

**Civil Society Planning Workshop for the 2006 World Bank/International Monetary Fund
Annual Meetings in Singapore
28-29 March, 2006
Marina Mandarin Hotel, Singapore**

Annex 2: Summary of Small Group Discussions

- 1) Topic Title: People's Participation + Local Governance**
- Initiator: Abdul-Muyeed Chowdhury**
- Recorder: Haidy Ear-Dupuy**
- Present: Khun Ruengrawee Ketphol, Srilaporn Buasai, Paul Martell, Lauro Purcil, Gillian Brown, Paul O'Callaghan, Carolyn Reynolds**
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Notes (*include summary ideas, suggestions, recommendations....*)

- It's a political issue
- The smaller the governance unit the bigger the impact and benefit. When the governance unit is closer to the people, it can establish accountability on a day to day basis
- More or less, all post colonial governments in former colonies have adopted the previous government as their role model to establish a centralized government away from an emphasis on a decentralized local government
- Power needs to be shifted to the people from "subjects" and "clients" to "owners/citizens" since they bear the cost of government by paying taxes
- People must be made aware of their rights as well as obligations and duties as citizens
- People's participation should be a priority and institutional mechanisms should be put in place first, followed devolution of powers
- CSOs can help in citizenship education and awareness creation as also mobilization of people. WB can fund such efforts
- Budgetary allocation through a "local government finance commission" (an independent forum de-linked from political process) should be given the responsibility of disbursement of these funds to the local government bodies
- WB can help the process initially by funding local governments with annual grants through the central government with such a modality that the central government does not have any right other than simply to act as a conduit

- Adequate women's representation should be built in with equal status and powers as members of local government
- Goal is to have all local governments formed through periodic or regular elections rather than by appointment. This will enable local people to exercise oversight over the local government and facilitate their participation in development planning, project implementation and service delivery
- The effects of this will:
 - i) establish accountability to people
 - ii) create transparency in governance
 - iii) reduce corruption
 - iv) improve responsiveness to local needs and development efforts
 - v) build local capacities and confidence
 - vi) would lead to political stability and sustainability of developmental efforts
 - vii) this will speed up poverty reduction
- WB along with other multi and bilateral donors can form a pro local government coalition to pursue a uniform policy in this regard. Initially a few countries can be picked up, where a certain degree of awareness where the people's participation and effective local government exist because of the work done by CSOs, to launch this unified donor policy and effort
- This can be discussed by WB/IMF with other donors and include the topic for discussion during the Annual Meetings.

2) Topic Title: Urbanization and Governance

Initiator: Laurence Gray

Recorder: Laurence Gray

Present: Keiko Kiyama, Gillian Koh, Huang Haoming, Laurence Gray

Notes (include summary ideas, suggestions, recommendations....) 29th March

Issue

In 1999, the global population reached six billion, with more than two thirds of the population residing in developing countries. About half of the earth's population now resides in urban areas and a significant proportion of the population increases in developing countries has been, and will be, absorbed by urban areas. This places a heavy burden on cities in developing countries, already struggling to accommodate the needs of the population in terms of shelter, infrastructure, electricity, water supply, sanitation and transportation.¹

- The scale of growth, stress on infrastructure and development needs underscores the priority for improved urban governance in many countries. The interests of civil society minority, disabled and vulnerable groups need to be represented in this process and support to develop responsibility public policy and practice warrants for attention from the World Bank (WB) Asia Development bank and International Monetary Fund
- Increased urbanization results in land grabbing further complicated in environments with no formal land titling system. Land rezoning and displacement as it changes from rural to urban and is privatized.
- Post conflict societies where rural infrastructure and unresolved security threats experience further strains on urban settlements. Governance policy needs to be part of recovery effort.
- Priority is needed for observance of human rights with regard to vulnerable groups - the influx of migrant workers who contribute to economic growth are drawn by personal displacement need or opportunity. Migrants often have no rights for representation or access to basic services. They are at risk of exploitation and abuse.
- In some settings minority groups and the disabled are denied property rights.
- In other contexts the movement of designated classes of people is restricted.
- Attention to children's as a vulnerable group is needed in the absence of necessary social infrastructure is vulnerable to exploitation and neglect. Casualties of change children are exposed to high pollution levels, low level of public space. They are a visible reminder of homelessness, displacement and need. Failure to give priority to a recognized issue of significance will result in increased hazards to vulnerable groups

¹ "Global Trends" in Human Settlements Conditions and Trends, Global Urban Observatory and Statistics Unit, Urban Secretariat, United Nations Human Settlements Programme, 1999.

- As countries adapt to increasing urban shift and the social changes that result, governments need to be encouraged/supported to develop/implement public policy in the interests of all affected by urbanization?
- Public policy is needed to build local governments' capacity and promote sustainability. Social services are needed to evolve from public policies as well as having policies that guide public and private collaboration on services/infrastructure development
- **Action**
- The Bank's are requested to support and facilitate action which would bring donors and governments attention to responsible governance of all aspects of urbanization
- To influence government on long-term concerns of urbanization focus is needed on suitable levers to mobilize change. These need to communicate challenge and opportunity in creative ways, which seek to engage decision makers. Two areas of priority emerging from group discussion were;
 - The impacts of urbanization on children (street children and children left alone for long periods).
 - The experience of land reform practice with emphasis on the need for transparency.
- The World Bank is encouraged to adapt its standard consultation process used to address corruption to the area of program engagement on urbanization. This would assist in promoting greater transparency.
- A collation of research, review and highlighting examples of countries on cities that have successfully addressed the hazards of increased urbanization is recommended.
- This would include examples of successful civil society engagement to promote responsible governance, land reform and support vulnerable groups affected by urbanization.
- Preparation of materials to offer a seminar session at the September meeting targeting government officials is proposed. This would feature case studies and models and set out particular areas for government action on areas of policy and partnership with civil society.
- *Laurence Gray from World Vision will coordinate discussions and plans to take this issue forward in preparation for the September meeting.*

3) Topic Title: CSO Involvement in Bank and Fund Operations

Initiator: Nila Ardhianie

Recorder: Abdul-Muyeed Chowdhury

Present: Abdul-Muyeed Chowdhury, Nathaniel Don Marquez, Huang Haoming, Keiko Kiyama, Termsak Chalermphanupap, Rimta K. Silangit, Carolyn Reynolds

Notes (include summary ideas, suggestions, recommendations....)

- Need for information available to local communities on World Bank (WB) projects. There are lots of information online but many people do not have access to it
- Consultation happens, but often too late or not enough to be informed. There is forward movement by WB to reach out to CSOs, but still this doesn't satisfactorily address the need for greater transparency and accountability
- CSOs can help WB to translate and disseminate information to local communities and then WB can go in and verify their concerns. WB needs to respond better to local communities' recommendations for changes in projects when demanded. WB tends to ignore and then problems surface and sometimes its just too late
- WB has improved in terms of participation but still dissatisfaction among CSOs
- Diversity of civil society makes it difficult for WB to articulate problems and suggest solutions
- WB operating in many countries where there are human rights issues, freedom of association issues
- A need for more structured ways for government-CSO cooperation
- Is WB really prepared to accept change? To give up some control?
- Need more sustained dialogue at country level between CSOs and WB
- WB should not rely so much on government data, should take CSO reporting/research seriously
- Review the procurement policy to move away from a contract awarding process to a partnering with CSOs in project implementation
- WB should move away from separate consultations with the government and the CSO on specific issues but rather have a regular and periodic joint consultations with the government and CSO

- New strategies and instruments can be developed to provide more financial support (lending and grants) to CSOs, particularly for enhancing and improving service delivery in sectors in line with health, education, etc. This is called for in the context of major changes in societal structure that have taken place since the time of when the Bretton Woods institutions was set up
- The disclosure policy of the WB should be modified/changed to provide more information to the public as well as to the CSOs to facilitate their participation in projects. Information should be disseminated early and in forms that ordinary people can understand
- Feedback to CSOs/people should be a regular feature of any consultation process

4) **Topic Title: Poverty Alleviation through Debt Relief and Debt Management (Fair Distribution & National Development)**

Initiator: Dian Kartika Sari

Recorder: Rimta K. Silangit

Present: Rimta K. Silangit, Hiroshi Takizawa, Koichi Omori, Dian Kartika Sari, Nila Ardhianie, Bart Edes, Filomeno Sta. Ana

Notes (include summary ideas, suggestions, recommendations....)

Indonesia has to allocate up to 40% of the national budget to pay foreign debt as well as domestic and commercial debt. As a result, there is little budget left for poverty alleviation, health and education. Since poverty alleviation is a mandate of the World Bank and **global commitment**, debt relief should be considered seriously.

There has been debt swap – but it was not really helpful and there was also some minor debt moratorium after the tsunami which was not really helpful either, **only increase debt payment in the next year and absorb more money from the national budget.**

How effective is the utilization of the debt? The effectiveness of debt must also be assessed. It is very important because Indonesia is in the stage where they borrow from Peter to pay Paul (borrow money to pay previous debt).

The current policy of lending is that middle income countries such as the Philippines and even Thailand are seen as capable to pay back the debt. Therefore middle income countries feel that they have been marginalized compared to the less developed countries such as some countries in Africa.

The group recommends that all stake holders in these middle income countries must sit together to discuss in order to be able to have the same language for stronger bargaining power.

It is important to review debt sustainability framework to include the MDG and human development goals.

In exchange for debt, International Finance Institutions (IFI) put conditions such as structural reform on labor market by reduction of employment protection which causes enterprises easy to fire employees and increase atypical workers with poor working conditions.

For sustainable development of the country, IFIs are recommended to provide countries consumer friendly policies that will make people's lives better. As if income increases, so will tax and the government can utilize in various ways for national development.

Suggestions (after Discussion)

Discuss Debt Problem of middle income countries and the possibility debt relief.

Recommendations

Seminar on Debt Relief for Poverty Eradication case of middle income countries

Men & Dian will propose design of the Seminar

- 5) **Topic Title:** **Market-Led Skill Development to Address Large Scale Migration From Rural to Urban Areas - Transition from Agriculture to Industry**
- Initiator:**
- Recorder:**
- Present:** **Paul Martell, Silaporn Buasai, Ved Arya**
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Notes (include summary ideas, suggestions, recommendations....)

Recommendations

- For World Bank (WB) – to facilitate the meetings of relevant world experts to identify policy initiatives and practical programs which can promote market led development
- Purpose to draw on knowledge about rural-urban transition (eg. Central Europe, India, and China) through examinations of lessons learnt

Format proposed

- Preferable face to face video conference/ on site meeting at Annual Meetings
- Some written materials to be provided by WB/IMF as well as by CSOs themselves
- Some funding support from WB is sought for this facilitation and the bringing together of relevant research material

Some discussion issues

- Education underlies everything but vocation education schemes to be linked to jobs (Vocation Education Plus)
- There is a need to create jobs in rural areas through government policies such as labor quota (for local people), or affirmative action (in industry)
- The government should encourage market-led training programs instead of providing training that are not linked to likely market opportunities
- Infrastructure projects need to be integrated to labour market (construction and telecom projects for example provide scope for jobs)
- Bank linkage could be provided to purchase assets to people trained in certain skill (say, driving school could be supported by finance to buy taxis)
- The only way out for those in agricultural sector (under the condition of land scarcity rainfall unpredictability and inability to control market price of farm products) seems to be increasing their farm productivity, especially through skill improvement

- 6) Topic Title: Social Entrepreneurship in Asian Cities**
- Initiator: Gillian Koh**
- Recorder: Gillian Koh**
- Present: Bart Edes, Khun Ruengrawee Ketphol, Lauro Purcil, Ek Siden, Koichi Omori**
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Notes (include summary ideas, suggestions, recommendations....)

Definition of Social Entrepreneurship (SE)

- a double bottom line, addressing social needs using an economic business model to achieve sustainability; so business bottom line and social bottom line
- revenues are 'distributive' where they are sent back to stakeholders; the marginalized groups the enterprise seeks to address. This is as opposed to the 'accumulative model of for-profit business organizations.

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Examples of SE

- PDA, Philippines – Wheelchair making company
- Thailand – village creating organic cotton, Fair Trade products
- Grameen Bank, Bangladesh
- For employment creation
- For product development
- Resource mobilization

Need for Champion (or social entrepreneur) to identify social gaps to be met, who think of innovative ways in which to meet them through the market.

Need for many different skills

- Design skills, technology, marketing, financial accountability, need research + development

Best practices:

- PDA
- Highpoint Singapore
- Friends, Cambodia
- Grameen Bank, Bangladesh
- BRAC, Bangladesh

Problems

- Stigma against those running the enterprise- the disabled will provide the services.
- People don't expect to pay market rates for services especially products provided by disabled, former convicts or other 'bottom of the pyramid' groups.
- Finding initial funding for starting up.

Recommendations

- A 3-6 city study of the social enterprise sector in Asia (Taiwan, HK, Spore)
- Pick a case study if good examples from each city (identifying the business model, nature of their social objective, assessment of how they work)
- Identify obstacles to greater development of that sector

Objectives

- to create a greater “buzz” around the concept
- provide case studies to flesh out the concept
- identify factors that facilitate growth of that sector
- identify factors that pose as obstacles to its development
- present a way which the traditional CSO/VWO sector can achieve greater sustainability
- to address policy issues that will allow the sector to grow
- flag to potential supporters, funders to facilitate greater development of such a sector as a new strategy for social development

7) **Topic Title: Women and Gender**

Initiator: Mauna Dave

Recorder: Haidy Ear-Dupuy

Present: Mauna Dave, Haidy Ear-Dupuy, Gillian Brown, Dian Kartika Sari

Notes (include summary ideas, suggestions, recommendations....)

Gender Gap

- in rural and remote areas
- ethnic minorities
- women's role in economy has changed but women's role in the home has not changed
- women's role is not static

Gender and trade

1. Is trade helping or hurting women?
2. How can we protect migrant workers? Better protection for men + women who migrate to work elsewhere.
 - how to include gender analysis in projects
 - How to get women's issues + protection laws for women to be passed
3. Decentralization
 - Fewer women in lower levels of government which makes it even more difficult to get women in the decision making process
 - Women's rights to land + assets and must be protected
 - Do not let women be the beneficiaries but rather the managers of the project even if it takes a while for them to learn
 - Gender is a cross cutting issue that must be raised in all sectoral discussions (i.e. gender & violence, gender & leadership, gender and the economy)
4. Not to use women merely as figure heads but to have them be dedicated to women's issues (does not necessarily have to be female, as long as they are dedicated to the cause).
 - Use successful stories of women to lead initiatives

8) Topic Title: Natural Resource Management

Initiator: Ek Siden + Ved Arya

Recorder: Ek Siden & summarized by Kimberly Versak

Present: Ek Siden, Kimberly Versak, Ved Arya, Nathaniel Don Marquez & Mauna Dave

Notes (include summary ideas, suggestions, recommendations....)

Issues discussed

Strategy to reduce poverty, how to promote good governance and accountability, equitable development + human rights with a focus on improved natural resource management (oil, gas, land and water)

I. Land Reform

- Productive land and market access
- Land management
- Land distribution
- Land titling

Asian Context of Poverty and Landlessness

- Poverty as a result of mal-distribution of resources and power
- Common feature of Asia's rural poor is landlessness or denial of access to productive land
- Land tenure systems and structures highly complex and varies within and across Asian countries
- Increasing land disputes and conflicts

Importance of Access to Land and Agrarian Reform

- Essential to the development of Asian rural communities
- Brings livelihood, reduces social tensions and conflicts over resources
- Achieves sustainable management of resources
- Improves overall peace for greater political and economic stability

Agrarian reform must not be instituted merely as a safety net or social welfare program. It involves equitable land redistribution, provision of support services (credit, technology, market, etc), and enhances peoples participation on issues affecting their daily lives.

Issues/Concerns:

- Market assisted land reform model/approach promoted by World Bank vs. Equitable Land Distribution advocated by Civil Society
- Land administration projects not a replacement for agrarian reform

Recommendations:

- Sharing of experiences and land struggles among civil society organizations, and support greater coordination and common understanding of land issues
- Synthesize field learnings in order to develop practical guidelines, approaches, methods and tools
- Engage governments and World Bank in active dialogue on land access and agrarian reforms through various venues/mechanisms at different levels

II. Water resource management

- rights to water for drinking and water for farming

III. Oil and gas

- How to use revenue collected from this resource effectively