d).

⁴⁹ Presentation by Keith Hansen, Manager, ACTAfrica of the World Bank, to the Civil Society-Strategic Policy Workshop on HIV/AIDS, June 2004 (World Bank 2004d).

participatory approaches to Bank-financed project and policy design and implementation. Donor government trust funds play a major role in supporting the Bank's work on promoting participatory approaches to public budgeting or capacity building for PRSPs; in some cases, CSOs can even access these resources directly, with the sponsorship of a Bank department. The Bank also now has a number of direct grant mechanisms, one of the most important of which is the Small Grants Program (SmGP). Though modest, this program is highly valued by the Bank country teams as a source of often critical seed financing for local CSOs to promote innovative civic engagement, empowerment, capacity building, and partnerships. Projects supported by the SmGP can be an important entry point for future government-CSO collaboration.⁵⁰ Other important Bank-financed resources to foster engagement of CSOs include the Global and Country-level Development Marketplaces (DMs), Post-Conflict Fund (PCF), Information for Development (InfoDev), and the Critical Ecosystems Partnership Fund. The Global Environment Facility (GEF) and the Consultative Group to Assist the Poorest (C-GAP) also work directly with CSOs.⁵¹ In August 2003, the Bank established a new grantmaking facility called the Global Fund for Indigenous Peoples, which provides seed money for small, innovative projects proposed and implemented by indigenous peoples' groups in developing countries.⁵²

29. **However, this array of funds appears insufficient to meet the current internal and external demands for engagement, and access to resources can be difficult, particularly for local CSOs.** Many of these funds are limited in their size, scope and flexibility, and they can be time-consuming and cumbersome for Bank staff or CSOs to access.⁵³ Task managers interviewed for OED's 2001 participation review cited inadequate funds as a significant obstacle to promoting consultation and participation.⁵⁴ Many Bank staff and CSOs perceive that a substantial percentage, or even a majority, of the Bank's civic engagement activities is reliant on securing donor trust funds or other external funding sources. Although an increasing number of strategic communications components are outlined in project budgets, these are often not implemented. At the same time, Bank procurement procedures are often cited by CSOs and staff as inflexible, or even biased against the involvement of CSOs, particularly against local groups that have limited resources. Efforts are underway to address some of the procurement limitations, but have been slow to meet internal and external demand. As long as civic engagement activities are seen as dependent on raising funds additional to the regular budget, there is a danger that in the eyes of clients, these efforts will be regarded as marginal, and will not be valued or prioritized by Bank staff. The decision to allocate a significant percentage of IDA-13 and IDA-14 resources to grants has raised the possibility of greater flexibility for client governments to engage CSOs using Bank funds, although the Bank will continue to channel IDA funds through sovereign governments, and the grants will be subject to Bank procurement procedures.⁵⁵

⁵⁰ Chemonics International 2001. World Bank Small Grants Program (SmGP) Evaluation, FY 1998-2000, June 2001. (World Bank 2001l).

⁵¹ See *Resources for Mobilizing Funding for Development Projects*, pp. 21-43. (World Bank 2001e). <http://www.gdrc.org/ngo/funding/ngo-grants.pdf>.

⁵² The 12-member board overseeing the Fund includes six representatives from indigenous peoples' organizations.

⁵³ Ashman 2003. "Seeing Eye to Eye?" Study conducted for InterAction and The World Bank, Just Associates.

⁵⁴ The World Bank 2001d, p.3.

⁵⁵ The Bank has the same responsibility to ensure that grants, like loans, are used for their intended purposes.

30. **Another constraint is the pressure to respond to client needs and disburse funds quickly, which conflicts with the goal of instituting participatory processes that will promote development effectiveness.** The fixed nature of the project cycle in operations supported by the Bank often does not permit adequate time nor sufficient resources to build community and local government capacity to take ownership of development programs. Too often the needs for capacity building and participation are ignored or marginalized early in project planning, and communities and their representatives also may lack the skills and tools to assume leadership roles once the Bank's involvement ends. There are also cases where limited government capacity to absorb Bank resources leads to a backlog in disbursements, while capable local organizations that could be enlisted to get resources programmed in poor communities are not pursued as viable alternatives. These omissions can put at risk the sustainability of the Bank's development efforts.
31. **There is also a lack of reliable and/or easily accessible data to evaluate and track the Bank's engagement with CSOs.** For example, the Bank cannot currently provide an accurate institutional picture of the amount of its funds channeled through, or earmarked for, CSOs. OED findings have suggested that claims of CSO involvement in Bank projects may be inflated because the existing desk-based monitoring system measures only intended, not actual involvement.⁵⁶ Competing demands on Bank staff, and disincentives such as ambiguous guidance and poor systems for monitoring and evaluating participation, fuel the tendency among task managers to "tick the box" that CSOs have been involved, rather than take proactive steps to ensure engagement is viewed as satisfactory by all stakeholders. The lack of an effective, institution-wide, outcome-based, monitoring and evaluation system weakens both operational efficiency and stakeholder support for the Bank.⁵⁷ It is also an obstacle to leveraging greater CSO involvement in efforts to help governments reach the MDGs.
32. **The ad hoc institutional approach to consultations is a source of friction in Bank-CSO relations.** While consultation with CSOs is sometimes required and is employed widely across the Bank today, OED, Bank staff and civil society representatives report that the quality of these consultations remains uneven. Consultation guidelines are not widely followed; training exists but is not mandatory. As a result, staff are often left to design consultations as best they can, with insufficient experience, time or resources to do so effectively. Consultations often occur in an arbitrary fashion with very short notice and/or very late in the process, rather than as a systematic opportunity to learn and help shape policies and programs *before* they are finalized. On some operational policy reviews, for example, internal Bank consensus has largely been formed by Management together with the Board of Directors before there are any consultations with CSOs, limiting the depth and range of acceptable input from CSOs. In other cases, little or no feedback is provided on the comments received from CSOs, leaving those CSOs with little appetite to invest time in future dialogue or consultation with the Bank because they do not see how their inputs are utilized. CSOs cite the lack of clear and consistent parameters for

⁵⁶ *Non-Governmental Organizations and Civil Society Engagement in World Bank Supported Projects: Lessons from OED Evaluations* (World Bank 2002e); World Bank 2001g.

⁵⁷ From a January 2003 presentation to Executive Directors on the feasibility of an integrated risk management framework for the World Bank.

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 as sources of tension and frustration. Growing reliance on web-based consultations also raises concerns, given the limited access of many CSOs and developing country publics to the internet. On the other hand, some member governments have viewed the long periods of consultation on some policies or initiatives as evidence that the Bank is more concerned about CSO opinions than the need to make timely decisions. In sum, poorly managed consultations can pose a significant obstacle to constructive relations with CSOs, and can create both an operational and a reputational risk management challenge for the Bank.⁵⁸

33. There also has been frustration expressed by global CSO networks regarding the outcomes of a number of high-profile stakeholder engagement processes that were jointly initiated with the Bank. Three recent processes in particular—the Structural Adjustment Participatory Review Initiative (SAPRI),⁵⁹ the World Commission on Dams (WCD)⁶⁰ and the Extractive Industries Review (EIR)⁶¹—have been the subject of scrutiny. Each process has had its own distinct and innovative elements: SAPRI involved CSOs, government officials, and Bank staff in joint analysis of the impacts of structural adjustment; the WCD was an international, multi-stakeholder panel; and the EIR was led by an independent secretariat that organized a global consultation involving CSOs, governments and representatives of extractive industries. Despite good intentions in all three processes, each has led to some dissatisfaction among the various parties concerned, as a result of differing assumptions and expectations of what outcomes each process would yield. In the case of both SAPRI and the WCD, the Bank helped launch the process but was later perceived by some CSOs as having ignored or distanced itself from the recommendations. Lessons learned from these processes include the need to establish clarity of purpose and process up front; to recognize the heterogeneity of organizations involved and to manage their varying expectations; to be clear on the roles and responsibilities of third parties involved; and to be flexible in making adjustments to the process midstream as needed.

34. Disclosure and transparency are also major issues for Bank-CSO relations. The Bank's own Empowerment Framework identifies access to information as a key element to promote empowerment and effective participation, which in turn contributes to better governance and public accountability.⁶² Many CSOs recognize that the Bank has made important steps forward in expanding disclosure since the Bank's information policy was first approved in 1993, but they feel that the Bank should do its part to increase public access to information *before* decisions are made. CSOs view greater and more timely disclosure as a key step toward operationalizing the Empowerment Framework so that interested groups have the background they

⁵⁸ For further guidelines and best practice examples, see The World Bank's *Consultations with Civil Society -- A Sourcebook* (World Bank 2001a).

⁵⁹ Development Gap 2004. *The Structural Adjustment: The SAPRI Report. The Policy Roots of Economic Crisis, Poverty and Inequality*. London: Zed Books.

⁶⁰ World Commission on Dams 2000. *Dams and Development: a New Framework for Decision-Making*. World Commission on Dams. London: Earthscan Publications.

⁶¹ See Public Letter to James D. Wolfensohn from NGOs in February of 2004.

⁶² Narayan 2002.

need to engage in dialogue with their government representatives. In countries where such access to information is not permitted, CSOs often appeal to the Bank to intervene with governments and promote disclosure. In other cases, Bank management is perceived by CSOs as being the obstacle to improved disclosure.

35. **Summary of issues:** Over the years, Bank-CSO engagement has expanded and deepened across the three main categories of *facilitation, dialogue and consultation, and partnership*. Interviews and research point to much activity and innovation, but also a persistent gap between expectations, policy and practice, which hampers the Bank's ability to strengthen relations with CSOs. A number of proposals to close this gap have been identified in the past by EXT, OED and others, but have not yet been implemented.⁶³ Lack of reliable data, limited financial resources, and limits on disclosure of information all pose constraints on the Bank's ability to engage CSOs early, perform effective monitoring and evaluation of their involvement, and redirect human and financial resources as needed to align with the Bank's institutional priority to promote empowerment.

5. RISING INFLUENCE OF CSOS IN INTERNATIONAL DEVELOPMENT: CHANGING THE ENGAGEMENT LANDSCAPE

36. **A major factor in Bank-CSO engagement has been the expansion in the size, scope, and capacity of CSOs around the globe since the early 1990s, aided by the process of globalization and the expansion of democratic governance, telecommunications, market transformations and economic integration.** As illustrative figures, the number of international NGOs was reported to increase from 6,000 in 1990 to 26,000 in 1999. More than one million CSOs have been recorded in India alone.⁶⁴ The number of foundations nearly tripled from 22,088 in 1980 to 56,582 in 2000.⁶⁵ The recent dynamism of this sector has been widely documented (see References). The evolution of Bank engagement with CSOs has been affected by this tremendous growth of CSOs and their increasing role in national and global affairs.
37. **CSOs have become significant players in global development finance.** Organization for Economic Cooperation and Development (OECD) statistics for 2003 report that the private component of NGO/CSO grants totals some \$10 billion annually, a doubling since 1990, and about 15 percent of the value of current ODA.⁶⁶ In addition, OECD members report contributions by governments to NGO/CSO programs account for at least \$1 billion annually, while official aid channeled through NGOs/CSOs is at least another \$1 billion per year. In total, OECD has estimated that flows for both international development and relief handled by NGOs/CSOs are at least \$12 billion annually.⁶⁷ In another example, the European Commission's

⁶³ IDA Review Report on Country Consultations, OED, p. 3. (World Bank 2001c).

⁶⁴ Dierckxsens 2000.

⁶⁵ The Foundation Center 2001.

⁶⁶ ODA includes grants made by bilateral donors to NGOs, but not grants made by NGOs using private funds.

⁶⁷ OECD 2003. OECD notes that these figures are likely underestimates because not all donors report contributions by governments to NGOs' own programs, and only about half the donors report on their funds channeled through NGOs.

humanitarian aid arm (ECHO) reported a shift of 70 percent of its aid channeled to CSOs today, an about face from 10 years ago when the majority of its aid went to governments.⁶⁸ Development NGOs have in recent years reportedly provided more financial support to developing countries than all the UN agencies combined.⁶⁹ Between 1990 and 2003, grantmaking by US foundation and corporations for international purposes increased from \$760 million to \$3 billion.⁷⁰ In overall terms, the economic activity of international civil society is enormous and growing; the Johns Hopkins University Comparative Non-Profit Sector Project reported that the non-profit sector in 22 countries studied accounted for \$1.1 trillion in expenditures as of the mid-1990s.⁷¹ Some international CSOs have global staffs greater than that of the Bank or have program budgets that may rival or exceed those of some of their donor agency partners.⁷²

- 38. CSOs' influence on shaping global public policy has grown over time.** Although CSOs began networking across borders more than two centuries ago, the past 10-15 years have seen the emergence of what a number of analysts are now calling a *transnational, or global, civil society*, which is more networked than ever before.⁷³ Transnational advocacy networks of CSOs began mobilizing in earnest in the 1990s, through parallel summits held around global United Nations conferences, and through advocacy campaigns on issues such as banning landmines and promoting debt relief. Case studies show how these efforts influenced policy makers' agendas and the final documents approved in international forums, while at the same time energizing and empowering the CSOs involved.⁷⁴ The blocking of the Multilateral Agreement on Investment (MAI) in 1997 was a significant turning point for many groups, galvanizing their ambition to focus on the seats of power in international regulation and finance (including the IFIs); to strengthen their economic literacy and analytic capabilities; to build broad-based coalitions including alliances with friendly governments; and to be combative when necessary.⁷⁵ The Campaign to Ban Landmines and Jubilee 2000 mobilized thousands of supporters around the globe and drew attention from national and international policy makers at the highest levels, as well as intensive media coverage and celebrity support. There are also many cases of government leaders, such as in Brazil and the Philippines, who have worked in civil society and have pursued similar social change agendas in government.
- 39. CSOs have become important channels for delivery of social services and implementation of other development programs, especially in areas where government capacity is weak or non-existent.** Economic and fiscal policy reforms in many countries have led to decentralization or even privatization of social service delivery, which can result in a larger role for CSOs.⁷⁶ In countries that are experiencing economic stress, political upheaval, conflict or post-conflict situations, CSOs are sometimes the best viable alternative for delivering social services to needy

⁶⁸ ECHO 2003. http://europa.eu.int/comm/echo/statistics/index_en.htm; UNHCR 2003. <http://www.unhcr.org/>

⁶⁹ The Economist 1998.

⁷⁰ The Foundation Center 2004.

⁷¹ Salamon 1999, p. 8.

⁷² CARE 2002. <http://www.careusa.org/newsroom/publications/annualreports/2002/2002annualreport.pdf>

⁷³ Kaldor 2001; Florini 2000.

⁷⁴ Pianta 2001; Clark 2002; Vayrynen 2000, p.83.; Florini 2000.

⁷⁵ Wahl 1998, p.5; Goose 2000.

⁷⁶ Pianta 2001; Florini 2000.

populations.⁷⁷ In addition, public policy challenges ranging from environmental protection to disease control have grown more complex at the global and national levels, and existing inter-governmental mechanisms have been insufficient to address these problems effectively. As knowledge and capacity in the non-profit sector have expanded, and as CSOs build alliances with academics, economists and other experts in their areas of interest, the expertise and capacity in civil society can be tapped for the public benefit, and may rival or even exceed the capacity of government or the private sector in a given area.

40. **The increasing focus among policy makers and their publics on good governance and transparency has also opened doors for CSOs beyond national borders.** The independent Commission on Global Governance defined the concept of *governance* as “the sum of the many ways that individuals and institutions, public and private, manage their common affairs...is a continuing process through which conflicting or diverse interests may be accommodated and cooperative action may be taken...It includes formal institutions and regimes empowered to enforce compliance, as well as informal arrangements that people and institutions either have agreed to, or perceive to be, in their interest.”⁷⁸ In both developed and developing countries, there have been calls for new models of public-private cooperation, transparency and oversight that give a greater role to CSOs in public life. Anthony Giddens of the London School of Economics describes this phenomenon as the result of a deepening of democracy, reflecting a more cosmopolitan form of society that acknowledges a newly emerging power structure where government, the market and civil society all need to be constrained in the interests of social solidarity and social justice.⁷⁹ CSOs are involved in accountability and quasi-regulatory functions, such as the International Accounting Standards Board, which has brought CSOs into the process of developing harmonized accounting standards for industry. Participatory budgeting and monitoring processes being used in countries from India to Ghana are helping to ensure that government funds are focused on citizens’ needs, and are actually spent on the programs for which they were intended.⁸⁰ In sum, involving CSOs in development and strengthening their “watchdog” role is now widely accepted by the international community as an important component of promoting good governance.⁸¹
41. **As CSOs’ expertise and influence grow, corporations, parliamentarians, media and opinion leaders seek them out for information, advice and partnerships.** Leading multinational corporations today seek alliances with CSOs as a central part of their business strategy. This is evidenced, for example, by the recent growth in corporate social responsibility (CSR) themes in commercial advertising for the pharmaceutical, technology and energy industries. Growing numbers of investors and consumers alike are looking for products and investments that meet the CSR test and are “approved” by reputable CSOs.⁸² A major area of discussion around the WSSD Summit in Johannesburg was how to get business, CSOs and governments to work more closely together on a social responsibility agenda. Parliamentarians in Northern

⁷⁷ World Bank 2002l.

⁷⁸ Commission on Global Governance 1995. *Our Global Neighborhood*. Oxford University Press.

⁷⁹ Giddens 1998.

⁸⁰ For example, see Ghana HIPC Watch. *First Report Card on Government of Ghana’s Performance Under the HIPC Relief Fund*. Send Foundation.

⁸¹ Giddens 1998, p.79; Giddens 2000, p.51.

⁸² *Race to the Top: Attracting and Enabling Global Sustainable Business*, Business Survey Report (World Bank 2003f).

and Southern countries are also joining together with citizens' groups to campaign for certain issues – for example, the alliance of faith-based groups and lawmakers in many countries was critical to mobilizing executive branch support in favor of debt relief. Mainstream media covering global and national policy debates regularly seek out the views and comments of campaigners and/or think tanks.

- 42. International surveys demonstrate a trend toward greater public trust in CSOs than governments or for-profit corporations.** In a number of countries, governments and political parties face lower levels of credibility among their populations than do CSOs. Recent global surveys suggest that there is greater public trust in NGOs/CSOs than in government, private sector corporations or international organizations to promote and protect ethics and moral values.⁸³ Since 2000, the annual *Edelman Trust Barometer* has found that NGOs/CSOs outpace governments, business and the media in public trust and being perceived as a source of credible information, particularly on the environment, health, and human rights issues.⁸⁴ A 1997 Gallup study in Argentina found that the level of confidence in public institutions in Argentina, for example, was extremely low; public reactions to the recent economic crisis in that country suggest that those concerns deepened over time.⁸⁵ The Bank's own *Voices of the Poor* study also speaks to a crisis of credibility for government institutions; the study team found that CBOs are often trusted by the poor more than government to address their needs.⁸⁶ In both developed and developing countries, recent corporate governance scandals as well as government responses to terrorism have elevated public skepticism and distrust of private sector corporations and government.
- 43. CSOs are attracting greater public scrutiny as their capacity and influence grow.** Donors, governments, parliamentarians and citizens are demanding that CSOs demonstrate they are well-managed, cost-effective, publicly accountable, and actively engaged in local capacity-building. CSOs are being challenged by government officials in both the North and South to show how participatory democracy will not undermine representational democracy based on electoral expression. Tensions often flare in discussions about the roles of "elected" governments versus "un-elected" civil society.⁸⁷ International CSOs in particular are being pressed by donor agencies to self-regulate and demonstrate their legitimacy and accountability as development advocates on behalf of poor communities in developing countries.⁸⁸ This standard-setting is not a new exercise for many in civil society. For example, the US-based international NGO coalition InterAction launched its PVO Standards in 1984 as a condition for membership.⁸⁹ In the Philippines, a self-regulated code of conduct for CSOs was instituted in the early 1990s, and was later transformed into a self-managed system that assesses NGO compliance with standards required for acceptance by the

⁸³ Gallup International 2002; Environics 2003; Environics 2001, p.3.

⁸⁴ On January 25, 2005, the Sixth Global Opinion Leaders Study was launched by Edelman Public Relations at the World Economic Forum in Davos, *Edelman's Trust Barometer 2005*.

⁸⁵ Gallup International, Argentina 1997; Bain 2002.

⁸⁶ Narayan 2000, p.143.

⁸⁷ For example, the views expressed by the finance minister of South Africa and development minister of Sweden in a public discussion at the 2002 Bank/IMF Annual Meetings (World Bank 2002j). See Seminar's Capstone transcript of remarks at: <http://www.worldbank.org/annualmeetings/>. Also see 2003 American Enterprise Institute (AEI) Seminar transcripts and papers on NGO accountability at: http://www.aei.org/events/eventID.329.filter/event_detail.asp.

⁸⁸ Fox and Brown 1998. Chapter 12; Hudock 1999.

⁸⁹ For details on InterAction's PVO Standards, see <http://www.interaction.org/>.

Securities and Exchange Commission as eligibility for tax exemption.⁹⁰ The Humanitarian Accountability Partnership - International in Geneva aims to increase the accountability of humanitarian agencies to beneficiaries, while the SPHERE standards is an example of an NGO charter to set sector-specific, minimum performance standards in disaster response. The past three years in particular have witnessed a noticeable growth in the number of CSO conferences, writings, and training sessions devoted to the topics of how organizations can establish and maintain legitimacy, accountability, and best management and operational practices.⁹¹ In response to the growing scrutiny and expectations, some CSOs are experimenting with international benchmarking and/or third-party accreditation.⁹² The international trade union movement, which already has well-established systems of election and consultation involving large membership bases, has sought to distinguish itself from other CSOs and ensure that policy makers understand its structured accountability systems.

44. **These trends point to the importance of mainstreaming civic engagement issues into Bank analysis, policy dialogue and operations.** The growing capacity of CSOs has created many opportunities to harness them in development and poverty reduction efforts, while their growing influence can make them a formidable obstacle if they oppose a particular project or policy reform. More systematic assessment of the opportunities and risks posed by national and transnational CSOs thus becomes a critical element of a strategic approach to development. The explosive growth and networking of civil society around the globe also increases the challenge for the Bank and its member governments to make more informed and strategic choices about which groups to engage on which issues, with the goal of empowering the poorest communities and other primary stakeholders. An appropriate enabling environment for civic engagement is also key. In addition to a conducive political and economic environment, countries need legal frameworks that build up civil society and create opportunities for CSOs to engage in national development efforts, whether in service delivery, monitoring of public services, advocacy or public education. They should provide for free access to information and facilitate CSO fundraising, among other priorities. Press freedom is another important aspect of this enabling environment.⁹³ The degree to which these civic engagement issues are elevated and mainstreamed into the Bank's country work varies widely and usually depends on the experience and perspectives of individual Bank country directors and task managers, and of counterpart government officials.
45. **Other international organizations, as well as many of the Bank's member governments, have begun to respond to the changing civil society and governance landscape.** Beyond the Bank, there has been a general trend among international organizations during the past several years toward improving participation and opening doors wider to civic groups. For example, many

⁹⁰ See Philippine Council for NGO Certification at <http://www.pcnc.com.ph> ; Ball and Dunn 1995; see also the 2002 speech by Jeff Thindwa, World Bank, *Achieving Development Results Through Legal Frameworks that Enhance Participation of Civil Society Organizations*, ESSD Shanghai, China.

⁹¹ See, for example, agendas from conferences at Harvard, CIVICUS General Assembly and InterAction Annual Forum, 2001, and *The Global Accountability Report* (One World Trust 2003)

⁹² See SGS Benchmarking of Non Governmental Organisations at <http://www.sgs.com> and [and note from the World Bank's Lunch Discussion on Civil Society Accountability on November 10, 2004 at www.worldbank.org/civilsociety](http://www.worldbank.org/civilsociety)

⁹³ World Bank 2002n. *The Right to Tell: The Role of the Mass Media in Economic Development*, WBI, Washington, D.C.

governments now include CSOs on their official delegations to UN conferences and provide financial and/or political backing for parallel civil society forums, and CSOs are also included in high-level sessions. At the 2003 Cancun WTO Ministerial, for example, many CSO representatives were included on government delegations. The ADB, IADB and UNDP all recently have adopted new participation strategies.⁹⁴ The Global Fund to Fight AIDS, Tuberculosis and Malaria has 5 voting seats for CSOs on its governing board.⁹⁵ A High-Level Panel on UN-Civil Society Relations, appointed by UN Secretary-General Kofi Annan and chaired by former Brazilian President Cardoso, made a series of recommendations in 2004 that aim to give CSOs a greater voice in global governance and to strengthen the level of civil society engagement across the UN system.⁹⁶ At the same time, some governments have been taking steps to monitor the activities of civic organizations as part of their anti-terrorism efforts, giving rise to concerns that the activities of legitimate CSOs could be adversely affected.⁹⁷

46. **Summary of issues:** The changes in global civil society highlighted in this section have significantly impacted global development and poverty reduction efforts, and warrant higher priority and greater understanding by Bank staff, management and the Board. These changes have implications for the Bank's internal and external learning and capacity-building programs, mechanisms of engagement with CSOs in operations and on policy issues, relations with member governments, as well as collaboration with other international agencies and the business sector.

6. CIVIL SOCIETY PROTESTS AND ADVOCACY CAMPAIGNS: WHO, WHAT, WHY?

47. **The public demonstrations held alongside many of the international meetings in the period immediately after the 1999 WTO Ministerial in Seattle prompted much debate about the status of Bank-CSO relations, particularly at the global level.** These protests, including those that were mobilized during the 2000 IMF/Bank Spring Meetings in Washington and the 2000 Annual Meetings in Prague, attracted a great deal of public attention and, at times, have cast a shadow on the many more constructive interactions occurring between CSOs and the Bank.
48. **Protests that have occurred around World Trade Organization, Bank, IMF and other international summit meetings in recent years have focused on a plethora of issues, including denouncing the war in Iraq and other conflicts, and particularly on the negative effects they perceive resulting from globalization.** They are concerned about economic instability and the loss of jobs, local control, and

⁹⁴ IADB 2000. Citizen Participation in the Activities of the Inter-American Development Bank, October; United Nations 2001. *UNDP and Civil Society Organizations: A Policy Note on Engagement*. <http://www.undp.org/poverty/practicenotes/UNDP%20CSO%20Policy.pdf>; Asian Development Bank (ADB) 2002. <http://www.adb.org/NGOs/Framework/>

⁹⁵ <http://www.theglobalfund.org/en/partners/ngo/>

⁹⁶ United Nations 2004, *We the Peoples: civil society, the United Nations and global governance*, A/58/817; United Nations 2002, *The United Nations System Collaboration with Civil Society Organizations (CSOs)*, CEB High-Level Committee on Programmes, CRP.5, September.

⁹⁷ Naidoo 2002. pp. 42-43.

cultural heritage. Although many informed analysts and the protest organizers themselves argue that “social justice” and not “anti-globalization” is the more appropriate term to describe them, *globalization* is nonetheless the *bete noire* for what these groups perceive as the excessive power of capitalism, multinational corporations and political elites in developed and developing countries.⁹⁸ They accuse the IMF, Bank, and WTO of being the agents of the rich governments and multinational corporations, which they perceive as benefiting most from globalization and trade liberalization. Some protesters believe there is an inevitable conflict between the role of a lending institution and the goal of poverty reduction. IMF/Bank Meetings, which can attract high-level government participants and international media, often provide a convenient target around which activists can mobilize and be heard.

49. **Many activists continue to attribute the problems of globalization to the Bank’s policy and lending decisions, which they perceive as harmful to poor countries and their people.** While some of their criticisms have been based on past actions of the Bank that may no longer be relevant, others do relate to current Bank supported policies or activities. Major rallying issues for protestors and campaigners include debt relief, human rights, governance, corruption, trade in agricultural commodities, land reform, privatization of basic services such as water, and dams or other large infrastructure projects believed to have caused harm to local populations or the environment. Even when responsibility for the decision or process in question rests with an individual government (such as with the PRSPs), CSOs often believe that targeting the Bank, with its political and financial clout and international media scrutiny, is more likely to force change than appealing directly to the government in question. This phenomenon has been referred to as the “boomerang effect” because when local civil society activists take their case to the global stage, the pressure “curves around local state indifference and repression to put foreign pressure on local policy elites.”⁹⁹
50. **Street mobilizations have marked the emergence of new social justice movements which have brought together loosely formed, often virtual, coalitions of development, peace and human rights activists, students, some trade unions and other politically active interest groups.** Although the individuals who gathered on the streets at recent international meetings have been overwhelmingly from the North, they do have growing links with activists in the South, fueled by the empowerment and transnational networking of civil society discussed in Section 5 of this paper. Many of the protesters have been strategic in using these public events to build support for their respective causes, even if the issues have nothing to do directly with the Bank.¹⁰⁰ With respect to globalization and international finance issues, alliances have been formed among what analysts Desai and Said refer to as “isolationists”, including groups which have called explicitly for abolishing the Bretton Woods Institutions, and “alternatives” who may have little first-hand knowledge about the Bank but espouse a combination of “anti” and reformist views on globalization and are content to use the Bank as a target even if it is not

⁹⁸ Desai and Said 2001, pp. 64 and 189.

⁹⁹ Keck and Sikkink 1998, p. 200.

¹⁰⁰ See for example Mobilization for Global Justice website regarding linkages of the DC hospital closure with the World Bank’s Adjustment Lending Policy. <http://sept.globalizethis.org/>

responsible for the decision being challenged.¹⁰¹ Some of the more militant groups involved in these protests have demonstrated little interest in constructive dialogue with, or reform of, the Bank. Their messages and tactics at times may be confrontational, or even obstructionist, such as forming human chains to attempt to block officials' access to meetings or using bicycles to block commuter traffic. Some have been willing to use violence and destroy property, or to tolerate and support such actions by others.

51. **With the more militant groups involved in protests, the Bank should not expect to build constructive relations.** The Bank has made clear its intention not to engage with individuals or groups that have espoused violence or property destruction, such as the so-called Black Bloc or Anti-Capitalist Convergence. There is also little basis for the Bank to expect that constructive relations are possible or desirable with obstructionist-minded groups, unless their aims and tactics change significantly. The Bank does not oppose peaceful, law-abiding protest, but tactics such as blocking the right of member governments or Bank representatives to meet freely and conduct business cannot be condoned. Some of the groups which have taken the lead in organizing protests are interested primarily in drawing headlines or scoring debate points, not in discussing the facts or having a real dialogue. For those groups, the best that the Bank can do is to stay apprised of their messages and activities, as on occasion it will be necessary to respond through the public airwaves or other forums.
52. **The 5th World Social Forum (WSF) held in January 2005 in Porto Alegre, Brazil—which attracted at least 150,000 participants from around the world according to the official event website—points to an emerging global social movement attempting to find ways of influencing change beyond protests.** The WSF was first held in January 2001 as a strident protest against the annual World Economic Forum in Davos. Anti-establishment rhetoric at the first WSF was very high; interest in dialogue with global policy makers was very low. A video link between participants in Porto Alegre and Davos disintegrated into shouting of hostile accusations and epithets from the Porto Alegre side. After the September 11, 2001 terrorist attacks in New York and Washington, the landscape and tolerance for hostile confrontations and protests began to shift toward more peaceful approaches¹⁰² and some of the WSF organizers recognized the need to reframe their messages and tactics in response to the global political realities.¹⁰³ The WSF organizing committee has since encouraged participation of a much wider spectrum of CSOs from around the globe, creating a category of observers that has included Bank staff, and inviting Bank representatives to speak in some sessions, as well as United Nations and like-minded government officials. Nevertheless, many of the organizations involved in WSF are still opposed to any constructive dialogue with the IFIs or economic policy makers. Whether the WSF will mature enough to become a space that influences the scope and pace of economic globalization remains to be seen. It will depend on the ability of key organizers to find common ground within the “large tent” of civil society they have created, to be able to engage in constructive debate with decision-

¹⁰¹ Desai and Said 2001, pp.74-75.

¹⁰² Pianta 2001; Bretton Woods Project 2001: <http://www.brettonwoodsproject.org/> ; *Financial Times* 2001.

¹⁰³ Globin 2001. “The Anti-Globalization Movement after September 11,” Council of Canadians ; <http://www.globalizethis.org>.

makers in government and in multilateral institutions, and to put forward more concrete, and rigorous, alternative policies and approaches.

53. The greatest opportunity, and challenge, for Bank-CSO relations in implementing the Monterrey/Doha/Johannesburg (MDJ) global development agenda is to deepen relations with those groups which opt for engagement instead of confrontation, are focused on empowering poor people, and have the analytical and/or operational capacity to contribute to achieving the MDGs. These groups would include what some analysts have termed as the “hearts”—groups which advocate generally peaceful and constructive approaches—or “reformers,” which are informed critics of the Bank but are also interested in dialogue toward further reforming, not abolishing, the international financial institutions.¹⁰⁴ Many of these groups support the Bank’s messages to focus on achieving the MDGs and strengthening local empowerment and voice. Yet they also may be sympathetic to the protesters because they perceive a persistent “rhetoric-reality gap” between the expectations raised by the Bank’s messages and its research, and actual Bank practice in many cases. They point to important gaps in the implementation of Bank operational policies which are supposed to promote stakeholder participation and empowerment of poor peoples. They appeal to the Bank to be less arrogant as an institution, to admit its mistakes, and be more open-minded to alternative approaches to development and poverty reduction. They also are concerned about the ability of poor countries to achieve debt sustainability and equitable growth. Although they may agree that the Bank has changed its approaches, they perceive that the Bank is still promoting an economic model that does not give proper weight to human rights and social protection issues. They believe that public institutions such as the Bank should become more accountable to the public.¹⁰⁵ They feel that the Bank’s governance structure -- and indeed the global governance framework of which the Bank is an important player -- is biased in favor of the rich countries at the expense of the poor ones, and needs to be reformed. Often it is such analyses by generally constructive Bank critics that provide much of the intellectual credence to the messages carried by the more radical movements.

54. The protests have posed a dilemma for some of the Bank’s more constructive CSO critics. The more constructive groups may share many of the same concerns as the protesters—and may even join with them on the streets at times because they believe peaceful demonstration and protest is a legitimate tool for affecting change—yet oppose messages or tactics that demonize or encourage violence or obstruction. At the 2000 Annual Meetings in Prague, for example, some CSOs felt obliged to denounce the violence that occurred at the hands of some radicals in the “S26” coalition. In 2001, at international meetings in Quebec and in Genoa, violence, property destruction, and ultimately the death of a protester finally led some groups to take a public stand against violence.¹⁰⁶ Many CSOs with more experience lobbying the Bank understand very well the distinctions in roles between the Bank and its government owners, and can distinguish when it is necessary to apply pressure to one or the other. However, there are many more that do not follow the institutions closely and do not distinguish between these roles, so they may stay focused on the Bank

¹⁰⁴ Desai and Said 2001; Clark 2002, p. 11.

¹⁰⁵ Kanbur 2001; Bank Information Center 2001; Oxfam International 2000a

¹⁰⁶ For example, see petition for a “code of conduct” circulated by the New Economics Foundation (NEF) in the UK.

regardless of whether or not it is the appropriate target.¹⁰⁷ Students and youth in particular have been easily recruited to the anti-Bank bandwagon, when they hear simplistic messages that Bank staff are responsible for decisions that actually rest with governments. Many of the more knowledgeable groups which do engage with the Bank nevertheless have been reluctant to enter the public debate about the roles of the multilateral institutions, leaving images of violence and protest to capture media attention and creating the false impression that the Bank's relationship with civil society is mostly conflictual.

55. **Now that the Bank has agreed to actions aimed at helping developing countries achieve the MDGs and all partners fulfilling MDJ commitments, it will be even more critical for the Bank to base its work on a strong understanding of civil society concerns and capacities, and an analysis of potential roadblocks.** While international institutions and governments have generally hailed the global development compact between rich and poor countries, many CSOs have expressed disappointment that the commitments were vague and that the summits did not result in concrete actions. They are monitoring closely the progress of the multilateral agencies and governments on meeting these commitments, and this may become the acid test for how much time or resources they are prepared to invest in engaging or collaborating with the Bank in the future. More effective communications and information sharing on civil society relations will be required across the Bank, since different departments of the Bank interact with different groups on implementing different goals (e.g., HD on education for all; ESSD on agriculture; ESSD/INF on access to water; DEC/PREM on lifting trade barriers for poor countries).
56. **Many constructive-minded CSOs are frustrated by what they view as unmet promises to enhance citizen participation in development processes, particularly in the PRSPs.** Constructive government-CSO collaboration is critical to achieving genuine country ownership. Many CSOs in both the global and national arenas believe the Bank has an important and proactive role to play in helping governments design and institutionalize new mechanisms to work with CSOs, such as through the PRSPs. They view borrowing government willingness to open up the PRSP process to more meaningful participation as a key measure of commitment to local ownership and pro-poor reforms. Although PRSPs are intended to be country-owned and country-driven, local and international CSOs alike want to hold the IMF and Bank accountable for ensuring participatory processes that involve a broad base of non-governmental stakeholders; in fact, many view it as the IFIs' responsibility to ensure this. Bank, CSO, and donor reviews of the PRSP process during the last few years show that while CSO participation in PRSPs has been expanding and creating new spaces for civic engagement, the record is quite uneven and significant constraints to meaningful participation remain in many countries.¹⁰⁸ Recently, the *2004 PRSP Good Practices* leaflet listed a number of "good practices" that should be considered. These include: engaging stakeholders during the implementation and monitoring of the PRSP; the support of capacity building initiatives that enable civil society and

¹⁰⁷ Jubilee 2000.

¹⁰⁸ World Bank 2003e. *Poverty Reduction Strategy Papers (PRSPs)-Progress in Implementation*; World Bank 2002f.; see also critiques from CSOs on www.worldbank.org/strategies/ or <http://www.eurodad.org/>

others to engage more effectively in policy debate and implementation; and providing timely and constructive feedback to PRSP teams on draft strategy documents.¹⁰⁹

- 57. Most CSOs will continue to play dual roles as critics and allies or partners to the Bank and governments, and will continue to see peaceful protest as a valid tool for affecting change along with dialogue.** Many CSOs see their activities as not simply humanitarian, but also to promote social change and to provide a check and balance on the activities of government and of publicly funded institutions like the Bank.¹¹⁰ A certain level of tension is thus predictable in government and Bank relations with CSOs. The Bank will always attract some criticism from CSOs, no matter how successful it is in promoting engagement or combating poverty, given the Bank's global reach, resources and structure as an inter-governmental finance institution. If built on the principles of mutual respect, dialogue and partnership, however, this can be a healthy tension that results in more effective policies, programs and governance. For example, sustained, critical advocacy from the international environmental NGO movement in the 1980s and 1990s was instrumental in "greening" the Bank, getting the institution to adopt participatory approaches and safeguard policies, as well as to adopt the Inspection Panel as an accountability mechanism.¹¹¹ Similarly, the advocacy of CSOs such as church-based groups and Oxfam International, combined with the leadership of Mr. Wolfensohn at the Bank, played a critical role in getting the Bank's member governments to adopt the HIPC debt relief program in 1996. CSOs also played a key role, through the 1999 HIPC review consultation process, in winning agreement on the enhancement of the HIPC program, and in tying it directly to poverty reduction goals and strategies.
- 58. Recent IMF/Bank Annual Meetings have demonstrated that while critical protests may occur outside, there can also be constructive dialogue with CSOs inside.** At the 2004 Annual Meetings in Washington, approximately 150 CSO representatives attended and held discussions with Bank and IMF staff on topics ranging from poverty reduction strategies and debt relief to HIV/AIDS and extractive industries. Many of the CSO representatives who come to the Annual Meetings are prepared to engage with the institutions on an in-depth and substantive level, often with detailed proposals or analyses prepared in advance. As noted earlier, some choose to engage in these dialogues as well as to join demonstrations on the streets. They not only believe that this is their prerogative, but in fact they believe it is often the only way to influence decisions by the Bank and its member governments.
- 59. The Bank's recent efforts to engage very different constituencies within civil society point to some of the challenges and opportunities ahead.** The Bank has instituted a regular process of dialogue with the international trade union movement that includes leadership-level meetings approximately every two years and more frequent working level meetings on particular policy concerns. This high-level, substantive engagement not only creates expectations that the Bank will respond to labor's concerns (such as on privatization and pension reform), but also creates

¹⁰⁹ World Bank 2004c. *Poverty Reduction Strategy Papers: Good Practices 2004* can be ordered on-line at www.worldbank.org/poverty/strategies/review/order.htm

¹¹⁰ Naidoo 2003.

¹¹¹ See, for example, Bank Information Center at www.bicusa.org; Wade, Robert, "Greening the Bank: The Struggle over the Environment, 1970-1995" in *The World Bank: Its First Half Century*; Long, Carolyn, *Participation of the Poor in Development*, 2001, Chapter 2.

opportunities for new partnerships on areas of joint interest (such as utilizing union presence in the workplace to help prevent the spread of HIV/AIDS). The Bank has created an office to liaise with co-hosted four meetings with leaders of faith and development institutions, with the goal strengthening and scaling up the global fight against poverty. Ongoing activities have included speaking engagements, writing articles, organizing formal dialogues, co-hosting inter-faith events, and identifying areas for collaboration and mutual learning. For example, the Bank has sponsored workshops to discuss ways to combat HIV/AIDS with key faith communities and national AIDS councils from a wide range of West and East African countries. The Bank also is trying to forge more constructive relationships with the major global foundations which want to build new and deeper partnerships with the Bank, but have expressed frustration that the Bank often views them only as sources of funding rather than valuing their ideas and experience.¹¹² Two years ago, the Bank hired the first-ever Disability and Development Advisor to ensure that the voice of Disabled Peoples Organizations (DPOs) are heard and that disability is mainstreamed into the Bank's economic development agenda.¹¹³ Likewise, the Bank established a unit focused on children and youth and has embarked on a vigorous effort to engage with global and national youth networks, with the goal of better targeting interventions that respond to the needs of youth in developing countries, and giving youth a voice in policy debates.¹¹⁴

60. **Summary of issues:** CSO-led protests and advocacy campaigns in recent years point to the need for the Bank to distinguish better among different actors in civil society, to understand their respective motivations and concerns, and to improve mechanisms for engagement that will support shared objectives of empowerment and poverty reduction. There may be untapped opportunities to develop more constructive relations with groups that may have significant concerns about the way the Bank operates, yet are also interested in engaging with the Bank and have substantive analytical and operational experience to bring to the table. Seizing these opportunities, however, will require the Bank to take further steps to close the gap between expectations, policy and practice, and to find more effective platforms for engagement that can instill trust, confidence and reasonable expectations on all sides. The Bank must also weigh the costs and benefits of developing bilateral engagements that cater to the needs of specific constituencies within global civil society, versus creating forums to engage these constituencies in a collective fashion, and in a tripartite relationship with member governments. Finally, this experience suggests the need for more effective organizational and staffing arrangements and incentives for Bank-civil society relations, to promote best practices and bring about greater Bank-wide coherence and coordination on CSO engagement.

¹¹² *Strategy Paper: New Models for Promoting Partnerships with Foundations* (World Bank 2005b)

¹¹³ For more information go to <http://www.worldbank.org/disability>

¹¹⁴ For more information go to <http://www.worldbank.org/childrenandyouth>

7. ISSUES AND OPTIONS FOR ACHIEVING MORE EFFECTIVE BANK-CSO ENGAGEMENT

61. **The Bank's corporate priorities today center around promoting more responsible country-level and local-level decision-making, while also improving global issues management—a framework that makes it more important for the Bank and its member governments to strengthen relations with CSOs simultaneously at local, national and transnational levels.** There are opportunities for new and improved alliances with many CSOs around shared objectives of increasing development assistance and market access for poor countries, strengthening good governance, and achieving the MDGs. Steps toward more proactive engagement of these groups not only can help the Bank meet its objectives, but also may encourage a more informed and constructive national and international public discourse about the Bank's role in promoting poverty reduction and development. Improved engagement with CSOs is also an important demonstration of the Bank's commitment to promoting greater corporate social responsibility, and to managing development risks responsibly. As CSOs have become more influential actors in public policy and in development, the business case for this engagement continues to grow stronger. Understanding these trends and their implications is a key component of an effective development and poverty reduction strategy.
62. **A number of issues and challenges should be addressed if the Bank is to achieve more effective engagement with CSOs in the future.** The nature of civil society makes it a complicated, but nonetheless essential, interlocutor for an inter-governmental, global institution such as the Bank. There are many examples of both poor and effective engagement at various levels. Thus, the main issues and challenges for the Bank going forward revolve around how to improve the “norms” and mechanisms of engagement with CSOs, and how to close the gap between its messages, policies and practices. The Bank should aim to promote civic engagement that both empowers citizens and also helps member governments exercise their leadership role to promote sustainable development and achieve the MDGs in a cost-effective, socially responsible, and accountable manner. This requires an institutional framework for civic engagement that responds to the changing environments described in this paper and provides greater clarity and direction going forward.
63. **The following is a summary of the four main issues identified throughout this paper, and a set of priority actions for the Bank to address these issues:**

Issue 1: Promoting best practices for civic engagement

The Bank's mainstreaming of civic engagement has led to a wide variety of approaches and practices, some more effective than others. This has sometimes resulted in dissatisfaction among Bank staff, member governments and CSOs alike in terms of the quality and outcome of the engagement. The solution lies in finding better ways of promoting and sharing good practices, and also in soliciting regular feedback from CSOs and member governments on the strengths and weaknesses of various Bank engagement practices.

Issue 2: Closing the gap between expectations, policy and practice

The gap between the Bank's messages and corresponding expectations, policies and practices suggests a number of constraints to effective Bank-CSO engagement. Taking further steps to close this gap can help to promote more constructive and effective relations in the future.

Issue 3: Adapting to changes in global and national civil society

Significant changes in global and national civil society have occurred over the last several years, which warrant adjustments in the ways the Bank engages with CSOs institutionally.

Issue 4: Achieving greater Bank-wide coherence and accountability

The decentralized responsibility in the Bank for engaging CSOs is a major challenge that poses both opportunities and risks. This calls for reviewing the management and staffing arrangements and improving the mechanisms to achieve greater Bank-wide coherence, coordination and accountability.

- 64. Priority Action 1: Establish new global mechanisms for Bank-CSO engagement to help promote mutual understanding and cooperation.** This action item responds to Issues 1, 2 and 3. Since the phasing out of the World Bank-NGO Committee in 2000, the Civil Society Team has been working with leading CSO networks to explore new venues for dialogue on policy and process at the global level. A Joint Facilitation Committee (JFC) was established as a transitional mechanism to help the Bank shape a new platform for civil society engagement at the global level. At an initial meeting of the JFC in October 2003, representatives of 14 transnational CSO networks and Bank management agreed on an agenda for action for wider consultation among CSOs around the world. The JFC has been examining issues of access to the World Bank (particularly for CSOs from the developing world), and methods of engagement, accountability, transparency and responsiveness, but also to how the Bank and civil society can work together more effectively in pursuit of common agendas, such as in advocating for more development assistance to achieve the MDGs. A Bank-civil society global policy forum is planned for April 2005, with the objective of identifying lessons learned and best practices, and eliciting CSO recommendations on how to strengthen their future engagement with the Bank.
- Several other processes have already shown promise for improving the quality of engagement with CSOs, but commitments of support, time and resources by Bank management are critical factors in their success. Some processes that have shown promise are: earlier and more structured process of consultation around the *World Development Reports* (as was done for the 2004 WDR); a series of thematic videoconference dialogues linking CSOs in both developed and developing countries with Bank managers in Washington; and "strategic policy workshops" during which the lead Bank managers on a given issue engage in-depth with counterpart experts or opinion leaders from civil society to examine the implications of specific policies and explore possible common ground (such

workshops on trade policy, rural livelihoods, HIV/AIDS and water have been held to date).

- Thematic Forums are another useful platform to channel dialogue, learning, and recommendations for action on a given topic. The Bank's Latin American and Caribbean (LCR) Region holds an annual thematic forum involving the Vice President and LCR Management Team and a range of civil society, government, and business representatives from the region. Each forum is preceded by a substantive program of research funded by the regional management. The Europe and Central Asia (ECA) NGO Working Group and the World Bank's ECA regional management team have convened regional forums bringing together CSOs from across the region for networking and learning together with the Vice President and members of the ECA Regional Management Team, and laying out a work plan for substantive engagement.
- Another innovative effort is the Bridge Initiative, which is led by European and US alternative media professionals and is geared to promoting more informed and constructive public debate between the multilateral institutions, governments, private sector and leaders of the global social justice movement, including the organizers of the WSF. The Bank has participated with the Bridge Initiative in several meetings and public debates.

65. Priority Action 2: Establish a Bank-wide advisory service/focal point for consultations and an institutional framework for consultation management and feedback. This action item responds in particular to Issues 1, 2 and 3. The goal is a more systematic, Bank-wide approach to consultations based on best practice. Recent Bank and external reviews of consultations have already provided a basis for this work, and demand has been growing. Bank country and task teams will continue to take responsibility for managing consultations, but the role of the new advisory service/focal point will be to provide these teams with clearer guidance on how to structure consultations, technical assistance, monitoring, and knowledge management support. The focal point can help reduce scheduling overlaps caused by competing consultation schedules, and also can help address some of the root causes of "consultation fatigue" often experienced by Bank staff, government officials, and CSOs. It also can help lighten the load on Bank teams undertaking consultations, and promote better quality consultations, by providing guidance on design of the consultation process, targeting key stakeholder groups, assessing possible risks, training on how to conduct effective consultations, and establishing more systematic, timely and transparent processes for feedback. Key deliverables would include preparing management-endorsed consultation guidelines for staff, and improving and expanding the use of existing tools such as the *Consultations Sourcebook* and the Stakeholder Consultation training course. The focal point will work with the Civil Society Group to promote best practices and also to strengthen institutional knowledge management, ensuring that consultation inputs and outcomes are shared with relevant departments across the Bank, to inform and improve future consultations. This more coordinated and strategic approach can be expected to improve Bank relations with a variety of constituencies, including CSOs and the private sector, while also strengthening the dialogue and cooperation among these constituencies and government officials. The new advisory service/focal point will be

housed in EXT but will work closely with ESSD, OPCS, and regional and network vice presidencies, as needed.

66. **Priority Action 3: Pilot a new Bank-wide monitoring and evaluation system for civic engagement.** This responds in particular to Issues 1 and 2. It is time for the Bank to determine if it is useful and cost-effective to move beyond the limited M&E process for civic engagement which has been in place for nearly two decades – an annual desk review of PADs that tracks only intended involvement of CSOs in Bank-financed projects—and to see if it can be replaced with a more informative and useful system. The goal is to measure the scope and quality of civic engagement throughout the project or strategy implementation cycle, to assess progress and cost effectiveness. This should be integrated with regular reporting systems so that it does not add significantly to the burdens placed on task teams. A baseline study will assist in monitoring future engagement and guiding future strategy. Results and trends will be reported annually to the Bank’s senior management, the Board, CSOs and to the general public through a periodic progress report on Bank-civil society relations. ESSD will lead this effort in close coordination with EXT, OPCS and the Bank-wide civil society focal points.
67. **Priority Action 4: Conduct a review of Bank funds for civil society engagement in operations and in policy dialogue, and explore possible realignment or restructuring.** This responds to Issues 2 and 3. The goal is to better match resources to strategic demands for engagement, and to lessen the transaction costs on Bank teams and member governments seeking resources to engage CSOs. It is quite difficult to get an adequate picture of available resources for Bank-civil society engagement because there is currently no Bank-wide system of disaggregating these funds across the various channels that exist, and civil society engagement has largely been mainstreamed into Bank operations. Some funding mechanisms that Bank staff and managers have advocated as important outreach tools, such as the Small Grants Program or Development Marketplace, may be too limited to meet growing demand from Bank country offices and task teams, while certain unit or project budgets to support consultations or other means of civic engagement may be quite extensive. It is also important to note that much of the Bank’s engagement with CSOs at the corporate level has been supported or augmented by bilateral trust funds. While a full cost accounting of Bank-CSO engagement will not be possible, this review can help Bank management and the Board to assess whether the current levels and mechanisms available for CSO engagement are adequate, whether these mechanisms are cost effective or different mechanisms may be needed, and whether Bank-financed projects should formally include an explicit participation and communications budget. The Civil Society Team will lead this review with inputs and support from other units in the Bank as needed.
68. **Priority Action 5: Review the Bank’s procurement framework with a view toward facilitating collaboration with CSOs.** This responds to Issues 2 and 3. The expansion of Bank lending into social services activities, new development assistance models that promote greater local ownership, and the expansion of grant financing have introduced new opportunities for CSO collaboration on Bank-financed projects. These changes also have exposed other constraints and tensions, such as a perceived lack of flexibility in the Bank’s procurement framework, which was designed

primarily for contracting with private sector firms. There have been some recent experiments to clarify and streamline procurement procedures for CSOs, such as for CDD programs and for HIV/AIDS initiatives funded by the MAP, and the Bank's procurement and consultant guidelines were also modified in May 2004. OPCS will monitor these experiences and continue to consult with both international and local CSOs to identify and address remaining obstacles or concerns as needed, in order to facilitate CSO participation in Bank-supported activities. OPCS also will expand its efforts to provide capacity-building for Bank staff, government officials and CSO representatives to understand and implement the modified procurement and consultant guidelines.

69. Priority Action 6: Institute a more structured and integrated learning program for Bank staff and member governments on the changing role, nature, and perspectives of civil society, and on how to engage CSOs more effectively, as well as capacity building for CSOs on how to work with the Bank and governments.

This responds to Issues 3 and 4. The Bank's Civil Society Team and other units regularly host forums to expose Bank staff, management, and Executive Directors to CSO perspectives on issues and innovative practices in civic engagement. However, these events are voluntary and sporadic. Given the complex and constantly changing global civil society landscape, there is need for a more structured and effective program in which components on engaging civil society are included in the formal training programs and retreats for Country Directors and Managers, RMTs, Young Professionals and other Bank staff, particularly those working in operations, as well as for Executive Directors and their staffs. Important areas to target for skill-building include participatory approaches, strategic communications, political analysis, political risk management, analysis of the environment for civic engagement, and the political economy of civil society. This would also include reinstating support for a regular training program for the Civil Society Group and Civil Society Country Staff across the institution and building a stronger "community of practice" involving Bank staff, CSOs and other stakeholders, such as the newly launched Community of Practice in Social Accountability (COPSA).¹¹⁵ In addition, joint training, staff exchanges and secondments have proven to be successful ways of building mutual understanding and more constructive relations among CSOs and Bank managers, and these should be promoted more aggressively, with incentives from Bank management. Furthermore, there is growing demand for capacity-building programs for CSOs to help them understand how the Bank works, the respective roles of Bank staff and government officials, the project cycle, economic analysis, and how to get involved in consultations or project implementation. The Civil Society Team will collaborate with Human Resources, WBI, OPCS and others to design a multi-faceted program to meet these various needs.

70. Priority Action 7: Hold regular meetings of Bank senior management, and periodically with the Board, to review Bank-civil society relations. This responds in particular to Issues 2 and 4. Meetings of senior management, using the existing channels, will occur regularly, perhaps either quarterly or semi-annually. These meetings will be an opportunity to monitor progress, assess risks, discuss key issues and constraints, and set policy and strategy directions, strengthen institutional

¹¹⁵ Community of Practice on Social Accountability (COPSA) Proposal (World Bank 2003b).

coherence and provide guidance to staff on civic engagement. Management also will provide the Board with periodic reviews of progress on Bank-CSO engagement.

71. **Priority Action 8: Develop and issue new guidelines for Bank staff on the institution's approach and best practices for working with civil society.** This responds in particular to Issues 1 and 4. Much of the tension that exists in Bank-civil society relations results when there is failure to clarify up front the objectives, parameters, and outcomes of engagement. The guidelines will enable Bank staff to make more informed judgments on which CSOs to engage on specific objectives or activities, including a framework for engagement that is based on best practice and mutual responsibilities. The guidelines also will clarify that member governments are the Bank's decision-makers, and engagement with CSOs is an important part of improving governance and development outcomes. These guidelines will supersede the existing GP 14.70 on *Involving NGOs in Bank-Supported Activities*. The new guidelines will be cross-referenced in existing operational policies and business procedures (OP/BPs), while more specific good practice notes will be prepared for new or revised OP/BPs where participation is a critical factor, such as the new OP/BP on development policy lending. The Civil Society Team will lead this work in coordination with OPCS and the Bank-wide civil society focal points.
72. **Priority Action 9: Emphasize the importance of civil society engagement in the guidance to Bank staff on the preparation of the CAS as well as in CAS monitoring and evaluation.** This responds in particular to Issues 1 and 4. Participation in the preparation of the CAS in IDA countries will build on the participation of civil society in the preparation of the country's PRSP. OPCS will lead this effort with support from the Civil Society Team and the Bank-wide civil society focal points.
73. **Priority Action 10: Develop tools for analytical mapping of civil society to assist country and task teams in determining the relevant CSOs to engage on a given issue, project, or strategy.** This responds in particular to Issues 2 and 3. A common dilemma for Bank staff as well as for member governments is how to target civic engagement, given the size and diversity of civil society at the national and global levels. The process of targeting is often ad hoc, based on ease of access or existing relationships rather than on tailored analysis. There is continuing dissatisfaction among Bank staff, governments and CSOs alike that civil society groups in developing countries, particularly those located outside of capital cities, often do not have the same access and influence as those with a presence in Washington or major European capitals. With development effectiveness as the overarching goal, some basic criteria that can be used as a guide for selecting which CSOs to engage on a given issue or project are: *credibility, competence, local or thematic knowledge, transparency, and accountability*.¹¹⁶ Of course, these criteria must be adapted and weighted for the task or objective at hand; for example, it may be necessary to reach out to a certain group because of its influence or its networking capacity. Thus, the Bank's civil society and external affairs specialists play a critical role to help country and sector teams navigate the constantly changing civil society landscape and target engagement on a case-by-case basis. Many of these staff provide this guidance

¹¹⁶ Note that these criteria are similar to those identified in *The Bank's Relations with NGOs* (World Bank 1998b).

already, although it could be utilized more effectively by their colleagues. The goal should be for the Bank to use its convening power to engage a broad spectrum of perspectives from both developed and developing countries on any given issue or initiative. ESSD will lead this effort, building on work already underway on the enabling environment for civic engagement.

A number of other options for improving the Bank's engagement with CSOs are under discussion. These are grouped below in relation to the issues identified within the paper.

Close the gap between expectations, policy and practice:

74. **Expand and deepen efforts to promote more enabling environments for civic engagement in PRSPs, PRSCs and other country-based operations, including through PSIA and social accountability mechanisms.** Implementing the Bank's empowerment agenda requires expanding the Bank's political and financial support devoted to helping governments improve their dialogue and collaboration with CSOs, promoting analysis and public debate around economic and social policy options that will lead to pro-poor outcomes, and strengthening systems of social accountability. This also requires investments in analytical work and in public advocacy to promote more conducive institutional frameworks for civic engagement. Civil society stakeholders often refer to the Bank's comparative advantage in helping to remove institutional barriers to their participation. Critical steps are increasing the available time, flexibility, opportunities and resources to facilitate civic engagement, both upstream in design and decision-making, and also downstream in monitoring and evaluation. Targeted capacity-building for local CSOs, especially for poor people's networks and community-based organizations, is also critical. The Bank also should encourage external reviews of stakeholder participation in PRSPs, as a tool for promoting greater public ownership in the future.
75. **Take additional steps to increase transparency and information disclosure in Bank-supported policy dialogue and lending operations.** For many CSOs, disclosure is a major test of the Bank's commitment to empowerment, and a key advocacy issue in the debate over expanding developing country voice and participation in decision-making. Important steps forward were made when the Board revised the disclosure policy in 2001, and when it subsequently approved a major effort to expand the number and capacity of the Bank's in-country PICs (public information centers), the translation of Bank documents into local languages, and disclosure of minutes of Board meetings. In a number of countries, Bank staff are working with governments to pilot efforts at expanded disclosure of analytical work, strategy and loan documents – in some cases for both Bank-owned and government-owned documents. While these steps have been welcomed, CSOs (and the Bank's own empowerment framework) argue that real empowerment requires providing stakeholders with easier and earlier access to information—well *before* decisions are made—so that they have an opportunity to contribute their inputs and to communicate their views to their government representatives. The Bank's disclosure obstacles cited by CSOs include the unavailability of draft documents, insufficient disclosure in advance of decision points, the highly technical nature of Bank information, and lack of clarity among many Bank staff as to the intent of the disclosure policy and their

own roles and responsibilities under the policy. There is need for a systematic and continuous learning program on the Bank's disclosure policy for *all* Bank staff and managers, especially those working on operations, as well as a mechanism to which CSOs can turn if they are not provided with information that should be publicly available under Bank policy.

- 76. Conduct a review of the Bank's current business procedures, practices and incentives for CSO engagement to identify existing constraints, particularly for country teams in carrying out their desired country strategy for CSO engagement, and propose solutions.** Placing emphasis on more upstream engagement of CSOs in the design and pre-approval stages can improve the quality of the Bank's analytical and lending products, save time and added costs of revision at later stages, and also minimize risks to the institution. This review may explore, *inter alia*, governance and accountability issues; human resources issues such as hiring practices, staff behavior and incentives; available and accessible financing; constraints on information disclosure; and the role of various grievance mechanisms such as the Bank's Inspection Panel and IFC/MIGA's Compliance Advisor/Ombudsman (CAO). The goal would be to help remove existing constraints to broader and more effective civic engagement, and to harmonize where possible. There is particular need to look at constraints to participation by poor peoples' networks and community-based organizations. There can be significant obstacles to meaningful participation by these groups due to inadequate time and resources to receive information about a consultation opportunity, access information, or travel to the appointed venue.

Adapt to changes in global and national civil society:

- 77. Adopt formal rules or principles for Bank-CSO engagement.** Some governments and CSOs have expressed interest in going beyond the good practice guidelines described in Priority Action 8 to adoption of formal agreements that define rules of engagement, a code of conduct or an agreed set of principles for Bank-CSO engagement, particularly in policymaking processes. Others have proposed that the Bank adopt a transparent system of year-round accreditation for CSOs (beyond just the Annual Meetings), as some other multilateral institutions have done, to govern access and define certain privileges. Still others have cautioned that it is not appropriate for the Bank to be too prescriptive in this area, and that such rules or criteria for participation are best defined by governments and CSOs at the national level, or perhaps through the use of international benchmarking or third-party certification.
- 78. Explore the feasibility of a comparative review of CSO engagement practices with other MDBs and multilateral and bilateral agencies.** The goals would be to elicit best practices across the international community and to build on existing efforts at donor harmonization and collaboration. Several of the MDBs have recently reviewed and strengthened their own frameworks for participation and civic engagement, and as noted previously, the High-Level Panel on UN Relations with Civil Society appointed by UN Secretary-General Annan published its recommendations in June 2004. The Bank's Civil Society Team belongs to an informal, inter-agency staff network of civil society focal points across the various

multilateral agencies, and this network could assist in this review. The Bank also could use its existing partnerships in civic engagement with bilateral agencies and trust funds, and convene a forum on lessons learned from those initiatives.

Achieving greater Bank-wide coherence and accountability:

79. Develop a more proactive Bank-wide approach, building on the corporate watch list, to assess and manage risks emanating from lending and non-lending activities that may attract a high degree of civil society interest and/or criticism.

Some issues or projects generate more interest and controversy from civil society than others, and if not well-managed, these can result in complaints being filed with the Inspection Panel or high-profile advocacy campaigns that use up extensive Bank resources and may endanger the success of operations. A more proactive approach to risk assessment and management would encompass an early warning system to identify such projects, assigning experienced external relations/civil society relations staff to promote early and sustained engagement with local and international CSOs, and work closely with task teams to try to address CSO concerns up front. This civic engagement component should be integrated into an integrated risk management framework, which considers strategic effectiveness, operational efficiency, stakeholder support, and financial soundness.¹¹⁷ Lessons could be drawn from an analysis of the role of CSOs in recent Inspection Panel cases, and from the experience of involving CSOs and other external stakeholders in the Bank's East Asia and Pacific (EAP) Region's Special Operational Review.

80. Conduct a review of the Bank-wide management and staffing matrix for civil society relations, with a view toward establishing a more coherent institutional framework while ensuring the necessary flexibility to adapt to country and local conditions. Each of the Bank's regional and network departments boasts different models for managing civil society relations. Civil society focal points are mapped across EXT, ESSD, PREM, HD, SRM, RMC, and other units. Some of the countries and regions have CSO working groups, while others do not. Some sectors have regular meetings with CSOs working in their fields, while others consult only occasionally. Some country offices and headquarters departments have appointed full-time, experienced civil society focal points; others have staff who only spend part of their time on this role; and still others have no established focal point. Further complicating the picture is that IFC and MIGA have different approaches to civic engagement than IBRD and IDA. This complex matrix of responsibilities and accountability hinders Bank-wide information sharing, coordination and strategic management. It can be confusing and frustrating both for CSOs seeking to engage the Bank, as well as for Bank staff or government officials looking for guidance on how to engage CSOs. A management review of these arrangements could examine ways to provide clearer reporting systems and/or alignment, in order to achieve a better balance between decentralization and flexibility to manage civil society relations in response to specific sector/country/regional contexts, and the need for better global coordination and coherence.

¹¹⁷ An integrated risk management framework for the World Bank was discussed with Executive Directors in January 2003.

81. **Explore the feasibility of a Bank-wide knowledge management system for civil society engagement.** This option can respond to growing demands from Bank staff for timely mapping of civil society's interests and capacities, and better tracking of the institution's engagement with a specific group. This could be accomplished through a shared database, managed by the Civil Society Team, to which the Bank-wide civil society focal points can regularly contribute and also access data and reports about various CSOs or specific activities. This could become a valuable institutional memory of correspondence, dialogues, consultations, partnerships or other initiatives. Such a system can help improve the Bank's timeliness and quality of responses to external requests for information and internal requests for background briefings; lighten the load on Bank staff seeking such information; and encourage consistency and follow-up. Technology already exists to support this, but it will only work if staff and managers view it as a priority for making their work more effective. Improved knowledge management could improve institutional reporting on Bank-civil society relations; help track whether regional, sector and constituency-based civic engagement strategies are coordinated and aligned; and help identify potential risks as well as opportunities for leveraging resources across the Bank.

8. CONCLUSION

82. The international consensus that has been built around the MDGs and the Monterrey-Doha-Johannesburg global development agenda presents an historic opportunity to make sustained progress in the fight against poverty, and for governments and international organizations such as the Bank to team up effectively with CSOs in this fight. Over the past two decades, the Bank has steadily expanded its engagement in dialogue and in partnership with CSOs around the globe, and it has learned that this engagement can improve development impact by empowering citizens to participate in their country's development. Today, the growing capacity and influence of civil society, the recent trends in globalization, the Bank's own reforms, and the lessons learned about the benefits of participation and empowerment all warrant taking additional institutional steps to engage civil society in more consistent, strategic and effective ways. This also is warranted in response to growing internal and external demands on the Bank to demonstrate greater corporate social responsibility and accountability for its own actions. The analysis, issues and options put forward in this paper are aimed at helping the Bank improve its approach to engaging CSOs in the future, particularly by helping to close the gaps in expectations and practice, and providing the basis for establishing new "norms" and more effective mechanisms for engagement. These steps can help the Bank to better serve its member governments in the effort to achieve the MDGs.

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ANNEX A

On-Line Comments

| | Location | Summary of Comment | World Bank Response |
|---|------------------------|---|---|
| 1 | New York, NY | The World Bank/IMF can be a force for global change by supporting asset recovery and repatriation in the 21st century. In the Post-Terror Era, mega-billions can be made available for human development and security purposes. This is the new mission for Bretton Woods, under able leadership of the UN General Assembly and Security Council. | This general comment goes beyond the scope of this paper. |
| 2 | Washington DC- USA | There is a need for more clarity on what the Bank wants to do with CSOs. The paper does not give much insight into the Bank's intentions in terms of the new "Bank-CSO partnership" direction. The paper is somewhat silent on the fact that the Bank, as an investor, is willing to use CSOs as a tool in order to achieve its objectives and goals of poverty eradication. | An overview of the Bank's history of, and rationale for, engagement with civil society is discussed in paragraphs 1-15. |
| 3 | St. Petersburg, Russia | One thing that I think is missing in the Issues and Options paper is the statement that civic engagement is important nearly at all stages of the Bank's project cycle, especially at the early stages. It might also be important to write up a simple reporting (feed-back) mechanism to those who were consulted: how, why and to what extent their positions (interests) were taken or not taken into account in a new policy document or project. | The concept of engaging CSOs upstream in the creation of Bank policy and projects is discussed in paragraphs 72 and 76. The need for improving feedback from consultations is addressed in paragraphs 32, 56, and 65. |
| 4 | Paris, France | African NGOs have limited access to net-based resources. | The limited access to information or even participation in advocacy work by some NGOs, in this case African, is discussed in paragraphs 7, 8, and 9. |
| 5 | Berlin, Germany | The report provides a good overview and strategy outline but it falls a bit short in analyzing past and ongoing World Bank-Civil Society relations with reference to (1) types of partnerships, (2) types of partner organizations, (3) experience in different sectors, (4) shifting trends, (5) good and not so good practices in policy dialogue and programmed implementation. | The paper is focused at synthesizing what is happening in Bank-civil society engagement at the global and institutional levels. It does not attempt to describe in detail what is happening at the regional or country level, as this is too extensive for one paper. The references sections include many documents which elaborate in further detail. |
| 6 | No contact information | The paper does not clearly define the CSO constituency that the Bank intends to work with. In an attempt to define the intended Bank-CSO partnership, it is necessary to bring to the fore the serious considerations of differentiating Civil Society Organizations as Southern vs. Northern. It is also expected that CSOs will be seen, not as a new theme for the Bank, but rather as a new strategy that is more result oriented and people centered. It should encourage sustainability in development, especially community centered development. Dialogue must therefore be central in this approach. | The complex task of defining the many varied CSOs (e.g., Northern vs. Southern) is undertaken in paragraphs 6-9 and 73. The paper argues for a more empowerment-centered approach which may help to close the gap between expectations, policy and practice. |
| 7 | No contact information | How many people in Civil Society know anything about the role of the World Bank? Or, how many people know the role of the World Bank? This should be the starting point for this paper. What can the World Bank do and what can it not do? Is the World Bank accountable to Civil Society as beneficiaries? Or, does the World Bank serve only Member States, and their interest groups? | The improvement of the Bank's overall communications with civil society is addressed in paragraphs 64 and 75. Paragraph 10 notes that under the Bank's Articles of Agreement, the Bank's primary clients are governments; however, engagement with CSOs have been recognized as an important component for development effectiveness and poverty reduction. Paragraph 10 also notes some of the various ways in which civic engagement has been referenced in Bank policy guidance. |
| 8 | Argentina | The way in which the Bank presently approaches Civil Society engagement is largely consultative and takes place at levels far removed from actual Bank projects which is where most of the true concerns lie and where the participation could | The notion of mainstreaming civic engagement into Bank analysis, policy dialogue and operations is discussed in paragraph 44. Paragraph 72, 76 addresses the need for "upstream" engagement with civil society in the design of CASs. The |

| | Location | Summary of Comment | World Bank Response |
|----|------------------------|---|--|
| | | potentially make a large difference. Generally speaking, the Bank seeks "opinions" about strategies, and about completed projects, best/worst practices, or in some cases, in environmental impact assessments in instances where that opinion has little effective relevance to prevent or change inherent problems in real projects. Approaches to engagement are uneven across the institution and lack reliable data to monitor and evaluate engagement. There are disclosure and transparency limitations, weak incentives for staff, and poor funding to foster participation. What is most crucial is that present engagement mechanisms are missing the point. They are tangential to projects and country operations, sometimes lying entirely outside the boundaries of project design and implementation. | Bank-wide, ad-hoc nature of CSO engagement is addressed in paragraphs 32, 35 and 65. The need for monitoring and evaluation is addressed in paragraphs 31, 32 and 66. |
| 9 | No contact information | I am quite distraught to see only a few postings on such an important issue as CSO-Bank partnership from my colleagues in civil society movements! Civil society, by and large, sees this attempt of involving CSOs in dialogue as a mere eye-wash, and that little would actually be achieved by such an exercise. Some of my colleagues, I suspect, are overtly conscious of the risk of being tagged "pro-bank" if they involve themselves in such an exercise! Any attempt to engage into even an intellectual talk with the Bank would be seen as "aligning" with them. I would suggest that it will do the Bank, the member countries and the CSOs far more good if all the staff of the Bank's Civil Society division at least participate in a rotational six month internship with civil societies organizations...and when I say CSOs, I don't mean the BIG and MIGHTY...think of the lesser known ones...for every "Narmada Bachao Andolan" in India there are at least thousands of lesser groups fighting their lone battle of survival. | Paragraphs 47-60 provide an overview of civil society's criticism of the Bank, and the difficult space CSOs find themselves in when they participate in constructive engagement with the Bank and yet, are still opposed to certain policies. Staff training, staff exchanges and secondments for Bank staff are proposed as priority actions in paragraph 69. |
| 10 | Washington DC- USA | CSOs and the Bank have engaged in dialogues on many levels yet, there still remains the problem of a lack of "meaningful participation". This is referred to by Jorge's message, that CSOs are not asking to work on a Bank-CSO project but, rather, to be included in the making of real Bank projects. The Bank must work with its client countries to incorporate CSOs into meaningful discussions on projects, government budgets, and other government decisions that put the respective CSO's country into more debt. A "meaningful dialogue" means that the Bank would stop supporting joint studies and initiatives with CSOs, if it is not going to follow through by accepting and implementing their recommendations and findings. The question then is, what can the Bank do in order to have "meaningful participation" and "meaningful engagements" with Civil Society? | Paragraphs 62-73 offer a number of options for improving Bank-CSO engagement. The aim is to ensure more meaningful participation e.g. by ensuring feedback mechanisms, as discussed in paragraphs 32, 56 and 65. Paragraph 33 discusses the merits and problems of past joint Bank-CSO studies. |
| 11 | Montreal, Canada | The "Issues and Options..." paper contains several elements that should be reviewed and reconsidered, beginning with the basic assumptions that the goal of improved relations with CSOs is "development effectiveness and risk management benefits." This process will be strengthened if it recognizes explicitly that the goal of better relations with civil society is one of empowerment of the people affected by World Bank programs and projects. Empowerment of civil society can be viewed as the goal of a process that begins with the basics - access to information – and then elements of consultation and dialogue, but doesn't stop there. Rather, it should continue to expand, so that inclusion in the | The acknowledgment that empowerment is a key goal of Bank-Civil Society engagement is addressed in paragraphs 10 and 11. The need to enhance information disclosure is addressed in paragraphs 34 and 75. |

| | Location | Summary of Comment | World Bank Response |
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| | | policy process becomes strengthened, even beyond elements of policy input so that in the end the goal is policy choices, direction and management ultimately derived from civil society itself (either directly or via representative government). The Bank should move to expand its capacity to respond to civil society demands for information and input. | |

Argentina

| | Location | Comment | World Bank Response/comment |
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| 1 | Argentina | It is correct to think about new ways to increase civil society participation and engagement in World Bank policies, but the issue can not be resolved if superficial measures are adopted. To be meaningful, civil society participation should begin in the project's preparation stage. | The importance of involving CSOs "upstream" in a CAS or project preparation is discussed in paragraphs 44, 72 and 76. The paper also flags some of the existing constraints to participation, such as timing and costs, and recommends steps to address these. |
| 2 | Argentina | CSO should be systematically engaged in the dissemination of all the proposals contained in this paper. Dissemination activities should be carried out in a double direction: i) within the WB; and ii) to civil society at large. | The draft paper has been widely discussed inside the Bank, and it has been posted on the web and also sent out in the Bank's civic engagement e:newsletter to solicit public feedback. The paper has been revised to reflect the comments received, and Bank management intends to do a more formal dissemination of the final paper inside and outside the Bank through various communications channels, and also welcomes assistance in wider dissemination to interested CSOs and other stakeholders. |
| 3 | Argentina | CSO should receive feedback and a final response to the proposals raised during this meeting. | This comments matrix is intended to serve as a feedback mechanism. The Bank's Civil Society Team is available for further discussion on any of the issues raised in this paper. Send questions or comments to civilsociety@worldbank.org |
| 4 | Argentina | World Bank-civil society relations can be characterized as suffering from an expectations-gap: Bank's main policies and instruments do not reflect discourse. For example, many consultations with civil society have been organized by the Bank during the last few years (e.g.. CASs consultations), but this exercises are not binding ones. As a result, CSO hold the shared perception that they are utilized as channels to collect valuable information, which severely affects Bank's credibility. The proposal is to carry out binding consultations. | The expectations gap, which results in consultation fatigue, is raised in paragraphs 32-34, 53, 56, 60, 62, 63, and 77. While the Bank seeks to achieve consensus on the issues on which it consults, consultations by definition are not binding, and cannot be, as the Bank must take into account the views of a variety of different stakeholders who may disagree with one another. The Bank's role thus is to undertake consultations in a learning mode, reflect those learnings where it is possible, and provide feedback on how civil society views are incorporated, and if not, why not. |
| 5 | Argentina | If the World Bank renewed interest in civil society participation means stronger partnerships with CSO in the design and implementation of projects, the role of the Government in this partnerships should be clarified. | The new political landscape and its triangular structure between Government, private sector and CSOs, is raised in paragraph 40. The role of the Bank to act as a facilitator between CSOs and government, in light of this new dynamic, is addressed in paragraphs 22-24 and 56. |
| 6 | Argentina | The document correctly defines civil society as a bigger phenomenon than NGOs. This coincides with the current accepted definition in Argentina, elaborated as a result of big efforts to build partnerships among different social actors to define and address development priorities. | The broadened definition of Civil Society from that of only including NGOs is explained in paragraphs 6-9. |
| 7 | Argentina | It is controversial to support the idea that CSOs have had strong impact in development. There is a prime necessity for this to occur, but so far this has not been the case. The world is under a process of rethinking the traditional social-institutional divisions. The three-dimensional division of private sector, State and civil society has caused several difficulties in pursuing concerted social efforts. These divisions are currently outdated. The Bank should help to design social structures that can contribute to the pursuit of shared public goals. Civil society has the will to make these changes, but its resources are scarce. Private actors have the resources but not always the will. The State is called to play a key role but no significant developments seem to be occurring in this direction. The Bank can play a key role in facilitating the dialogue among all social actors to achieve the necessary convergence. | In Sections 3 and 5, the paper points to the growing evidence of the impact of CSOs on development policy and practice, including the Bank's approaches. More rigorous research and better results indicators are needed. The three-dimensional division of the private sector, state and civil society is discussed in paragraph 40. The Bank's involvement as facilitator between the government and CSOs is discussed in paragraphs 22-24 and 56. |

| | Location | Comment | World Bank Response/comment |
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| 8 | Argentina | The challenge to incorporate NGOs into the active fight against poverty begun in the '70s. The Inter-American Foundation played a key role in this process. The switch in the Bank's mission towards poverty reduction and fighting occurred in the '90s. Thus, the Bank should provide clearer paths to deeper civil society engagement in its activities. CSO's engagement in Bank's instruments should be specified in bidding documents (e.g. Loan agreements). | Priority Action 8 is to provide greater clarity and guidelines for staff on civic engagement, and for more upstream engagement, recognizing that |
| 9 | Argentina | It is remarkable to learn that the Bank is rethinking CSO engagement and that it is leading the international community to incorporate many new topics on the development agenda. But a wider agenda requires clearer strategies and more precise instruments and legal provisions. | See the priority actions outlined in paragraphs 63-73. |
| 10 | Argentina | Traditional political actors' legitimacy is today questioned in the majority of developing countries. Consequently, it seems to be a positive step to include CSOs as new partners. But CSO's decreased legitimacy should not be overlooked. In fact, we are under a crisis of representation that includes all sectors of socio-political activity. | Agreed. The challenges to both government and civil society legitimacy are noted in paragraphs 18, 42, and 43. As discussed in paragraph 24, the Bank is helping several countries to promote an enabling environment for civic engagement, which includes legal and regulatory frameworks. |
| 11 | Argentina | Increased transparency is a crucial requisite to better governance. In many ways, CSO can contribute to increase public oversight. But feeble transparency is also a problem for CSOs themselves, and this should be addressed if legitimacy is to be increased. | Agreed that transparency of both Bank and CSO operations is important. Issues of transparency and legitimacy are addressed in paragraphs 12, 15, 23, 24, 34, 75, and 18, 42, 43, respectively. |
| 12 | Argentina | Training of CSOs to perform the new role as global development partner should be stressed. The State's and the Bank's training deliverables to CSOs should be coordinated to maximize resources and achieve lasting results. | The need for training of Bank staff and government officials to work more effectively with CSOs is raised in paragraph 69. |
| 13 | Argentina | The Bank's engagement with trade unions should be revised. In developing countries there are key issues that could only be addresses with the meaningful engagement of Trade Unions. | The Bank's engagement with Trade Unions is addressed in paragraphs 6, 12, 16, 23 and 59. The Bank has made significant steps in recent years to forge ties with unions around the globe, including capacity-building, and now holds a high-level dialogue with global union leaders every two years. |
| 14 | Argentina | Bank's policies towards students and young professionals should be clarified and stressed because in developing countries, youth is a key partner for the execution of enduring development projects. | The Bank's focus on engagement with youth is discussed in paragraphs 12, 16, 23, 54, and 59. This is also an area where the Bank has made significant steps forward, recognizing that youth voices should be heard in policy debates and youth organizations can help in implementing development projects. |
| 15 | Argentina | In this draft document, the Bank seems to be mostly concerned with lowering the risks of engaging with CSOs. To do so, the Bank should carefully select whom to engage with. CSOs have grown in number but not necessarily in capacity and commitment. The main quality an organization should have in order to be selected as a partner is transparency. The Bank should not only increase its own transparency, but demand that CSOs do the same. | The Bank's need to review its selection process for engaging CSOs is addressed in paragraphs 32, 44 and 73 and 76. Of course, there is no singular process for engaging groups, and target stakeholders may vary. Agreed that transparency must apply to CSOs as well as the Bank, and the increased scrutiny on CSOs is noted in paragraph 43. |
| 16 | Argentina | If the Bank's renewed commitment to build partnerships with CSO is to produce lasting outcomes, efforts should be done to: i) include detailed provisions for CSOs' participation within Country Assistance Strategies; and ii) train Task Managers on provisions and tools to foster this participation. | The need for more systematic CSO participation in CAS creation is discussed in paragraphs 72 and 76. Task Manager training in civil society engagement is proposed as a priority action in paragraph 69. |
| 17 | Argentina | Civil society needs constant feedback on the proposals made to the Bank and the Government. Timing of responses should be revised to meet local agendas and situational realities. | The importance of a feedback mechanism, as part of an overall improved approach to consultations, is addressed in paragraphs 32, 56, and 65. |

| | Location | Comment | World Bank Response/comment |
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| 18 | Argentina | The Bank's strategy and discourse has incorporated in the last years many concepts whose concrete policy implications have never been clear to civil society, such as empowerment, PRSP, etc. This contributes to the already referred to "expectations-gap". | The Expectations Gap is discussed in paragraphs 32-34, 53, 56, 60, 62, 63, and 77. |
| 19 | Argentina | There is a considerable lack of knowledge among CSOs of WB's mission and policies. The Bank's communication strategy is feeble and should be revised. This can considerably contribute to transparency. | The importance of transparency is discussed in paragraphs 15, 23, 24, 34 and 75. The proposals in paragraphs 64, 69 and 75 propose ways to improve communications and outreach to CSOs, including training for them on how to work with the Bank. |

Egypt And West Bank & Gaza

| | Location | Comment | World Bank Response/comment |
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| 1 | Egypt | Requested additional information on the role of the Joint Facilitation Committee (JFC) and the selection criteria/process for engagement of civil society in Country Assistance Strategies (CASs) and other WB operations. | The role of the JFC is briefly described in paragraphs 25 and 64. Additional information can be found on the Bank's website for civil society at www.worldbank.org/civilsociety . There is no single or systematic selection criteria for engaging CSOs in the CAS and other WB operations, but the paper notes the demand from Bank staff and member governments for clearer guidance in this area. |
| 2 | Egypt | There is a need for a model of civil society engagement within the field of poverty reduction. There is a vagueness about the paper's definition of the phrase, "engagement of civil society", which can be better distinguished between participation, facilitation, consultation and other functions are undertaken by civil society. There is also a need to recognize civil society as an independent sector, which the Bank should be more actively involved with. | The distinction between the Bank's different types of engagement with civil society (facilitation, dialogue and consultation, and partnership) is discussed in paragraphs 21-27. Section 2 of the paper explains the Bank's definition of civil society, while Sections 5 and 6 describe the independent nature of civil society and the need for the Bank to engage more actively and strategically. |
| 3 | Egypt | Requests that more emphasis be made throughout the document on the role of the media. The Bank should also recognize the value consultation input to development processes. She notes that the importance of gender is made within the paper, and that it also refers to the possibility of engaging civil society in WB operations based on a thematic approach. She recommends that the Bank review the guidelines for consultations prepared by the Arab Media Forum. | Media organizations have been included in the paper's definition of civil society in paragraph 6, and the role of a free press as one aspect of the enabling environment for civic engagement is noted in paragraph 44. The Bank has been actively engaged in providing capacity-building and support for journalists in developing countries. The paper's discussion on the need to improve consultations includes the need to ensure diversity in the selection process (including gender sensitivity). This is discussed in paragraphs 32, 44, 73, and 76. |
| 4 | Egypt | There is a need for a more flexible framework to engage civil society, given the diversity within civil society players and the different roles that they undertake. | Section 4 of the paper points to the need for greater flexibility within the Bank's framework in order to better engage CSOs. In practice, the Bank's relations with CSOs are managed in a very decentralized manner. Paragraph 79 speaks to the need to ensure flexibility in managing these relations while also strengthening the overall quality and application of best practices in civic engagement. |
| 5 | Egypt | There is a need to move beyond NGOs while mobilizing civil society players and investing more resource in their capacity building, in order to effectively engage them and support their agendas. | Agreed. The Bank's recognition of the need to engage different actors, beyond NGOs, under the rubric of civil society is addressed in paragraphs 6-12, 16 and 59. The importance of capacity building for CSOs to engage more effectively with the Bank and its member governments is noted in paragraph 69. |
| 6 | Egypt | The WB should introduce a more user friendly version of the Bank's products (publications and otherwise) in order to attract civil society as a partner. Also there is inadequate capacity within the Bank itself to guide civil society partnerships, particularly at the country level. | Agreed. The need to strengthen the capacity of Bank staff to engage with CSOs is discussed in paragraphs 65, 69, and 71-73. Paragraph 75 also makes the case for improving disclosure and transparency. |
| 7 | Egypt | Inadequate funding for civil society engagement is a challenge for the Bank. Also lacking are resources to undertake a periodic assessment of the dynamic local civil society in light of its dynamic features, which makes the Bank dependent on the assessments of other organizations who might be somewhat biased or restricted. | The paper discusses the existing funding sources and makes the case for a review and possible restructuring in paragraphs 28-30, 67 and 76. The importance of better monitoring and evaluation is addressed in paragraphs 31 and 66. |

| | Location | Comment | World Bank Response/comment |
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| 8 | West Bank & Gaza | The paper is gender blind. This seems to be the case with many of the Bank's Policy Papers and other documentation. The Bank appears to shy away from focusing proactively on the empowerment of women, perhaps due to the potential changes in social dynamics it may create. However, a serious advancement of social development can only be based on a recognition of gender roles. How does the Bank foresee its ability to advocate for real reform, when the efforts to implement reform are mainly centered on formal institutions that, themselves, are often gender blind? A positive element in this paper is that the CSO term has been expanded to include a wide range of representations (not only technocrats and NGOs). | The Bank strongly supports women's empowerment and the mainstreaming of gender issues in development. This paper is geared to discussing a broad overview of civil society without going in-depth into any particular set of organizations or sectoral issues. Groups that promote women's empowerment are part of the target audience described. The paper also notes that women's organizations often are at a disadvantage vis-a-vis other groups in civil society and so should be a priority for engagement. The various action items in Paragraphs 64 - 81 discuss the need to provide Bank staff with better guidance for their engagement with CSOs, and gender considerations will be included. |
| 9 | West Bank & Gaza | A major issue not taken into account is the diversity that exists between various forms/kinds of civil society - no distinction is made between South and North or West and East, while these specificities are very critical if a serious engagement is to be advanced. Similarly, this paper does not pay due attention to the diversity that is generated by the various governance structures existing in various regions/countries. The situation of civil society in the South is very different from its equal in the North due to limited democratic systems. This situation merits a more targeted approach to civil society engagement and an effort on part of the Bank to introduce improvements on the enabling environment for civic engagement. It is important to prioritize more the proposed actions and to select the most appropriate for any one setting. | Section 2 of the paper describes the diversity and complexity of civil society today, including the differences that may exist between Northern and Southern CSOs. The Bank existing work on the enabling environment for civic engagement, and proposals to step it up, are discussed in paragraphs 44, 73 and 74. |
| 10 | West Bank & Gaza | Since the Board of Executive Directors of the World Bank is composed mainly of governments (who are often not CSO friendly), how realistic is it for the Bank to formally institutionalize relationships with civil society groups? On the other hand, the Bank possesses the needed credibility and standing to influence policy change, and transformation of legal systems to ensure more transparency in governance structures. The formal training of Bank Staff is mostly linked to exposure to formal institutions. On capacity building: there is a need to emphasize the importance of building capacity in smaller NGOs, potentially through promoting partnerships between small and big NGOs. This is something the Bank is doing through its ongoing support of the NGO program in West Bank and Gaza. As for procurement: WB procurement procedures are way too complex and they need to be simplified in line with the capacity of NGOs as many of their contractual arrangements are different from those carried out by public institutions. There is a clear inverse correlation between faster disbursements and degree of engagement with CSOs. | The Bank acts as a facilitator in relations between governments and CSOs is discussed in paragraphs 22-24 and 56. Although governments are the Bank's primary clients, the Bank accepts that it should and must work with civil society groups and other stakeholders beyond government to achieve poverty reduction objectives. The need to reexamine the Bank's procurement policy with respect to the unique needs of CSOs is addressed in paragraph 68. |

| | Location | Comment | World Bank Response/comment |
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| 11 | West Bank & Gaza | Issue No. 2 in the paper focuses on the perceived gap between the messages of the Bank and reality. This issue cannot be grouped as one of four, the others being quite different - two of them dealing with internal procedures and the third dealing with a reality that constitutes the terrain, so to speak. In this context, it is important to optimize on using the right "media" instruments to convey a better understanding of the messages. Moreover, invitation, as a process of engagement is critical for informing civil society representatives of the many issues at hand and which constitute the content for the debate on development issues. Through these processes, it is hoped that the "gap" between the messages and the reality will be bridged. | The gap between expectations, policy and practice is one of the major obstacles to more effective civic engagement. Paragraphs 29-35, 53, 56 and 60 discuss some of the areas of frustration, leading to consultation fatigue. Paragraphs 62-64 and 74-76 suggest areas for improvement. |

Ghana

| | Location | Comment | World Bank Response/comment |
|---|----------|--|--|
| 1 | Ghana | He identifies with the evolution of the Bank-CSO relationship illustrated in the paper. Accountability of CSOs is still an issue that needs to be worked on. The paper's definitions of civil society seem to be a bit too engineered. He agrees that the tensions between Northern and Southern CSO is an important issue to address, and that there is not much of an institutionalized dialogue between CSOs and the Bank. | The evolution of Bank-CSO engagement is discussed in paragraphs 2-5. The broad definition of civil society is discussed in paragraphs 6-8 and 73. They include the important distinction between Northern and Southern CSOs. |
| 2 | Ghana | The Bank needs to institute a training program for its staff on how to work effectively with civil society. Alternatively, CSOs need to increase their capacity, especially in terms of understanding the Bank. Bank-CSO engagement needs to occur throughout a project planning process—upstream and downstream. | Priority action 6 in paragraph 69 discusses the need for more structured Bank staff training program on how to engage with CSOs. The importance of engaging CSOs upstream in the CAS and projects is addressed in paragraphs 72 and 76. |
| 3 | Ghana | There is a discrepancy between the analysis in paragraphs 73 and 84 - the implementation of CSO engagement and disclosure rules. The paper should expand its sections on the Bank itself, because it now assumes familiarity with the World Bank. Boxes on "good practices" at the local level would be a good addition to the paper. The paper needs to keep in mind that CSOs are not just target groups, but also individuals, students, etc. The paper should reflect more on what is going on at the local level. | This paper provides a brief description of how the Bank engages with civil society. It is not intended to discuss the local or national level in detail. Good practices are important to share, but are captured in other public documents such as the Consultation Sourcebook and others. The need for greater dissemination of World Bank information in order to help CSOs better understand the Bank is addressed in paragraphs 34, 64 and 75. |
| 4 | Ghana | To make the paper more relevant at the local level and for the Board, you should take a concrete example of debt relief, explain what happened, and the part CSOs played. A good example is the Ghana HIPC water project. This would serve as a model. | HIPC monitoring in Ghana is cited in paragraph 40 as an example of CSO involvement in "social accountability" work. |
| 5 | Ghana | Partnering of local government and civil society is constrained by the need for capacity building and funding. | Agreed. The need to examine funding constraints is proposed as a priority action in paragraph 67, while the need to strengthen capacity for engagement is proposed as a priority action in paragraph 69. |
| 6 | Ghana | SAPRI was an example of government and CSO involvement, however, the governments didn't take the process seriously. The World Bank has an important role to play in ensuring that governments are serious. | Paragraph 33 specifically refers to difficulties encountered in the SAPRI process, and the need to examine lessons learned for the future. The Bank's roles as facilitator in the triangular relationship between governments, CSOs and the Bank is addressed in paragraphs 22, 23, 40, and 56. |

Indonesia

| | Location | Comment | World Bank Response/comment |
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| 1 | Jakarta, Indonesia | (Commenting on the Extractive Industries Review in the context of Bank/CSO engagement) This process was set up and financed by the World Bank, and was viewed as a good practice which elicited the participation of civil society. However, the problem occurs when a good, transparent mechanism is established, yet the recommendations collected are still not adopted. | Paragraph 33 specifically cites the experience of the EIR and other high-profile stakeholder engagement processes, where civil society groups have been disappointed that the Bank did not accept all of the recommendations. The broader issue of the expectations gap is addressed in paragraphs 53 and 56, 60, 62, 63, 77. |
| 2 | Jakarta, Indonesia | (Referring to the Consultative Group for Indonesia (CGI) This type of mechanism is not only attracting feedback from civil society, but from sectoral groups as well. There seems to be a contradiction in the Bank's practices. On one hand the Bank is working to improve the environment yet, on the other hand, the political interest is such that a real positive impact is not possible. If the Bank is to make a real impact on the forestry industry in Indonesia, it must bring all of the relevant actors to the table. It must also streamline its own policies with respect to its other entities such as the International Finance Corporation (IFC). The IFC does not engage with civil society in the same way that the Bank does. | Paragraphs 76 and 80 mention the need for greater coherence between the Bank, IFC and MIGA in terms of civil society engagement practices. |
| 3 | Jakarta, Indonesia | How are you going to act based on the feedback you collect from civil society? There are many Bank consultations with civil society, but it is unclear as to whether these really lead to any change in policy. | This comments matrix is intended as a feedback mechanism to demonstrate how comments were received and addressed in the paper. The priority action items are outlined in Section 7 of the paper, along with a number of options for further discussion. There are a number of examples where civil society consultations have resulted in changes in Bank policy or approaches, as noted in paragraph 57. |
| 4 | Jakarta, Indonesia | What is the status of the NGO working group, NGO/Bank relations in Indonesia and on the Indonesia CAS? We recommend that the Bank refer to civil society as being "involved" and not just being "consulted". Civil society views should be incorporated into the CAS process. Indonesian NGOs had already prepared a mapping of civil society which should be shared with the rest of the Bank. How is the Bank organized to work with civil society? | Paragraphs 25 and 64 briefly explain the evolution of the previous Bank-NGO Committee, and the launch of the Joint Facilitation Committee (JFC) process to shape a new platform for Bank-civil society engagement at the global level. Paragraphs 12 and 80 briefly describe the way the Bank is organized to work with civil society. More information on these issues is available on the Bank's website for civil society at www.worldbank.org/civilsociety . The importance of consulting CSOs in the preparation of the CAS is stressed in paragraph 72. Consultation is the appropriate term to use in this case, and the paper defines consultation as bringing with it certain expectations that the process will contribute to decision-making on policy or project design, implementation or evaluation (paragraph 26). |
| 5 | Jakarta, Indonesia | Is it possible for the Bank and CSOs to work together to promote a consultation process that is based on accountability and transparency? Can the Bank involve CSOs in project implementation? Is it possible to develop an alternative (Bank) funding channel in cases where corruption is high? | Yes, there are many opportunities for the Bank and CSOs to work together to promote more accountable and transparent process of consultation. Priority action 2 in the paper is to improve the Bank's approach to consultations, including these aspects. On funding, paragraphs 27, 28 and 67 describe how the Bank has developed many different types of direct and indirect funding mechanisms that support civic engagement and CSO involvement in project implementation. Community-driven development (CDD) programs are increasingly being used as a mechanism for addressing endemic corruption and getting development aid down to the village level. |

| | Location | Comment | World Bank Response/comment |
|----|--------------------|--|--|
| 6 | Jakarta, Indonesia | Can the Bank stop a project in cases where corruption has taken place? Furthermore, can the Bank suspend operations until legal reform is achieved? | This issue goes beyond the scope of this paper, but there are mechanisms in place for the Bank to suspend or stop projects or disbursement when corruption is identified. For more information, go to the website for the Bank's Department of Institutional Integrity at http://wbln0018.worldbank.org/acfiu/acfiuweb.nsf . |
| 7 | Jakarta, Indonesia | Can you add capacity building for trade unions, so they could have a more detailed understanding of the Bank's mission and role in poverty reduction? Why did you change the terminology from NGO to CSO? How can civil society be more involved in the project cycle? | Yes, trade union engagement and the need for capacity building of unions is discussed in paragraphs 23 and 59. The broadening of the definition of NGO to CSO is explained in paragraphs 6-9. Upstream involvement of CSOs within the project cycle is discussed in paragraphs 72 and 76. |
| 8 | Jakarta, Indonesia | How can Bank operations/processes be improved when there is no regular mechanism for monitoring and evaluation? CSOs should be involved in monitoring and evaluation as well. | Agreed that CSOs should be involved in monitoring and evaluation, and the paper refers to a number of examples where they are involved in "social accountability" initiatives to track budget expenditures in paragraphs 24 and 40. The need for monitoring and evaluation of how the Bank engages with civil society is discussed in paragraphs 31 and 66, and is one of the priority actions in the paper. |
| 9 | Jakarta, Indonesia | The Bank should also prioritize capacity building for CSOs, because CSOs need to better understand how the Bank works. It is also important to increase the commitment of Bank staff to work with CSOs. | Agreed. The need for capacity building for Bank staff to engage CSOs, and vice-versa, is discussed in paragraphs 22, 56, and 69. |
| 10 | Jakarta, Indonesia | Can the Bank encourage CSOs to be an equal partner? There are too many cases where government does not deliver. Government should sign the loan, and act as a facilitator and regulator, but CSOs are often better able to deliver services. | As explained in paragraphs 22-24, the Bank's major type of engagement with civil society is to facilitate government-CSO interaction. Section 3 of the paper also describes that while the Bank must work with governments, in some cases CSOs may be better positioned to deliver services at the local level, such as in Low Income Countries Under Stress (LICUS). |

Mozambique

| | Location | Comment | World Bank Response/comment |
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| 1 | Maputo, Mozambique | The Bank needs to improve and standardize the selection criteria it uses to involve CSOs in its consultations. A new consultation group should be created to take into consideration the different sensibilities among CSOs countrywide. The group should be limited in number so as to guarantee focus. | The need to improve the Bank's selection criteria and the manner in which it conducts consultations is discussed in paragraphs 32, 44, 65 and 73. The aim is to achieve best practice standards, while allowing for flexibility across countries and sectors. |
| 2 | Maputo, Mozambique | The time allotted to a consultation also affects the quality of the dialogue between the Bank and the CSOs. By providing more time, the umbrella NGOs can consult with their members and associates, mostly located away from the main urban areas. | Agreed. Timing is noted as one of the areas where consultations need to be improved, and is discussed in paragraphs 32, 35 and 65. |
| 3 | Maputo, Mozambique | When engaging in consultation on important WB documents, such as CAS, ESW, Country Economic Memorandum, etc., the country office needs to publicize (including in the local newspapers) the timeframe and schedule of the entire consultation process. Such a measure will contribute not only to raised interest, but will also enable the CSOs become acquainted with the issues before the discussions, e.g., by requesting the previous documents, etc. | The need for earlier disclosure and notification of participants, as important steps in improving the consultation process, is raised in paragraphs 32, 35, 65. |
| 4 | Maputo, Mozambique | The language barrier is a major obstacle for a better CSO engagement. WB documents need to be translated into Portuguese. Regarding the discussion papers used to obtain feedback from Mozambicans, you should not exclude the possibility of translating documents into a more accessible language – translating into regional languages as well. | Paragraphs 34 and 75 discuss the need for increased transparency and information disclosure. Paragraphs 26 and 75 refer to the need to translate documents into local languages, and the Bank has recently adopted a new framework to promote this. |
| 5 | Maputo, Mozambique | Regarding the triangular relationship (described as somewhat ambiguous) between the Government, CSOs, and WB, in order to secure a quality debate on issues, the WB needs to be more inclusive in its approach. For instance, by making sure that some meetings bring together both Government officials and CSOs. This will avoid what is called "the ping-pong effect" in which, Government Officials, when in discussion with CSOs, tend to blame the WB for all bad policies and, in the same way, CSOs tend to blame the government when discussing with the Bank. This situation is not conducive to a genuine and quality debate. | The triangular relationship between government, civil society and the Bank is discussed in paragraphs 40 and 56. The Bank plays both a facilitator role in government-CSO relations, as well as to engage in direct dialogue and consultation, as discussed in paragraphs 21-26. |
| 6 | Maputo, Mozambique | The knowledge gap between African CSOs and their counterparts in the West can be addressed with the Bank assistance. The Bank can make its facilities available (internet, VC, etc) to facilitate continuous information sharing among CSO and NGOs worldwide. This idea responds to the need to establish a worldwide consultation platform. Such a platform would be advantages because, most of the time, governments in developing countries, such as Mozambique, are not keen on sharing their policies with CSOs. On many occasions, NGOs based locally are not granted access to Government policy documents. The only way for to access these documents is through foreign NGOs. | The lack of a level playing field among CSOs in North and South is noted and is addressed in paragraphs 8 and 73. The Bank does have a role in promoting the enabling environment for civic engagement, as discussed in paragraphs 24 and 74. A single consultation platform is not desirable, but the Bank is experimenting with a variety of new ways to consult CSOs at the global and national levels, as discussed in paragraphs 64 and 65. |
| 7 | Maputo, Mozambique | A student association would like to know what the Bank's policies are toward students in general, and more particularly, about student associations in Africa. | The Bank's growing focus on engagement with youth is noted in the Executive Summary on page iv, and in paragraphs 12, 16, 23, 54, 58 and 59. Youth and youth organizations are a key constituency within civil society which needs to have a voice in development dialogue and decision-making at the global and national levels. |

Washington, D.C.

| | Location | Comment | World Bank Response/comment |
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| 1 | Washington, DC | The paper raises many important and timely issues. It acknowledges many recent improvements in WB-CSO relations. For example, more information from the Bank is available through the disclosure policy, and the PRSP process promises more voice to CSOs. There are still a number of roadblocks and counter-pressures in the institution, however. Draft Bank documents are still not disseminated soon enough to allow for informed participation and decision-making by CSOs. The quality of participation is still a major problem, and there is a sense of huge transaction cost for participation. CSOs question some recent policy conversions in the Bank and the impact of their participation. Many CSOs want to see many of the issues put forward in the paper quickly handled, and some of the counter-pressures removed. No one has interest in an empty process. | Paragraphs 32-34, 65 and 75 address CSO frustration over limits on access to information as well as the ad-hoc nature and varying quality of consultations. The priority action in paragraph 65 is to create a Bank-wide consultations focal point/advisory service that will help to address some of these problems, and the paper also proposes additional steps to increase transparency and disclosure. |
| 2 | Washington, DC | Why are there only seven issues highlighted in the paper when many others are identified? | The priority issues selected are the ones around which there is already consensus on the Bank's management team to move ahead. Initially the paper did not recommend any specific actions; however, during internal discussions there was general agreement to outline 10 actions to be prioritized (paragraphs 62-73), with the other options still subject to discussion by the Board, management or staff as appropriate. |
| 3 | Washington, DC | The Bank should admit that these are the "WB's issues and agenda", and differ from the issues on the minds of CSOs. CSOs would focus on a whole different process, agenda, and nature of engagement from what the paper contains. | Agreed that this is primarily a document aimed at an internal WB audience, which stated up front in paragraph 1. As such, it's been fashioned around the issues and agendas most appropriate for an internal discussion. However, the analysis and recommendations in many cases reflect views and perspectives of CSOs, gathered over the past several years. |
| 4 | Washington, DC | There are concrete outcomes of other discussions and processes like SAPRI, WCD, EIR and others, which are on the table with concrete outputs, calling for specific actions. Are these suggestions going to be included in the paper? | The JFC process is only one proposed space where issues of Bank-civil society engagement to be discussed in-depth and dealt with, and it is designed as a transitional mechanism. One of the messages of the paper is that, indeed, some of the current processes that are in place have led to frustrations. Paragraph 33 specifically refers SAPRI, WCD and EIR, while 53, 56, 60, 62, 63 and 77 address the issues of an expectations gap. |
| 5 | Washington, DC | There is a frustration among CSOs regarding engagement with the Bank. What have their voices led to, and where are the changes? | The concept of "consultation fatigue" is discussed in sections 32, 33, 55, and 64. Paragraph 57 cites some examples of how civil society voices have shaped policy or other decisions. |
| 6 | Washington, DC | The same set of problems was experienced in the US at the federal level. I suggest you look at the decisions made by the US administration to see if the Bank might be able to apply the same solutions. | Noted. |
| 7 | Washington, DC | The problem CSOs have is not in the number of consultations, but in the way their inputs are incorporated into Bank policy. How does the Bank prepare its indicators of involvement by CSOs? The paper notes grievance procedures, early warning systems in the Bank, and the issue of staff rewards and incentives, all of which are important. There is a need for a good system of staff rewards and accountability. | The ad hoc institutional approach to consultations is discussed in sections 32-34, 53, 56 and 65, 73. A review of current Bank business procedures, including staff incentives, is discussed in paragraph 76. |
| 8 | Washington, DC | Has the team consulted any protesters regarding the paper's section on the protest movement? There isn't enough analysis in the paper about the rationale for the protests, and there is little mention of the protests in the South. After four | The paper was posted on the Bank's website for civil society at www.worldbank.org/civilsociety in late October 2003, and comments from civil society organizations and other stakeholders were solicited through the end of February 2004. The |

| | Location | Comment | World Bank Response/comment |
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| | | years of the PRSP process, the same big policy issues are not being discussed and the legitimacy problem still exists. | Civil Society Team also invited various Bank country offices to host discussions on the paper with CSOs based in their country. Chapter Six addresses CSO protests against the Bank, and discusses the rationale behind them. See paragraphs 47-60. |
| 9 | Washington, DC | It is good that the paper addresses the WB-CSO-Government three dimensional relationship, and protests in the South. However, the Bank needs to decide on its formal role regarding the three sector relationship, because CSOs are currently very frustrated over the lack of one. | The complexities of the triangular relationship between the WB, Governments and CSOs is discussed in paragraphs 22-24, 40, 56 and 74. |
| 10 | Washington, DC | Proposed time for further discussion on the JFC process. | The paper refers to the JFC in paragraphs 25 and 64. Further background on the JFC process is available on the Bank's website for civil society engagement at www.worldbank.org/civilsociety . |
| 11 | Washington, DC | Spoke on his organization's experience of engagement with the Bank, and the lack of coherent lines of communication to follow-up on the many initiatives taken with CSOs. | The Civil Society Team and the Bank-wide civil society focal points are there to facilitate engagement and follow-up. |
| 12 | Washington, DC | There is frustration with the Bank's statements on how it works with governments but is yet unable to influence the government's resistance to working with CSOs. IFC and MIGA on the other hand have no relationship with governments that can pose a constraint on CSO involvement, however, regardless of a direct relationship with governments, these agencies still have limitations on CSO engagement. Maybe the Bank's methodology of putting the blame on the governments themselves should be reconsidered. | The complexities of the triangular relationship between the WB, Governments and CSOs is discussed in paragraphs 22-25, 40, and 56. The variance between the Bank, IFC and MIGA are acknowledged in paragraphs 76 and 80. |
| 13 | Washington, DC | Civil society groups need to be coordinated regarding the JFC. Prior to stepping into the process, civil society should have undergone a legitimate participatory process to choose whether it wants to participate or not. Accountability is a key question in the decision on whether or not CSOs should be involved in the JFC. This is yet another mechanism for engagement, while many others have resulted in nothing. He noted that the issue of representativeness of the JFC has been discussed by its members during the initial meeting. | The paper refers to the JFC in sections 25 and 64, and additional information is available on the Bank's website for civil society at www.worldbank.org/civilsociety |
| 14 | Washington, DC | There is very limited participation and involvement of the disabled community in many discussions and consultations. | Paragraphs 32, 44, 59, 73 and 76 recognize the need to be more inclusive and targeted in the consultation process. The disabled community is one of the examples of new constituencies the Bank is targeting, which has been aided by the hiring of a disability coordinator. |
| 15 | Washington, DC | Can the Bank formalize in writing the requirements for CSO consultations in the preparation of CASs? There needs to be a fully transparent process in which CSOs and communities affected by Bank projects can know specifically who is responsible for what decisions. | Paragraph 72 makes a specific proposal to emphasize civil society participation in the CAS preparation and in CAS monitoring and evaluation. |
| 16 | Washington, DC | Something fundamental is missing in this discussion based on the Bank's thinking that civic participation is a privilege and not a right. The notion of the right to participate and the right to information is missing in this paper. | The focus of the paper is to describe the recent trends in, and quality of, the engagement between the WB and CSOs. Human rights is an issue that has surfaced as an area of tension in Bank-CSO relations and the paper acknowledges this as an issue that many CSOs have been asking the Bank to address more openly. The broader debate on the role of the Bank in promoting human rights is ongoing, and goes beyond the scope of this paper. The Bank had made the case for participation as a critical element of empowerment and development effectiveness. |