

# Toward Greater Transparency

## Rethinking the World Bank's Disclosure Policy

Summary of the Consultation Meeting  
Washington, DC, April 25, 2009

A meeting of civil society organizations and Bank staff was held in Washington, D.C. to discuss the Bank's proposed revision to its Disclosure Policy. The proposed revisions are discussed in the Approach Paper, *Toward Greater Transparency: Rethinking the World Bank's Disclosure Policy*, which was posted on the Bank's external website on March 12, 2009. The meeting coincided with the World Bank/IMF Spring Meetings in Washington. A list of participants accompanies this Summary.

### ***Issues Raised by Participants***

Several participants commented that access to information in the possession of public bodies has been widely recognized by governments and international bodies as a fundamental human right. This right is embodied in the principles of the Global Transparency Initiative (GTI) Charter. The Bank was to be commended on its proposal to revise its policy, from its current "positive" list approach, to one of disclosing all information in its possession other than what falls under a limited list of exceptions. Several concerns were raised, however.

- ***The General Approach (Q1)***. The Approach paper falls short on a true presumption of disclosure. The policy should recognize explicitly the fundamental human right of people to access information. The availability of information is essential for communities' participation and engagement in the design and implementation of projects and programs that may affect them and to improve development effectiveness.
- ***The Proposed Exceptions (Q2)***. The proposed list of "exceptions" is the greatest concern to the CSO community; it was referred to as the *Achilles' heel* of the proposed policy. There should be a clearer justification for the proposed exceptions to disclosure based on their linkage to "harm." Exceptions should be based on content rather than on categories of documents, the content of which may not meet the "harm" test. Content viewed as "sensitive" and "confidential" should be defined more clearly.
- ***Third Party Information (Q3)***. While maintaining the confidentiality of some third party information is legitimate, a blanket approach to all third party information is not consistent with the basic right of access to information. Allowing a country or third party unilaterally to define a document as "confidential," in effect providing a veto, is a loophole for withholding information. Information should be classified according to the specific interests that should be protected.
- ***Board Proceedings (Q3)***. Several participants felt that it would have been helpful if the Approach Paper had addressed the disclosure of Board information. They commented that records of Board proceedings, e.g. summaries of discussions and

verbatim transcripts, should be disclosed. It was also proposed that meetings of the Board should be open to the public, in similar manner to meetings of the UN Security Council and the Board of Governors of the U.S. Federal Reserve. It was accepted, however, that certain types of proceedings may be restricted.

- ***Deliberative Information (Q3)***. Regarding confidentiality of the Bank’s internal deliberative processes, participants recognized that the Bank’s staff need the “space to think.” The proposal to disclose deliberative decisions at key “milestones” during project preparation is a welcome step forward, but drafts of certain documents, in as much as they contain information that is important for decision-making, should also be disclosed. The proposal not to disclose “draft documents” is confusing. It would be helpful if the Approach Paper provided a definition of a “draft” document.
- ***Investigations and Sanctions (Q3)***. Participants wondered why the Approach Paper conveyed a blanket presumption against the disclosure of information pertaining to the Bank’s Integrity Vice Presidency (INT), the Inspection Panel, and the Sanctions Board.
- ***Routine Disclosure (Q1)***. It will be helpful for stakeholders if the Bank provides on its website a “positive list” of most types of information it makes routinely available, in addition to other information to which the public should have access.
- ***Proactive Dissemination (Q1)***. Some participants felt that the Bank should be more proactive in making information available, or ensuring that governments make information available, to affected communities by translating documents to languages that they understand. Relevant information is essential for their participation in development activities designed to improve their well-being.
- ***Appeals Process (Q1)***. Participants welcomed the Bank’s proposal to create an Appeals Process, which would place the Bank at the cutting-edge of international financial institutions. It was important that the Bank respond promptly to an appeal, ideally within 30 days. It was also suggested that the Bank consider having its Inspection Panel serve as the appeals body, thereby avoiding the creation and expense of a new entity.
- ***Declassification Timelines (Q4)***. Several participants argued that waiting 20 years to declassify certain information was too long, particularly when the information is relevant for addressing current issues. Mexico has a 12-year timeline; confidential documents are then declassified and disclosed, or they may be reclassified based on a continuing need for confidentiality. Some participants felt that the Bank’s revised policy should apply retroactively to its existing stock of documents.
- ***Audited Financial Statements of Projects (Q5)***. Participants broadly concurred that borrowers should be required to disclose project audit reports and audited annual financial statements of projects, as proposed in the Approach Paper.

- ***Other Documents (Q6)***. Some participants proposed that information on Country Policy and Institutional Assessments (CPIAs), fee-based services, and annual budgets for projects should also be disclosed.
- ***Policy Implementation (Q7)***. One participant drew attention to the need for sound implementation of the revised policy. Staff in the Bank’s headquarters, country offices, and Public Information Centers must be trained in the principles and procedures of the policy and the Bank must allocate adequate budgetary resources for the training and subsequent implementation.
- ***Additional Concerns (Q7)***. It was noted that some information concerning the use of country system pilot projects, including reports prepared by borrowers on safeguard issues, is not always available. One participant proposed that the Bank should prepare and release the estimated carbon footprints of all its projects. Another suggested harmonizing the disclosure policies across all the international financial institutions.

### ***Bank Staff Response***

- On the **general approach**, Staff explained that the Bank’s policy—grounded in a presumption in favor of disclosure—was based on the “no harm” principle. As a public body owned by its member governments, the Bank must have a compelling reason not to release information. The Bank’s revised approach was inspired in part by recent freedom of information legislation of some member countries, including India and Mexico.
- On the **exceptions**, staff agreed that the Bank’s disclosure policy should be based on the right of access to information, as being essential for development effectiveness. They also agreed that the Bank should “recalibrate” what it considers to be exceptions, reflecting more clearly that withholding information should be based on the “harm” principle. At the same time, participants should understand that when client governments classify documents as “confidential,” they expect that the Bank would respect their assignment.
- On **Board proceedings**, staff explained that a Board Committee is reviewing in parallel how the proposed approach might apply to records of Board proceedings. The analytical work should be completed shortly. The Board Committee’s recommendation would be reflected in the next version of the Paper. Staff will propose to the Executive Directors concerned that they meet with staff of the Global Transparency Initiative/ Bank Information Center to listen to their views.
- On **routine disclosure**, the Bank will post on its website a list of documents that it will routinely disclose.
- Concerning **exceptions**, Staff will review the merits of presenting separately from the proposed exceptions, the disclosure provisions applicable to the proceedings of the Inspection Panel, the INT, and the Sanctions Board, in order to avoid any perceptions of a “presumption” against disclosure.

- On **dissemination and translation**, staff agreed that affected communities must have access to Bank and borrower documents in a language they understand, although Bank policy cannot require translations into all relevant languages. The Bank has a Translation Framework that guides its translation activities. Within this framework, good practice and common sense should prevail as governments and the Bank's country offices ensure that affected people have access to necessary information. The next version of the paper will elaborate on the translations issue.
- The proposed **Appeals Panel** would include external parties to ensure that its decisions are independent of the Bank's management.
- On **other information**, Staff clarified that two items referred to in the discussion would not be released: Country Policy and Institutional Assessments (CPIA) for IBRD countries and reports prepared by Bank staff for clients under fee-based services. Staff explained that the Executive Directors feel strongly about the confidentiality of the CPIAs because of their potential impact on credit markets, and that documents prepared by the Bank for a fee belong to its clients, not the Bank.
- On **policy implementation**, Staff acknowledged the critical importance of providing adequate training to Bank staff on the requirements of the revised disclosure policy and the need for developing clear procedures and systems for its effective implementation.
- On the **consultation process**, Staff commented that consultation meetings are not the only means of engagement with stakeholders. The Bank is open to ideas and working with stakeholders, and looks forward to receiving additional comments via the web (or by e-mail). The key issues raised during the meetings, and received electronically will be summarized and will be posted on the Bank's website, along with the Bank Management's response.
- On the **next steps** relating to this policy review, in response to a concern that the timetable for preparing and submitting a final draft of the paper to the Board is too tight, staff commented that the Bank will not prejudice the quality of the paper due to an "arbitrary" deadline; the proposed date for Board consideration, currently at the end of July, will be extended if necessary. Ultimately, the decision on the proposed revisions rests with the Bank's Executive Directors.