GLOBAL PARTNERSHIP FOR SOCIAL ACCOUNTABILITY
AND ESTABLISHMENT OF A MULTIDONOR TRUST FUND

EXECUTIVE SUMMARY OF BOARD PAPER

June 13, 2012

1. The World Bank views beneficiary participation and feedback in partnership with governments as critical for effective social and economic development and poverty reduction. In carrying out its core mission of poverty reduction, the Bank engages with civil society across a wide range of activities—such as promoting public consensus and local ownership of reforms; giving voice to beneficiaries, particularly poor and marginalized groups; bringing innovative ideas and solutions to development challenges; and increasing country capacity for effective service delivery.[1]

2. ***Bank Engagement with Civil Society.*** In 1983, the Bank established the Small Grants Program (later known as the Civil Society Fund, or CSF) to provide direct support to civil society organizations; in recent years, the CSF has supported 350-400 CSOs in more than 55 countries. Additional Bank funding for CSOs, made directly and through governmental channels, has also increased steadily over the past decade, totaling an estimated $645 million during FY08-10.[2] Beneficiary engagement on the demand side of governance is a key pillar in the Bank's updated Governance and Anti-Corruption (GAC) Strategy.[3] The Independent Evaluation Group's recent evaluation of GAC challenges Management to pay attention to civil society capacity building as part of an urgent update of the Bank's approach to institution building for better in-country economic governance.[4] In this context, Management seeks the Board's approval to create a Global Partnership for Social Accountability (GPSA) and to establish a multidonor trust fund (MDTF) for the GPSA, to provide more strategic and sustained support to reflect the voice of beneficiaries, promote greater transparency and accountability, and achieve stronger development results.

3. ***Growing Beneficiary Engagement and Needs.*** Recent years have seen growing beneficiary engagement in monitoring and assessing government performance—particularly in

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1 World Bank (2005), *Issues and Options for Improving Engagement between the World Bank and Civil Society Organizations*.

2 The Bank does not systematically capture funding going to civil society. These figures are based on a study conducted during July-October 2011 that examined 27 Bank mechanisms providing grants to civil society. The study also reviewed more than 1,000 Project Appraisal Documents (PADs) of projects approved and recorded in SAP from FY08 to FY10, including community-driven development projects, social funds, and other special loans and credits such as the Multi-country HIV-AIDs Program (MAP). After a preliminary review of the PADs that had a CSO or CSO contracting component, the team reviewed the procurement documents from them to extract the dollar amounts of those contracts.

3 *Strengthening Governance, Tackling Corruption: The World Bank Group's Updated Strategy and Implementation Plan*, March 6, 2012.

4 See *World Bank Country-Level Engagement on Governance and Anticorruption: An Evaluation of the 2007 Strategy and Implementation Plan* (p. xxii), available at http://ieg.worldbankgroup.org/content/dam/ieg/gac/gac_eval.pdf.

providing feedback on, and voicing demand for, improved service delivery—and thus contributing to greater development effectiveness. This kind of engagement—also referred to as *social accountability*—enables beneficiaries and civil society groups to engage with policymakers and service providers to bring about greater accountability and responsiveness to beneficiary needs. At the same time, many factors—especially the proliferation of new information and communications technologies—are changing how beneficiaries and CSOs engage with governments; and many governments are creating better enabling environments for voice, transparency, and accountability (e.g., adopting access-to-information laws, establishing independent accountability institutions, and joining the 51-country Open Government Partnership). There is some rigorous empirical evidence that under the right conditions, civil society can contribute to better government policies and performance, and hence better development outcomes. However, feedback from over 1,000 diverse stakeholders in all Regions indicates that there are large knowledge and evidence gaps, especially in terms of what works and why, under what conditions approaches can be scaled up, whether successful approaches can be replicated in different sociopolitical settings, and how to sustain successful approaches. Particular needs are practical “how-to” guides, greater South-South learning and exchanges, and more systematic support to civil society networks.

4. ***The Bank’s Comparative Advantage.*** Although many donors and foundations provide direct support to civil society, consultations undertaken for this paper confirm that the Bank has a comparative advantage in providing support to better integrate beneficiary and civil society voice and feedback for stronger development results. GPSA would focus on areas of Bank comparative advantage and value addition arising from a combination of the Bank’s official and unique relationship with governments, the range and reach of its partnership and knowledge services, its convening power, and its ability to complement and reinforce supply-side GAC interventions with demand-side efforts for better development results. The Bank can use its convening power and leverage its traditional engagements with governments to create more space for constructive engagement between CSOs and governments to enhance development effectiveness. And through its analytic, knowledge, and advisory activities, the Bank is well equipped to understand the capacity and constraints of state institutions and CSOs, encourage ways to improve their effectiveness as providers of services and development inputs, and open up development policy discussions to non-state actors.

5. ***Building on Past Bank Support for Social Accountability.*** Over the years, the Bank has actively supported a range of social accountability initiatives across Regions. For example, in Accra, Ghana, consultative citizens’ report cards allow 4,000 households to prioritize their service needs and report on the quality of services received; in Porto Alegre, Brazil, participatory budgeting began in 1990 and has spread to 200 cities; in Morocco, local committees of civil society representatives and elected government officials express and prioritize community needs in local development plans; in Bangladesh, adoption of access-to-information legislation is leading to enhanced accountability and improved service delivery; in Armenia, the Bank partnered with a local nongovernmental organization to build the capacity of civil society groups to use participatory monitoring tools to improve service delivery; and in the Philippines an interactive map of public education facilities allows beneficiaries to provide feedback on the use of resources, state of facilities, and teacher attendance. The proposed GPSA would build on this history of support and continue the Bank’s engagement with beneficiaries and with the CSOs that act as their intermediaries.

A. The Proposed GPSA

6. The GPSA would be aimed specifically at improving development results by supporting capacity building for enhanced beneficiary feedback and participation. GPSA support would be consistent with the GAC strategy,[5] *Guidance Note on Bank Multi-Stakeholder Engagement,*[6] and the Bank's Articles of Agreement (including the prohibition of involvement with political activities). GPSA features strong country ownership, explicit government agreement to "opt in" to GPSA, and astute risk identification and risk management of activities it would fund. GPSA would start small, learn from experience, and expand on the basis of lessons learned and rigorous demonstration of positive impact. The GPSA would contribute to country-level governance reforms and improved service delivery by (a) generating knowledge, networking, and financing to build civil society's capacity to engage in evidence-based social accountability; (b) supporting Bank teams and government counterparts in embedding social accountability more strategically in their programs; and (c) drawing on the experience, knowledge, and resources of external partners to enable the Bank to scale up its engagement in this area. The GPSA's proposed partnership and governance structure reflects good practice distilled from many years of World Bank experience working with over 100 global and regional partnership programs (ranging from the Consultative Group to Assist the Poor to the Global Agriculture and Food Security Program), the feedback from extensive consultations, and the lessons and good practices of other partners at the global and country levels.

7. ***Partnerships.*** The GPSA would seek global partnerships on two fronts: knowledge and funding. Funding would be channeled through a multidonor trust fund (MDTF) to which the Bank would contribute the resources that are currently dedicated to the CSF. All activities supported by the GPSA and funded by the MDTF would be consistent with the *Guidance Note on Bank Multi-Stakeholder Engagement*, endorsed by the Board in June 2009. The GPSA would make larger grants for periods of 3-5 years, with disbursement tranches linked to agreed milestones. In addition to the MDTF, flexible arrangements would allow the partners in the GPSA to contribute in a variety of ways at global, regional, or country levels: for example, partners could provide parallel externally managed funding that follow criteria harmonized with the GPSA's. The recipient-executed portion of activities funded by the MDTF would—like all recipient-executed activities financed by IDA/IBRD and trust funds—be subject to the Bank's operational policies and procedures in line with risk levels and funds involved. The MDTF would be in line with the four pillars of ongoing Bankwide trust fund reforms: ensuring strategic alignment and consolidation; integration with business processes; cost recovery; and improved oversight. Outreach to donors on the GPSA would be coordinated at the corporate level, with broad participation of Bank VPUs and Senior Management, and full integration into country and network strategies. To increase strategic impact, the GPSA would seek to link supported activities with Bank programs, but such linkages would not be a requirement for GPSA support.

8. ***GPSA Governance.*** The partnership would have a Steering Committee (SC), chaired initially by the Bank, with balanced representation among donors,[7] CSOs, and developing

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[5] World Bank (2007), *Strengthening World Bank Group Engagement on Governance and Anti-Corruption*, and updated in 2012, *Strengthening Governance: Tackling Corruption, the World Bank's Updated Strategy and Implementation Plan*.

[6] World Bank (2009), *Guidance Note on Bank Multi-Stakeholder Engagement.*

[7] Most donors would be government agencies.

country governments. The initial number of SC members would be 10; three donor partners (two sovereign donors and one foundation representative); three CSOs (one Part I representative and two Part II representatives); and three government representatives from Regions with the most participating countries (likely Africa, Middle East and North Africa, and East Asia and the Pacific), in addition to a World Bank representative. Donor members would need to make a minimum threshold contribution to the MDTF to be eligible for a seat on the SC. CSO members will be nominated through regional CSO networks, from a pool initially identified by EXT (for Part I) and the Regional Vice Presidencies (for Part II). A small CSO–donor–Bank selection committee would review the nominations and make final decisions. Government members will be selected by the Bank's Board of Executive Directors. All member seats except the Bank's would rotate after three years; the first rotations will be staggered between the third and fourth years to avoid a complete turnover of SC membership at the same time. Over time the SC could increase the number of members, provided it maintains a numerical balance of members from all three groups. The SC would be supported by a small Secretariat of Bank staff. A Roster of Experts drawn from around the world would also provide support to the Secretariat. The Secretariat would work closely with Bank country teams to ensure that grants and activities are rooted in the needs and realities of the local context and, when possible, to leverage the Bank's engagement.

9. ***Bank Role.*** The Bank's role would be to (a) sponsor and support the GPSA and seek participation by donors, developing countries, and other stakeholders; (b) establish an MDTF and serve as its Trustee; (c) provide funding to the MDTF; (d) administer the GPSA Secretariat; (e) participate in the SC as initial Chair and as donor member; and (f) through active participation by Bank country teams, seek synergies and complementarities between supply-side governance reforms and support for demand-side interventions. Country directors would take the lead in securing country consent for the GPSA to operate in their country and in submitting the proposed grants to the government(s) for review.

10. ***Country-level Management, Grant-making Process, and Implementation***. The GPSA would make country-level grants on a competitive basis to eligible CSOs for knowledge creation, knowledge sharing and networking, and institutional strengthening for social accountability. Bank country directors and country teams would play a pivotal role for country-level grants, since GPSA support needs to be tailored to the country context, including country-level partnerships and risk. Multi-stakeholder consultations, held before issuing calls for proposals, would maximize the alignment of GPSA activities with country development strategies. The country management unit (CMU) would vet country-specific proposals for compliance with GPSA requirements. Cleared proposals would then be submitted to external experts who are knowledgeable about the country for review of the technical quality and strategic alignment with the country's development strategies and GPSA criteria. The GPSA Secretariat would decide which proposals merit consideration by the SC and would forward these proposals, along with any peer review comments, to the SC for its concurrence on a no-objection basis. Proposals to which the SC has concurred would then be submitted to the government for a ten-day review period, after which the Bank will follow with a five-day public disclosure period during which information on the proposed purpose and recipient of the grants would be made public. The country director would take comments received into account in providing the final clearance. The CMU would designate Bank staff to play a key role in monitoring and evaluating grant implementation in close coordination with the GPSA Secretariat.

11. ***Global and Regional Grants***. The process for global and regional grants would be broadly similar. The SC would determine Regional calls for proposals, with input from the relevant Regional Vice President to ensure alignment with Bank strategic directions. The Secretariat would vet incoming proposals to ensure they meet Bank and GPSA eligibility criteria, forward them for review to appropriate experts, and decide which proposals merit consideration by the SC and forward these proposals, along with any peer review comments, to the SC for its concurrence on a no-objection basis. Regional proposals to which the SC has concurred would be submitted for the same ten-day comment period with relevant governments, followed by a five-day period of public disclosure and comment. The relevant Regional Vice President would take comments received into account in providing final clearance. For global proposals, the SC would follow a similar process.

12. ***Bank Contribution.*** Management proposes to apply the Bank's current annual $2.8 million contribution to the CSF (starting in FY13), as a contribution to the GPSA MDTF. In addition, in FY13 about $2.2 million would be redeployed from other below-the-line grant programs, bringing total Bank contributions to the GPSA to $5 million in FY13. The contribution would continue to be treated as a below-the-line item, and would be the subject of a separate recommendation in the budget document. Management proposes to keep the FY13 level of annual funding to the GPSA—$5 million—through FY16. As part of the subsequent annual and business planning processes, Management would review with the Board the level of the Bank's funding to the GPSA.

13. ***Results.*** The GPSA would adopt a robust results framework to systematically measure and quantify results achieved by individual grants and the partnership as a whole. The results tracked would include inputs and outputs as well as development outcomes, including, for example, capacity built, improvements in the enabling environment for social accountability, and development effectiveness.

B. Challenges

14. The establishment of the GPSA would both create opportunities and pose challenges. Thus Management proposes to move incrementally, adapting the GPSA to reflect the lessons of experience and reporting periodically to the Board on lessons, progress, and impact.

- ***Country relationships.*** Key among these challenges would be the relationship with governments of countries where the GPSA would seek to operate. The GPSA would operate in a country only with the knowledge and written consent of the member government. The government's overall consent would be recorded in a memorandum of understanding or exchange of letters signed by the Bank and the government. In working with governments and CSOs, the Bank would take appropriate measures to avoid the risk of political interference and address reputational risks, consistent with the *Guidance on Bank Multi-Stakeholder Engagement*.

- ***Legitimacy.*** To be effective, the GPSA must be seen as legitimate by the general public and partners. To achieve that legitimacy it would need to (a) be regarded as a genuine partnership among CSOs, donors, and governments; (b) have an inclusive governance structure that enables the voices of CSOs, donors, and governments to be heard; (c) have transparent grant-making processes; and (d) allow for external feedback on application of and compliance with its established procedures and operating terms. Various features in the design of the GPSA address these challenges.

C. Next Steps

15. Management requests Board approval to repurpose the CSF funds expected for FY13-16 to be used for the GPSA, thereby eliminating the CSF. Management intends to request in its FY13 budget submission to the Board the sum of $5 million as a contribution to the proposed MDTF.[8] This includes reallocation of the $2.8 million now going to the CSF. Management proposes to keep the FY13 level of annual funding to the GPSA—$5 million—through FY16. As part of subsequent annual and business planning processes, Management would review with the Board the level of Bank funding to the GPSA. Consistent with BP 14.40, *Trust Funds*,[9] Management requests Board approval to establish the proposed MDTF to support social accountability. If the Board approves the establishment of the MDTF, and the budget document is approved, Management would launch GPSA operations in early FY13. In preparation for the launch, consultations would be held in "first mover" countries to identify strategic priorities and provide input to the development of an Operations Manual, which is now ongoing. Management would conduct further internal briefings of managers and staff on the GPSA over the upcoming weeks.

16. ***Governance Bodies.*** At the same time, the Secretariat would be established. It would be located in the World Bank Institute for an incubation period, after which Management would review the experience and decide when the Secretariat should be transferred to the Bank's Sustainable Development Network. The Secretariat would be staffed by a Program Manager (competitively recruited Bank staff) and a senior operations officer. As soon as feasible, given the progress of consultations, the Steering Committee and Roster of Experts would be established.

17. ***Implementation Review.*** Management fully agrees with the recommendation that came from the first round of consultations—that in the beginning of such a new initiative as the GPSA, it makes sense to start small, learn from experience, and make adjustments as necessary. Management would report regularly to Executive Directors to monitor progress, beginning with an informal report delivered to the Board in Q2 of FY13, and would carry out an independent evaluation at the end of the second year of operation.

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8 *FY13-15 Medium-Term Business and Finance* (SecM2012-0160), March 23, 2012, pp. 80, 81, paras. 161-163.

9 BP 14.40 states that "Executive Directors approve any proposal for a Bank-administered trust fund where one or more of the following circumstances arise: (i) it includes a transfer or transfers from the Bank's net income or surplus; (ii) it would provide assistance to a non-member country, or to a member not in good standing with the Bank; or (iii) it presents novel or significant policy issue(s) which, in Management's judgment, warrant consideration by the Executive Directors" (footnote 8).