

**October 24, 2003 Draft for Discussion**

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

**A Discussion Paper**

Civil Society Team  
External Affairs Vice Presidency  
Environmentally and Socially Sustainable Development Vice Presidency  
The World Bank

**TABLE OF CONTENTS**

Abbreviations and Acronyms .....i

1. Introduction..... 1

2. New Players, New Scenarios: Defining Broader Engagement with Civil Society..... 2

3. Rationale and Policy Framework Governing the Bank’s Engagement with CSOs..... 4

4. A Framework For Engagement: Expansions And Constraints ..... 8

5. Rising Influence of CSOs in International Development:  
Changing the Engagement Landscape ..... 15

6. Civil Society Protests and Advocacy Campaigns: Who, What, Why? ..... 20

7. Summary of Issues and Options for Achieving More Effective Bank-CSO Engagement ..... 25

8. Conclusion. .... 384

Annex A ..... 43

## ABBREVIATIONS AND ACRONYMS

ARDE	Annual Review of Development Effectiveness
CARE	Cooperative for Assistance and Relief Everywhere
CAS	Country Assistance Strategy
CBO	Community-based Organization
CDD	Community-Driven Development
CDF	Comprehensive Development Framework
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
FY	Fiscal Year
GAVI	Global Alliance for Vaccines
GEF	Global Environment Facility
HD	Human Development
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
LAC	Latin America and the Caribbean
LEG	Legal Department
MAI	Multilateral Agreement on Investment
MAP	Multi-Country AIDS Program
MDJ	Monterrey/Doha/Johannesburg
NEF	New Economics Foundation
NGO	Non-governmental Organization
OP/BP	Operational Policy/Business Procedure
OECD	Organization for Economic Cooperation and Development
OED	Operations Evaluation Department
OVP	Operational Vice Presidents
PAD	Project Appraisal Document
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
UK	United Kingdom
UN	United Nations
WBI	World Bank Institute
WTO	World Trade Organization

## EXECUTIVE SUMMARY

The purpose of this paper is to assess the World Bank's recent relations with civil society organizations (CSOs), and to facilitate a strategic discussion among Bank senior management, member governments, and CSO representatives on key issues and proposed actions for strengthening these relations and managing associated risks in the future.

This paper analyzes the Bank's extensive experience over the past few years of engaging CSOs in a broad range of development operations and in policy dialogue at the local, national, and transnational levels. Bank-CSO engagement has grown steadily since the early 1980s, and continues to expand and deepen at each of these levels, in response to lessons learned about the development effectiveness, poverty reduction and risk management benefits of participation and civic engagement. During Mr. Wolfensohn's tenure as Bank President from 1995 to present, the Bank has placed a high priority on strengthening its engagement with CSOs, including appointing staff in the Bank's country offices to facilitate these relations. Civic engagement is now an integral piece of the Bank's overall strategy, and, its two goals of strengthening the investment climate and empowerment in developing countries. The importance of such an empowerment and participatory approach to development has been reflected in at least 15 Bank operational policies or directives for staff, recent IDA Replenishment reports, 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 essential 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. As background, the 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, community-based organizations and business associations. The paper then scans the authorizing framework for Bank-CSO relations and some of the implications of the extensive internal and external changes which have occurred 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 is grouped into three categories of activity: *facilitation, dialogue and consultation, and partnership.* As a facilitator, the Bank supports civic engagement in designing Poverty Reduction Strategies, and in implementing and monitoring an array of Bank-financed projects 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 concern, such as the Bank's operational policies and Country Assistance Strategies. 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 loan agreements contain components, such as Social Funds, through which resources are channeled to CSOs to implement government programs. The Bank also has an array of small grant mechanisms and trust funds which can provide direct support for CSO-initiated projects.

## October 24, 2003 Draft for Discussion

While the overall trend has been one of broadening and deepening engagement of CSOs in the Bank's work, approaches to engagement remain uneven across the institution, and some significant institutional constraints exist. These include a lack of reliable and/or easily accessible data to monitor and evaluate the Bank's engagement with CSOs, an ad hoc approach to managing consultations, disclosure and transparency issues, weak incentives for staff, funding and procurement constraints. Some Bank shareholders and staff remain cautious about CSO engagement, which can be attributed to concerns about the roles and legitimacy of CSOs, the costs of engagement, competition for funding, and a Bank policy and business procedures framework which is still largely optional with respect to promoting consultation and other forms of participation. Bank management has acknowledged many of these concerns and the need to address them.

The dramatic expansion in the size, scope, and capacity of CSOs around the globe over the past decade already has had a major impact on the development work of the Bank and its member governments, 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 other development programs. The growing focus among policymakers and citizens on the need for good governance and greater transparency has also opened doors for CSOs as players in the development business. Parliamentarians, media, and other opinion leaders increasingly rely on CSOs for information and policy advice. Yet as the influence of CSOs continues to grow, they are also attracting greater public scrutiny, and internal and external calls for greater accountability. These trends all point to the importance of mainstreaming civic engagement issues into Bank research and analysis, policy dialogue, and operations. Other international agencies and many of the Bank's member governments, have been taking steps to adapt to this changing civil society and governance landscape. This in turn has led to calls for the Bank to review its own norms and mechanisms for engagement, as well as to encourage other governments to become more inclusive in development policymaking and programming.

These changes in civil society also have prompted an evolution in the styles of CSO engagement with the Bank and other multilateral institutions. On one hand, unprecedented numbers of CSOs are deeply involved in implementing Bank-supported projects, as contractors or as grant recipients. On the other hand, CSOs have organized more sophisticated 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. While they have been rooted in growing public concerns about globalization and persistent social and economic inequities, and in opposition to structural adjustment and neo-liberal economic reforms, some have been aimed directly at Bank policy and lending decisions. 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. There has been a noteworthy shift toward more peaceful engagement in the wake of the violence which occurred at the 2001 international meetings in Prague, Quebec, and Genoa, and particularly after the September 11 terrorist attacks, but experience shows there may always be some groups committed to obstruction, or even to violence. With these more militant groups, there is little

## October 24, 2003 Draft for Discussion

basis for the Bank to expect that constructive relations are possible or desirable. However, the evolution of the World Social Forum shows that some of these social movements may be maturing, in some cases recognizing the need to move beyond using only protest as an advocacy tool and rather to engage policymakers in serious debate about policy alternatives.

Recent Bank/IMF Annual 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 can, and will, play dual roles as critics and allies or partners. 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, safeguard policies, 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 complex, and evolving, relationship among the Bank, its shareholders, and civil society, and relate to difficult questions of country ownership, sovereignty, and political power. The Bank and its shareholders should seize the opportunity to expand and deepen relations with CSOs which represent constituencies sympathetic to the protesters' messages, yet which opt for constructive engagement instead of simply confrontation. Particular emphasis should be on building relations with groups that empower poor people and have the analytical skills, operational capacity, networks and/or the political influence 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 continues to grow 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*. The analysis in this paper points to a number of the key issues and challenges to be addressed if the Bank is to achieve more constructive and effective engagement with CSOs in the future. The proposed actions are neither comprehensive nor mutually exclusive, but are intended to provoke discussion. The challenge for the Bank is to strike the appropriate balance between fostering broader and higher engagement with CSOs, and helping member governments exercise their leadership role to promote sustainable development and achieve the MDGs in a cost-effective and equitable way.

### **Four main issues:**

**Issue 1:** The Bank's overall operational policy and business procedures framework for engagement with CSOs does not provide adequate guidance to staff on why, whom, and how the Bank should engage. This can result in wide variations in practice and dissatisfaction among Bank staff, member governments, and CSOs alike in terms of the quality of engagement and outcomes.

**Issue 2:** The existing gap between the Bank's messages and corresponding expectations, policies and practices suggests a number of constraints to effective Bank-CSO engagement.

## October 24, 2003 Draft for Discussion

Taking further steps to close this gap can help promote more constructive and effective relations in the future.

**Issue 3:** 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:** The organizational arrangements in the Bank for managing civil society relations, and the related risks and opportunities, call for greater Bank-wide coherence, coordination, and accountability.

In June 2003, the Bank's Management Committee reviewed a number of possible options for addressing these four issues, and agreed to implement the following actions in Fiscal Year 2004:

- Create and institutionalize new global mechanisms for Bank-CSO engagement to help promote mutual understanding and cooperation. Since the phasing out of the World Bank-NGO Committee, 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) has been established to help the Bank shape this new global level of engagement. Other key mechanisms include more structured and earlier consultations around the annual flagship *World Development Report*, in-depth policy workshops on emerging controversial issues, global video-dialogues and thematic forums. The Bank is also engaged in the Bridge Initiative, which is an effort to promote more informed and constructive public debate between the IFIs and leaders in the global social justice movement, including the organizers of the World Social Forum.
- Establish a Bank-wide focal point for consultations and a framework for consultation management. The goal is a more systematic, institutional approach to consultations based on best practice. Country and task teams will continue to take responsibility for managing consultations, but the role of the new focal point, or advisory service, will be to provide clearer guidance, training, technical assistance, monitoring, and knowledge management. The new focal point will be housed in External Affairs (EXT) and work closely with the Bank's regional departments, ESSD and Operations Policy and Country Services networks (OPCS) and others.
- Pilot a new Bank-wide monitoring and evaluation system for civic engagement. It is time for the Bank to move beyond the existing limited, input-based M&E process for civic engagement, which tracks only intended involvement of CSOs in Bank-financed projects, and replace it with a more reliable and useful system. The goal is to measure outcomes using both qualitative and quantitative indicators, enabling the Bank to track progress on civic engagement and to improve accountability. This will be part of the institutional effort to measure results and progress in achieving the MDGs, and should be integrated with regular reporting systems so that it does not add significantly to the burdens on task teams. An evaluation is proposed to establish a baseline for monitoring future engagement and guiding future strategy. The joint EXT/ESSD Civil Society Team will lead this effort in close coordination with OPCS and the headquarters and country-based civil society focal points.

## October 24, 2003 Draft for Discussion

- Conduct a review of Bank funds dedicated to civil society engagement in operations and policy dialogue, and explore possible realignment or restructuring. The goal is to better match resources to strategic demands for engagement, and to lessen the transaction costs on Bank teams seeking resources to engage. This review will assess whether a new funding window may be needed to enhance civil society participation in Bank-financed activities, whether existing windows should be combined, or whether Bank-financed projects should include an explicit participation and communications budget. OPCS will lead this review with support from the Civil Society Team and other units.
- Review the Bank's procurement framework for changes that would facilitate collaboration with CSOs. The expansion of Bank lending into social services, new development assistance models which promote greater local ownership, and the expansion of grant financing have introduced new opportunities for CSO collaboration on Bank-financed projects, but have also exposed constraints and tensions such as the lack of flexibility in the existing procurement framework. This review should be incorporated explicitly into the terms of reference for the Procurement Task Force already established by OPCS.
- Institute a structured and integrated learning program for Bank staff and clients on the changing role and nature of civil society, and on how to engage CSOs more effectively. There are numerous ad hoc forums at the Bank featuring civil society representatives and their perspectives. While this is important to encourage, a more structured and effective program will include adding, or enhancing, components on engaging civil society to the training programs and retreats for Country Directors and Managers, RMTs, Young Professionals, Executive Directors and others. This also includes holding an annual training program for the Bank's civil society focal points, and creating new incentives for joint training, staff exchange or secondments involving CSO representatives and Bank staff. The Civil Society Team will collaborate with the Bank's Learning Board, Human Resources, WBI and OPCS departments to design a multi-faceted and integrated program.
- Hold regular meetings of senior management, and annually with the Board, to review Bank-civil society relations. These meetings will be an opportunity to monitor progress, assess risks, discuss key issues and constraints, set policy and strategy directions and provide guidance for staff. We would propose also that the Board meet annually to discuss the Progress Report on World Bank-Civil Society Collaboration and related issues. These documents will be prepared by the Civil Society Team in coordination with the Bank-wide Civil Society focal points.

## October 24, 2003 Draft for Discussion

There are a number of other possible options which require further discussion by the Bank and by its shareholders on whether, and how, to proceed. These possible steps, grouped in relation to the four issues identified above, include:

### *Improving the Bank policy and business procedures framework for civic engagement:*

- Issue management-endorsed guidelines to update and inform all Bank staff on the Bank's institutional approach to working with civil society. These guidelines would supplement or supercede the existing GP 14.70 on *Involving NGOs in Bank-supported Activities*. Review and update other provisions relating to engagement with CSOs in the rest of the Bank's operational policy framework and guidelines (OPs/BPs) for clarity, consistency and adequacy, with the view toward setting clearer standards for engagement and reducing the optional elements.
- Revise Country Assistance Strategies guidelines to require consultation for all CASs, and specify a minimum standard set of consultation procedures. The focus on CASs is warranted in light of its centrality as the Bank's business plan for client countries, and in recognition that best practice CASs are already participatory.

### *Closing the gap between expectations, policy and practice:*

- Expand and deepen efforts to enhance the enabling environment for civic participation in PRSPs, PRSCs, and other country-based operations, including use of social accountability mechanisms. An important dimension of this would be additional steps to increase **transparency and disclosure** in Bank-supported policy dialogue and lending operations.
- Conduct a review of current Bank business procedures, practices, and incentives to CSO engagement, to identify existing constraints and propose solutions. This may include, inter alia, human resources, governance, financing, and grievance mechanisms.
- Develop a targeted civil society engagement strategy to support implementation of the Monterrey/Doha/Johannesburg and to promote partnerships with CSOs to achieve the Millennium Development Goals.

### *Adapting to changes in global and national civil society:*

- Identify common criteria and analytical mapping as a guide for use Bank-wide in selecting which CSOs to engage on a given issue.
- Clarify roles and expectations for Bank-CSO engagement, which may include establishing a code of conduct.
- Develop and implement a Bank-wide strategy for reaching out more widely and systematically to civil society constituencies for development, such as youth groups, students and professors at major universities, which the Bank has not engaged as proactively in the past.

## October 24, 2003 Draft for Discussion

- As part of the harmonization agenda, launch a comparative review of CSO engagement practices with other Multilateral Development Banks and international agencies.

### *Achieving greater Bank-wide coherence and accountability:*

- Develop a more proactive Bank-wide approach to assessing and managing risks emanating from lending and non-lending activities which may attract a high degree of civil society interest and/or criticism.
- Conduct a Bank-wide review of management and staffing resources, and variances, for civil society relations, with a view toward establishing a more coherent institutional framework.
- Establish and implement a Bank-wide knowledge management system on civil society engagement. This may also include conducting an annual Bank-wide strategic planning exercise on CSO engagement.

## 1. INTRODUCTION

- 1. The purpose of this paper is to assess the World Bank's current relations with civil society organizations (CSOs), and to foster a discussion on key issues and options for strengthening these relations and managing associated risks going forward.** This paper was prepared by the World Bank (hereafter, the Bank) Civil Society Team (CST)<sup>1</sup> 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 an integral piece of various Bank sector strategies, in support of implementing the institutional Strategic Framework and the post-Monterrey/Doha/Johannesburg/Millennium Development Goals development agenda.**<sup>2</sup> 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.<sup>3</sup> 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 of a Bank-NGO committee in the early 1980s, a NGO/CSO anchor team at Bank headquarters, and since Mr. Wolfensohn's tenure as President began in 1995, the expansion of a Bank-wide Civil Society Group (CSG) of about 40 civil society and external affairs specialists located in most departments at Bank headquarters, and in about 70 country offices, totaling some 130 staff.
- 3. Civic engagement has increased substantially during the last few years in Bank-supported investment and programmatic lending operations, as well as in the development, implementation and monitoring of poverty reduction and sector development strategies.** This is evident in the expanded use of social accountability 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.<sup>4</sup> This paper focuses on

---

<sup>1</sup> The CST, as constituted in July 2002, comprises Bank staff from the EXT and ESSD anchor units at headquarters and serves as an institutional focal point for WB-civil society relations. The CST has replaced what was formerly called the NGO and Civil Society Unit. The Bank-wide Civil Society Group (CSG) are headquarters-based staff who are civil society focal points for specific regions, issues or constituencies. The Country Civil Society Staff (CSC) group comprises about 80 staff located in 70 Bank country offices.

<sup>2</sup> See the World Bank's *Strategic Directions for External Affairs: Facing Challenges, Defining New Opportunities*, World Bank 2001f), and the internal draft paper *World Bank Social Development Strategy* (World Bank 2003j).

<sup>3</sup> *The Bank's Relations with NGOs: Issues and Directions* (World Bank 1998b), which was presented to the Board for discussion in August 1998, is a key reference document on Bank-civil society relations. That document summarizes the history of Bank-NGO relations and the substantial progress made over nearly two decades, and key issues going forward.

<sup>4</sup> In particular see *Empowering the Poor and Promoting Accountability in LCR: A Regional Framework and Strategy for Engaging Civil Society FY02-FY04* (World Bank 2002m) and the internal document *Civic Engagement to Improve Development*

various cross-country issues in recognition that as CSOs become more connected around the globe, the way 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.<sup>5</sup>

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 1992 to 1999, focused on expanding and mainstreaming participation in Bank operations and policy dialogue. Although the mainstreaming and learning continues, since late 1999 the Bank has entered a new phase in which external and internal changes are forcing its relations with CSOs to deepen and mature, and often to address more inherently political concerns. At the same time, there has arisen a new set of challenges to Bank-wide coordination and coherence which are examined in this paper.
5. **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 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 who regularly engage with the Bank. Finally, the paper lays out four sets of issues and seven priority - actions, with the objective of improving the effectiveness of future civic engagement by the Bank, and increasing the impact of civic engagement on poverty reduction. The paper also indicates a number of other actions that could be taken to address these issues, but on which further discussion is required. These actions should be seen neither as a panacea, nor as comprehensive, but are important steps which if taken can improve the overall quality of Bank-civil society relations. The issues and actions put forward in this paper warrant ongoing review and evaluation by Bank management, member governments, and interested CSOs..

## **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 that have a presence in public life, expressing the interests and values of their members or others, based on ethical,**

---

*Effectiveness in Europe and Central Asia Region: The Role of the World Bank* (World Bank 2003b).

<sup>5</sup>See attached bibliography for a complete list of internal and external documents consulted in preparation of this paper. This paper is based on numerous discussions held from Fall 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 *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 2003l).

**cultural, political, 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. This excludes for-profit businesses, although professional associations or business federations may be included.<sup>6</sup> There has been a deliberate shift away 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, charitable organizations, 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 power, but because they care enough about something to take collective action in the public arena.<sup>7</sup>

- 7. Classification of CSOs is often difficult, given their wide variety of institutional interests, organizational dynamics, and levels of access to decision-making.** While an individual CSO may be classified as local, national, or transnational, it may also 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 such as CARE, Caritas, CIVICUS, Oxfam, Transparency International and Via Campesina. 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. It is also important to recognize that different levels of access to power, information, and economic resources can be found among CSOs. CSOs located in capital cities or in Northern countries may have multi-million dollar budgets and be invited regularly to meet with national and global policymakers, whereas local CSOs which work in grassroots communities in Southern countries on behalf of poor people generally have less access and fewer resources. .

---

<sup>6</sup> 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* (World Bank 1998a). See also The World Bank, *Consultations with Civil Society: A Sourcebook* (World Bank 2001a).

<sup>7</sup> 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?*

These hurdles may prevent local CSOs or poor people's organizations from participating as effectively in policy debates as their counterparts in the richer countries.

8. **The diversity and complexity of global civil society poses challenges to effective engagement with governments and international organizations.** In his February 2003 Presidential Lecture at the World 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.”<sup>8</sup> Navigating these relationships requires more targeted stakeholder analysis and participatory approaches, which 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 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

9. **The Bank's Articles of Agreement state that the Bank's member governments are the institution's clients and owners, 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 is reflected in at least 15 Bank operational policies or directives for 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; and is embodied in the Comprehensive Development Framework (CDF) and Poverty Reduction Strategy Paper (PRSP) approaches.<sup>9</sup>
10. **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 help ensure that their views are factored into policy and program decisions;

---

<sup>8</sup> Kumi Naidoo 2003..

<sup>9</sup> Annex A provides a matrix of at least 15 operational policies and directives that require or encourage participation. See also the World Bank's *Participation in Development Assistance*, OED, Precis No. 209, Fall (World Bank 2001d); G.P. 14.70, *Involving Nongovernmental Organizations in Bank-Supported Activities*, World Bank Operational Manual (World Bank 2000b)The World Bank's revised Information Disclosure Policy (World Bank 2001i); and various Bank sector strategies also supporting participation; *World Development Report 2000*, (World Bank 2000/01h); *World Development Report 2004*, (World Bank 2003k) IDA 10-13 Reports (World Bank 2002a).

- **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;
  - **providing professional expertise and increasing capacity** for effective service delivery, especially in environments with weak public sector capacity or in post-conflict situations; and
  - **improving public transparency and accountability** of development activities, and thus contributing to the enabling environment for good governance.
11. **These points are reflected in the Bank’s Strategic Framework paper and recent strategy and policy updates.** Engagement with CSOs is a critical underpinning of the two pillars of the Bank’s strategy, (1) building the climate for investment, jobs and sustainable growth, and (2) investing in poor people and empowering them to participate in development. This is particularly relevant to promoting the Corporate Advocacy Priorities of public sector governance, empowerment/security/social inclusion, education, and health.<sup>10</sup> The Bank’s recently launched *Empowerment Framework* identifies public access to information, inclusion and participation, accountability, and local organizational capacity as four key elements of an effective empowerment strategy.<sup>11</sup>
12. **The Bank’s staffing arrangements have expanded to support the demands for broader engagement of civil society.** As noted in the introduction, the Bank’s interactions with CSOs are facilitated by a Bank-wide Civil Society Group (CSG) comprised of civil society and external affairs specialists in most departments at Bank headquarters, and Civil Society Country Staff (CSC) in about 70 country offices, totaling an estimated 130 staff (note that many of these staff do not work exclusively on civil society relations). The membership of the CSG includes a number of Bank focal points established to deepen engagement with specific constituencies within civil society, such as trade unions (HDN), faith-based organizations (EXT), foundations (RMC), indigenous peoples (ESSD), and poor people’s networks (PREM). The CST, comprised of EXT and ESSD staff at headquarters (replacing the former NGO unit), serves as an overall institutional and global-level focal point and resource for Bank management, staff, and CSOs on Bank-civil society engagement, and promotes information sharing and collaboration among the Bank-wide CSG and CSC. The CST and CSG staff at headquarters as well as the country-based focal points are direct interlocutors for the Bank with civil society and also support the active engagement by the Bank President and the senior management team, country and sector directors, and task managers with CSOs.
13. **The benefits of engaging CSOs are supported by a number of Bank studies over the past decade, and by an expanding body of 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

---

<sup>10</sup> World Bank 2003i; World Bank 2002h; Narayan 2002.

<sup>11</sup> Narayan 2002. pp. 18-24.

## October 24, 2003 Draft for Discussion

strengthen ownership and commitment of government and stakeholders.”<sup>12</sup> 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.<sup>13</sup> 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.<sup>14</sup> 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.<sup>15</sup> Also in 2000, ESSD published *From Confrontation to Collaboration*, which described how improved relations in Brazil among government, civil society, and the World Bank resulted in more accepted public policies and more effective projects.<sup>16</sup>

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.<sup>17</sup> **Quality Assurance Group (QAG) assessments** show a high correlation between overall project quality and quality of participation.<sup>18</sup> The *World Bank Civil Society Progress Report 2000/2001* illustrates how consultations with CSOs during CAS preparation can increase their capacity to engage in the national development and yield important findings and recommendations that improve the overall quality of the CAS.<sup>19</sup> **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 ARDE encourages experimentation with outcome-based operations and innovative partnerships with private and voluntary organizations as a means toward greater development effectiveness.<sup>20</sup> The WDR 2004 argues for the establishment of accountable relationships among policymakers, service providers and poor people, and documents 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.<sup>21</sup> The WDR points to examples of how CSOs help make social expenditure budgets understandable to ordinary citizens; parent associations monitor the use of public education resources in their local schools; and water users associations track contracting and distribution arrangements.

---

<sup>12</sup> The World Bank 1994; World Bank 2001d.

<sup>13</sup> Gibbs 1998 p. 34.

<sup>14</sup> Dollar 1999.

<sup>15</sup> Narayan 2000; World Bank 2000/2001h.

<sup>16</sup> Garrison 2000.

<sup>17</sup> The World Bank 2001d.

<sup>18</sup> The World Bank 2000d.

<sup>19</sup> The World Bank 2001d; The World Bank 2000c; The World Bank 2001g p. 6.; See also The World Bank's *Social Development Update* ( World Bank 2002g) at:

[http://lnweb18.worldbank.org/essd/essd.nsf/4e92f954654ddd5d852567ef0049e082/3023be3d7c48b09a85256b7c006a12c5/\\$FILE/SDV%20update.pdf](http://lnweb18.worldbank.org/essd/essd.nsf/4e92f954654ddd5d852567ef0049e082/3023be3d7c48b09a85256b7c006a12c5/$FILE/SDV%20update.pdf)

<sup>20</sup> The World Bank 2002b.

<sup>21</sup> *World Development Report 2004* (World Bank 2003k)

15. **Recent Bank experience has shown that civic engagement in public policy has been shown to enhance the transparency of public institutions.** The Bank’s so-called “social accountability” agenda seeks to build local institutions that rely on 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 (PRSL), 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.
16. **Notwithstanding the existence of a policy framework for engagement and substantial experience linking enhanced participation to improved development outcomes, 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 optional nature of the existing policy and operational guidelines for staff. Bank policy guidance includes some requirements for staff to consult or otherwise engage CSOs, but this is not consistent. Best practice guidelines and training in this area are optional, and incentives for staff to avail themselves of these resources are often weak. Various institutional efforts to promote engagement with different constituencies such as for faiths and unions are located in different departments of the Bank, 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 Group. Many Bank staff and their government counterparts also have limited understanding of the nature and breadth of civil society, of what engaging CSOs can offer, or how they can engage most effectively.
17. **Concerns about the legitimacy and accountability of CSOs are often voiced by Bank staff and member governments.** Among the most common critiques heard of CSOs are that they are not elected and do not represent anyone but themselves; that they are not democratic or transparent in their own management structures and practices; and they can undermine or circumvent government responsibility and capacity to set policy or ensure delivery of social services.<sup>22</sup> The *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.<sup>23</sup> Intermediary CSOs may be more preoccupied with “upward” accountability to donors at the expense of “downward” accountability to poor people and local constituencies. Moreover, pressures of fundraising, weak management skills, and difficulties in scaling up operations can pose limits to CSOs’ effectiveness and accountability.<sup>24</sup>

---

<sup>22</sup> 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).

<sup>23</sup> Narayan 2000.

<sup>24</sup> Edwards 2000.

18. **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.<sup>25</sup> Consultations and other mechanisms of participation can also introduce new tensions, such as competition among stakeholders with different interests, or raising expectations which cannot be met by the Bank or by the specific project or task at hand. However, it should be noted that task managers interviewed for OED's participation study reported that the benefits of participation outweigh the costs.<sup>26</sup>
19. **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, which demonstrates the benefits of engaging CSOs. Yet there is still a wide variance across the institution in practice due to the ad hoc and optional nature of this framework, weak incentives, and Bank staff concerns about civil society accountability, time, and cost. This disparity has also resulted from the admirable efforts to decentralize and mainstream the Bank's engagement with CSOs. These factors contribute to dissatisfaction among Bank staff, governments, and CSOs alike with the quality of engagement and outcomes. Indeed, many Bank staff have expressed need for clearer policy and procedural guidance, as well as institutional support for, engaging with CSOs.

#### **4. A FRAMEWORK FOR ENGAGEMENT: EXPANSIONS AND CONSTRAINTS**

20. **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 CST 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 does 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 others such as macroeconomic policy, trade, and finance. Indeed, knowledgeable CSOs often view different parts of the Bank quite differently from others,

---

<sup>25</sup> The World Bank 2001d.

<sup>26</sup> The World Bank 2001d.

depending on such factors as their accessibility, perceived openness to new ideas and perspectives, and track record in providing feedback.

21. **The Bank's *facilitation* role is when the Bank provides technical and financial assistance as well as guidance and encouragement to client governments engaging with CSOs in their countries on Bank-supported activities.** This group of activities form the largest component of Bank engagement with CSOs, and are geared toward enhancing the effectiveness of Bank-financed projects and policy reforms. The Bank helps build capacity of the 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 negotiating 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 71 percent in FY 2003. The Bank is also encouraging countries to implement projects linking local CSOs and local authorities in Community-Driven Development (CDD) approaches. Lending for these types of programs was close to \$2 billion in FY2003.<sup>27</sup> (check this figure again with SDV) CDD and CSO participation are particularly important components of the Bank's strategy in the Low Income Countries Under Stress (LICUS), where it has been recognized that channeling resources through CSOs may be the best possible option in the short to medium-term for ensuring service delivery to needy populations.<sup>28</sup> In FY 2004 Bank is now piloting a Civil Society Assessment Tool (CSAT) in # countries, to determine the capacity of CSOs to assume these responsibility and target resources appropriately.
22. **The Bank's *facilitation* role has expanded further since 1999 into helping governments engage CSOs in the preparation of PRSPs and CDF, which are premised on new models of participatory engagement on macroeconomic and social policies.** This has presented new challenges for Bank staff as they support governments in managing these processes and ensuring meaningful participation. For example, the Malawi PRSP includes 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.<sup>29</sup> The Bank is also playing a proactive role to bring specific constituencies such as

---

<sup>27</sup> The assessments of civil society involvement, which are based on a review of Project Appraisal Documents and Presidents' Reports, is 'actual' for the identification, preparation, and appraisal stages of the project cycle, and 'intended' for the implementation, monitoring, and evaluation. Forthcoming, . *Civil Society Collaboration: Progress Report for Fiscal Years 2002/03 (World Bank 2003i)*.

<sup>28</sup> Cite here for LICUS strategy, January 2003

<sup>29</sup> SDV provides operational support and knowledge management on participation to Bank teams engaged in the PRSP process. Key references include: Good Practices and Lessons Learned in PRSP (<http://www.worldbank.org/participation/PRSP/goodless3.htm>); the draft internal document Organizing Participatory Processes in the PRSP ([www.worldbank.org/participation/partprsp.pdf](http://www.worldbank.org/participation/partprsp.pdf)); and Participation in Poverty Reduction Strategy Papers: A Retrospective Study (World Bank 2002f) .

trade unionists, parliamentarians, and faiths into these processes, including capacity building.<sup>30</sup>

23. **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 refers to the extent to which institutions are responsive to public needs, and answerable for the impact of their actions on public welfare.<sup>31</sup> 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 public service delivery and make social spending more cost-effective. Social accountability initiatives focus on formalizing public consultation and participation of CSOs in the government's budget cycle, in four different stages: policy and budget formulation (Brazil); budget review and analysis (India and 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 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, is carrying out workshops in a number of countries to introduce CSOs and governments to the potential of this work.<sup>32</sup> The Bank is also helping countries strengthen their policy and legal frameworks to provide an enabling environment for civic engagement in development projects as well as in policy dialogue and reform processes.<sup>33</sup> For example, in 2003 the Bank prepared an analysis of the impact of the legal, political, economic and socio-cultural context in Senegal on the capacity for civic engagement, which identified the reforms necessary for CSOs to play a greater role in offsetting weak local governance, and thus enhancing public service delivery.<sup>34</sup>
24. ***Dialogue and consultation are areas where the Bank engages bilaterally with CSOs, in fulfillment of its various policy mandates and as a responsible steward of a publicly-financed institution. Dialogue occurs in many forms and venues, at local, national and transnational levels, and may be initiated by the Bank or by CSOs themselves.*** 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. Engaging in regular 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 Millennium Development Goals or improving project impact. Dialogue also allows the Bank to respond to public inquiries or criticisms, and to engage critics in

---

<sup>30</sup> *Assessment of Trade Union Participation in the PRSP Process*, forthcoming. (World Bank 2003a)

<sup>31</sup> Paul 1992. pp.1047-1060.

<sup>32</sup> Partners in the CSBI include the International Budget Project (USA), Democracy Center (Bolivia), IDASA (South Africa); and the Municipality of Porto Alegre, Brazil, among others, and is financed by the Department for International Development in the UK (DFID).

<sup>33</sup> These activities are discussed further on the new website on civic engagement and law at:

<http://www.developmentgateway.org/civic>.

<sup>34</sup> *Senegal: Decentralization, Civic Engagement and the Challenges of Intergovernmental Relations Reform for Better Service Delivery*, p. 96 (World Bank 2003g).

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 the climate for increasing understanding, cooperation and finding solutions. **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 an instrumental role in strengthening the quantity and quality of CSO participation in Bank policy dialogue and projects. Yet as the Bank began to broaden and deepen 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 will be more broad-based. A Joint Facilitation Committee comprised of various global and regional CSO networks is leading this effort (stet).<sup>35</sup> Many Bank country offices have also set up formal or informal mechanisms for regular dialogue and engagement with local and international CSOs working in their country.

25. **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 those may be as a facilitator. But consulting directly with civil society has become a key input for the Bank in preparation of most CASs and sectoral strategies and operational policies.<sup>36</sup> Noteworthy were the extensive 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 these consultations shaped the decision by the Boards of Governors to enhance the HIPC framework and link debt relief to countries' poverty reduction strategies. Likewise, perspectives from CSOs around the globe were solicited in the 2002 Bank-IMF comprehensive review of the PRSP experience, and shaped its 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 stepped-up strategies to improve the staffing and operations of the Bank's Public Information Centers and translation of documents into the local languages of project-affected peoples. Recent OED evaluations on IDA, forestry, and indigenous peoples have all been informed by consultation.

26. **The third area of World Bank-CSO interaction has been in the area of operational and/or advocacy partnerships at the national, regional, and transnational levels.** There are countless Bank-government-CSO partnerships at the national level in areas such as education, environment, 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 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

---

<sup>35</sup> See Joint Facilitation Committee, High-Level Meeting Brief for Managers, (World Bank 2003d).

<sup>36</sup> See The World Bank 2001g. *Progress Report* for a list of recent consultations on Bank strategies and policies, Appendices 1,2.

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.<sup>37</sup> 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 policymaking.<sup>38</sup> The Bank has placed particular focus on supporting partnerships that are aimed at promoting global public goods and standard-setting and 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.<sup>39</sup>

27. **Numerous funding mechanisms are 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, such as through the Multi-Country AIDS Program (MAP). Social Funds are an important mechanism for 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 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 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**, which although very limited is highly valued by the Civil Society Group and country teams as a source of often critical seed financing to promote innovative civic engagement, empowerment, capacity building, and partnerships. Projects supported by the SmGP can be an important entry point for future government-

---

<sup>37</sup> These and other examples are listed on the civil society page on the Bank's website: <http://www.worldbank.org/ngos>

<sup>38</sup> The World Bank(2002i). *The World Bank's Approach to Global Programs: an Independent Evaluation, Phase I*, OED, August 1, Annex D; The World Bank (2002k), *Partnerships: An Update*, FRM 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).

<sup>39</sup> See "Partnerships – The Next Step in People, Planet and Prosperity: Outcomes of the World Summit on Sustainable Development" (World Bank 2003e).

## October 24, 2003 Draft for Discussion

CSO collaboration.<sup>40</sup> Other important Bank-financed resources to foster engagement of CSOs include the Post-Conflict Fund, Information for Development (InfoDev), the Critical Ecosystems Partnership Fund and the Development Marketplace (DM). The Global Environment Facility (GEF) and the Consultative Group to Assist the Poorest (C-GAP) also work directly with CSOs.<sup>41</sup> In August 2003 the Bank established a new grantmaking facility called the Global Fund for Indigenous Peoples, which will provide seed money for small, innovative projects proposed and implemented by indigenous peoples.<sup>42</sup>

28. **However, this array of funds appears insufficient to meet the current demands for engagement, and access to resources can be cumbersome, particularly for local CSOs.** Many of these funds are limited in size, scope, and flexibility, and can be time-consuming and cumbersome for Bank staff or CSOs to access.<sup>43</sup> Task managers interviewed for OED's participation review cited inadequate funds as a significant obstacle to promoting consultation and participation.<sup>44</sup> Many Bank staff and CSOs perceive that a substantial percentage, or even a majority, of engagement with CSOs is reliant on securing donor trust funds or other non-Bank funding sources. Although an increasing number of strategic communications components are outlined in project budgets, these are often ill-defined or optional, and subject to the discretion of the task manager. At the same time, Bank procurement procedures are often cited by CSOs and staff alike as obtuse, inflexible, or biased against the involvement of CSOs, particularly against local groups that have limited resources. Recent efforts to address some of the procurement limitations are welcome, but thus far 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 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 by the IDA deputies to allocate approximately 20 percent of IDA-13 resources to grants has raised the possibility of greater flexibility for client governments to engage CSOs using Bank funds, although the World Bank will continue to channel IDA funds through sovereign governments.
29. **Another oft-cited constraint is the pressure to respond to clients and disburse, which conflicts with the goal of instituting participatory processes that will promote development effectiveness.** The fixed nature of the Bank's project cycle often does not permit adequate time, nor adequate resources, to build community and local government capacity to take ownership of development programs. Too often the need for capacity building and participation are ignored or marginalized early in project planning, and communities and their representatives also may lack tools to take leadership once the Bank's involvement ends. These omissions put the sustainability of the Bank's efforts at civic engagement in operations at risk. There are also many cases where limited government capacity to absorb or program Bank resources leads to a backlog in disbursements, while capable local organizations which could be enlisted to get resources

---

<sup>40</sup> Chemonics International 2001. World Bank Small Grants Program (SmGP) Evaluation, FY 1998-2000, June 2001.

<sup>41</sup> The World Bank 2001e. *Resources for Mobilizing Funding for Development Projects*, pp. 21-43.

[http://lnweb18.worldbank.org/essd/essd.nsf/GlobalView/cs-grantresources.pdf/\\$File/cs-grantresources.pdf](http://lnweb18.worldbank.org/essd/essd.nsf/GlobalView/cs-grantresources.pdf/$File/cs-grantresources.pdf).

<sup>42</sup> The 12-member board overseeing the Fund includes 6 representatives from indigenous peoples' organizations.

<sup>43</sup> Ashman 2003. "Seeing Eye to Eye?" Study conducted for InterAction and The World Bank, CSG., Just Associates.

<sup>44</sup> The World Bank 2001d. *Participation in Development Assistance*, OED, Precis No. 209, Fall, p.3.

programmed in poor communities are not pursued as viable alternatives.

30. **There is 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 which are channeled through or earmarked for CSOs. OED findings suggest that claims of CSO involvement in Bank projects may be inflated because the existing, desk-based monitoring system measures only intended, not actual involvement.<sup>45</sup> High 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 they have involved CSOs rather than take proactive steps to ensure engagement that is viewed as satisfactory by all stakeholders. The lack of an effective, outcome-based, monitoring and evaluation system carries both operational and reputational risks for the Bank. It is also an obstacle to leveraging greater CSO involvement in efforts to help governments reach the MDGs.
31. **The ad-hoc institutional approach to consultations has emerged as a major 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 alike report that the quality of these consultations remains highly uneven. Consultation guidelines and training exist but are not mandatory; staff are often left to design consultations as they see fit, with insufficient experience, time or resources to do them effectively. Too often consultation is treated merely as a “validation” exercise rather than as an opportunity to learn and help shape recommendations *before* they are finalized. In other cases, feedback may not be provided on inputs received, leaving those CSOs with little appetite to invest time in future dialogue with the Bank because they do not see how their inputs are utilized. Poorly managed consultations can pose a significant obstacle to constructive relations with CSOs, and an operational and reputational risk management challenge for the Bank.<sup>46</sup>
32. **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. 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. Yet the Bank's policy still limits 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 need to engage in dialogue with their elected government representatives. In countries where such access to information is not permitted, CSOs often appeal to the Bank directly to intervene with governments, or view Bank management as the obstacle.

---

<sup>45</sup> The World Bank 2002f. OED *Non-Governmental Organizations and Civil Society Engagement in World Bank Supported Projects: Lessons from OED Evaluations*, Lessons and Practices No. 18, August 7, and The World Bank 2001g.

<sup>46</sup> For further guidelines and best practice examples see, The World Bank's *Consultations with Civil Society -- A Sourcebook* (World Bank 2001a).

33. **Summary of issues:** Over the years, Bank-CSO engagement has expanded and deepened across the various 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 External Affairs, OED, and other sources, but have yet to be implemented.<sup>47</sup> 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 evaluation of their involvement, and redirect human and financial resources as needed to align with institutional priorities to promote empowerment.

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

34. **There has been a dramatic expansion in the size, scope, and capacity of CSOs around the globe over the past decade, aided by the process of globalization and the expansion of democratic governance, telecommunications, market transformations and economic integration.** As an illustrative example, the number of international NGOs was reported to increase from 6000 in 1990 to 26,000 in 1999. More than 1 million have been recorded in India alone.<sup>48</sup> The number of foundations nearly tripled from 22,088 in 1980 to 56,582 in 2000.<sup>49</sup> The recent dynamism of this sector has been widely documented (see attached bibliography). The evolution of Bank engagement with CSOs has been affected by the growth of CSOs and their increasing role in national and global affairs.
35. **CSOs have become significant players in global development finance.** Some of the statistics are striking. The Organization for Economic Cooperation and Development (OECD) latest statistics report that \$6-7 billion in contributions are made annually by NGOs/CSOs from their own resources. In addition, OECD members report contributions by governments to NGO/CSO programs account for approximately \$1 billion annually, while funds channeled through NGOs/CSOs are another \$1 billion per year. In total, OECD estimates that flows for both development and relief handled by NGOs/CSOs are \$11-12 billion annually.<sup>50</sup> In other example, the European Commission's humanitarian aid arm (ECHO) reports 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.<sup>51</sup> Development NGOs have been reported in recent years to provide more financial support to developing countries than all the UN agencies combined.<sup>52</sup> From 1980-2000, total giving by

---

<sup>47</sup> The World Bank 2001c. IDA Review Report on Country Consultations, OED, p. 3.

<sup>48</sup> Dierckxsens, Wim, 2000.

<sup>49</sup> The Foundation Center 2001.

<sup>50</sup> OECD 2001. OECD notes that they 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. The United States does not report against this item, but reported that total USG contributions channeled through voluntary agencies at \$1.7 billion in 1994.

<sup>51</sup> ECHO 2003. [http://europa.eu.int/comm/echo/statistics/index\\_en.htm](http://europa.eu.int/comm/echo/statistics/index_en.htm); UNHCR 2003. <http://www.unhcr.org/>

<sup>52</sup> The Economist 1998.

foundations rose some 700 percent to \$27.6 billion.<sup>53</sup> In overall terms, the economic activity of civil society is enormous and growing; for example, 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.<sup>54</sup> Some international CSOs, such as CARE, boast global staffs greater than that of the World Bank (12,500), and have program budgets which may rival or exceed those of their donor agency partners.<sup>55</sup>

**36. CSOs' influence on shaping global public policy has also grown over time.** Although CSOs began networking across borders more than two centuries ago, the past decade has seen the emergence of what a number of analysts are now calling a *transnational, or global, civil society*, more networked than ever before.<sup>56</sup> Transnational advocacy networks of CSOs began mobilizing in earnest in the 1990s, through parallel summits 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 policymakers' agendas and the final documents approved in international forums, while at the same time energizing and empowering the CSOs involved.<sup>57</sup> 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.<sup>58</sup> The Campaign to Ban Landmines and Jubilee 2000 mobilized thousands of supporters around the globe and drew attention from national and international policymakers 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 themselves have worked for CSOs and have adopted similar social change agendas.

**37. 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.<sup>59</sup> In countries experiencing economic stress or political upheaval, or are in conflict or post-conflict situations, CSOs may be the best, or only, viable alternative for delivering social services to needy populations.<sup>60</sup> 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 often have been insufficient to address these problems effectively. As knowledge and capacity in the non-profit sector has expanded,

---

<sup>53</sup> The Foundation Center 2001.

<sup>54</sup> Salamon 1999, p. 8.

<sup>55</sup> CARE 2002. <http://www.careusa.org/newsroom/publications/annualreports/2002/2002annualreport.pdf>

<sup>56</sup> Kaldor 2001; Florini 2000.

<sup>57</sup> Pianta 2001; Clark 2002; Vayrynen 2000, p.83.; Florini 2000.

<sup>58</sup> Wahl 1998, p.5; Goose 2000.

<sup>59</sup> Pianta 2001; Florini 2000.

<sup>60</sup> The World Bank 2002l. *World Bank Group Work in Low-Income Countries Under Stress: A Task Force Report*, Task Group on Low-Income Countries Under Stress.

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.

38. **The increasing focus among policymakers and their publics of the need for better governance and transparency has also opened doors for CSOs beyond national borders.** Given international currency by the independent Commission on Global Governance, the concept of *governance* has been defined as “the sum of the many ways that individuals and institutions, public and private, manage their common affairs... It 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.”<sup>61</sup> 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. 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 such as Brazil and the Philippines are helping to ensure that government funds are focused on citizens’ needs, and are actually spent on the programs for which they were intended. In sum, involving CSOs in development and strengthening their “watchdog” role is now widely accepted by the international community as an essential component of promoting good governance.
39. **As CSOs’ expertise and influence grows, corporations, parliamentarians, media and opinion leaders increasingly 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.<sup>62</sup> A major area of discussion around the Johannesburg summit was how to get business, CSOs, and governments working more closely together on a social responsibility agenda. Parliamentarians in Northern and Southern countries also join together with citizens’ groups to campaign for certain issues – for example, the alliance of faith-based groups and lawmakers in many countries were critical to mobilizing executive branch support in favor of debt relief. Mainstream media covering international policy debates regularly seek out the views and comments of campaigners and/or think tanks.
40. **International polling also demonstrates that CSOs often enjoy greater public trust than governments or for-profit corporations.** In a number of countries, governments and political parties face lower levels of credibility among their populations. 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

---

<sup>61</sup> Commission on Global Governance 1995. *Our Global Neighborhood*. Oxford University Press.

<sup>62</sup> *Race to the Top: Attracting and Enabling Global Sustainable Business*, Business Survey Report (World Bank 2003f).

protect ethics and moral values.<sup>63</sup> NGOs/CSOs are rated significantly higher as a source of credible information, particularly on the environment, health, and human rights issues.<sup>64</sup> 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 have only deepened with time.<sup>65</sup> The Bank's own *Voices of the Poor* study also speaks to a crisis of credibility for government institutions: The study team found that community-based organizations (CBOs) are often trusted by the poor more than government to address their needs.<sup>66</sup> Recent corporate governance scandals and government crackdowns in response to terrorism have only served to deepen public skepticism and distrust of private sector corporations and government.

**41. CSOs are attracting greater public scrutiny as their capacity and influence grows.**

Donors, governments, parliamentarians, and citizens alike increasingly are demanding that CSOs demonstrate they are well-managed, cost-effective, accountable, and that they support 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.<sup>67</sup> 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.<sup>68</sup> This standard-setting is not a new exercise for civil society: For example, the US-based international NGO coalition InterAction launched its PVO Standards in 1984 as a condition for membership.<sup>69</sup> 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 Securities and Exchange Commission as eligibility for tax exemption.<sup>70</sup> The Humanitarian Accountability Project 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 two 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.<sup>71</sup> In response to the growing scrutiny and expectations, some InterAction member agencies are now advocating a move beyond their voluntary standards to piloting a process of third-party accreditation. In addition,

---

<sup>63</sup> Gallup International 2002; Environics 2003; Environics 2001, p.3.

<sup>64</sup> Edelman 2000.

<sup>65</sup> Gallup International, Argentina 1997; Bain 2002.

<sup>66</sup> Narayan 2000, p.143.

<sup>67</sup> An example is 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 2002k). 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](http://www.aei.org/events/eventID.329,filter.event_detail.asp)

<sup>68</sup> Fox and Brown 1998. *The Struggle for Accountability: The World Bank, NGOs, and Grassroots Movements*, MIT, Chapter 12; Hudock 1999. *NGOs and Civil Society: Democracy by Proxy?*

<sup>69</sup> For details on InterAction's PVO Standards, see <http://www.interaction.org/>

<sup>70</sup> 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.

<sup>71</sup> 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)

the global trade unions, which already have well-established systems of election and consultation involving large membership bases, have sought to distinguish themselves from other CSOs and ensure that policymakers understand their structured accountability systems.

42. **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 infinite 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. The explosive growth and networking of civil society around the globe also increases the challenge for the Bank and its client 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 is also key: Countries need legal frameworks, which permit some regulation of, and build public confidence in, CSOs while not inhibiting their legitimate operations, advocacy, and fundraising activities. The degree to which these civic engagement issues are elevated and mainstreamed into the Bank's relations with client countries varies widely, and usually depends on the experience and perspectives of individual Bank country directors and task managers, and their counterpart government officials.
43. **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 strengthening participation and opening doors wider to civic groups. For example, many 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 Cancun WTO Ministerial, many CSO representatives were included on government delegations. The ADB, IADB and UNDP all have recently adopted new participation strategies.<sup>72</sup> UN Secretary-General Kofi Annan recently appointed an independent High-Level Panel chaired by former Brazilian President Cardoso to recommend ways to strengthen UN system relations with CSOs.<sup>73</sup> Of course, it should be noted that at the same time, some governments have been taking active steps to limit the freedoms of civic organizations and/or more closely monitor their activities in the name of fighting terrorism.<sup>74</sup>
44. **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 and management. These changes have implications for the Bank's internal and external learning and capacity-building

---

<sup>72</sup> 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/csopp/CSO/NewFiles/policies.html>; Asian Development Bank (ADB) 2002. <http://www.adb.org/NGOs/Framework/>

<sup>73</sup> United Nations 2003a; United Nations 2002, *The United Nations System Collaboration with Civil Society Organizations (CSOs)*, CEB High-Level Committee on Programmes, CRP.5, September.

<sup>74</sup> Naidoo 2002, pp. 42-43.

programs, mechanisms of engagement with CSOs in operations and on policy issues, relations with client governments, as well as collaboration with other international agencies.

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

45. **The protests 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 which 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 cast a large shadow on the many more constructive interactions occurring between CSOs and the Bank. The following section of the paper examines these manifestations and their possible implications for future Bank-civil society relations.
46. **Protests which 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.. It is important to recognize, however, that the organizers of these protests have strong concerns about globalization and what they perceive as the resulting inequities.** They are concerned about economic instability, loss of jobs, local control, and cultural heritage. Fueled by the increasing empowerment and transnational networking of CSOs discussed in the previous section, they may find allies in developing countries who have led protests against structural adjustment. Although many informed analysts and the protesters themselves argue that “social justice” and not “anti-globalization” is the more appropriate term to describe these movements, *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.<sup>75</sup> The new global social justice movements have in many cases painted the IMF, Bank, and WTO as the targets of their wrath, accusing them of being the agents of the rich governments and multinational corporations who are perceived as benefiting most from globalization and trade liberalization. The protesters perceive 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.
47. **Activists continue to attribute these problems to the Bank’s own policy and lending decisions, which they perceive harmful to poor countries and their people.** . While some of their criticisms have been based on past actions of the Bank which may be no longer relevant, others do relate to current Bank policies or activities. Major rallying issues include debt relief, human rights, governance, corruption, trade in agricultural commodities, land reforms, privatization of basic services such as water, and dams or

---

<sup>75</sup> Desai and Said 2001, pp. 64 and 189.

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.”<sup>76</sup>

**48. Street mobilizations have marked the emergence of new social justice movements.**

They have been led by loosely-formed, often virtual, coalitions bringing together development, peace, and human rights activists, students, some trade unions, and other politically active 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 thanks to expanding access to e:mail and the internet. 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.<sup>77</sup> With respect to globalization and international finance issues, an alliance has 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 responsible for the decision being challenged.<sup>78</sup> Some of the more radical 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 are willing to use violence and property destruction, or to tolerate and support its use by others.

**49. With the more militant groups involved in the protests, the Bank should not expect to build constructive relations.**

The Bank has made clear its intention not to engage with individuals or groups who have espoused violence or property destruction, such as the Black Bloc or Anti-Capitalist Convergence. There is also little basis for the Bank to expect that constructive relations are possible or desirable with the 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 led the organizing of 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 forums.

---

<sup>76</sup> Keck and Sikkink 1998, p. 200.

<sup>77</sup> 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/>

<sup>78</sup> Desai and Said 2001, pp.74-75.

50. **The World Social Forum in Porto Alegre, Brazil – which in January 2003 attracted an estimated 100,000 participants from throughout the world – may be the latest indication that there is a maturing global social movement which may be interested in more than simply protesting.** The WSF was first held in January 2001 as a strident anti-World Economic Forum/Davos protest meeting. Anti-establishment rhetoric at the first WSF was very high; interest in dialogue with global policymakers 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. Yet in the wake of the September 11, 2001 terrorist attacks, the landscape and tolerance for hostile confrontations and protests shifted toward more peaceful approaches.<sup>79</sup> Some of the WSF leaders have recognized the need to reframe their messages and tactics in response to the global political realities.<sup>80</sup> That is why in 2003, the WSF organizing committee encouraged participation of a much wider spectrum of CSOs from around the globe and invited speakers from the United Nations, and in January 2003 they created a category of observers which included Bank staff. WSF has begun “institutionalizing” the annual forum and holding regional forums as well. Nevertheless, many of the organizations involved in WSF are still opposed to any constructive dialogue with the IFIs or economic policymakers, and it remains to be seen whether the organizers of the 2004 WSF in Mumbai, India will break with that pattern. Whether the WSF will mature enough to become a movement that influences the scope and pace of economic globalization, will depend on it’s the leadership’s ability to find common ground within its “large tent” of civil society to be able to engage with decision-makers in government and in multilateral institutions, and to propose more concrete, and rigorous, alternative policies and approaches.
51. **Perhaps the greatest opportunity -- and challenge -- for Bank-CSO relations in implementing the Monterrey/Doha/Johannesburg agenda is to deepen relations with those groups who opt for engagement instead of simply confrontation, with particular focus on those which empower poor people and have analytical and/or operational capacity to contribute to achieving the MDGs.** These groups would include what some analysts have termed as the “hearts” -- groups who advocate generally peaceful and constructive approaches -- or “reformers” who are informed critics of the Bank but also interested in dialogue toward further changing, not abolishing, the international financial institutions.<sup>81</sup> Many of these groups may support the Bank’s messages to focus on achieving the MDGs, 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. They point to critical gaps in the implementation of Bank operational policies which promote stakeholder participation and empowerment of poor people. They appeal to the Bank to be less arrogant as an institution, to admit its mistakes, and be more open-minded for alternative approaches to development and poverty reduction. They are concerned about the ability of poor countries to achieve debt sustainability when they have no options but to continue borrowing from the international

---

<sup>79</sup> Pianta 2001; Bretton Woods Project 2001: <http://www.brettonwoodsproject.org/>; *Financial Times* 2001.

<sup>80</sup> See “The Anti-Globalization Movement after September 11,” Council of Canadians (Globin 2001); <http://www.globalizethis.org>; <http://www.september30.org>.

<sup>81</sup> Desai and Said 2001; Clark 2002, p. 11.

financial institutions. Although the Bank has changed its approach, they perceive that the Bank is still promoting the “neo-liberal” economic model of the Washington Consensus and not giving due weight to human rights and social protection issues. They also want public institutions such as the Bank to become more accountable to the public.<sup>82</sup> 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. Often it is the analyses by generally constructive Bank critics which provide much of the intellectual credence to the messages carried by the more radical movements.

**52. 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 which encourage violence and/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.<sup>83</sup> Many CSOs who have had more experience lobbying the Bank understand the distinctions in roles between the Bank and its government owners, and can distinguish when it is necessary to apply pressure directly on governments, but there are many more who do not follow the institutions closely and do not distinguish between these roles, so they may stay focused on the Bank regardless of whether or not it is the appropriate target.<sup>84</sup> 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 which actually rest with governments. Many of the more knowledgeable groups who 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 the impression that the Bank’s relationship with civil society is only conflictual.

**53. Now that the Development Committee and Bank management have committed the Bank to do its part in implementing the MDJ/MDG agenda, 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 generally hailed these summits as solidifying a global consensus on sustainable development and a global compact between rich and poor countries, many CSOs expressed disappointment that the commitments were vague and that the conferences did not result in concrete actions. They will be closely monitoring 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 parts of the Bank interact with different groups

---

<sup>82</sup> Kanbur 2001.; Bank Information Center 2001.; Oxfam International 2000a

<sup>83</sup> For example see petition for a “code of conduct” circulated by the New Economics Foundation (NEF) in the UK.

<sup>84</sup> Jubilee 2000.

on implementing different goals (e.g. HD on education, ESSD on agriculture; DEC/PREM on lifting trade barriers for poor countries).

54. **Many constructive-minded CSOs are frustrated by what they view as unmet promises to enhance citizen participation in development processes, particularly in the PRSPs.** 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 Bank and client 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 designed to be country-owned and country-driven, local and international CSOs alike are holding the IMF and Bank accountable for ensuring participatory processes that involve a broad base of non-governmental stakeholders; in fact, they view this as critical to achieving genuine country ownership. Feedback gleaned from many CSOs -- as well as from a number of donors and governments -- during the 2002 Comprehensive Review of the PRSP Process showed that while CSO participation in PRSPs has been expanding, the record is quite uneven and significant constraints to meaningful participation remain in many countries.<sup>85</sup>
55. **CSOs will continue to play dual roles as critics and allies/partners to the Bank and governments, and will continue to see peaceful protest as a valid tool for affecting change along with dialogue.** As noted in Section 2, more and more CSOs are involved both in advocacy and in service delivery. 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 the public sector.<sup>86</sup> 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 which 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.<sup>87</sup> Similarly, the advocacy of the Jubilee 2000 movement played the critical role in getting the Bank's member governments to adopt the HIPC debt relief program, and in getting the enhanced HIPC program tied directly to poverty reduction goals and strategies.
56. **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 2003 Annual Meetings, as in recent years, Bank Group and IMF staff held some 20 different discussions with CSO representatives on topics ranging from human rights and core labor standards and education for all and youth development.. Many of the CSOs who come to the Annual Meetings are prepared to engage with the institutions on an in-

---

<sup>85</sup> World Bank 2002f.; see also critiques from CSOs on [www.worldbank.org/strategies/](http://www.worldbank.org/strategies/) or <http://www.eurodad.org/>

<sup>86</sup> Naidoo, 2003.

<sup>87</sup> See for example 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.

depth and substantive level, often with detailed proposals or analyses prepared in advance. Some choose to engage in these dialogues as well as to join demonstrations on the streets.

57. **The Bank's recent efforts to engage very different constituencies within civil society point to some of challenges and opportunities ahead.** The Bank has now instituted a regular process of dialogue with the global trade union movement which includes leadership-level meetings approximately every two years, and more frequent working level meetings on particular policy concerns. The last high-level meetings at the Bank in October 2002 brought an impressive delegation from labor, which speaks to the seriousness with which the movement regards this dialogue. This in turns creates expectations that the Bank will respond to labor's concerns (such as on privatization and pension reform), but also creates opportunities for partnerships (such as utilizing union presence in the workplace to prevent the spread of HIV/AIDS). Another emerging dialogue is characterized by the October 2002 Canterbury Meeting of Leaders of Development and Faith, which pointed to important new openings in the global partnership against poverty and social injustice that could be realized, whilst allowing important differences to be aired. The Bank is also trying to forge more constructive relationships with the major global foundations, which are open to building 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 the ideas and experience which they can contribute to program and project design.
58. **Summary of issues:** Civil society protests and advocacy campaigns point to the need for the Bank to better distinguish among different actors, to understand their motivations and concerns, and to improve mechanisms for engagement that will lead to further poverty reduction. There may be untapped opportunities to develop more constructive relations with groups who have significant concerns about the Bank, yet are also interested in engaging 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. This also points to the need for more effective organizational and staffing arrangements for Bank-civil society relations which can bring about greater Bank-wide coherence and coordination on CSO engagement.

## **7. SUMMARY OF ISSUES AND OPTIONS FOR ACHIEVING MORE EFFECTIVE BANK-CSO ENGAGEMENT**

59. **Recent Bank studies and experience demonstrate that engaging CSOs improves development effectiveness and contributes to poverty reduction in a variety of ways.** These lessons have been reflected in many aspects of the Bank's operational policy framework and guidance to staff, and as a result there has been a rapid expansion in the Bank's engagement with CSOs during the last several years. The Bank's corporate priorities today center around promoting responsible country-level and local-level decision-making, while also improving global issues management ---a framework which makes it even more urgent for the Bank and its member governments to strengthen relations with CSOs at local, national, and global levels. There are opportunities for new,

## October 24, 2003 Draft for Discussion

or deeper, alliances with many CSOs around shared advocacy objectives of increasing development assistance and market access for poor countries, strengthening good governance, and achieving the MDGs. Steps toward deeper and more proactive engagement of these groups can help the Bank meet its objectives, and may also encourage a more informed and constructive international public discourse about the Bank's role in promoting poverty reduction and development.. Improved engagement with CSOs is also an essential piece of the Bank's commitment to demonstrate greater corporate social responsibility, and to manage development risks. 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.

60. **The analysis in this paper of these trends and of recent experience point to a number of issues and challenges to 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 messages and practices. The Bank must strive for the appropriate balance between fostering engagement with CSOs and helping member governments promote sustainable development and achieve the MDGs in a more cost-effective and equitable way. This requires an institutional framework which reflects the changing external and internal environments.
61. **Following is a brief summary of the four main issues identified throughout this paper, and a set of actions for the Bank to address these issues.** In June 2003, the Bank's Management Committee endorsed seven action items for implementation during Fiscal Year 2004. Also outlined is a secondary set of proposed options around which there has been some progress, but require further discussion. Resource implications have been detailed separately.

**Issue 1:** The Bank's overall operational policy and business procedures framework governing engagement with CSOs does not provide adequate guidance to staff on why, whom, and how the Bank should engage. This has resulted in wide variations in practice and dissatisfaction among Bank staff, governments, and CSOs alike in terms of the quality of engagement and outcomes.

**Issue 2:** The gap between the Bank's messages and corresponding expectations, policies and practices is real, and poses a number of constraints to effective Bank-CSO engagement. A number of steps can be taken to help close this gap.

**Issue 3:** 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.

## October 24, 2003 Draft for Discussion

***Issue 4:*** The organizational arrangements in the Bank for managing civil society relations, and the possible risks and opportunities of these relations, call for greater Bank-wide coherence, coordination, and accountability.

**62. Priority Action 1: Create and institutionalize new global mechanisms for Bank-CSO engagement to help promote mutual understanding and cooperation.** Since the phasing out of the World Bank-NGO Committee, 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) is being established to help the Bank shape a new global platform for civil society engagement. CIVICUS, a global civil society network which is acting as convener and secretariat of the JFC, has reached out to a number of other influential civil society networks to join this process. The Bank hopes that the JFC will become a mechanism by which to strengthen the transparency, openness and responsiveness of the Bank in its relations with CSOs, to identify areas for possible joint action on issues where the Bank and CSOs have a common interest (such as the MDGs), and to develop a joint action plan going forward. Mr. Wolfensohn has invited CIVICUS to launch this process with senior management at a first meeting of the JFC scheduled for October 2003.

- Several other processes have already shown promise for improving the quality of engagement with CSOs, but Bank management commitment of time and resources are critical factors in their success. Some which have been tested are : earlier and more structured process of consultation around the World Development Report; a series of thematic videoconference dialogues involving leading CSOs in Part One and Part Two countries and Bank managers in Washington; and “policy workshops” during which 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 (productive workshops on trade and rural livelihoods have been held to date). Thematic Forums have shown to be another useful platform to channel dialogue, learning, and recommendations for action on a given topic. LAC held its third annual thematic forum (on trade; previously on governance and empowerment) involving the Regional 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. In another example, in June 2002 the ECA NGO Working Group and the World Bank convened a regional forum in Belgrade which brought together CSOs from across the region for a networking and learning event together with members of the ECA Regional Management Team, and laid out a work plan for substantive engagement going forward.
- Another important effort is the Bridge Initiative, which has been led by European and US alternative media professionals and is geared to promoting more informed and constructive public debate between the IFIs and leaders of the global social justice movement, including the organizers of the WSF. The Bank has already participated with the Bridge Initiative in two “off the record” meetings as well as in several public debates, and in Fiscal Year 2004 the aim is to support a series of virtual and face-to-face dialogues organized by the Bridge Initiative and its participating organizations during..

63. **Priority Action 2: Establish a Bank-wide focal point for consultations and framework for consultation management.** The goal is a more systematic, institutional approach to consultations based on best practice, moving beyond the optional guidelines that now exist. Internal and external reviews of consultations have already laid the ground for such a framework, and demand is strong. Country and task teams will continue to take responsibility for managing consultations, but the role of the new focal point will be to provide Bank-wide advisory services, clearer guidance, technical assistance, and monitoring. The focal point can help reduce scheduling overlaps and help address some of the causes of “consultation fatigue” often experienced by both Bank staff and CSOs. The focal point also can help lighten the load on Bank teams undertaking consultations, and ensure 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 processes for feedback. Key deliverables would include preparing a guidance note for staff, and improving and expanding use of existing tools such as the Consultations Sourcebook and the Stakeholder Consultation training course. In addition to promoting best practices, the focal point also can strengthen institutional knowledge management and ensure that inputs and outcomes are shared with relevant departments across the Bank Group. 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 focal point will be housed in EXT and work closely with ESSD, OPCS, and other regional and network vice presidencies.
64. **Priority Action 3: Pilot a new Bank-wide monitoring and evaluation system for civic engagement.** It is time for the Bank 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 which tracks only intended involvement of CSOs in Bank-financed projects -- toward a more reliable and useful system. The goal is to measure outcomes using both qualitative and quantitative indicators, enabling the Bank to track progress on civic engagement and improve accountability. This will be linked with the results agenda, and integrated with regular reporting systems so that it does not add significantly to the burdens placed on task teams. . Outcomes and trends will be reported annually to senior management, the Board, CSOs and other external stakeholders through a revamped Progress Report on World Bank-Civil Society Relations. The joint EXT/ESSD Civil Society Team will take institutional responsibility for this work in partnership with OPCS and the Bank-wide civil society focal points..
65. **Priority Action 4: Conduct a review of Bank funds dedicated to civil society engagement in operations and in policy dialogue, and explore possible re-alignment or restructuring.** The goal is to match resources to strategic demands for engagement. It is quite difficult to get an adequate picture of available resources for Bank-civil society engagement because there is currently no institutional system of accounting for these activities across the various funding windows. Some funding mechanisms that staff and managers have advocated as important outreach tools, such as the Small Grants Program, are insufficient to meet growing demand, while selected unit or project budgets for consultations may be quite extensive. This review will assess

whether a new funding window may be needed to enhance civil society participation in Bank-financed activities, whether existing windows should be combined, or perhaps whether all Bank-financed projects should include an explicit participation and communications budget. This review could also explore how the IDA Deputies' decision to allocate 18-21 percent of IDA-13 to grants may present an opportunity for the governments receiving IDA financing to work more with CSOs. OPCS will lead this review with inputs and support from the Civil Society Team and other anchor units in the Bank..

- 66. Priority Action 5: Review the Bank's procurement framework for changes that would facilitate collaboration with CSOs.** A frequent complaint heard from CSOs and Bank staff alike is that the Bank's existing procurement and consultant guidelines and practices often pose real constraints to collaboration with CSOs in Bank-financed activities. These guidelines were originally developed in the context of major infrastructure loans and corporate clients. However, the expansion of Bank lending into social services activities, new development assistance models which promote greater local ownership, and the expansion of grant financing have introduced new opportunities for CSO engagement but also have exposed tensions such as the lack of flexibility in the procurement framework. A review in light of best practice experience will hopefully result in a procurement framework which is more suited to on-the-ground realities and facilitates the involvement of local and international CSOs. This review should be incorporated explicitly into the terms of reference for the Procurement Task Force already established by OPCS.
- 67. Priority Action 6: Institute a more structured, ongoing learning program for Bank staff and client governments on the changing role, nature, and perspectives of civil society, and on how to engage CSOs more effectively.** Over the past year, members of the Civil Society Group have hosted several forums to expose Bank staff, management, and Executive Directors to analysis of trends in civil society as well as to CSO perspectives on timely issues. Most of these opportunities are ad hoc and voluntary, such as the February 2003 Presidential Lecture by Dr. Kumi Naidoo, head of CIVICUS. A more structured and effective program would include adding, or enhancing, components on engaging civil society to the formal training programs and retreats for Country Directors and Managers, RMTs, Young Professionals and other Bank staff, as well as for Executive Directors and their staffs. Critical to this program is the building of a "community of practice" involving Bank staff, CSOs and other stakeholders, such as the newly launched Community of Practice in Social Accountability (COPSA).<sup>88</sup> Important areas to target for skill-building include participatory approaches, strategic communications, political analysis, political risk management, and analysis of the environment for civic engagement, and political economy of civil society. This would also include holding an annual training program for the Civil Society Group and Civil Society Country Staff across the institution. In addition, more aggressive promotion of, and stronger incentives for, joint training and staff exchanges among CSO and Bank staff can also help build mutual understanding and more constructive relations. The CST will collaborate with the Learning Board, Human Resources, WBI, and OPCS to design a multi-faceted program to meet various needs.

---

<sup>88</sup> Community of Practice on Social Accountability (COPSA) Proposal (World Bank 2003)

68. **Priority Action 7: Hold regular meetings of senior management, and annually with the Board, to review Bank-civil society relations.** Meetings of senior management, using the existing channels, will occur regularly, perhaps either quarterly or semi-annually. This will be an opportunity to monitor progress, assess risks, discuss issues and constraints, and to set policy and strategy directions, as well as to strengthen institutional coherence and provide guidance to staff. We would also propose that the Board meet at least annually to discuss the Progress Report on World Bank-Civil Society Collaboration, prepared by the anchor Civil Society Team with inputs from Bank-wide civil society focal points.

**Other options to strengthen Bank-civil society engagement could include:**

69. **Issue management-endorsed guidelines to update and inform all Bank staff on the Bank's institutional approach to working with civil society,** including the broader definition and description of civil society, rationales for engagement, types of engagement, guidelines for best practice, and Bank resources for working with CSOs. These guidelines would supplement the existing GP 14.70 on *Involving NGOs in Bank-Supported Activities*. This was updated a few years ago but further changes may be needed including more detailed language to reflect outreach to a broader range of CSOs, recent Bank staffing changes, and recent experience.
70. **Review and update the other provisions relating to engagement with CSOs in the rest of the Bank's operational policy framework and guidelines (OPs/BPs)** for clarity, consistency and adequacy, with the view toward setting clearer standards for engagement and reducing the optional elements.
71. **Revise CAS guidelines to require consultation for all CASs, and specify a minimum standard set of consultation procedures.** The focus on CASs is warranted in light of its centrality as the Bank's business plan for client countries, and in recognition that best practice CASs are already participatory.
72. **Commission a review, and/or utilize recent independent studies, to draw more conclusive results about the actual practices and benefits of CSO engagement and to help guide future strategy and resource allocation in this area.** This could include country and/or regional portfolio reviews.
73. **Work with clients and staff to increase transparency and disclosure.** For many CSOs, this is major test of the Bank's commitment to empowerment, and a key advocacy issue in the debate over expanding voice and participation. The goal of this option would be to fully implement the Bank's revised disclosure policy, which was approved by the Executive Directors in 2001, but also to look at further steps. For example, steps could be taken to open more categories of information about Bank-financed and other development operations, providing easier and earlier access to information before decisions are made, and in local languages wherever possible. Efforts are already underway in a number of countries to pilot expanded efforts at disclosure, but these

efforts could be deepened and also expanded to more countries. Critical steps include strengthening the capacity of country offices to do more proactive outreach to provide local CSOs with timely access to information, ensuring that there is a systematic and ongoing learning program for all Bank staff and managers regarding the disclosure policy, as well as an ombudsman mechanism where CSOs can turn if they are not provided with information that should be publicly available.

74. **Expand and deepen efforts to enhance the enabling environment for local civil society participation in PRSPs, Poverty Reduction Strategy Credits (PRSCs), and other country-based lending operations and processes.** Implementing the empowerment agenda requires expanding the Bank's existing human and financial resources devoted to promoting civic engagement and implementing social accountability mechanisms, and helping governments improve their dialogue and collaboration with CSOs. All these require investments in analytical work and public advocacy to promote enabling environment for civic engagement. Critical steps are increasing the available time, flexibility, opportunities, and resources to facilitate engagement, both upstream and downstream. Capacity-building for local CSOs, especially for poor people's organizations, is also critical. Objective reviews of PRSP consultations are an important tool for promoting higher quality participation and ownership.
75. **Identify Bank-wide criteria and stakeholder mapping as a guide for selecting which CSOs to engage on a given issue.** "Whom to choose" among CSOs for a given consultation or project is a common dilemma for Bank staff as well as for client governments. Selection is often ad hoc, based on ease of access or existing relationships. There is dissatisfaction among Bank staff, governments, and CSOs alike that civil society groups in developing countries often do not have the same access and influence as do Washington-based or Europe-based groups. Some basic selection criteria that can be used as a guide are: *credibility, competence, local or thematic knowledge, transparency, and accountability.*<sup>89</sup> Of course, these criteria must be adapted and weighted for each given task or objective at hand, and it may be necessary to reach out to a certain group because of its political influence or networking capacity. Thus, the role of experienced civil society and external affairs focal points becomes critical to help country and sector teams navigate and apply these criteria on a case-by-case basis. These staff provide this guidance already, although it is often not utilized by their colleagues. The goal should be for the Bank to serve as an "honest broker" and engage a wide spectrum of perspectives from both developed and developing countries.
76. **Clarify roles and expectations for Bank-CSO engagement.** Much of the tension that exists in Bank-civil society relations results when there is failure to clarify the objectives of engagement, expected outcomes, and conduct. There are major differences between a "consultation" relationship versus a "partnership" relationship. When these are not clarified, misunderstandings and unrealistic expectations often result. Discussing and agreeing in advance on the "norms" of engagement can provide both CSOs and Bank staff with greater confidence in the value-added of interaction. This may include establishing a code of conduct, or a set of principles, to interact in a manner that reflects mutual respect, defines expectations and a shared commitment to constructive and

---

<sup>89</sup> Note that these criteria are similar to those identified in *The Bank's Relations with NGOs* (World Bank 1998b).

## October 24, 2003 Draft for Discussion

solution-oriented dialogue. On the Bank's side, this may also include creating space and resources for earlier and more structured engagement, with clearer lines of accountability and reporting.

77. **Develop and implement a Bank-wide strategy for reaching out more widely and systematically to civil society constituencies for development, including youth groups, students and faculty at major universities, whom the Bank has not engaged as proactively in the past.** The era of globalization has greatly raised the public profile of the Bank and of global development challenges among constituencies who have had little or no prior engagement with the institution. Faith-based institutions, trade unions, indigenous peoples networks, and foundations are among the constituencies which have already begun to seek structured engagement processes with the Bank. There are other groups who have been involved in protests but also are open to pursuing constructive dialogue. In some cases, this may require exploring neutral spaces where views can be exchanged and trust-building can occur. This may also include expanding available resources to reach out more systematically to faculty and students at major universities, which generally have more opportunity for interaction with representatives of the protest movements than with the Bank or policymakers. Since many of these constituencies wish to engage on issues where governments are in the driver's seat, it is also important to create and promote opportunities for the Executive Directors and their government counterparts in country to engage directly, and more systematically, with their national CSOs on Bank and poverty reduction issues.
78. **Launch a comparative review of CSO engagement practices with other MDBs and multilateral agencies.** As part of the donor harmonization agenda, the goal would be to elicit best practices across the multilateral community, and to build on existing efforts at harmonization and collaboration. This could be a complement to the simultaneous work of the UN High-Level Panel on Relations with Civil Society. The Bank Civil Society Team has helped build an informal, inter-agency network of civil society focal points at various agencies, and this network could assist in this task.
79. **Develop a targeted civil society strategy to support implementation of the Bank's Monterrey-Doha-Johannesburg global development agenda.** The CST can serve as a strategic advisor to Bank management to ensure that a civil society component is integrated in each of the sector and theme-based strategies, as well as in the efforts at global monitoring and identifying emerging issues.
80. **Develop a more proactive Bank-wide approach to assessing and managing risks emanating from lending and non-lending activities which 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 can lead to Inspection Panel cases or high-profile advocacy campaigns that use up extensive Bank resources and may endanger operations. A more proactive approach to risk assessment and management would encompass early warning of such projects, assigning experienced external relations/civil society relations staff to manage early and sustained dialogue with interested CSOs, and working with task teams to try to address CSO concerns up front. This can be integrated into existing corporate risk assessment mechanisms. Lessons

could be drawn from an analysis of the role of CSOs in recent Inspection Panel cases, or from the experience of EAP's Special Operational Review.

81. **Conduct a Bank-wide review of management and staffing resources, and variances, for managing civil society relations, with a view toward establishing a more coherent institutional framework.** Currently, the CST acts as an institutional anchor, and has established one model cooperation in which the EXT and ESSD staff on the team have agreed on a division of responsibilities (although in practice many overlaps still exist). Each regional department, however, boasts different models for managing civil society relations. Civil society focal points are mapped across EXT, ESSD, PREM, HD, SRM, RMC, and other departments. Some of the countries and regions have CSO working groups, 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 civil society focal points, while others have staff who only spend part of their time on this role, while several country offices and HQ departments have no established focal point. This complex matrix 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 looking for institutional guidance. There is a need for clearer reporting systems and/or alignment to achieve better balance between the need for global coordination and coherence, and the desired flexibility to manage civil society relations in response to specific country/regional contexts.
82. **Establish and implement a Bank-wide knowledge management system on civil society engagement.** This option can respond to growing demands for staff for timely mapping of civil society's interests and capacities, and better tracking of the Bank's engagement with a specific group. This could be accomplished through a shared database, managed by the CST, to which the civil society focal points can regularly contribute and also access data and reports about various CSOs or engagement 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, internal requests for background briefings, lighten the load on Bank staff seeking such information, and encourage consistency and follow-up. The Lotus Notes technology already exists to support this, but it will work if staff and managers view it as a priority for making their work more effective.
83. **Conduct a Bank-wide review of current Bank business procedures, practices, and incentives to CSO engagement, to identify existing constraints and propose solutions.** This review may explore, inter alia, governance, human resources, financing, and the role of grievance mechanisms such as the Bank's Inspection Panel and IFC/MIGA's Compliance Advisor/Ombudsman (CAO). The goal of reducing such constraints would be to help promote broader and more effective participation, particularly from poor people's networks and rural communities, where adequate time and resources just to receive information about a consultation opportunity, access information, and travel to the appointed venue can pose significant obstacles to participation. Placing emphasis on more upstream engagement of CSOs may improve

the Bank's products, save time and added costs of revision at later stages, and minimize institutional risks.

- 84. Conduct an annual Bank-wide strategic planning exercise on CSO engagement.** With support of management, the members of the CSG could conduct an annual joint planning exercise to ensure that regional, sector and constituency-based CSO engagement strategies are coordinated and aligned across the institution. This process could help identify potential risks as well as opportunities for leveraging resources across departments.

## **8. CONCLUSION**

The international consensus that has been built around the Monterrey-Doha-Johannesburg and Millennium Development Goals 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. But today, the growing capacity and influence of civil society, the recent trends in globalization, the Bank's own reforms, and the lessons learned on the benefits of participation and empowerment all warrant taking institutional steps to engage civil society in more consistent, strategic, and effective ways. This also is warranted in response to growing demands on the Bank to demonstrate greater corporate social responsibility and accountability for its own actions. Effective CSO relations are an important part of a strategic approach to development and risk management. The analysis, issues, and options in this paper are aimed at helping the Bank improve its institutional approach to relations with CSOs in the future, particularly by helping to close the gaps in expectations and practice, and provide the basis for establishing new "norms" and better mechanisms for engagement. In turn, these steps can help the Bank in its mission to better serve its client governments in the effort to achieve the Millennium Development Goals.

## October 24, 2003 Draft for Discussion

### References

American Enterprise Institute (AEI). 2003 Seminar on “Nongovernmental Organizations: The Growing Power of an Unelected Few”. June. See [http://www.aei.org/events/eventID.329,filter./event\\_detail.asp](http://www.aei.org/events/eventID.329,filter./event_detail.asp)

Ashman, Darcy. 2003. Seeing Eye to Eye? Just Associates. Study prepared for InterAction and the World Bank, Civil Society Group, Washington.

Asian Development Bank (ADB) 2002. ADB-Government-NGO Cooperation: A Framework for Action, 2003-2005. Discussion Draft. February. <http://www.adb.org/NGOs/Framework/>

Ball, C. and Dunn, L. 1995. Non-Governmental Organizations: Guidelines for Good Policy and Practice, London: The Commonwealth Foundation, Marlborough House, Pall Mall.

Bank Information Center (BIC). World Bank Moves to Approve Controversial New Policy: Rejects Calls for Greater Transparency. Press Release. August 30, 2001. <Http://www.bicusa.org>

Bain, Kathy. 2002. *Together We Stand, Divided We Fall: Levels and Determinants of Social Capital in Argentina*. Sector Report #24281-AR. Latin America and the Caribbean Unit, Washington, D.C.: World Bank, May 31.

Brown, L. David and Jonathan Fox. 2000. Transnational Civil Society Coalitions and the World Bank: Lessons From Project and Policy Influence Campaigns. IDR Reports: A Continuing Series of Occasional Papers. Volume 16, Number 1.

CARE Annual Report, 2002. Online.

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

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

Clark, John. 2002. “The World Bank and Civil Society: An Evolving Experience.” In Jan Aart Scholte, Civil Society and Global Finance. London: Routledge. A. Schnabel, ed., Chapter 9.

Desai, Meghnad and Yahia Said. 2001. “The New Anti-Capitalist Movement: Money and Global Civil Society.” In Anheier, Helmut, et al, Global Civil Society Yearbook 2001. New York: Oxford University Press. Centre for Civil Society and Centre for the Study of Global Governance, London School of Economics. Chapter 3.

Dierckxsens, Wim. Oekumeni research department/DEI, Costa Rica.

Dollar, David, and Lant Pritchett. 1999. *Assessing Aid: What Works, What Doesn't and Why*. World Bank Policy Research Report. Development Research Group. New York: Oxford University Press.

The Economist, 1998. *The World In 1999*. Special Publication. London: The Economist Newspapers, Ltd.

**October 24, 2003 Draft for Discussion**

Edelman Public Relations Worldwide. "Study on NGOs and the Multinational Corporation." Opinion Poll. Presentation by Steve Lombardo. New York: StrategyOne, 2000.

Edwards, Michael. 1999. *Enthusiasts, Tacticians and Skeptics: The World Bank, Civil Society and Social Capital*. Paper in Progress. Ford Foundation. World Bank Social Capital Library: <http://www.worldbank.org/poverty/scapital/library/edwards.htm>

Edwards, Michael. 2000. "NGO Rights and Responsibilities: A New Deal for Global Governance." Unpublished *NY Times* op-ed in reply to Thomas Friedman.

Enviro-nics. 2003 (forthcoming). *Global Issues Monitor*. Report. Toronto, Canada.

Enviro-nics International Ltd., 2001. "International Opinion Poll on Economic Globalization." Press Release on Study. Toronto, Canada.

European Commission Humanitarian Aid Organization (ECHO). [http://europa.eu.int/comm/echo/statistics/index\\_en.htm](http://europa.eu.int/comm/echo/statistics/index_en.htm)

*Financial Times*, 2001. News & Analysis/Special Reports. "Counter-Capitalization" <http://specials.ft.com/countercap>. "Who's Who in Anti-globalization"; "The Mosquitoes Begin to Swarm"; "Bankrolling the Movement"; "The by-product of globalization"; "The by-product of globalization"; "Inside the Black Bloc"; "Eco-Terrorism"; Clamor against capitalism stilled." Seven-part series. September-October.

Florini, Ann M., ed. 2000. The Third Force: The Rise of Transnational Civil Society. Washington: Carnegie Endowment for International Peace.

Fowler, Alan. 2000. *Civil Society, NGDOs, and Social Development: Changing the Rules of the Game?* UNRISD Paper, January, Geneva.

The Foundation Center, 2001. See web site: <http://fdncenter.org/>

Fox, Jonathan A. and David L. Brown. 1998. The Struggle for Accountability: The World Bank, NGOs and Grassroots Movements. Cambridge, Massachusetts and London: MIT Press. Nazli Choucri, ed.

Gallup International and Enviro-nics International. "2002 Voice of the People Survey." Global Opinion Poll for the World Economic Forum. July-September 2002.

Gallup International. "1997 Opinion Poll on Confidence in Argentine Institutions." Monthly Opinion Poll. Gallup, Argentina. February 20-26, 1997.

Garrison, John. 2000. *From Confrontation to Collaboration. Civil Society-Government-World Bank Relations in Brazil*. NGO and Civil Society Unit, Washington, D.C.: World Bank.

Gibbs, Christopher, Claudia Fumo, and Thomas Kuby. 1998. *Nongovernmental Organizations in Bank-Supported Projects: A Review*. Operations Evaluation Department (OED), Washington, D.C.: World Bank. November.

## October 24, 2003 Draft for Discussion

- Globin, Murray. 2001. "The Anti-Globalization Movement After September 11," Council of Canadians.
- Goose, Stephen and Jody William. 2000. *The International Campaign to Ban Landmines: Toward a Mine-Free World*. Global Policy Unit. Washington, D.C.: Carnegie Endowment of Peace.
- Harvard University. Workshops and Conferences. Cambridge, Massachusetts. See web site: <http://www.cid.harvard.edu/cidbiotech/events/conferences.htm>.
- Hudock, Ann. 1999. NGOs and Civil Society: Democracy by Proxy? London: Blackwell Publishing.
- Inter-American Development Bank (IADB). 2000. *Citizen Participation in the Activities of the Inter-American Development Bank*, Discussion Paper, SDS, Washington, D.C., October.
- Jubilee 2000: "Jubilee 2000 UK Director Comments on World Bank/IMF Annual Meetings." Press Release. September 22. <http://www.jubileepius.org>.
- Kaldor, Mary. 2001. "A Decade of Humanitarian Intervention: The Role of Global Civil Society." In Anheier, Helmut, et al.. Global Civil Society Yearbook 2001. New York: Oxford University Press. Centre for Civil Society and Centre for the Study of Global Governance, London School of Economics. Chapter 5.
- Kanbur, Ravi. 2001. *Economic Policy, Distribution Land Poverty : The Nature of Disagreements*. Paper. Cornell University.
- Keck, Margaret, and Kathryn Sikkink. 1998. Activists Beyond Borders. Ithaca, NY: Cornell University Press.
- Long, Carolyn. 2001. Participation of the Poor in Development. London and Sterling, VA: Earthscan Publications, LTD.
- Mobilization for Global Justice. See web site: <http://www.globalizethis.org>
- Mohammed, A. 1997. "Notes on MDB Conditionality on Governance." In International Monetary and Financial Issues for the 1990s, pp. 139-145, Research Papers for the Group of 24, Vol. III, New York and Geneva: United Nations.
- Naidoo, Kumi. 2002. "Civil Society Under Threat Following September 11." *Alliance: Building Resources for the Community Worldwide. Special Issue: The Implications of September 11 for Civil Society Around the World*. vol. 7, no.1, March.
- Naidoo, Kumi. 2003. "Civil Society, Governance, and Globalization." World Bank Presidential Lecture Speech. Washington, DC, February. See World Bank web site: <http://lnweb18.worldbank.org/essd/essd.nsf/All/943999D14D69CEB585256CC900838324?OpenDocument>

## October 24, 2003 Draft for Discussion

Narayan, Deepa, et al. 2000. *Voices of the Poor: Can Anyone Hear Us?* First in a series of three World Bank Reports. New York: Oxford University Press.

Narayan, Deepa, Editor. 2002. Empowerment and Poverty Reduction, A Sourcebook. Washington, D.C.: The World Bank.

New Economics Foundation. 2001 New Economics Foundation Launches Code of Protest for Genoa. Press Release. December 2001. <http://www.neweconomics.org>  
<http://www/default.asp?strRequest+newsarchive&strNewsRequest+newsitem&intNewsID=11.html>.

OECD (Organization for Economic Cooperation and Development). 2002. Development Assistance Committee. Information services reply to enquiry, February.  
<http://www.oecd.org/dac/htm/online.htm>.

One World Trust. 2003. *The Global Accountability Report*. Global Accountability Project. London.

**Oxfam International.** 2000a. *Oxfam International Assessment of IMF-World Bank Debt Reduction Initiative*. September: <http://www.oxfam.org>

-----2000b. *The Poverty Reduction Strategy Paper: Rhetoric and Reality*. Briefing Paper, September: <http://www.oxfam.org>

Paul, Samuel. 1992. "Accountability in Public Services: Exit, Voice and Control", World Development, Vol.20, No.7.

Pianta, Mario. 2001. "Parallel Civil Society Summits." In Anheier, Helmut, et al. Global Civil Society Yearbook 2001. New York: Oxford University Press. Centre for Civil Society and Centre for the Study of Global Governance, London School of Economics. Chapter 7.

Putnam, Robert D. 2001. Bowling Alone : The Collapse and Revival of American Community. New York: Simon & Schuster.

Salamon, Lester, et al. 1999. Global Civil Society: Dimensions of the Nonprofit Sector. Baltimore, MD. The Johns Hopkins Comparative Nonprofit Sector Project. The Johns Hopkins Center for Civil Society Studies, Baltimore, MD.

Salamon, Lester M., Wojcieh Sokolowski, and Helmut K. Anheier. 2000. *Social Origin of Civil Society: An Overview*, Johns Hopkins Comparative Nonprofit Sector Project, No. 38, Johns Hopkins Center for Civil Society Studies, Baltimore.

The Commission on Global Governance. 1995. *Our Global Neighborhood*. Report. Oxford University Press. <http://www.sovereignty.net/p/gov/gganalysis.htm>, August 26, 2002.

## October 24, 2003 Draft for Discussion

The Philanthropic Initiative, Inc. (TPI), 2000. "What's a Donor to Do? The State of Donor Resources in America Today." Study, Boston: TPI. August. Revised: November 6.

Thindwa, Jeff. 2002. "Achieving Development Results Through Legal Frameworks that Enhance Participation of Civil Society Organizations." World Bank Speech. ESSD, Shanghai, China, November.

**United Nations**. 2001. *UNDP and Civil Society Organizations: A Policy Note on Engagement*. Version 16., Civil Society Organization Division.

-----2002. *The United Nations System Collaboration with Civil Society Organizations (CSOs)*, CEB High-Level Committee on Programmes, CRP.5, UNIDO, Vienna, September.

-----2003a. United Nations Department of Public Information, 2003. "Fernando Henrique Cardoso, former President of Brazil, named by UN Secretary-General Kofi Annan to lead high-level review of UN-civil society relations." Press Release on creation of High-level Panel on UN-Civil Society Relations. New York.

-----2003b. United Nations High Commission on Refugees (UNHCR), 2003. <http://www.unhcr.org/>

Vayrynen, Raimo. 2000. *Anti-Globalization Movements at the Cross-Roads*. Policy Brief no. 4. Joan B. Kroc Institute for International Peace Studies. University of Notre Dame. November.

Wade, Robert. 1997. "Greening the Bank: The Struggle over the Environment, 1970-1995." In Devesh Kapur, John P. Lewis, and Richard Webb, *The World Bank: Its First Half Century*. volume II. Washington, D.C.: Brookings Institution Press.

Wahl, Peter. "On Some Recent Trends in International Civil Society." *Periphere*, No. 71. Germany.

**World Bank**. 1994. *The World Bank and Participation*. Operations Policy Department, Washington, D.C., September.

-----1995. *Working with NGOs*. Carmen Malena, NGO Unit OPRPG, Washington, D.C., March.

-----1998a. *Nongovernmental Organizations in Bank-Supported Projects: A Review*. Operations Evaluation Department (OED). Washington, D.C.

-----1998b. *The Bank's Relations with NGOs: Issues and Directions*. Social Development Paper Number 28. Washington, D.C.

-----2000a. *Consulting with Civil Society Organizations: General Guidelines for World Bank Staff*. NGO and Civil Society Unit, ESSD, Washington, D.C.

-----2000b. Good Practices (GP) 14.70. Involving Nongovernmental Organizations in Bank-Supported Activities. The Operational Manual. February.

## October 24, 2003 Draft for Discussion

- 2000c. *Mainstreaming Participation in Development*. Operations Evaluation Department (OED) Working Paper Series, No. 10. Blackburn, James, Robert Chambers and John Gaventa. Washington, D.C., Summer.
- 2000d. Quality at Entry in CY99—A QAG Assessment, Quality Assurance Group, June 7.
- 2000e. *Special Operational Review 2000. Review Group Feedback*. Social Policy and Governance Secretariat, East Asia and Pacific Region. Washington, D.C., July 24-28.
- 2000f. *Special Operational Review 2000: July 24-28, 2000. Main Report*. East Asia and Pacific Region. Washington, D.C., September 30.
- 2001a. *Consultations with Civil Society Organizations: A Sourcebook*. Working Document. NGO and Civil Society Unit, ESSD. Paula Lytle, William Reuben, Najma Siddiqi. Washington, D.C., August.
- 2001b. *From Consultation to Influence: Bridging Citizen Voice and Client Focus into Service Delivery* (Consultancy report for the Department for International Development). Institute of Development Studies, University of Sussex, March 2001.
- 2001c. *IDA Review Report on Country Consultations*, Operations Evaluation Department (OED), February.
- 2001d. *Participation in Development Assistance*, Operations Evaluation Department (OED), Precis No. 209, Fall.
- 2001e. *Resources for Mobilization Funding for Development Projects*. Joint Publication: International Youth Foundation and the World Bank's Social Development Department (ESSD), Small Grants Program. August, 2001.
- 2001f. *Strategic Directions for External Affairs: Facing Challenges, Defining New Opportunities*. January.
- 2001g. *World Bank-Civil Society Collaboration. Progress Report for Fiscal Years 2000 and 2001*. Environmentally and Socially Sustainable Development (ESSD), Washington, D.C.
- 2001h. World Bank Development Report 2000/2001: Attacking Poverty. New York: Oxford University Press.
- 2001i. The World Bank's Information Disclosure Policy, revised 2001. See web site: <http://www.worldbank.org/operations/disclosure/>
- 2001j. *The World Bank's Partnership with Civil Society*. 2<sup>nd</sup> ed., NGO and Civil Society Unit, ESSD. Washington, D.C.
- 2002a. *Additions to IDA Resources: Thirteenth Replenishment. Supporting Poverty Reduction Strategies*. International Development Association (IDA). July 25.

## October 24, 2003 Draft for Discussion

- 2002b. *Annual Review of Development Effectiveness*, Participation Briefing Note.
- 2002c. *Empowerment and Poverty Reduction: A Sourcebook for World Bank Staff*. Poverty Reduction and Economic Management Network (PREM). April 12.
- 2002d. Joint Facilitation Committee: Background Brief for Managers, CST.
- 2002e. *Non-Governmental Organizations and Civil Society Engagement in World Bank Supported Projects: Lessons from OED Evaluations*, Lessons and Practices No. 18, Operations Evaluation Department. August
- 2002f. *Participation in Poverty Reduction Strategy Papers: A Retrospective Study*. Participation and Civic Engagement Group, ESSD. Washington, D.C., January.
- 2002g. *Social Development Update*. Environmentally and Socially Sustainable Development Network (ESSD), William Reuben, Tania Barron, and Carmen Monico. March. See web site:  
[http://lnweb18.worldbank.org/essd/essd.nsf/4e92f954654ddd5d852567ef0049e082/3023be3d7c48b09a85256b7c006a12c5/\\$FILE/SDV%20update.pdf](http://lnweb18.worldbank.org/essd/essd.nsf/4e92f954654ddd5d852567ef0049e082/3023be3d7c48b09a85256b7c006a12c5/$FILE/SDV%20update.pdf)
- 2002h. *Strategy Update Paper for FY03-05: Implementing the World Bank's Strategic Framework*. IBRD and IDA. April 2.
- 2002i. *The World Bank's Approach to Global Programs: An Independent Evaluation*, Phase 1 Report, Operations Evaluation Department. August.
- 2002j. World Bank-International Monetary Fund Annual Meetings, Program of Seminars, Capstone Session, Transcript:<http://www.worldbank.org/annualmeetings/#pos>.
- 2002k. *The World Bank's Partnerships: An Update*. Research Mobilization Department (FRM). Washington, D.C., August.
- 2002l. *World Bank Group Work in Low-Income Countries Under Stress: A Taskforce Report*. Task Group on Low-Income Countries Under Stress (LICUS). Washington, D.C., September.
- 2002m. *Empowering the Poor and Promoting Accountability in LCR: A Regional Framework and Strategy for Engaging Civil Society FY02-FY04*. LAC Civil Society Strategy Paper.
- 2003a. (Forthcoming). *Assessment of Trade Union Participation in the PRSP Process*. Social Protection Unit, December.
- 2003b. *Civic Engagement to Improve Development Effectiveness in the Europe and Central Asia Region: The Role of the World Bank*. Internal Document. ECA, June. .
- 2003c. *Community of Practice on Social Accountability (COPSA) Proposal*. Draft

## October 24, 2003 Draft for Discussion

Document. Mariana Felicio, P&CE Group, SDV.

-----2003d. Joint Facilitation Committee. High-Level Meeting Brief for Management. SDV/EXT. October.

-----2003e. “Partnerships – The Next Step in People, Planet and Prosperity: Outcomes of the World Summit on Sustainable Development”. Environment Matters 2003. ESSD Annual Review.

-----2003f. *Race to the Top: Attracting and Enabling Global Sustainable Business*. Business Survey Report . Corporate Social Responsibility Practice. October.

-----2003g. *Senegal: Decentralization, Civic Engagement and the Challenges of Intergovernmental Relations Reform for Better Service Delivery*. Report No. 24384-sen. May.

-----2003h. *Strategic Update Paper for FY04-06: Implementing the World Bank’s Strategic Framework*. Internal Document. IBRD and IDA. March 7.

-----2003i. (Forthcoming). *World Bank-Civil Society Collaboration. Progress Report for Fiscal Years 2002 and 2003*, ESSD/CST, Washington, D.C.

-----2003j. *World Bank Social Development Strategy Paper*. Draft Document. Social Development Vice Presidency. October.

-----2003k. World Development Report 2004. Making Services Work for Poor People. DEC. Washington, D.C. and New York: Oxford University Press.

-----2003l. *Working Together: World Bank-Civil Society Relations*. CST. Washington, D.C.

ANNEX A

Annex A. Operational Policy Requirements for Primary Stakeholders' Participation

<i>Document</i>	<i>Date</i>	<i>Title</i>	<i>Requirement or Text Relevant to Community Participation</i> <i>(including paragraph number)</i>
BP 2.11 Annex A	1/95	Content of a Country Assistance Strategy Document	8. Any implications of economic and sector work for developing an appropriate public participation strategy are also addressed.  11. It also discusses measures taken to improve project ownership and increase local participation in project design and implementation.
OP 4.01	1/99	Environmental Assessment	15. For all Category A and B projects proposed for IBRD and IDA financing, during the EA process, the borrower consults project-affected groups and local nongovernmental organizations (NGOs) about the project's environmental aspects and takes their views into account. The borrower initiates such consultations as early as possible. For Category A projects, the borrower consults these groups at least twice: (a) shortly after environmental screening and before the terms of reference for the EA are finalized; and (b) once a draft EA report is prepared. In addition, the borrower consults with such groups throughout project implementation as necessary to address EA-related issues that affect them.  16. For meaningful consultations between the borrower and project-affected groups and local NGOs on all Category A and B projects proposed for IBRD or IDA financing, the borrower provides relevant material in a timely manner prior to consultation and in a form and language that are understandable and accessible to the groups being consulted.

**October 24, 2003 Draft for Discussion**

OP 4.02	2/00	Environmental Action Plans	<p>4. The Bank encourages the government to secure support for the EAP and to help ensure its effective implementation by (a) using multidisciplinary teams from appropriate agencies within the government to assist with preparation, and (b) taking into account the views of interested parties (including local nongovernmental organizations [NGOs]), obtained through means that induce broad public participation.</p> <p>5. While the EAP is being prepared, the Bank encourages the government to make drafts available to groups that will be affected by its implementation and to other interested groups, including NGOs.</p>
OP 4.15	12/9 1	Poverty Reduction	<p>39. <i>Popular Participation and NGOs.</i> Effective implementation and operation of most poverty-reduction projects require the active involvement of the beneficiaries. Active beneficiary participation also should be built into earlier stages of the project cycle. Participation is most critical to the success of projects designed to help specific groups of people. It is important, for example, in family planning, community health, food security, urban upgrading, nutrition, and community water supply projects. Public consultation on environmental issues and adjustment programs can improve the design of and build public support for large-scale investments and policy decisions. In many countries, the basic institutional processes for reconciling competing claims between socioeconomic groups are weak. Especially in such settings, popular participation requires careful planning, management, and supervision; the effectiveness of popular participation can be enhanced by the existence of a social policy framework.</p>

**October 24, 2003 Draft for Discussion**

OD 4.20	9/91	Indigenous Peoples	<p>8. The Bank's policy is that the strategy for addressing the issues pertaining to indigenous peoples must be based on the <i>informed participation</i> of the indigenous people themselves. Thus, identifying local preferences through direct consultation, incorporation of indigenous knowledge into project approaches, and appropriate early use of experienced specialists are core activities for any project that affects indigenous peoples and their rights to natural and economic resources.</p> <p>15. <i>Strategy for Local Participation.</i> Mechanisms should be devised and maintained for participation by indigenous people in decision making throughout project planning, implementation, and evaluation.</p>
OP 4.20	10/99	The Gender Dimension of Development	<p>1. The Bank aims to reduce gender disparities and enhance women's participation in the economic development of their countries by integrating gender considerations in its country assistance program.</p>
OD 4.30	6/90	Involuntary Resettlement	<p>3. Community participation in planning and implementing resettlement should be encouraged.</p>
GP 4.36	5/93	Forestry	<p>12. The Bank promotes rural people's participation in tree planting and conservation of indigenous woodlands.</p> <p>24. <i>Local Participation.</i> Local communities and NGOs should participate in project design, and the project's legal and financial mechanisms should be adequate to secure their participation in the project.</p>
OP 8.50	8/95	Emergency Recovery Assistance	<p>9. Collaboration with the United Nations Development Programme and other international agencies, local NGOs, and donors is often helpful in devising the recovery assistance strategy under an ERL and in designing specific prevention and mitigation programs.</p>
BP 10.00 Annex B	6/94	Elements of a Project Implementation Plan	<p><i>Implementation Arrangements.</i> Relationship of the implementing agency with other entities (ministries, project beneficiaries, etc.); participation arrangements.</p>
BP 10.00 Annex D	6/94	Outline for a Staff Appraisal Report	<p>6. <i>Project Concept and Composition.</i> The project's genesis and evolution; its general purpose and objectives, including intended beneficiaries; commitment of government, implementing agencies, beneficiaries, affected groups, and nongovernmental organizations (NGOs), and their participation in project design.</p>

**October 24, 2003 Draft for Discussion**

BP 10.00 Annex E	6/94	Outline for a Memorandum and Recommendation of the President	<p>12. <i>Project Implementation</i>. The MOP summarizes the project's implementation arrangements, including names and responsibilities of agencies charged with implementing individual components, expected participation of stakeholders and nongovernmental organizations (NGOs), and incentives to the participation of such groups.</p> <p>20. <i>Participatory Approach</i>. The MOP outlines how stakeholders (e.g., beneficiaries and NGOs) have been involved in project preparation and will participate in project implementation, and it describes incentives to the participation of such groups.</p>
GP 13.55	7/99	Implementation Completion Reporting	<p>[ICR Guidelines] 56. The ICR section on achievement of objectives should describe and evaluate the project's major social objectives and assess the degree to which they were achieved, i.e. substantially, partially, or negligibly. It should also give the major reasons, such as adequacy of project design, the sufficiency of government and borrower commitment, institutional effectiveness, NGO and beneficiary participation, and the realism of objectives.</p>
OD 14.70	2/00	Non-Government Organizations	<p>[The entire OP is about NGO participation. There are numerous references to community participation and the need for more staff and time.]</p> <p>20. In projects for which NGO participation during implementation is foreseen, NGOs should also be involved in project design and in the development of priorities and goals. In projects with extensive NGO involvement or community participation, the borrower and the Bank should be prepared to assign additional staff or allow extra time during the project cycle.</p>

World Bank 2003. Strategy Update Paper for FY04-06: Implementing the World Bank's Strategic Framework. Discussion Draft. Corporate Strategy Group, SRM. February.

carolyn reynolds

C:\Carolyn\october 2003\wb-civil society relations discussion paper -- october 14 draft with track changes.doc

October 16, 2003 3:05 AM