From Confrontation to Collaboration

Civil Society – Government – World Bank
Relations in Brazil

John Garrison
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to Collaboration

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Relations in Brazil

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The World Bank
Washington, D.C.
Contents

Foreword v
Preface vi
Acknowledgments vii
Acronyms and Abbreviations viii
Executive Summary xiii

1. Background on the Civil Society Sector 1
   Overview 1
   Community Organizations 3
   Social Movements 5
   Charitable Organizations 6
   Church 6
   Professional Associations 7
   Foundations 8

2. Nongovernmental Organizations 10
   Origins 10
   General Characteristics 13
   Staffs and Budgets 16
   Networking Efforts 18
   Taking Up the Civic Banner 21
   Challenges of Consolidation 23

   Civil Society View of the Bank 25
   Mutual Misperceptions 27
   Bank–Civil Society Commonalities 28
   Bank Stakeholder Participation Policies 30
   Forging A Tripartite Dialogue 34
   Growing Relations and Operational Collaboration 37
   CSO Funding 42
   Disadvantages and Advantages of Tripartite Collaboration 46

4. Conclusion 51
This report vividly portrays what the World Bank has known for some years, that Brazil has a vibrant and increasingly influential civil society sector. A civil society that is multifaceted, resourceful, and largely successful in promoting organizing and small-scale development efforts at the grassroots level. Although nongovernmental organizations (NGOs) are most often cited by Bank documents dealing with civil society, the study appropriately describes how other, larger sectors such as community-based organizations (CBOs), social movements, and professional associations play a key role in the so-called Third Sector in Brazil. Further, the study describes the emerging social agenda of the private sector, particularly corporate foundations, and its growing partnership with government through the innovative projects being implemented by the Conselho da Comunidade Solidária.

The paper also documents well the advances that have been achieved in government–civil society–World Bank relations over the past several years. Many of these advances are ground-breaking and demonstrate that all sides, especially the government and the civil society, which are the two principal interlocutors, are learning to collaborate well and constructively. Perhaps most surprising are the high levels of funding within World Bank cofinanced projects that are channeled to the civil society sector through government-managed small-projects funds in such areas as the environment, health, and rural poverty. The study cites a variety of sources, and growing evidence from several proven Brazilian partnership experiences, that stakeholder participation policies and approaches can improve the performance of development projects as well as increase their social impact. Finally, the report reminds us that despite the important advances in terms of tripartite relations, there is still a good deal of common ground that needs to be cultivated so all sides—government, civil society, and the World Bank—can join forces more effectively to promote the social development of Brazil.

Gobind Nankani
Brazil Country Director
This study on the civil society sector in Brazil and the evolving relations among government, civil society, and the World Bank was based on a variety of sources including bibliographical searchers, project desk reviews and site visits, focus group meetings, and individual interviews. The research began in mid-1996 with the hosting of Bank–Civil society consultation meetings held throughout Brazil, and was concluded in 1999 after participation in several annual meetings of leading civil society organization (CSO) networks. It involved contact with dozens of Bank staff and government officials, and hundreds of CSO representatives throughout Brazil.

The report is primarily geared to World Bank staff and particularly to task managers, but audiences within civil society and government may find it useful. Its purpose is fivefold:

- Provide a brief overview of the civil society sector in Brazil with emphasis on NGOs.
- Describe the view CSOs have of the Bank.
- Analyze the advances made in relations among the civil society, government, and the Bank.
- Demonstrate the advantages of promoting closer collaboration among the three sectors.
- Describe some of the necessary steps to further improve these relations.
John Garrison, Social Development and Civil Society Specialist at the Brasília Country Management Unit, wrote this study. He relied on the support of countless persons who offered their assistance through the provision of information, criticism, and suggestions. Reflecting the heterogeneous nature of the study, a wide array of persons representing the three major sectors contributed important insights or reviewed the various drafts. These include:

**Civil Society:** Leilah Landim, Aurélio Vianna, Zander Navarro, Anna Cynthia de Oliveira, Nancy Alexander, Michael Bailey, Rebecca Abers, and Linda Rabben

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**Acronyms and Abbreviations**

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<td>CAS</td>
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<td>WWF</td>
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Executive Summary

Our experience in Brazil demonstrates that beyond the problems of the free market and the limits of government action, civil society has been responsible for important transformations, not only in how politics is exercised, but in the forging of an international policy agenda.

Hebert “Betinho” de Souza
Speech given at the United Nations
(New York, August 1994)

The term civil society has emerged in Latin America in the last two decades. Its meaning varies greatly depending on who is utilizing it: a government official, a World Bank task manager, or an NGO technician. In Brazil, the term civil society has a political connotation and refers to the vast nongovernmental sector composed of community organizations, social movements, NGOs, charitable organizations, professional associations, churches, and corporate foundations. The emergence of strong national social movements is a recent phenomenon in Brazil closely tied to the redemocratization of the country, best exemplified by the visible and activist Movimento Nacional de Trabalhadores Rurais Sem Terra (MST). Another emerging sector within civil society is the corporate foundations, which recently established its first national association, the Grupo de Institutos, Fundações, e Empresas (GIFE). As with the undefined sector it represents, there are no firm estimates on how many CSOs exist in Brazil.

The various laws and government agencies that oversee the sector were established over 50 years ago and are clearly not adequate for the evolving and dynamic nature of the civil society sector. The definition in the Código Civil Brasileiro is overly generic, and jurisdiction for registering and monitoring nonprofit organizations falls between two ministries, justice and social security. On the other hand, a new law drafted by a joint government–civil society working group and recently promulgated by the Brazilian Congress should provide a more enabling legal environment for the sector. There is growing research by leading social scientists that demonstrates the economic strength, political leverage, and social value of civil society as an essential element in a country’s development.

NGOs are one of the most visible sectors within civil society. They have certainly been its most important interlocutors for the World Bank in recent decades. Although there are no exact figures, recent studies have placed the number of NGOs in Brazil at over 5,000. Brazil has witnessed an impressive growth of NGOs in the past 20 years, as the great majority were established with the onset of the political opening in 1979. Reflecting the strong regional concentration of the country, 53 percent of all NGOs are located in the southeast region of the country. NGOs have their origin in three institutions—church, academia, and political parties—and most were created by strong, single-minded leaders. Over the past decade, NGOs have undergone profound changes in their conceptual paradigms and organizational structures, becoming more self-affirming, specialized, and results-oriented. NGOs work in many different areas (there are 27 terms used to describe the types of services provided), but the most common term utilized to describe their work is assessoria. Reflecting the major demographic shift in Brazil over the past three decades—rural-to-urban migration—the principal beneficiary population selected by NGOs is the urban poor.

The great majority of Brazilian NGOs were established with donations by nongovernmental international donor agencies and, as a result, most are still
heavily dependent on foreign funding. The adoption of the Real Plan in 1995 and the decrease in foreign assistance contributions, especially from Europe, hit the NGOs hard, many reporting a 30 percent budgetary reduction over the ensuing years. As a matter of fact, many NGOs are threatened with severe cutbacks, if not closure, at the same time that new sources of government, multilateral, and private sector funds are becoming available to them.

One of the principal characteristics of NGOs is their ability to network around common issues. Many large cities and states in Brazil have established NGO coalitions, and there are a number of well-known national NGO networks, such as the National Association of NGOs (ABONG). Brazilian NGOs have also expanded their networking efforts overseas, having actively participated in the many United Nations summits. A seminal event in this regard was the 1992 United Nations Conference on the Environment and Development (UNCED) in Rio de Janeiro, during which Brazilian NGOs hosted the Global Summit, a nongovernmental conference that attracted over 25,000 participants. NGOs have also established a network to monitor the investments of the multilateral institutions in Brazil, namely the World Bank and the Inter-American Development Bank (IDB). The Rede Brasil has 51 institutional members and has closely monitored a dozen Bank projects in Brazil, including Itaparica, Plan afloro, Prosanear, Northeast Education, and Prodeagro.

More recently, Brazilian NGOs have begun to be involved in civic campaigns at the national level. NGOs played an important organizational role in the successful campaign to impeach President Collor on corruption charges in 1992. This impetus led NGOs to organize a national anti-poverty campaign in 1993 that mobilized an estimated 2.8 million volunteers to form local civic committees throughout Brazil. It is estimated that 16 million destitute persons received food, clothing, health care, and jobs.

In order to ascertain the view CSOs have of the World Bank, a series of consultation meetings were held in 1996 in Brasilia and six state capitals in all five geographic regions of the country. Over 85 representatives of social movements, NGOs, and donor agencies that work in a variety of fields ranging from education and environment to indigenous issues participated in the focus group–style meetings. Among the many and varied opinions expressed about the Bank, several drew broad agreement:

- The overall image of the Bank is negative and generally associated with large infrastructure projects that do not seem to benefit local populations and often have unforeseen social and environmental impacts.
- The Bank is perceived as being slow and overly bureaucratic.
- The Bank is generally seen as inaccessible and out of touch with grassroots reality.
- The Bank has more recently adopted positive environmental protection and social development policies.

On the other hand, most representatives of CSOs present at these meetings admitted that they have limited overall knowledge of the Bank and that much of their perception is based on press coverage of specific Bank-financed projects. Most stated that these meetings constituted their first contact with the World Bank and welcomed the opportunity to learn more and enter into a dialogue with the Bank.

These consultation meetings also highlighted the fact that CSOs and the Bank often have exaggerated misperceptions of each other, which are not generally based on firsthand knowledge. Recent experience in several Bank-financed projects has demonstrated that when substantive dialogue takes place among CSOs, the government, and the Bank, many long-standing conceptual disagreements give way to consensus around specific issues. The lesson seems to be that CSO, government, and Bank staff have a better chance of constructive engagement when focused on a specific program or project than when they remain deadlocked on larger policy questions.

It is becoming clear that CSOs and the Bank have a lot more in common than generally thought. They are not only both global actors that practice the same development trade and largely target the same beneficiary lower-income population, but are both being pressured to demonstrate more results and effectiveness in their work. A convergence is actually under way, in which...
the Bank is reaching down to the grassroots sector through its stakeholder participation policies and its small-grants funds, and CSOs are striving to reach the macro level by scaling-up of services and increased collaboration with governments.

These commonalities are becoming clearer as CSOs, governments, and the Bank are developing formal mechanisms for dialogue and operational collaboration. The Bank and CSOs are intensifying the number of consultation meetings that began at the global level, but which are now being decentralized to the hemispheric and national levels. As a result of the 1988 Constitution, federal, state, and municipal governments in Brazil have established joint government–civil society policy councils in major areas such as health, children’s rights, and rural development. There are even increasing numbers of CSO technicians being elected to office or working with government agencies at the highest levels. The area that has perhaps witnessed the most significant advance in intersectoral collaboration is in funding. It is estimated that over a six-year period (1997–2002) the Bank will channel approximately $806 million through government-operated small-grants funds to CSOs, especially community organizations.1 There are other examples of successful CSO-government partnerships at the national and subnational levels. One of the most apparent is the Conselho da Comunidade Solidária, which is sponsoring six innovative pilot programs in the areas of education, volunteerism, and strengthening of the civil society sector.

On the other hand, analysts at both ends of the political spectrum feel that this growing collaboration has gone too far or generated unresolved problems. Those on the government side, for instance, question the participation of CSOs (with full voting rights) in the numerous government-citizen policy councils, since they were never elected for this role. Others within the civil society sector are hesitant about greater collaboration with government, lest this lead CSOs to be co-opted, lose their watchdog function, or even replace the responsibilities of the state as enshrined in the Brazilian Constitution. The Bank, however, is sometimes (particularly in projects that generate conflict) placed in a position of having to intermediate between the government and civil society, but this is neither an appropriate nor a desired role. Not only is the Bank unsuited for this role, but its mandate should, at most, be to serve as a catalyst for improved relations.

Still others in both sectors are pleased with the growing intersectoral relations, since they feel that CSOs will not replace the state in the provision of social services, but rather have strong complementary functions that strengthen the role of the state. They point to the fact that while the Bank has expertise on content, or “hardware,” elements of development and a longitudinal view, CSOs have experience with process, or “software,” aspects and a more localized knowledge. The government represents the weight and resources of the official sector, and CSOs bring social legitimacy and grassroots participation. Recent studies on this growing collaboration have demonstrated that there are certain thematic areas, such as environmental protection, AIDS prevention, and rural poverty alleviation, that seem more predisposed to intersectoral collaboration and can maximize their benefits.

In conclusion, despite the problems and questions that characterize the growing phenomenon of Government–Civil Society–Bank collaboration, recent experience clearly demonstrates that it can be a win-win proposition to all three sectors, and can enhance the economic and social impact of development projects. The Bank should take several steps in order to further the recent growing number of instances of collaboration in Brazil. These measures include:

• Adopting a more proactive information dissemination strategy, including the more regular translation of Bank documents into Portuguese.
• Consolidating and expanding mechanisms for dialogue and consultation, including undertaking joint Government–Civil Society–Bank training workshops.
• Incorporating proven social analysis and stakeholder participation methodologies into more Bank-financed loans in the Brazil portfolio.
Overview

Much like the vast and undefined sector it refers to, the term civil society has many meanings, depending on whom one is talking with: a government official, an NGO technician, or Bank staff. Its definition also varies according to country context and hemisphere. Classic European political thinkers first coined the term, but it is in Latin America that the terminology took on a more political connotation and became more widely used in the past several decades. In Brazil, the term civil society gained ascendancy during the latter years of the military regime in the 1980s, and at that time was used to refer to groups that opposed the regime. Other terms frequently used to refer to this sector are sociedade civil organizada, movimento popular, NGO sector, nonprofit sector, informal sector, and more recently the Third Sector. As a matter of fact, one researcher assembled a list of 47 different terms to denote the Third Sector (Adil 1996). In addition to the more specific acronym NGO, the term civil society organizations (CSOs), which encompasses all the subsectors, will be used throughout the paper to refer to all the different sorts of organizations described above.

Leading researchers worldwide are beginning to take a closer look at the characteristics and impact of the civil society sector. Well-known economist Albert Hirschman coined the term social energy to describe the grassroots resourcefulness being generated by the proliferating movement of CSOs he studied in Latin America during the 1980s. More recently, Robert Putman helped to popularize the expression “social capital” as he analyzed the importance of civic traditions in the consolidation of democracy in Italy and the United States (Putman 1993). Even Francis Fukuyama, well known for having espoused the “end of history” as a result of the demise of socialism, defends the key role played by civil society, or the third sector, in the overall well-being of developed societies. He goes further by stating that the art of association is not only important politically, but key to the very health of the economy as documented in case studies of six industrial countries. In his book Trust: The Social Virtues and the Creation of Prosperity, he writes that “the vitality of liberal political and economic institutions depends on a healthy and dynamic civil society”(Fukuyama 1995).

What these authors and others seem to be pointing to is an exponential growth of citizens’ movements that utilize civic action to seek greater democracy, government transparency, and social equity. As a recent report by Civicus, a global citizens’ coalition, stated, “The breath-taking peaceful revolutions in Eastern Europe, the democratic transitions in so many countries of the South, and the dramatic changes in South Africa all bear witness to the strength of civic action.” As the World Bank’s 1997 World Development Report (WDR), on the role of the state, argued:

In most societies, democratic or not, citizens seek representation of their interests beyond the ballot: as taxpayers, as users of public services, and increasingly as clients or members of NGOs and voluntary associations. Against a backdrop of competing social demands, rising expectations, and variable government performance, these expressions of voice and participation are on the rise (World Bank 1997a, p. 113).

There is now a study under way to better understand and measure the size, nature, and economic weight of the nonprofit sector in more than two dozen countries. The 27-country study titled “The Comparative Nonprofit Sector Project” is being undertaken by Lester Salamon of Johns Hopkins University. The first phase of the study examined the role of the Third Sector in six leading industrial countries, including the United States, and...
now the second phase is researching the impact of this sector in developing countries, including half a dozen in Latin America. Partial findings of the study have demonstrated, for instance, that the Third Sector in 22 of the countries studied created 19 million paid jobs, which represents 30 percent of all public-sector posts and 5 percent of all jobs. Further, the volunteer labor leveraged by nonprofit organizations in these countries represents 28 percent of their combined populations. Financially, the sector generated over $1.1 trillion annually, making it the equivalent of the eighth largest economy in the world. (Salamon and Anheier 1998)

As the authors state, “The non-profit sector continues to be the lost continent of the social sector in our modern society, invisible to the majority of political leaders, businessmen, for the media, and even to many people within the sector itself” (Gazeta Mercantil 1998, p. 4).

In Brazil, the study is being coordinated by Leilah Landim of the Instituto de Estudos da Religião (ISER), who has been a leading researcher of the Brazilian NGO and nonprofit sectors. Her preliminary findings are that the Third Sector in Brazil has grown by 44 percent in five years, employing 1.1 million persons in 1995, up from 775,500 in 1991. This is nearly double the number of federal employees (600,000).7 While historically the areas of greater concentration have been education and health, which employed 38 percent and 20 percent of all Third Sector personnel in 1991, the most recent growth has occurred in the areas of social service, rights advocacy, culture, and leisure. As Landim wrote, “Politically, socially, and economically, the Brazilian nonprofit sector is fragmented and heterogeneous. Its numerous organizations are extremely varied and differ significantly from each other in terms of the roles they play in Brazilian society.”8

NGO leader and anthropologist Rubem Cesar Fernandes has been one of the first to examine the role and impact of the sector in Brazil and other Latin American countries. In his book Private but Public: The Third Sector in Latin America (1994), Fernandes provides one of the first roadmaps to the vast and heterogeneous civil society sector in Latin America. He not only examines the better-known sectors such as trade unions and NGOs, but describes the vast submerged sector within civil society. This sector, referred to as “below the water line,” is composed of thousands of informal and nonlegalized groups that have largely served as the social “safety net” for the region’s destitute majority, which the government has historically been unable to provide for.

The Brazilian government has also begun to take note of the potential of the civil society sector for promoting social development. President Fernando Henrique Cardoso has himself set the tone for this new government posture of recognizing the need for government to work closer with the civil society sector in order to tackle Brazil’s pervasive social problems. A document prepared by the presidency-sponsored Conselho da Comunidade Solidária stated that:

The strengthening of the Third Sector, in which are included the nonprofit and public-oriented civil society organizations, constitutes today a national strategic-policy in light of their capacity to generate projects, assume responsibilities, undertake initiatives, and mobilize resources necessary for the development of the country. 9

Multilateral organizations have also begun to pay attention to the civil society sector. The IDB adapted the term civil society in the mid-1990s and established a Civil Society Unit at its headquarters in Washington. This unit funded a series of conferences and country consultations in Latin America to better understand and support greater civil society—government interaction.10

The World Bank has also begun to focus increasingly on the civil society sector, although it generally utilizes the term NGO to broadly refer to it. There is increasing Bank literature on the subject. The most complete Bank publication printed to date on how to work with NGOs stated that “the building of social capital and the emergence of a strong civil society are essential ingredients in achieving long-term, sustainable development at the national level” (World Bank 1995, p. 64).

The 1996 Human Development Report, produced by UNDP and the Brazilian government’s applied economic research institute, IPEA, came up with the following broad definition for CSOs (UNDP and IPEA 1996). They have the following six characteristics in common:

• They are structured entities.
• They function outside the formal government sphere.
• They do not generate or distribute profit.
• They are self-governing.
They involve individuals in significant volunteer activity.

They produce goods or services for the collective good.

As further indication of how important the sector is being perceived to be, the UNDP and IDB offices in Argentina are undertaking a research project to determine the size and depth of the civil society in that country by region. For this project, they have developed a survey instrument called the Civil Society Development Index (CSDI), which is intended to be used in the same way as the UNDP’s Human Development Index, to determine the vitality of the civil society sector in any given country or region. The CSDI contains three types of classification (structure, process, and results) and 11 institutional/programmatic indicators.11

Brazil is known to have a vast and multifaceted civil society sector, one of if not the most active and visible in Latin America. On the other hand, reflecting the difficulties in defining the sector worldwide, the size and characteristics of the civil society sector in Brazil are largely unknown. The only more reliable indicators available, which allow one to attempt to determine the size of the sector, are maintained by the government’s income tax agency, the Secretaria da Receita Federal. Until a few years ago, the Receita Federal had 219,559 nonprofit entities registered. Approximately 50,000 of these were “beneficent, religious, and assistencial associations”; 44,000 were sports clubs; 30,000 were religious bodies; and 8,000 were trade unions (box 1). These figures are, at best, an approximation, and the numbers are most likely considerably larger.

Because of the continued confusion in the legislation governing the nonprofit sector and the lack of any effective provisions for tax-exempt charitable contributions, several initiatives are under way to unify legislation and establish a more enabling legal environment for the civil society sector. The principal research and advocacy effort has been carried out by the Conselho da Comunidade Solidária (funded by the IDB) in collaboration with the association of corporate foundations (GIFE) and the national network of NGOs (ABONG). After a year of intense planning meetings and numerous drafts, the conselho, through the president’s office, introduced a bill that features two important measures: (1) a new organizational classification system that recognizes the NGOs for the first time as organizações da sociedade civil de interesse público (OSCI), or civil society organizations of public interest, and introduces safeguards against fraudulent nonprofit entities, and (2) establishes the convênio de parceria, or “cooperative agreement” modality, which allows for more streamlined and effective government–civil society contractual partnerships. This new “civil society” law (Lei 9790/99) was passed by the Brazilian Congress in March 1999, and a regulatory decree was signed by the President a few months later. It should also be noted that several laws enacted last year by the government had already brought some measure of flexibility to the government-CSO relationship. The new law (Lei 9608/98), enacted in February 1998, encouraged greater volunteer work in CSOs by more clearly regulating the rights and responsibilities of volunteers. A law (Lei 9637/98) adopted in May 1998 established the concept of organizações sociais (OS), or social organizations with public functions, which allows the government to privatize some of its agencies as well as permitting CSOs to receive public funds more easily (Mendes 1998).

For the purposes of this paper, the term civil society is used as a broadly defined sociological term to define the nongovernmental and nonprofit sectors in Brazil, which are composed of a myriad of groups. The major subsectors of the civil society in Brazil include community groups, social movements, professional associations, church institutions, charitable organizations, corporate foundations, and NGOs. Each of these sectors has its own origin, institutional characteristics, programmatic objectives, and societal role. It should be noted that these categories are largely descriptive and not mutually exclusive, as many of the organizations belong to more than one category. A brief description of each of these sectors is provided below with greater attention given to the NGO sector, since this is the group that has been the most visible and active interlocutor of the World Bank in Brazil.

**Community Organizations**

Community organizations are the principal building blocks of Brazil’s civil society. They are often referred to in Bank literature as community-based organizations (CBOs). Although the estimate is in the tens or even hundreds of thousands, there are no reliable numbers on how many community organizations exist in Brazil.
Community organizations are by definition local, their spatial locus being the community. They are membership organizations with representative and clearly defined constituencies such as neighborhood residents, agricultural producers, indigenous people, women, youth, and so forth. They also have decisionmaking structures that are generally participatory in nature, with their leadership being elected by the membership base. Community organizations are generally single-issue organizations with narrowly defined institutional objectives geared to addressing such problems as lack of land ownership, water, housing, and transportation. Community organizations are normally legalized, although the process of registration is somewhat cumbersome and onerous. Since they often have fragile organizational structures, unstable sources of funding, and low levels of institutional consolidation, the active life span of community organizations generally lasts only a few years. These groups may also cease to exist when the initiatives they undertake (building a school, training health promoters, obtaining land title, and so on) are partially or fully implemented.
Social Movements

Social movements are a more recent and growing phenomenon in Brazil. They are generally defined by their constituency (landless rural workers, factory workers, rubber tappers, street children, Afro-Brazilians) or thematic priority (human rights, urban reform, education, health) as their raison d’être. Their organizational strength vary somewhat from the more consolidated labor unions to the newer, less consolidated landless rural movements and street children movement. Among the best-known movements are the Central Única dos Trabalhadores (CUT), Movimento Nacional dos Trabalhadores Rurais Sem Terra (MST) (box 2), Confederação Nacional dos Trabalhadores na Agricultura (CONTAG), Conselho Nacional dos Seringueiros (CNS), Movimento Nacional de Meninos e Meninas de Rua (MNMMMR), Movimento dos Atingidos pelas Barragens (MAB), Conselho de Articulação dos Povos e Organizações Indígenas (CAPOIB), Central dos Movimentos Populares (CMP), Movimento Negro Unificado (MNU), and the Movimento de Mulheres Trabalhadoras Rurais.

Many of these social movements began as community organizations that slowly grew into regional and national agencies. The most active and visible social movement in Brazil today is the Movimento Nacional de Trabalhadores Rurais Sem Terra (MST), or the Rural Landless Movement. Spearheading weekly occupations of large tracts of unproductive land throughout Brazil, the MST has captured the attention of the national press and the government, and has achieved generally favorable support from public opinion. In a few instances MST occupations—such as in Corumbiara (Rondônia) and Eldorado do Carajás (Pará)—have resulted in violent confrontations, with the death of dozens of workers. This notoriety has also been obtained by public-awareness campaigns such as a national march in 1997 and by being featured on a recent prime time novela “Rei do Gado.” Although the MST had its origins in the Catholic Church, spawned largely by the Land Pastoral Commission (CPT), it is today an independent political organization with a well-known militant posture. The movement claimed in 1998 to have a membership of over 140,000 families located in 1,564 assentamentos, or resettlement communities, throughout Brazil, although the government contests these numbers. The movement also is said to maintain over 240 temporary camps, generally by the roadsides of the country’s highways, which contain an additional 45,000 families awaiting land. In order to guarantee that they remain on the land once it has been secured physically and while they await legal titling, the MST has promoted collective planting of crops and has spawned the creation of producer cooperatives. The Confederação das Cooperativas de Assentados do Brasil (CONCRAB) congregates over 70 production and marketing cooperatives with a membership of over 8,000 members. Many of these have been quite successful in boosting agricultural production and establishing profitable rural enterprises.

In addition to their agricultural production efforts, the MST has also been successful in the area of basic education, spawning the creation of a network of schools and vocational training centers. There are approximately 35,000 children in 17 states studying in 620 resettlement schools, which are generally built and staffed with local government funds. The Ministry of Education provided approximately R$600,000 to the MST in 1997 to cover the cost of 400 adult literacy teachers and classroom materials. The press reported that the movement was able to raise $20 million in 1996, $4 million of which came from the government through the PROCERA Program, and $660,000 from European church agencies and the European Union (Folha de São Paulo, 1997a, p.1/5).

The Cardoso administration has responded to the MST’s mobilization by creating a new ministry called the Ministério de Desenvolvimento Agrário. The ministry has attempted to speed up the government’s agrarian reform program by resettling over 287,000 families since 1995, although the MST claims this figure is somewhat lower. A recent survey of 10,000 resettled families carried out by the Ministry of Agrarian Policies in partnership with 37 universities has helped to disprove the widely held view that most resettled landless workers do not successfully make the transition to productive farmers. The survey demonstrated that of the 250,000 families resettled nationally, 94.2 percent continue to live on their property, 70 percent had previous farming experience, and their average family monthly income is $330, placing them well above the rural poverty line. The World Bank has also demonstrated its sensitivity to the issue by approving a $90 million loan for a market-based agrarian reform pilot project. The MST has joined ranks with other rural development groups organized in the Fórum pela Reforma Agrária e Justiça no Campo to oppose the World Bank–financed pilot program and submitted two requests for investigation to the Inspection Panel in 1998 and 1999.

Box 2. Rural Landless Movement

The most active and visible social movement in Brazil today is the Movimento Nacional de Trabalhadores Rurais Sem Terra (MST), or the Rural Landless Movement. Spearheading weekly occupations of large tracts of unproductive land throughout Brazil, the MST has captured the attention of the national press and the government, and has achieved generally favorable support from public opinion. In a few instances MST occupations—such as in Corumbiara (Rondônia) and Eldorado do Carajás (Pará)—have resulted in violent confrontations, with the death of dozens of workers. This notoriety has also been obtained by public-awareness campaigns such as a national march in 1997 and by being featured on a recent prime time novela “Rei do Gado.” Although the MST had its origins in the Catholic Church, spawned largely by the Land Pastoral Commission (CPT), it is today an independent political organization with a well-known militant posture. The movement claimed in 1998 to have a membership of over 140,000 families located in 1,564 assentamentos, or resettlement communities, throughout Brazil, although the government contests these numbers. The movement also is said to maintain over 240 temporary camps, generally by the roadsides of the country’s highways, which contain an additional 45,000 families awaiting land. In order to guarantee that they remain on the land once it has been secured physically and while they await legal titling, the MST has promoted collective planting of crops and has spawned the creation of producer cooperatives. The Confederação das Cooperativas de Assentados do Brasil (CONCRAB) congregates over 70 production and marketing cooperatives with a membership of over 8,000 members. Many of these have been quite successful in boosting agricultural production and establishing profitable rural enterprises.

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national movements. They are, by nature, organizations with a membership base that is often well organized and can be strongly militant. Their membership varies considerably from several hundred to several million members. As with community groups, their leadership is generally elected, and is often quite strong and charismatic. The organizational structures vary according to the movement’s size and budget. While the unions (which receive government-mandated worker contributions) maintain large national organizational structures, the newer social movements (which rely largely on international donor agencies) maintain much smaller institutional apparatus. The thematic focus of social movements is generally twofold: public policy advocacy geared to defending the interests of their constituency or forwarding a thematic agenda; or providing services to their membership such as training programs, health plans, legal aid, and retirement benefits.

Charitable Organizations

Charitable organizations are Brazil’s oldest civil society organizations, and some were brought over from Portugal by Jesuits and other religious orders in the 16th century. Since then the Santa Casas de Misericórdia and other religious charities have proliferated throughout the country. Charitable organizations are distinguished from community groups and NGOs because of their particular institutional goals of providing “front-line” social services to lower-income and destitute populations. Like NGOs, charitable organizations generally are not membership organizations, although they often have volunteer governing councils. These organizations belong to the centuries-old tradition of “mutual-help” practiced among the poor, which involves thousands of informal and nonlegalized groups established to provide essential health, cultural, and charitable services, as described in the book by Rubem César Fernandes (Fernandes 1994). Once again, there are no exact figures as to the numbers of charitable organizations operating in Brazil, but the best estimate (as listed by the Receita Federal) places their total number at approximately 50,000.

While churches operate the great majority of charitable organizations, many others are administered by neighborhood associations, companies, and even individuals. These organizations vary as much in institutional characteristics and nature as the needs they fulfill. They can include orphanages, daycare centers, sports clubs, retirement homes, soup kitchens, cultural centers, health clinics, youth vocational training centers, and schools for the mentally handicapped. Among the best known are the Catholic Church’s thousands of social service centers; APAES, which are parent-operated schools for the mentally handicapped, and Brazil’s largest charitable organization Legião da Boa Vontade (LBV), which operates hundreds of schools, daycare centers, and health clinics throughout the country. While the existence of these institutions disproves, in part, the widely held belief that generosity is nonexistent within Brazilian society, Brazil does lag behind other countries in terms of charitable giving. According to figures released by income tax authorities, the average Brazilian donates some $21 a year (compared with an estimated $450 in the United States), which tends to be considerably less than in other countries. On the other hand, individual donations, which tend to sustain local charities, account for 96 percent of all charitable giving in Brazil, thus demonstrating the significance of individual giving (Gazeta Mercantil 1998, p. 3). There is very little regulatory control of these centers, though, and exploitative for-profit or “front” organizations, popularly referred to as plantrôpicas, at times compete with the more legitimate centers.

Church

The church is included here because of the strong social role it plays in Brazilian civil society. The largest player, by virtue of its majority following, is the Catholic Church. Although the Catholic Church has historically been a powerful actor in Brazilian society, it has increasingly played a visible social role in recent decades since the Vatican II Council. The Catholic Church’s presence is spearheaded by the powerful, 270-member National Council of Brazilian Bishops (CNBB), which is an ever-present actor in Brazil’s public policy arena defending positions ranging from constitutional issues and indigenous policy to educational reform. In addition to the Bishop’s Council, the Catholic Church maintains dozens of human rights organizations (Justice and Peace Commissions and Human Rights Centers) and over a dozen national pastorais, or social action
secretariats, which are generally thematically or constituency focused. The better known of these are the: Conselho Indigenista Missionário (CIMI), established in 1972 and geared to indigenous affairs (13 regional offices); the Comissão Pastoral da Terra (CPT), founded in 1975 and focused on agrarian policy and rural violence (21 regional offices); and the Pastoral da Criança, initiated in 1983, which provides health prevention and educational programs geared to children and women. These secretariats generally maintain local diocesan branches throughout Brazil and also have considerable national weight in the national public policy debate.

The Protestant churches have historically maintained a lower presence and profile in Brazil’s civil society, reflecting their smaller membership base and more recent origins in Brazil. The latest figures place Brazil’s Protestants at 16 million, or 10 percent of the country’s population. Although much smaller in overall numbers, the Protestant church has experienced a phenomenal growth rate of nearly 50 percent since 1980. While the more traditional and smaller denominations (such as Baptists, Methodists, Presbyterians, Lutherans, and Adventists) have generally been involved in establishing schools and hospitals, the Pentecostal churches (such as the Assembly of God and Jehovah’s Witnesses) have been more geared to proselytizing and increasing their membership. As a result, the Pentecostal churches (which tend to direct their appeal to lower-income classes) have experienced the most pronounced growth in the last decades, especially such spin-off denominations as the Igreja Universal do Reino de Deus. Another fairly recent and significant phenomenon among Brazil’s churches has been the growth of ecumenical relations. This is best exemplified by the creation of the Conselho Nacional de Igrejas Cristãs (CONIC), which is composed of several mainline Protestant denominations (Methodists, Episcopalians, Lutherans) and the Catholic Church. Reflecting the civic activism of its member churches, CONIC speaks out often on national issues such as poverty, agrarian reform, foreign debt, and corruption.

A third strong religious presence in Brazilian civil society has been the Espiritista, or Spiritist, congregations, divided largely among the Kardecistas, or followers of European thinker Allan Kardec, and the African-originated groups known as Candomblé and Macumba. Recent studies place the number of Kardecista Spiritists at about 4 million followers nationwide, and an even greater number attending Afro-Brazilian terreiros, or worship centers (Landim 1998). Since charity is a key tenant of Spiritist creed, these congregations have been leaders in establishing thousands of daycare centers, health posts, vocational training courses, and food banks throughout Brazil. The Spiritists played a key role in the anti-poverty campaign that NGOs spearheaded in 1993 by operating hundreds of food kitchens nationwide (box 5).

Professional Associations

Brazil has a long tradition of well-organized and activist professional associations. The principal associations represent lawyers, journalists, businessmen, economists, and scientists. Among the best-known associations are the Ordem dos Advogados do Brasil (OAB), Associação Brasileira dos Jornalistas (ABI), Conselho Federal de Economia (COFECON), Sociedade Brasileira para o Progresso da Ciência (SBPC), and the Associação Nacional de Pesquisa e Pós-Graduação em Ciencias Socias (ANPOCS). While most of the organizations and businesses represented by these associations are more appropriately identified with the profit-making second sector, the associations themselves and many of their member entities have played a visible role in civil society.

In addition to lobbying for the specific interests of their membership, these associations generally participate in larger public policy matters. The lawyers’ and journalists’ associations, in particular, have been key members of watershed civil society movements that began with the political amnesty movement of the late 1970s. More recently, the OAB, ABI, and others were leaders in the national civic movement to impeach President Collor on corruption charges. As was true in this case, these professional associations often worked closely with NGOs and labor unions in bringing their societal influence to bear on particular national issues, such as the recent national campaign against the privatization of the Companhia Vale do Rio Doce.

Mention must also be made of the media, sometimes called the fourth estate because of its increasing power in modern society. Brazil is no exception, having a proficient and influential written and spoken press. Brazil not only has dailies such as the Folha de São Paulo,
Jornal do Brasil, and Gazeta Mercantil, whose quality of reporting and critique rival leading newspapers in Europe or the United States, but a vast publishing conglomerate (Editora Abril), and a globally competitive television network (Rede Globo). While part of the media has at times been seen as too aligned with government interests over the past decades, other sectors have played a key watchdog role in investigating instances of government corruption and denouncing human rights abuses. The media has also been instrumental in documenting and providing visibility to the emerging civil society sector in Brazil.

Foundations

Foundations in Brazil are, juridically, the most formal and structured organizations within the civil society sector. They must have formal, independent, volunteer boards and they are subject to yearly audits carried out by the Ministério Público or public auditing agencies. The best-known foundations in Brazil are either parasitical cultural foundations such as the Fundação Roquete Pinto and Fundação Padre Anchieta or research institutions. Among the best known of the latter are the Fundação Getúlio Vargas (Rio de Janeiro and São Paulo), Fundação Joaquim Nabuco (Recife), Fundação João Pinheiro (Belo Horizonte), Fundação Carlos Chagas (São Paulo), and Fundação Oswaldo Cruz (Rio de Janeiro).

On the other hand, unlike the United States and Europe, Brazil does not have a strong sector of socially oriented grant-making foundations. Although family and educational/hospital “operating” foundations have existed since the turn of the century, only recently have private or corporate “grant-making” foundations been established (box 3).

There have been several more recent developments in the area of social philanthropy that promise to significantly consolidate this emerging sector. First was the launching of the balanço social, or social balance sheet, campaign, which was launched by the Gazeta Mercantil newspaper and IBASE in June 1997. Companies are encouraged to publish a report on their social contributions and philanthropic activities alongside their annual financial balance sheets.

The second development was the establishment of an association of corporate foundations. After several

Box 3. Corporate Philanthropy

Brazil’s more recent experience with corporate philanthropy originates as a result of two initiatives. First, the American Chambers of Commerce (AMCHAM), based in São Paulo, began encouraging corporate social responsibility by establishing an award called Prêmio Eco for innovative and successful company-funded cultural and social projects. Over 800 companies have submitted projects to AMCHAM since the award was established in 1982. These range from sponsorship of cultural and charitable events to development grants in the areas of education, health, and environment. The combined value of the over 1,000 private sector social projects submitted to AMCHAM in the last 17 years has been estimated at nearly $1 billion, clearly demonstrating the strategic importance of this sector (Landim 1998).

The second initiative was the Fórum Empresa-Comunidade (FORECOM), which was patterned on the British Prince of Wales’ Business Leaders Forum and its concept of “audit of good practices.” The forum was established during a 1991 visit by Prince Charles, who met with the CEOs of leading multinational and national corporations on the royal yacht Britannia while it was anchored on the Amazon River. Although FORECOM has not evolved institutionally as expected, it has nonetheless helped to foster the concept of “corporate citizenship” in leading boardrooms.

A study commissioned by the Inter-American Foundation in 1993 on the emerging corporate philanthropy sector provides some interesting data. A survey of 58 leading national and international foundations and companies demonstrated that the great majority are located in the Southeast (77 percent), and most of these in São Paulo (56 percent). In terms of organizational modus operandi, 50 percent reported being grant-making institutions, 15.5 percent operate their own programs (schools, hospitals, and so forth), and 35.5 percent carry out both functions. Donations are provided to a wide array of areas, with the three leading being education (36 percent), health (26 percent), and culture (14 percent). One of the key findings of the study was that although these 58 foundations fund a relatively large amount per year (approximately $100 million), they do not have explicit grant-making strategies and practices, but disburse funds largely for charitable or marketing reasons. Only 33 percent reported having preestablished grant-making criteria, and only 50 percent carried out financial audits or programmatic supervision (Lund 1993).
years of meeting informally, a group of corporate and private foundations, encouraged by AMCHAM and the Kellogg Foundation, created the Grupo de Institutos, Fundações, e Empresas (GIFE). GIFE was established in 1995 in São Paulo and is patterned somewhat on the U.S.-based Council on Foundations. GIFE has a membership of approximately 40 national and international foundations, and has as its main goal to foster the growth and consolidation of the foundation sector in Brazil.25 Over the past several years, GIFE has promoted national and international seminars, sponsored training workshops for its members, and participated in the national public debate on third sector issues. As mentioned previously, GIFE collaborated with the Conselho da Comunidade Solidária to draft the new nonprofit sector legislation in order to provide the sector with a clearer institutional profile and encourage philanthropic giving.

The third phenomenon in the field of social development has been the emergence of individual philanthropy, spearheaded by generous donations from renowned musicians and athletes. Such well-known stars as Xuxa, Romário, Netinho, and Ronaldinho are donating millions of dollars to charitable organizations. Some are even establishing their own foundations, such as the sister of late Formula 1 race car driver Ayrton Senna. As a matter of fact, recent studies show that more and more individual Brazilians, an estimated 15 million, made charitable contributions in 1998. An additional 21 million donated materials and 12 million volunteered their services. This growing individual giving combined with expanding corporate philanthropy reportedly generates some $12 billion dollars a year, directly benefiting some 9 million persons. This growth in philanthropy is apparently a consequence of a new approach that stresses “civic responsibility” over the traditional church- influenced charitable motivation. As Leilah Landim stated: “Brazilians always donated, but were motivated by charity. Now they are inspired by citizenship” (Veja 1999, p.154–61).

The fourth initiative in the area of corporate social responsibility has been the establishment of the Instituto Ethos, which is an association of some 250 small and medium-size companies. Ethos’ principal goal is to promote corporate social responsibility by encouraging companies to donate funds and volunteer expertise to community groups, adopt business practices that are environmentally friendly, counter corruption and child labor practices, and disseminate “best practice” examples of corporate action.
2. Nongovernmental Organizations (NGOs)

Nongovernmental organizations are some of the smallest yet among the most visible of the institutional sectors within civil society. They have been called a “new sociological reality in Latin America” (Fernandes 1985) and “microorganisms of the democratic process” (Souza 1992). The abbreviation NGO first appeared within United Nations circles to refer to policy advocacy organizations that were nongovernmental. Although the bureaucratic term stuck and is widely used today throughout the world, it does not accurately portray the nature of the diverse work carried out by these groups. The World Bank uses the term NGO quite broadly, generally referring to intermediary organizations as well as social movements and community-based organizations. The Bank’s Operation Directive 14.70 defines NGOs as “groups or institutions that are entirely independent of government and characterized primarily by humanitarian or cooperative, rather than commercial, objectives. The term NGOs in the Brazilian context refers to intermediate, nonmembership organizations whose activities range from service provision to public policy advocacy. They have also been referred to as “grassroots support organizations,” or GSOs. Until now, NGOs were legally considered sociedades civis sem fins lucrativos, which are recognized in Article 16.I of the Brazilian Civil Code. With the passage of the new civil society law in 1999, NGOs can now opt to be legally classified as organizações da sociedade civil de interesse público (OSCIPs), which more clearly distinguishes them from other nonprofit entities. The term NGO, until recently, was not well known by the Brazilian society at large. Only in 1992, with the visible role played by NGOs in the United Nations Conference on the Environment and Development (UNCED), did the major press and policymakers begin to take note of their significant role and growing size. Today the term is frequently used in the print and televised media, usually in a favorable light, although there are recurrent episodes of negative press stories involving alleged NGO impropriety. A further indication of growing NGO visibility is the increasing number of academic dissertations and books that are now being written on the NGO sector. Whether one admires or dislikes NGOs, and both perspectives are quite present in the public policy arena, one cannot deny their significant role in recent Brazilian history.

Origins

The Brazilian NGO community is the product of an unprecedented level of organizational ferment at the grassroots level, which began during the early 1960s but which was partly interrupted by the military coup of 1964. Tens of thousands of base Christian communities, small producers’ associations, rural cooperatives, and neighborhood associations sprang up throughout the country. Most NGOs were created to respond to demands for community organizing, specialized training, technical assistance, and policy analysis emanating from the base. Others were born out of desire to address broad issues in society such as growing poverty, flawed government development policies, and political democratization. With the advent of the re-democratization process in the late 1970s, NGOs were able to develop openly once more, this time finding fertile soil on which to proliferate. NGOs were not only important players in the groundswell of civil society forces pressing for political amnesty and opening, but benefited decisively from this process. By the early 1980s, NGOs could freely organize and undertake a host of grassroots promotional initiatives. By the mid-1980s they were entering the realm of public policy,
Nongovernmental Organizations (NGOs) attempting to influence policies in such diverse areas as foreign debt, agrarian reform, and human rights. As in other countries throughout Latin America, NGOs in Brazil were both a catalyst and the clearest evidence of a budding civil society.

Studies have shown that NGOs were generally established by single-minded leaders who previously had been community leaders seeking institutional refuge within the church during a period of widespread repression, intellectuals who grew tired of the bureaucratic constraints typical of university structures, and political party members who had outgrown ideological orthodoxies and sectarian postures. Many of these persons returned from exile as the political amnesty movement gathered momentum in the late 1970s. What all of these social entrepreneurs had in common was a desire to create a new, autonomous institutional space that would allow them to provide services directly at the grassroots level while introducing an element of professionalism and programmatic content to their promotional endeavors.

Although there is growing anecdotal literature on NGOs in Brazil, there are little comprehensive information on their numbers and activities. The first two, more comprehensive studies were carried out by ISER in 1988 and 1991. The first study (ISER 1988) identified the existence of 1,041 NGOs, located in 24 states and 231 cities throughout Brazil. More recent estimates on Brazilian NGOs place the number at 4,000 or 5,000 (Landim 1998). Two other surveys, albeit sector-specific, provide further details about the NGO sector’s size. The first survey was carried out by the Ministry of Health in 1995 and analyzed 141 NGOs that deal with AIDS throughout the country and received funding from the ministry. The other survey was published in 1996 by the World Wildlife Fund (WWF) and documented the existence of 725 environmental NGOs. The most recent survey was carried out by ABONG in 1998 and focused on its 211 “developmental” member NGOs.

Counting the number of NGOs is also an uncertain science throughout Latin America, since there is not much uniformity in the definitional criteria utilized. One study, based on the analysis of 32 NGO directories, placed the number of NGOs in Latin America at 4,327. The difficulty with counting NGOs is also present at the global level, where the estimates vary widely. One leading study placed the number of NGOs in the developing world at 35,000 (Fisher 1993). Another study, carried out by UNDP, has placed the number of NGOs that work in developing countries at 50,000. NGOs also play a key role worldwide in terms of channeling development dollars. It is estimated that over 15 percent of all international development funds are channeled through donor agency NGOs in industrial countries. The UNDP study identified 2,500 “Northern” agencies, which fund $5.5 billion in private donations and $2.2 billion in government funds annually, to the existing 50,000 “Southern” NGOs.

One of the most striking features of the NGO sector is its meteoric rise. A study carried out by ABONG in 1996 showed that nearly 60 percent of the 143 leading NGOs nationwide were established since 1985 and 15.4 percent since 1990 (table 1). Only 21 percent of the NGOs are more than 20 years old. The WWF survey found that only 39.2 percent of the environmental NGOs were more than 10 years old and that the great majority were established at the time of the Earth Summit (UNCED).

Reflecting Brazil’s patterns of regional concentration, the greatest number of NGOs documented in the 1988 study (ISER 1988) tend to be located in the southern half of the country. The Southeast alone accounts for 53 percent of all NGOs in Brazil, while the second largest concentration is in the Northeast, with 27 percent. Moreover, those organizations with a more national focus and greater reach tend to be located in the Southeast, as is the case with applied social research and indigenous rights organizations. The WWF study demonstrated that this skewed regional concentration is also partly prevalent in the environmental area where significant Amazon support work is undertaken by NGOs located in other regions. This is the case, for instance, of such organizations as WWF, FOE, and ISA, whose

<table>
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<tr>
<th>Dates</th>
<th>NGOs (Percent)</th>
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<tr>
<td>1961–69</td>
<td>4.9</td>
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<tr>
<td>1970–79</td>
<td>16.8</td>
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<tr>
<td>1980–84</td>
<td>18.9</td>
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<td>1985–89</td>
<td>44.1</td>
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<td>1990–94</td>
<td>15.4</td>
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Source: ABONG 1996.
offices are located in the more developed half of the country. While NGOs have strong regional characteristics, it is interesting to note that a large proportion report having a country-wide intervention strategy, which not only reflects NGOs’ ambitious public policy agendas, but also the centralized nature of Brazil’s political system. A survey of leading NGOs found that a surprising 46.2 percent maintain national agendas, while 50 percent reported a statewide scope (ABONG 1998c).

Although NGOs have had a relatively short history, their evolution has been marked by several distinct stages. During the late 1970s and early 1980s, most NGO leaders and activists did not believe in the legitimate role or permanence of their own sector. Since most NGOs were born semi-clandestinely in a time of overt political repression during the height of the military regime, they did not see themselves as an independent “nongovernmental” sector that was permanent, but simply a temporary stage in an inexorable transition to a socialist-model government in which there would no longer be a need for an independent watchdog sector. Beginning in the mid-1980s, leading NGOs began to realize that they represented their own social sector with its own positions and interests, rather than simply being the “voz dos quem não têm voz,” or spokespersons of the disfranchised poor. A clear indication of this newfound sense of identity was the creation in 1991 of the Associação Brasileira de ONGs (ABONG), Brazil’s first association of developmental NGOs. This stage was also characterized by major NGO organizational restructuring, generally leading to the introduction of strategic planning and evaluation mechanisms, and more clearly defined and prioritized work programs. Rather than being a balcão de serviços, or simply responding to demand for services, NGOs began to hone technical expertise, better identify their beneficiary population, and leave the community-organizing activities to the local community-based organizations themselves or emerging social movements such as the rural landless movement (MST).

Another interesting aspect of NGO evolution is that they were born and thrived under adverse societal conditions. While many were established during the proscribed political climate of the military regime, most proliferated during the 1980s, commonly known as the hemisphere’s “lost decade,” as Latin America underwent a decade of economic stagnation and worsening social conditions. NGOs grew both in terms of numbers as well as in institutional growth (as evidenced by the above table) during this period of societal crisis. Some analysts feel that NGOs mushroomed precisely because of the political void left by governments limited by budget cuts and crises of governance. It was further curious that while most economic indicators experienced a downturn during the 1980s, NGO budgets (almost exclusively maintained by foreign dollar donations) benefited by the devalued local currency.

Many NGOs have also undergone profound changes in terms of their conceptual paradigms since the fall of the Berlin Wall nearly 10 years ago. Long-standing conceptual notions such as state-centered development models and dependency-theory critique of capitalism have given way to more pluralistic and results-oriented positions. As Brazil’s best known NGO leader, Herbert “Betinho” de Souza wrote in 1995 referring to NGOs: “Old ideological barriers reminiscent of the Cold War need to be replaced by a more pragmatic search for effective solutions to pressing human problems” (Souza, 1995, pp.49–50). Another important conceptual change is that NGO leaders realize that their sector has a legitimate independent role to play in Brazilian society, much like the nongovernmental sector in the industrial countries. While during most of the Cold War Brazilian NGOs either contested or ignored the democratic tradition of the Western democracies, there is a growing appreciation among many NGOs for the rich legacy of civil society in these countries, and particularly of the “associational democracy” of the United States as memorably described by Alexis de Tocqueville in the mid-19th century.31 Further, not only do a growing number of Brazilian NGO leaders recognize the permanent role played by NGOs in developed countries, they maintain increasingly close ties with these organizations, often patterning their own institutional consolidation and fund-raising strategies on approaches developed in Europe and the United States.32 While NGOs seem to have discarded old orthodoxies and are testing new approaches, many consider that their original core objectives have been maintained. A recent independent study on the impact of NGO efforts commissioned by ABONG stated:
The change of role, leaving the more political work of the ’70s to the provision of specialized services in the ’90s, did not represent, on the other hand, a distancing of the NGOs from their previous popular mobilization activities. What seems radically new is the content of the social services provided by the NGOs now structured within an institutional space capable of influencing the formulation and implementation of public policies. 33

General Characteristics

What has made NGOs effective promotional actors in Brazil is their unique ability to straddle both the micro and macro dimensions—providing services to base groups while also focusing on national policy issues. They possess the wherewithal to address structural issues without losing sight of grassroots reality and concerns. Furthermore, they generally combine grassroots knowledge and presence with technical expertise in order to design and implement development programs that are often participatory, innovative, and low-cost. Today, NGOs provide services in many areas, including non-formal education, community-based health, legal assistance, environmental protection, community organizing, agricultural production, video production and dissemination, public policy formulation, urban microenterprise assistance, and AIDS education.

Another important aspect of the NGO sector is its singular diversity as exemplified by the 1996 ABONG survey (ABONG 1996). The study identified no fewer than 70 terms utilized for the various beneficiary populations NGOs assist. These included associations (neighborhood, producers), children, trade unions, religious organizations, populations at risk (street children, prostitutes, AIDS carriers), and ethnic populations (Afro-Brazilians, women, indigenous). Figure 1 contains the eight principal beneficiary population groups mentioned in order of size. The list demonstrates that, reflecting Brazil’s current population distribution, the majority of NGOs direct their efforts at urban populations (52.4 percent and 46.9 percent respectively), while approximately one quarter (22 percent and 21 percent) work with rural groups. It is also interesting to note the high number of second-tier NGOs that primarily provide services to other NGOs (25.8 percent). Two findings that seem to reflect a growing trend are the NGOs that work with children and adolescents (63.7 percent) and women (41.9 percent). The more recent ABONG survey reported a further rise of groups working with women or women’s issues to 54.8 percent (ABONG 1998b).

NGOs are also generally classified by the types of activities they carry out, such as community organizing, research and dissemination, social service provision, technical assistance and training, and public policy advocacy. Reflecting their diversity in this area as well, a total of 27 different activities was listed in the 1996 ABONG study (Landim and others). Table 2 lists the seven principal core activities reported. The most frequent activity cited, by far, was assessoria, a catchall term comprising a mixture of technical assistance/capacity building/training that has been used widely by NGOs.
to define the singular brand of specialized assistance they provide. It is interesting to note that two other activities that scored relatively high and reflect a growing trend are civic education, or educação para cidadania, and research. As a matter of fact, a growing number of NGOs are specializing in applied research, the quality and social relevance of which is often equal to that carried out by leading universities.

Examples of successful efforts in each of the activity areas indicated above are numerous, including the following:

**Technical assistance (assessoria).** The Rede PTA (Programa de Tecnologia Alternativa) is a network of 23 regional NGOs that provide a wide range of services to small-scale producers in the areas of agricultural experimentation, production, and marketing. Stretching from Maranhão to Rio Grande do Sul, the network carries out joint seed experimentation programs, sponsors national training workshops, and publishes technical manuals on agro-ecology.

**Popular education.** The Federação de Orgãos de Assistência Social e Educacional (FASE), through its six state offices nationwide, has helped establish and continues to provide nonformal educational and organizational assistance to hundreds of community organizations such as slum dwellers’ associations, rural cooperatives, and women’s organizations.

**Citizenship education.** The Geledes Instituto da Mulher Negra is an organization established by Afro-Brazilian women in São Paulo that carries out applied research, juridical assistance, and public education in the areas of race discrimination and women’s rights. In addition to producing educational materials for low-income populations, Geledes has also undertaken well-publicized campaigns to counter racial stereotyping on national television programming.

**Research and policy analysis.** The Instituto Sócio Ambiental (ISA) carries out extensive research on indigenous peoples, having produced the most comprehensive anthropological almanac and satellite image maps available in Brazil. ISA provides ongoing juridical and policy analysis assistance to dozens of indigenous associations on issues related to land demarcation, development projects, and indigenous laws.

**Information dissemination.** The Instituto de Estudos, Formação e Assessoria em Políticas Sociais (POLIS) of São Paulo carries out applied research and population surveys in the areas of urban land titling, public transportation, sanitation, city management, and best practices. Results of this research are disseminated to hundreds of neighborhood associations, labor unions, and municipal governments throughout Brazil.

**Advocacy campaigns.** The Instituto de Estudos Sócio-Econômicos (INESC) closely monitors the legislative agenda in the national Congress and disseminates its findings regularly to a network of hundreds of CSOs throughout the country on such topics as agrarian policies, human rights, and the environment. INESC also provides input to congressmen on CSO policy positions and organizes grassroots campaigns to encourage passage of laws that favor the civil society sector.

**Training.** Saúde e Alegria regularly promotes training seminars geared to hundreds of community leaders of Amazonian riverine communities in such areas as health prevention, agroforestry, and environmental education. Its innovative methodology includes locally produced radio/video programs and an interactive circus.

NGOs also have distinct and numerous agendas. These agendas not only vary in terms of thematic areas (such as education, agriculture, gender, environment, and human rights), but also in terms of strategic objec-
tives, methodologies, and levels. While most NGOs have localized and single-focus agendas (for example, to assist poor communities in a single region, influence municipal government water distribution policy, or produce training materials on sustainable agriculture), many NGOs have several competing agendas on different levels. Not long ago it was common for national-level NGOs to have a half-dozen thematic agendas implemented at the local, national, and even international levels, as exemplified by the Instituto Brasileiro de Econômicos de Análises e Sociais e Econômicas (IBASE). But more recent pressures for specialization have led these organizations to focus on two or three thematic areas. The diversity and complexity of these agendas sometimes lead to conflicts among NGOs. For instance, NGOs with agrarian reform agendas have sometimes clashed with NGOs having environmental protection agendas: the resettlement needs of landless workers in the Amazon and conservation generate competing pressures. In the indigenous area, it is common for church-related and academic-oriented NGOs to diverge over such issues as the appropriate approach to indigenous acculturation and land demarcation policies.

It is also common for NGOs at various levels to have different strategic agendas. A case in point was the Bank-funded Planafloro loan, which spawned a local-national-international alliance of NGOs to request an Inspection Panel investigation of the problem-plagued project in the Amazonian State of Rondônia. While it was clear that the Washington-based NGOs were largely interested in the initiative as another test case to help define the role of the panel worldwide, local NGOs were primarily interested in improving project performance on the ground. Although this specific NGO coalition was deemed as being successful in generating pressure on the Bank and the state government, the strain of having to coordinate differing agendas clearly appeared at times. This was the case, for instance, when the project was restructured in 1996 and the local NGOs decided to focus their negotiating leverage on the creation of a $22 million small-grants fund. Several of the international NGOs involved later felt that the local NGOs settled for less than they should have, leaving many of the project’s original environmental problems unresolved.

NGOs not only clash among themselves over different agendas, but it is also not uncommon for NGOs to have conflicts with social movements and community groups. While NGOs were initially born out of grassroots social movements and generally maintain strong ties to community groups and national social movements, at times NGOs and groups and movements do diverge over public policy, funding, and other issues. In the AIDS area for instance, AIDS NGOs have at times clashed with the Rede Nacional de Pessoas Vivendo com HIV/AIDS (RNP+), a growing social movement consisting of persons living with HIV/AIDS, over the strategic priorities of the AIDS movement. This misunderstanding seems fueled in part by a competition for funds, since the NGOs tend to be better staffed and funded than their RNP+ counterparts. The social movements do seem to have reason to complain in this respect, though a recent survey carried out by four Dutch donor agencies in Brazil demonstrates that 80 to 90 percent of their funds is allocated to NGOs, while only 10 to 20 percent is earmarked for social movements (ABONG 1998a).

In other areas, conflict between NGOs and their social movement allies are generally over the naturally evolving issues of autonomy and leadership. As social movements grow in strength and sophistication, they begin to feel that the capacity-building support and policy guidance provided by NGOs, so key in the first phase of organizational structuring, is no longer needed. This has been the case, for instance, in several social movements of the povos da floresta, or traditional forest populations, such as the rubber tappers and indigenous peoples. While NGOs were key to the establishment and growth of the Conselho Nacional de Seringueiros (CNS) in the mid-1980s, by the time the movement came of age through the leadership and martyrdom of its leader, Chico Mendes, many leaders within the CNS balked at what they considered NGO opportunism and tutelage. Similar clashes have occurred between the newly created networks of indigenous associations, such as CAPOIB and COIAB, and traditional indigenous support NGOs over issues of representation and leadership.

On the other hand, it should be pointed out that NGOs and social movements also seem to have a knack for putting aside differences and coalescing into unit-ed networking fronts when necessary, as will be discussed below. These issues of NGO–social movement institutional conflicts are also being effectively addressed
by the creation of joint public policy networks and forums. This is the case for instance, of the Brazilian NGO and Social Movement Fórum on the Environment and Development (Fórum Brasileiro), which advertises in its name that the network is composed of both NGOs and social movements. A second example is the Fórum pela Reforma Agrária e Justiça Campo, which comprises the landless movement (MST) and small farmers’ national labor federation (CONTAG), as well as leading NGOs such as IBASE and INESC.

**Staffs and Budgets**

The 1991 ISER study revealed an increasing sophistication of NGOs in carrying out their own development agenda as reflected in their staffing (ISER 1991). While most had begun largely as “one-man bands,” the study found that the leading 125 NGOs employed 2,660 staff persons, or an average of 21 staff persons. This is similar to the Ministry of Health survey that found that the average AIDS NGO has a staff of 20, although 35 percent of the organizations have fewer than 10 persons. The 1991 ISER study showed that NGOs are led by a well-educated group of professionals, with 87 percent having college degrees and 39 percent graduate degrees, percentages many times higher than the national average.

In terms of budgets, the 1991 ISER and 1996 ABONG studies (figure 2) showed that the great majority, or 88 percent of NGOs, have annual operating budgets of under $500,000, and only approximately 7 percent have budgets over $1 million. It is interesting to note that in the three years which separated these two surveys, the two ends of the pyramid (those budgets of less than $30,000 and those of more than $1 million) decreased, thus making NGO budgets more uniform in size. A more recent ABONG survey evidences that the larger budgets (over $1 million) have climbed slightly to 7 percent in 1998 from 6.3 percent in 1994, demonstrating that a few, more established and “new generation” NGOs have actually been able to grow during this period of overall downturn in NGO budgets (ABONG 1998a).

In terms of total numbers, the study found that the combined budget of these leading NGOs was $28 million (102 NGOs) in 1990, and $31 million (121 NGOs) in 1994.

The 1991 ISER and 1996 ABONG studies found that NGOs are largely dependent on foreign funding, many reporting that over 90 percent of their budgets originate from overseas. The principal sources of this international funding are religious agencies, private foundations, and a few government entities, with the majority being Protestant and Catholic church agencies. A study commissioned by four Dutch donor agencies (Bilance, ICCO, Novib, and Solidaridad) found that 37 donor agencies channeled $71.7 million into Brazilian NGOs in 1994 (Netherlands 1997). The largest flow of development dollars came from Germany (40 percent), followed by the Netherlands (28 percent), the United States (13 percent), Great Britain (8 percent), Switzerland (5 percent), Canada (0.9 percent), and Italy (0.8 percent). It should be noted as well that the relationship between NGOs and their donor agencies has not simply revolved around financial transfer of resources. There has traditionally been an “ethos of solidarity” in the agency-NGO relationship, characterized by a notion of North-South partnership. Partnership activities carried out have included: regular consultation meetings; technical assistance exchange on such issues as fund-raising and project evaluation; and joint development education and public policy advocacy campaigns in Europe.36
There is growing evidence that the long-standing dependence of NGOs on their traditional international donor partners has reached its limit and can no longer sustain the growth of the NGO sector. While NGOs experienced substantial increases in their operating budgets and staffs in the 1980s, in recent years they have suffered serious budgetary shortfalls leading to program and staff reduction for many, and even closure for a few. Well-known NGOs such as IBASE, ISER, CLF, and FASE have all had to adopt drastic cost-cutting measures over the last several years, ranging from closing programs and reducing employees, to closing down offices.

Retraction in NGO budgets has occurred for several reasons. First, nonofficial donor agencies are experiencing a historic shift in their budgets and changing funding priorities for a variety of reasons. These include a paradigm shift away from “political solidarity” to programmatic result-based giving; shrinking budgets because of growing economic hardships at home; generalized “donor fatigue”; and official foreign assistance moneys being diverted to new areas such as Eastern Europe and Africa. As a matter of fact, many of the traditional donor agencies are undergoing institutional reengineering processes involving shifts in funding priorities (both programmatic and geographic) and significant changes in organizational structures, which is not too different from the changes being felt by the Brazilian CSOs. This is the case, for instance, of three donor agencies that have historically funded CSOs in Brazil: Oxfam/UK, ICCO, and the IAF.

Second, NGO budgets (which were largely dollar-based) were adversely affected by the adoption (in July 1994) of the Plano Real, which abolished the currency gap. ABONG reported that its members experienced an average 30 percent reduction in their budgets in the four years following the enactment of the of the Plano Real. Paradoxically, NGOs budgets rebounded somewhat with the major devaluation of the Real that occurred in early 1999 in the wake of the global financial crisis stretching from Bangkok to Brasilia.

Third, the NGOs themselves have reached a level of growth and absorptive capacity that can no longer be sustained by this traditional and limited level of support. Without new, less traditional, and larger sources of funding, NGOs cannot break out of the micro-level threshold and be able to have regional and even national impact. It has become clear to many NGO leaders that they need to branch out and develop new international and (especially) local sources of funding in the private sector, government, and multilateral organizations, as well as test other revenue-generating approaches such as dues-paying membership bases and selling of services.

Unlike their developmental counterparts, the WWF study found that the environmental NGOs largely subsist on local funding. While a surprising 52.8 percent of their combined estimated annual budget of $84 million comes from their membership and 28 percent is raised from selling services or products, only 15.7 percent is received from international donations. More recently, an increasing number of developmental NGOs have reported being able to offset their dependence on international donor agencies by accessing funds from the government and corporate sectors, as well as selling services and publications. Some NGOs, such as IBASE, have literally inverted their dependence on foreign sources from 70 percent to 30 percent over the past five years. A few, such as the rural development NGO AACC in Rio Grande do Norte, have been able to reduce their foreign dependency considerably by leveraging funds from government agencies and other local sources. Another cogent example is the Rondónia NGO Forum, which went from complete dependency on foreign funds to establishing a consultants’ cooperative that allows individual members to be contracted by government agencies while avoiding cumbersome contractual provisions.

The latest survey carried out by ABONG in 1998 indeed demonstrates a historic shift in NGO funding patterns, with a greater proportion of funding coming from government and private sector sources. As table 3 shows, almost half (47.2 percent) of the 184 NGOs surveyed reported receiving government funds. Of these, 10.6 percent raised over 50 percent of their budgets from government funds, with a surprising nearly 5 percent reporting 90 percent of income from this source. Within the government sphere, the federal sector provided the greatest proportion of funds (30.4 percent), followed by state governments (19.5 percent). The survey also demonstrated that 22.2 percent received funds from private companies and foundations, and
45.5 percent reported raising some funds through the sales of products or services (ABONG 1998).

As will be discussed later, the growth of government financing of NGOs is a significant and important new phenomenon. While NGOs have historically avoided receiving government funds, there seems to be a growing acceptance of this modality. A recent study by Dutch agencies published by ABONG reveals that:

Many partners have begun to collaborate with the state, many times for financial reasons. Even work carried out through contracts can produce synergies in the achieving of common objectives, altering the collaboration between the public and private sectors, or leading the government to improve its implementation (ABONG 1998a, p. vi).

NGOs have also attracted the attention of Brazilian government and multilateral development agencies. The World Bank and the IDB have come to realize that NGOs may be important institutional actors to ensure effective and sustainable development at the local level. A World Bank guide to working with NGOs stated that:

By offering a perspective which is unique from that of government or the private sector, NGOs can help to provide a more complete and balanced picture. NGOs have been particularly effective in drawing attention to environmental concerns and in bringing to the forefront the perspective of those whose political voice is weakest (World Bank 1995, p. 22).

In the case of the World Bank, although it has no mechanisms to fund NGOs directly, there are a growing number of “small grant funds” in Bank-funded projects (AIDS/STD, Pilot Program to Conserve the Brazilian Rain Forest, PNMA/PED, Planatloro, Prodeagro) that finance thousands of NGOs throughout Brazil (table 5). The IDB, on the other hand, has even more experience funding NGOs directly. The Small Projects Fund, managed out of its Brasilia office, has channeled nearly $10 million to 19 urban NGOs since 1978 in such areas as education, microcredit, and health. The fund has a limit of $500,000 per project. For each NGO project funded, the IDB also funds a parallel technical assistance cooperation grant to ensure that needed technical assistance is provided in such areas as program implementation and financial management. Although technically a loan, the low interest rate of 1 percent and the 25-year repayment period practically transform this financing into a grant. On the other hand, since the IDB applies many of the same administrative guidelines to these small loans as it does to the larger ones, the approval process has often been quite cumbersome and lengthy.

In short, it is indeed ironic that at a time when official development agencies such as the World Bank are beginning to understand the value of NGOs as key development actors and are exploring the possibility of supporting them more directly, many NGOs are threatened with deep reductions or closure because of the cutback of traditional development aid. While there are funding opportunities for NGOs emerging within new sectors such as the government, private sector, and multilateral banks, there is a serious issue of timing that could undermine a possible successful transition process from traditional to new sources of funding for NGOs.

Networking Efforts

The growth and consolidation of NGOs have also led to a desire to seek greater inter institutional collaboration and integration. The underlying reasons for this seem to revolve around the need to define a common identity, learn from similar experiences, and speak with a stronger and more unified voice within the public policy arena. The first networking initiatives appeared at the local and regional levels—especially in the Northeast and Southeast regions of the country—as

<table>
<thead>
<tr>
<th>Percent of Budget</th>
<th>Percent of NGOs*</th>
</tr>
</thead>
<tbody>
<tr>
<td>0–10</td>
<td>14.6</td>
</tr>
<tr>
<td>10–30</td>
<td>16.0</td>
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<tr>
<td>30–50</td>
<td>5.9</td>
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<tr>
<td>50–90</td>
<td>5.9</td>
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<tr>
<td>90–100</td>
<td>4.9</td>
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<tr>
<td>No government funds</td>
<td>50.0</td>
</tr>
<tr>
<td>Did not report</td>
<td>2.7</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: ABONG 1998c.

Universe: 184 NGOs.
NGOs began to sponsor meetings to discuss programmatic and technical aspects of their work. With time, as NGOs began to notice their expanding presence throughout the country and take stock of their growing impact, they felt the need to seek greater interaction at a national level.

Beginning in the mid-1980s, Brazil experienced an impressive surge in NGO networking efforts. The first truly national meeting of NGOs occurred in 1985 and brought together some 20 to 30 leading organizations to share experiences and explore possible common public policy strategies. Since then, numerous national meetings have been held to discuss such issues as agrarian reform, the environment, and the changing international donor landscape. Today many of the larger cities (Recife, Rio de Janeiro, São Paulo, and Porto Alegre) and states (Rondônia, Mato Grosso, Rio Grande do Norte, and Santa Catarina) have permanent networks of NGOs known as "Forums de ONGs," which meet on a regular basis. Perhaps the most dynamic of these local NGO forums has been in Recife, where approximately 20 NGOs have met regularly and carried several successful policy advocacy and service provision activities over the past 10 years. There are also permanent national NGO coalitions around thematic areas such as the Amazon, rural development, education, AIDS, and human rights. These include:

- Fórum Nacional Permanente de Entidades Não-Governamentais de Defesa dos Direitos da Criança e do Adolescente (Fórum DCA), established in 1988, which congregates 67 children's service and human rights organizations
- Movimento Nacional de Direitos Humanos (MNDH), which congregates some 250 human rights centers throughout Brazil
- Forum Brasileiro de ONGs e Movimentos Sociais para o Meio Ambiente e o Desenvolvimento, with some 130 environmental organizations nationwide
- Rede Brasil sobre Instituições Financeiras Multilaterais (Rede Brasil), which monitors multilateral development bank activities in Brazil
- Rede Nacional de AIDS ONGs, with over 200 organizations
- Fórum Nacional pela Reforma Agrária e Justiça no Campo, which also congregates the major rural social movements and organizations such as MST, CONTAG, and CPT

The most significant national coalescing effort to date is the founding of the National Association of Brazilian NGOs (ABONG). The convening assembly was held in August 1991 in Rio de Janeiro and brought together 135 leading NGOs from throughout Brazil representing a diverse array of organizations. The overarching purpose of the association as spelled out in the convening document was to "express the common identity of NGOs committed to the democratization of Brazilian society and who have a tradition of providing support and services to grassroots movements." The principal operational objectives of the association were defined as threefold: (1) to promote greater discussion and networking among NGOs around common development themes and strategies; (2) represent and defend the interest of NGOs before Brazilian society and the government; and (3) promote greater international cooperation. Today ABONG has a membership of 211 organizations throughout Brazil and maintains eight regional forums.

There are three interesting phenomena associated with the networking characteristics of Brazilian NGOs. First, despite the continental size of the country, NGOs have found it relatively easy to establish national networks. While regional differences sometimes lead to differing agendas and conflicts in some networks, Brazilian networks, for the most part, have been among the most active and consolidated in Latin America. Second, NGO networks tend to be quite interconnected and flexible. It is common for there to be great intermingling among various networks and a certain level of informality among the various coalitions. For instance, while many NGOs within Rede Brasil are members of ABONG, the association itself is a member of Rede. At other times, organizations that are not formally members of a particular network will nonetheless sign public policy petitions for constituents of that network. Third, NGO coalition building tends to be quite fluid and closely tied to the ebb and flow of the political scenario. Large coalitions will form over particular issues such as burnings in the rain forest, a visible case
of human rights violation, or even the representation in a U.N. conference, only to be disbanded shortly after. On the other hand, NGOs tend to show an uncanny ability to put aside differences when there is a need to launch public policy campaigns in the face of perceived common “enemies” such as the government or the World Bank. This was the case, for instance, in Rondônia with the variety of organizations (indigenous associations, rubber tapper cooperatives, environmental NGOs, women’s groups) that compose the NGO Forum. While these groups commonly clashed over specific programmatic issues, they invariably united when larger policy issues were at stake. This was demonstrated during the conflict-ridden Planalfloro Inspection Panel process, when the NGOs always seemed to muster a united front, often to the chagrin of state government officials who hoped to sow division within their ranks.

Brazilian NGOs have also made impressive networking headway on the international level. Information sharing, staff exchanges, and meetings addressing common topics such as poverty alleviation, human rights, and the environment have been occurring on a regular basis since the late 1980s. From the onset, the level of interaction has been more intense with NGOs in Europe and the United States, but contact has also been growing with groups in Latin America, Asia, and Africa. A milestone in their international outreach efforts occurred during the United Nations Conference on the Environment and Development (UNCED) in 1992. Brazilian NGOs hosted the Global Forum, an NGO networking summit held simultaneously with the official U.N. conference. The 14-day forum brought together some 25,000 NGO representatives—including environmentalists, religious leaders, appropriate-technology entrepreneurs, grassroots community leaders, and scientists—from 167 countries. There were over 500 workshops, seminars, press conferences, and exhibitions held among the green and white tents on Flamengo Beach. Brazilian NGOs played a key role in planning the event, managing the $12 million budget, and leading thematic discussions that produced 39 alternative NGO “treaties.” Overall, UNCED provided Brazilian NGOs with an opportunity to receive public visibility within Brazil and demonstrate that the NGO sector had come of age.

Since then, Brazilian NGOs have increased their presence in a variety of international networks that work in such areas as AIDS, women’s rights, and sustainable agriculture. As such, leading Brazilian NGOs have attended the most recent thematic United Nations conferences: Vienna (1993, human rights); Cairo (1994, population issues); Copenhagen (1995, social development); Beijing (1995, women’s issues); and Istanbul (1996, urban development). One interesting consequence of this heightened level of globalization is that a growing number of NGO technicians have begun to have the same opportunity to travel worldwide as their government and Bank counterparts, leading to a more sophisticated transnational perspective. While government officials and the press often question these international linkages, some even stating that the NGOs are hostages to the agendas of their international donor agencies, these linkages seem to be driven more by pragmatic considerations. As exemplified by the Planalfloro case (box 6), NGOs realize that they could often have more leverage over the state and even federal governments if they sought support for their critique of the Bank-financed project in Washington and Europe. As a recent book on international networks states: “Transnational value-based advocacy networks are particularly useful where one state is relatively immune to direct local pressure and linked activists elsewhere have better access to their own governments or to international organizations. Linking local activists with media and activists abroad can then create a characteristic “boomerang” effect, which curves around local state indifference and repression to put foreign pressure on local policy elites” (Keck and Sikkink 1998, p. 200).

Reflecting this newfound global perspective, Brazilian NGOs are beginning to demonstrate an interest in the presence and impact of multilateral development institutions as witnessed by the establishment of Rede Brasil (box 4). In short, we are witnessing a unprecedented phenomenon—the globalização, or the “internationalization,” of civil society—where the borders between global and local are increasingly becoming more virtual than real. On the other hand, while these transnational coalitions represent the emerging of what some have called a sociedade civil planetária, or “global civil society,” their growth is not certain. Often these coalitions seem fragile and based on single-issue campaigns.
or one-time events. A recent book edited by civil society expert Jonathan Fox on the topic did not find evidence that Northern-Southern advocacy coalitions are necessarily in the process of greater consolidation. It states that “many of the relationships are limited to fragile fax-and-cyberspace skeletons, and the strong ones are often based more on key cross-cultural individuals than on dense institutional bonds” (Fox 1998, p. 30).

Taking Up the Civic Banner

One of the most apparent results of greater networking among Brazilian NGOs has been their impressive new presence in the public policy arena. This expanded role reflects the activist nature of their own institutional persona. The 1991 ISER survey of NGO leaders states:

NGOs are small, but they propose to act on wide objectives. No fewer than half of our sample define their role as “contributing towards an alternative development project,” while 36 percent see their role as “the elaboration of alternative public policies.” They are small, private organizations, but they behave as if they were big and public (ISER 1991, p. 21).

NGOs promote public policy activism at the grassroots level by teaching the basic tenets of citizenship and encouraging the poor to exercise their rights as full citizens. Furthermore, their institutional autonomy—especially in relation to the government—and forward-leaning social agendas have made them effective monitors of government action and advocates of public sector accountability. Political scientist and current Minister of Culture Francisco Weffort recognized the democratizing nature of NGOs by stating in the national weekly Veja that NGOs “are a genuine product of democracy and reflect a maturation of Brazilian society” (Veja 1994). As was demonstrated earlier, NGOs

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**Box 4. Rede Brasil Monitors Bank Portfolio**

One of the most recent NGO networking efforts has coalesced around the perceived need to better understand and monitor the work of international financial institutions in Brazil. The Rede Brasil sobre Instituições Financeiras Multilaterais (Rede Brasil) is a network of NGOs and social movements established with the explicit purpose of monitoring and influencing the macro policies and funding strategies of the multilateral development agencies in Brazil, namely the World Bank and the IDB.

More recently, Rede has shifted its advocacy strategy to focusing its attention more directly on the Brazilian government, namely pressuring to increase the oversight role of the legislative branch over multilateral loans. In the process, Rede has also attempted to develop cordial information exchange relations with SEAIN and other executive branch government agencies.

Rede Brasil was established in 1995 and today has 51 institutional members, ranging from single NGOs (FASE, IBASE) and NGO networks (ABONG, GTA), to national trade union confederations (CONTAG, CNB). The major activities undertaken by Rede Brasil to date include a study of six World Bank and IDB projects to determine the levels of stakeholder participation; publication of a guide on the World Bank; dozens of regional training and planning workshops; and scheduling visits by project stakeholders to the Bank’s offices in Brasília. Rede Brasil has closely tracked the following World Bank projects: Planaflo, Prodeagro, Northeast Education II, AIDS/STD, Itaparica Resettlement, and PROSANEAR (Belém). Rede has also carried out a public campaign, involving the Brazilian Congress, to obtain access and promote a participatory CAS process in Brazil. Rede is considered one of the most representative Bank-monitoring networks in Latin America because of the broad-based thematic and geographic coverage of its member organizations.

Rede Brasil has strong linkages with North American and Latin American NGOs and important official representation at several key Bank-NGO liaison committees. It is a member of the NGO Working Group on the World Bank (NGOWG), Structural Adjustment Participatory Review Initiative (SAPRI) coordination committee, and of the Latin America regional steering committee. Although Rede has a small staff (one executive director and an administrative assistant) housed in the Brasília offices of INESC, much of the research, networking, and advocacy work is carried out by the member institutions such as FASE, IBASE, Ação Educativa, and CONTAG. Rede Brasil is funded by OXFAM/UK, the Ford Foundation, Christian Aid, and the MacArthur Foundation.
have of late begun to exercise this public watchdog role at the national level. The principal public policy areas most intensely and successfully addressed by the NGOs have been children's rights, indigenous issues, women's issues, and AIDS.

In the children's area, for instance, a national network of children's service and human rights organizations coalesced in the Fórum DCA successfully lobbied the Brazilian Congress to pass the first comprehensive law on children and adolescent rights and establish hundreds of citizen-government policy councils throughout the country. NGOs also played a key role during the country's Constituent Assembly of 1996–1998 by encouraging an unprecedented level of grassroots participation in the law-making process. NGOs were instrumental in promoting local constituent seminars, organizing citizens' petitions, bringing community leaders to testify before Congress, drafting legislation, and lobbying for the passage of laws.

This new important civic role played by NGOs was no more apparent than with the significant behind-the-scenes support it contributed to the impeachment of President Fernando Collor in 1992 and the subsequent Anti-Poverty Campaign (box 5). The impeachment movement began in June 1992 as political leaders and a host of civil society representatives held a vigil at the Congress to demand a full accounting of corruption charges against President Collor. What grew out of this initial effort was the Movimento pela Ética na Política, composed of 850 professional associations, unions, NGOs, student and teacher organizations, church agencies, and community groups organized in hundreds of local impeachment committees. Alongside other larger national organizations, such as OAB, CUT, CNBB, and ABI, which organized the colorful and large street demonstrations, NGOs convened the planning meetings, organized letter-writing campaigns, and in general assisted with the organizational wherewithal for the movement's success in Brasília and cities throughout Brazil. The impact of this movement, coupled with strong public opinion sentiment, led to Collor's impeachment by the Brazilian Congress in December 1992. The organizational role played by such NGOs as IBASE and INESC in the impeachment process represented the emergence of a new concept in Brazilian politics, that of an independent, nonpartisan citizens' movement that demands greater ethical standards and political accountability from those in public office.

Box 5. Anti-Poverty Campaign

Buoyed by their success in the impeachment of Collor, leading NGOs associated with other national organizations spearheaded an unprecedented anti-poverty campaign called Ação pela Cidadania Contra a Miséria e Pela Vida, better known as the Anti-Poverty Campaign. Launched in March of 1993 with the support of President Itamar Franco, who established a national food policy council (Conselho de Segurança Alimentar/CONSEA), the Anti-Poverty Campaign grew to unprecedented proportions. It is estimated that over 3,300 local Anti-Poverty Committees were established in all 27 states of Brazil congregating such diversified volunteers as employees of the Bank of Brazil, NGOs staff, housewives, charitable groups, labor unions, and the military.

The campaign was able to distribute millions of cestas básicas, or basic foodstuffs; carry out hunger surveys within low-income neighborhoods; support gardening and water projects; and prod local and state governments to improve social services to the poor. The campaign generated an impressive level of public interest and media attention as evidenced by a nationwide survey carried out by IBOPE, which reported that 68 percent of Brazilians had heard about the campaign and that 93 percent said they felt the initiative was worthwhile. Further, the survey found that a surprising 32 percent, or 25.6 million persons, had contributed money or supplies and that 2.8 million persons had volunteered in local Anti-Poverty Committees.

As with the impeachment of Collor, NGOs played an important role in the Anti-Poverty Campaign, organizing local committees, serving on the CONSEA, and publicizing the campaign. Although the Anti-Poverty Campaign was largely decentralized in its structure, key institutional leadership was provided by IBASE in Rio de Janeiro and INESC in Brasília. The head of IBASE, Herbert de Souza (Betinho), even became the leading figure of the campaign. A charismatic and transcendent figure because of his personal bout with the HIV virus and eloquent advocacy for the country's disenfranchised majority, Betinho not only became a national civic leader, but came to symbolize the very ethical nature of the citizen's movement. Although there are no definitive figures on the number of people reached through the campaign, it is estimated that 16 million destitute persons received food, clothing, health care, and jobs.
The NGOs’ recent experience with national civic campaigns has been important, for it has allowed them to incorporate the issue of citizenship into their work. This is a broadly defined agenda that includes democracy, social equity, ethnic and gender diversity, and political plurality. The citizenship banner has also allowed NGOs to get away from partisan alliances and sectarian strategies, thus validating them as autonomous public actors who operate independent of the state and political parties. Although NGOs are sometimes perceived by governments as being partisan, most often associated with center-left parties such as the Workers Party (PT), when one examines their track-record more closely, it become evident that NGOs are generally above the partisan political fray and can thus defend larger social concerns. This is evidenced by the recent administrations of the Workers Party in such cities as Porto Alegre, Belo Horizonte, and Brasília. In these instances, while some NGO technicians joined the incoming administrations, the majority remained in their institutions and did not feel constrained to criticize specific government policies and programs when deemed necessary.

Challenges of Consolidation

As Lester Salamon pointed out in a speech delivered during a hemispheric conference on the Third Sector, “The Three Faces of the Third Sector” (Salamon 1996), civil society organizations, and specifically NGOs, currently face three challenges in order to be able to become more institutionalized, larger, and sustainable. Although he was speaking about NGOs worldwide, the lessons apply well to Brazilian NGOs. Now that NGOs have achieved greater public visibility and scrutiny, the first challenge they need to meet is to demonstrate more institutional accountability and transparency in their programmatic and financial management. As a leading civil society researcher, Fúlvia Rosemberg, states: “It is essential that society have adequate information about these civil society organizations, such as their budgets or financial reports, where they spend their money, where their funding comes from … so the recipients of the services being provided are protected” (Gonçalves 1996, p.120).

This could be done through the development of a code of ethics and through the publishing of annual financial reports. At present few NGOs disseminate their annual financial and programmatic reports or maintain professional and independent boards of directors that can help ensure greater stewardship of their funds. At most, NGOs report to their donor agencies, but these are generally in Europe and can thus only carry out limited monitoring. This trend is changing, though, as more NGOs are beginning to adopt autonomous boards of directors and are inviting representatives of their beneficiary groups to participate in strategic planning exercises. Their uncertain legal status also needs to be clarified and regularized through improved and strengthened legislation that regulates the sector and encourages philanthropic giving.

The second challenge is for NGOs to demonstrate more competency in their work and more effectiveness in their results. There is no question that NGOs have been effective community and institutional organizers, as witnessed by their meteoric rise over the past two decades. The challenge now is to improve their organizational management and technical skills in order to expand the reach and impact of their efforts. The traditional informal and antibusiness approach needs to give way to more professional management approaches and specialized technical knowledge. As a leading NGO leader from Recife stated, “The most important role of NGOs in the past was to denounce ‘wrongs.’ The next phase was to develop proposals for the Constitution—but some NGOs became lost at this stage because they were generalists. NGOs can’t afford to be generalists anymore.”

This will require more investment in personnel training and capacity-building initiatives. Reflecting this trend, several international donor agencies and Brazilian universities have established capacity-building training courses for NGOs and charitable organizations. There also needs to be greater concern and capacity to assess and disseminate results and impact. Research is already under way by NGO networks such as ABONG and their traditional donor agencies to develop practical results indicators and benchmarks. ABONG published in 1998 a book assessing the social impact of 12 NGO case-study experiences written by independent university professors. While the results are inconclusive in some of
the case studies because of the lack of baseline evaluation data, in others it is clear that NGOs have had a significant impact in a thematic area or region. Donor agencies have also launched their own results assessment programs, pressured by their governments and societies to demonstrate the effectiveness of their foreign assistance investments. The Inter-American Foundation, for instance, developed its own conceptual model, the “Grassroots Development Framework,” with 22 tangible and intangible results indicators.49 Seven of the leading protestant agencies (German, Dutch, British, Swiss, and Danish) established the Processo de Articulação e Diálogo process, which involved a series of evaluation meetings with its 200 counterpart grantees in Brazil.

The Bank and other official donor agencies are also increasingly interested in assessing the impact of NGO work. A 1997 overview of NGO performance carried out by the OECD/DAC Expert Group on Aid Evaluation found that:

NGO impact is hard to assess because most assessments, lacking adequate baseline data and monitoring, rely on qualitative data and judgement, have been undertaken rapidly, and have focused on project outputs. It recommends that donors and NGOs … together … examine this issue in some depth, not only in order to unravel competing claims and assertions, but in order to help expand the common ground between donors and NGOs and to reduce potential conflict.50

The third challenge for NGOs is to ensure greater institutional and financial sustainability. The lack of long-term survival strategies is most apparent in budgetary terms, since most NGOs in Brazil continue to be greatly dependent on foreign donor agencies. But this is true of human resources as well, as many NGOs are poorly staffed beyond their founding leaders. While many NGOs attract bright young technicians, they often do not stay for long because of low salaries and instability brought on by cyclical budgetary shortfalls. The civil society sector needs to be seen as a career opportunity rather than a professional way station to government or academia. In the budgetary area, NGOs need to branch out and develop new international and (especially) local sources of funding in the private sector, government, and multilateral organizations, as well as attempt other revenue-generating approaches such as developing a dues-paying membership base and raising funds through selling of services. Several NGOs and donor agencies are also beginning to consider establishing endowments and permanent local funds to finance NGOs. ABONG, for instance, has received funding from several donors, including the IDB, to explore the possibility of establishing an NGO-geared community foundation in Brazil.
3. Relations among Civil Society, Government, and the World Bank

Civil Society View of the Bank

Meeting Methodology

At the suggestion of the Bank’s Resident Representative in Brasília and in order to ascertain the views of civil society organizations about the Bank and the impact of its presence in Brazil, a series of consultation meetings with representatives of civil society organizations was held throughout the country during the months of May through October 1996. Meetings were held in Brasília and six state capitals in all five geographic regions of the country: Cuiabá (Center-West), Rio de Janeiro, São Paulo (Southeast), Porto Alegre (South), Recife (Northeast), and Belém (North). The meetings had three underlying objectives:

- Inform civil society organizations about the Bank and its operations in Brazil.
- Hear the perceptions and opinions of the civil society organizations about the Bank.
- Consult them on how to improve dialogue as a way of promoting more collaborative Government–Civil Society–Bank relations.

The meetings were divided into two parts: a presentation on the Bank and a discussion by meeting participants on their view of the Bank (guided by a set of questions distributed before hand). The presentation on the Bank was given via 50 transparencies and divided into three parts: (1) origins and characteristics of the Bank; (2) Bank policies on poverty alleviation, CSO interaction, stakeholder participation, and information disclosure; and (3) the Bank’s country strategy and portfolio.

These were focus group–style meetings, thus they were small and informal, and followed a participatory approach. Each meeting lasted approximately four hours and had a facilitator chosen from local civil society organizations. An average of 12 persons participated per meeting, totaling over 85 participants. As a demonstration of the interest elicited by these meetings, 90 percent of those invited participated or sent a representative. A wide spectrum of organizations, representing a variety of thematic areas, was invited in order to promote as ample a discussion as possible. The areas included agriculture, education, the environment, women’s rights, health, human rights, microcredit, Afro-Brazilian issues, development policies, street children, indigenous issues, and urban development. In order to guarantee wide institutional representation, a complementary set of actors were invited: NGOs, social movements, nongovernmental donor agencies that have funded Bank–civil society dialogue (OXFAM/UK, Ford and the Inter-American Foundations), and social scientists who have expertise in this area.

Below is a summary of the many comments made by the meeting participants. For a complete record of participants’ comments, see Attachment B and for a list of participants see Attachment C. As stated before, the term civil society organizations (CSOs) will be used throughout the remainder of the paper as a broader descriptor to refer to community groups, NGOs, social movements, and so forth.

Participants’ Comments

The comments made by the meeting participants are grouped in four major topics: policy issues, operational
matters, institutional relations, and specific project performance.

Policy Issues

- The Bank has an image in Brazil much more associated with the policies of structural adjustment of the IMF than with a development agency that funds poverty alleviation and other social initiatives. In this light, the Bank seems to have an economic and technocratic approach to development, often ignoring the social development or organizational aspects of development.
- Several commented that the Bank’s approach is too compartmentalized in different sectors and that a more integrated and holistic approach to human development is needed.
- It is also necessary for the Bank to address the causes of poverty and not only its consequences.

Institutional Relations

- The relationship between the Bank and the Brazilian government is not clear, and each side seems to blame the other when projects experience problems.
- At times the Bank has a positive role in encouraging governments to maintain a more open and collaborative posture with civil society.
- The World Bank should coordinate its efforts better with the IDB and other official donor agencies in order to avoid overlapping and contradictory strategies and impacts.
- The Bank is not as accessible to civil society as its information disclosure and stakeholder participation policies would lead one to believe. Not only are most Bank documents still hard to obtain, but when released they are invariably in English. It is also difficult to meet with Bank task managers during their quick passages through Brazil.
- The little dialogue that has occurred between the Bank and CSOs has generally been too formal and confrontational. It is necessary to tear down the wall of misperception, with each side accepting the legitimacy and role of the other.
- The government is the missing link in these meetings, and should always be present.
- CSOs are generally not invited to participate during the design and planning stages of project preparation, but generally only once Bank-financed projects are undergoing problems and stakeholder participation is sought. CSOs, especially community organizations and social movements, and not just NGOs, should be invited to participate at the initial stages.
- On the other hand, CSOs are not always technically prepared for these meetings but should be willing to participate and risk exposure.

Operational Matters

- It is not surprising that the Bank faces disbursement and operational problems in its projects, especially in more complex social projects, since its overall approach is more geared to funding technical “projects” rather than social “programs.” This approach may have been appropriate when the Bank primarily funded infrastructure projects, but this operational methodology is inadequate for funding social programs that are much more complex, process-oriented, and unpredictable.
- The quality of project supervision by Bank staff varies greatly among projects, for it depends on several factors, which range from the capacity and openness of the task managers and their continuity to a willingness to critique government implementation when needed.
- The Bank has overly bureaucratic administrative procedures in such areas as bidding and procurement that hinder project performance. There is no question that the Bank is adopting policies that favor greater stakeholder participation; the question is whether these policies will be mainstreamed in the operational areas of the Bank. This will be the litmus test to ascertain if the Bank reforms are indeed going to improve the institution’s performance.
- The Bank should consider funding initiatives directly at the municipal level; such initiatives have been characterized by innovation, effectiveness, and stakeholder participation, since they are in keeping with the decentralization trends now sweeping Brazil and the rest of Latin America.

Specific Project Performance

- Participants highlighted several Bank-financed projects for their effective performance, important social
impact, and innovative supervision approach. The two projects mentioned in this regard were the AIDS/DST and Pilot Program to Conserve the Rain Forest.

- A number of participants criticized the Northeast Rural Poverty Alleviation Program (RPAP) and the Northeast Education Project for being too traditional and top-down in their approach. Several persons stated that the results of these multistate projects vary from state to state—the performance is better in some states—and that their results depend on such factors as the willingness of local government to pursue a participatory approach and the presence of a strong civil society at the local level.

**Conclusions**

These consultation meetings demonstrated clearly that most CSO representatives have only limited knowledge of the Bank. The participants had, at most, sketchy information about a particular Bank project in Brazil, but almost no understanding about the World Bank in Washington and how it operates. This was not surprising, since most stated that this was the first formal contact they were having with the Bank. When CSOs had information on specific projects being financed by the Bank, this information tended to be cursory and negative, often obtained from the press. There were a few participants who demonstrated more firsthand knowledge about the Bank, but this apparently was because they served on Bank-NGO committees or had researched Bank activities in Brazil.

The general perception of the participants about the Bank tended to be negative, with some persons manifesting fairly strong criticisms. While not discounting the validity of many of the criticisms, much of the negative tone seemed to be sparked by the fact that this was the first time that the World Bank had sought out these organizations for dialogue. Thus there seemed to be a good deal of pent-up reproach to be released. It was interesting to note that many of the comments varied by region. The participants from Rio de Janeiro and São Paulo tended to express broader and more conceptually based criticisms about the Bank’s macroeconomic policies. CSOs in the Southern (Porto Alegre) and Northern (Belém) regions, on the other hand, expressed positive comments related to specific Bank projects. In the South, the Bank’s open disclosure policy during negotiations with the anti-dam movement (MAB) was cited. In the North, several complimentary comments were made about the Bank’s stakeholder participation approach in the Pilot Program project. In the Northeast (Recife) meeting, most of the negative comments were geared to two large Bank-financed projects, NRPD and Northeast Education I and II, although there was recognition of the participatory nature of the Bank-funded Recife urbanization project implemented in the 1980s.

There was almost total consensus about the validity of consultation meetings such as these. Many participants expressed satisfaction with having been invited and hoped that this would lead to more frequent and systematic dialogue. Further, many participants made specific suggestions on how the Bank could promote more effective dialogue, enhance its relationship with civil society organizations, and improve the effectiveness of its lending and supervision work in Brazil. Many also mentioned that the dialogue and possible collaboration needs to be tripartite in order to include government participation. On the other hand, some persons continued to express suspicion regarding the Bank’s underlying motives for these meetings, since, in their opinion, the Bank does not have a tradition of dialogue and transparency. For these participants, greater access to information seems to be the sine qua non condition to allow for better relations.

**Mutual Misperceptions**

As the consultation meetings findings demonstrate, much of the exaggerated criticism that is lobbed back and forth among the government, civil society organizations (especially NGOs), and the Bank is generally based on little actual information and fact. In reality, the Government, CSOs, and the Bank generally know so little about each other and have had such limited direct interaction that basic misconceptions and stereotypes tend to be the rule. Below is a description of the most commonly held views:

- Bank staff and government technicians often view CSOs, at best, as well-intentioned do-gooders who
are often ill prepared and have a simplistic analysis of complex Bank-financed government projects, and, at worst, opportunists who make a career of Government-Bank bashing and are not truly interested in promoting development, but rather promote themselves at the expense of the Government-Bank.

- Many CSOs on the other hand, view the Bank, at best, as a large bureaucracy that has the wrong priorities and methodologies (top down and short-sighted), and keeps the wrong company (out-of-touch government officials); and, at worst, a Machiavellian agent of first world powers (namely Washington) to undermine developing countries, impoverishing people and harming the environment in the process. The CSOs’ view of government is not much better than their view of the Bank.

Curiously, both Government and Bank staff, and NGO technicians, have similar misperceptions about each other. First, each side projects an unrealistic degree of power onto the other interlocutor. While NGOs feel that the Bank has the power to dictate Brazil’s development strategy and micromanage project implementation, Bank staff often think that the NGOs are better networked and more powerful than they are in reality. Second, both sides view the other as arrogant. While Government and Bank staff are viewed as distant and technocratic, NGO activists are seen as smug pretenders of the moral high ground. Third, both sides view the other as incompetent: the government and Bank because its projects are perceived to have countless implementation problems and unintended social and environmental consequences; and NGOs because they are seen as offering simplistic criticisms and unsuitable micro-level alternatives to complex macro projects. Last, both sides tend to undermine the other’s legitimacy as interlocutors by questioning each other’s motives and behavior. Bank staff often views NGO activists as unscrupulous for their pamphleteering-style tactics, and many NGOs feel that the government and Bank behave unethically by hiding project information to cover up mistakes or avoid being criticized for unpopular policies.

One is left with the impression that the government, CSOs, and the Bank have, until recently, largely been fighting each other’s shadows, each side basing its analysis on inaccurate preconceptions and not taking time to engage in real dialogue in order to better understand each other’s positions. As World Bank President James Wolfensohn stated at the opening of the Annual Meetings in Hong Kong in September 1997:

> Name calling between civil society and multilateral development institutions must stop. We should encourage criticism. But we should also recognize that we share a common goal and that we need each other (Wolfensohn 1997, p. 9).

### Bank–Civil Society Commonalities

Once each institutional actor gets past the seemingly irreconcilable differences in policies and operational style, the Bank and CSOs actually have a good deal in common. First, they are both modernizing agents within a dramatically changing world context. Both represent the growth and importance of transnational linkages. The Bank is itself multilateral and embodies global connectivity. The CSOs, and particularly NGOs, are also global actors because they not only espouse universal principles such as democracy, social equity, and environmental conservation, but because the bulk of their funding comes from international donors and they are increasingly closely networked with international CSOs. Further, much like the Bank, CSOs represent a modernizing influence in Brazilian society. While Brazil has had a hierarchical society in which the state has historically controlled most facets of public life, the appearance of the NGO sector has represented a break in this tradition, as there is now a sector that considers itself autonomous, exerts a monitoring role relative to the state, and even carries out the needed intermediation between the population and the government. It is therefore curious that while CSOs often speak out on the ill effects of globalization, they are themselves a result of globalization and embody a modern construct of society. Paradoxically, NGOs are often more in tune with Bank policy in such areas as gender, environment, and stakeholder participation, than with governments at the national and subnational levels.

Second, although it may seem contradictory, both CSOs and the World Bank support the restructuring of the state and strengthening of the role of civil society,
albeit for different reasons. The Bank because, as argued in the 1997 WDR on the role of the state, there is growing evidence that an active civil society is not only a prerequisite for democracy, but good for development as well (WDR 1997a). Many civil society organizations, on the other hand, support the restructuring of the state in order to make government more effective and accountable, reduce corruption, and introduce policies more geared to the needs of the poor. Further, many in civil society see a growing role for the nongovernmental public arena, or what some have begun to refer to as the “setor público não estatal.” Advocates as diverse as the First Lady, Ruth Cardoso, and late NGO leader Herbert “Betinho” de Souza have been increasingly speaking and writing about the notion of a nonstate public sector, where the government and civil society sectors join together to promote policies and undertake programs geared to the interests of the entire society. Underlying notions of this concept are accountability, transparency, and participatory decisionmaking approaches. A document undersigned by the First Lady stated that:

In Brazil, as everywhere, a Third Sector—non-Governmental and non-profit—coexists today with the State (First Sector) and with the Market (Second Sector), mobilizing a growing volume of resources and energies for social development. This multiplication of private initiatives for a public purpose is a new, massive, and global phenomenon. The protagonism of citizens and their organizations overcomes the dichotomy between private and public, in which the public was synonymous with state and private with business. The expansion of the Third Sector gives origin to the public, nonstate sphere (Conselho da Comunidade Solidária 1997, p. 3).

In short, although the focus and degree of government reform agendas may vary somewhat, in the end both the Bank and CSOs espouse a larger common agenda to reform government by making it more accountable, more streamlined, and more effective in the delivery of services.

Third, CSOs, and more recently the Bank, largely share the same goals of human development and environmental sustainability. This is true at least at the conceptual and rhetorical levels, since these goals are often not fully achieved by either side in practice. Although CSOs and the Bank are clearly still far apart on the specific strategies and programmatic priorities, the fact that both sides share the same larger developmental objectives provides the needed foundation on which to build more collaborative efforts.

Fourth, both are practitioners of the same trade, promoting development through similar operational functions: funding (in the case of CSO donor agencies), executing, monitoring, and evaluating projects. In this respect, despite the differences brought on by the varying economies of scale, they share many of the same methodological dilemmas, planning problems, and result-assessing challenges.

Fifth, although they interact with different interlocutors, the Bank works with governments and CSOs directly with the beneficiary population, they both share the same target population: the disenfranchised poor. Even the difference in institutional partners is beginning to change. The Bank, on the one hand, is increasing its direct interaction with beneficiary populations because of a growing emphasis on stakeholder participation mechanisms, and CSOs, on the other, are beginning to work more directly with governments.

A final commonality is the fact that both the Bank and CSOs are being pressured to demonstrate more tangible and sustainable results of their work, especially in the area of social development. While the Bank is being prodded by its shareholder governments and CSOs to show results, the CSOs are being pressured by their traditional donor agencies and society at large (as expressed by the press).

A convergence is actually under way in which the Bank is reaching down to the micro sectors through its stakeholder participation policy, and the CSOs are reaching up to the macro level through its efforts to scale up services and methodologies. There is a real potential for synergy to occur between these two developmental actors. Recent experience with Bank-funded projects in Brazil has demonstrated that when productive dialogue takes place, all three sides tend to find that there is a lot more common ground and interest than was originally imagined. This was clearly the case in the Planáforo experience, where long-standing disagreement among CSOs, the state government, and the Bank on larger
conceptual issues gave way to collaboration and specific agreements once discussions were centered on how to reformulate the project itself (box 6). This was also true with the AIDS project, in which traditional animosity between AIDS/NGOs and the Ministry of Health has been greatly overcome through the adoption, by the former, of a more effective stakeholder participatory strategy in project implementation.

Bank Stakeholder Participation Policies

During the past two decades—and especially in the last five years—the Bank has begun to take specific steps to improve relations with the civil society sector worldwide by adopting more participatory policies and programs. These steps have included sponsoring Bank–civil society consultation meetings, carrying out studies, and adopting operational directives to encourage greater involvement with CSOs at the project level. Many of these activities were carried out or coordinated by an NGO Unit established in 1986. Today there are operational directives, plans of action, and other policies that encourage Bank staff to pursue more collaborative working relations with the civil society sector (box 7).

Box 6. Planafloro: From Impasse to Collaboration

Planafloro is an emblematic example of an overly complex and troubled project that was completely restructured and decentralized in a participatory fashion. Planafloro is a Bank-funded natural resource management project in the Western Amazonian state of Rondônia. Planafloro (Loan # 344-BR) was signed in 1992 at a total cost of $229 million ($167 million was the Bank’s share), and became effective in 1993. In hindsight, it became apparent that the project design contained several flaws: too many subcomponents (rain forest conservation, social development, road construction, indigenous health, and agroforestry activities); a complex structure (involvement of 10 state and federal government agencies); overambitious and poorly defined sustainable development goals; and limited local ownership by either the state government or the society at large.

At the end of the fourth year of the project, few of the project goals had been met, stakeholder participation mechanisms were not working, and only 50 percent of the funds had been spent. The local NGO and Social Movement Forum, with approximately 35 organizational members (agricultural workers’ federations, indigenous and rubber tapper associations, environmental NGOs, and urban educational groups), which had been established with the support of international NGOs (World Wildlife Fund/Sweden and OXFAM/UK) to monitor Planafloro, mounted an international campaign to suspend disbursement of project funds, and sent a request for inspection to the Bank’s Inspection Panel.

The Bank took several steps to address the issue. First, it decentralized project supervision responsibility to the field office. Second, it decided to carry out a comprehensive and independent midterm review. Third, realizing that the project lacked local ownership and support, it insisted that the principal stakeholders take full responsibility for its restructuring. A midterm evaluation was carried out by a multidisciplinary team of Brazilian consultants, and a stakeholder consultation workshop was held in Porto Velho to discuss the possible reformulation of the project. The major stakeholders present included the state and federal governments, the NGO Forum, international NGOs, UNDP, and the World Bank.

A formal agreement was reached between the state government and the CSOs that led to the complete restructuring of Planafloro. Project components were reduced, the number of government executing agencies was cut back, and bureaucratic procedures were streamlined. A $22 million demand-driven community projects fund (PAIC) was created and is today being comanaged with CSOs. Equally important, long-standing mutual animosity and tension gave way to effective engagement. Once a policy of more open and frank dialogue began to be pursued, noticeably improved relations among CSOs, the state government and the Bank were established. As Oxfam/UK’s Patricia Feeney stated: “NGOs now have a stronger formal role inside the project: helping to develop and administer small-scale community projects. Funds have also been allocated to enable the NGO Forum to monitor implementation of the overall project” (Feeney 1998, p. 6). Based on this positive momentum, a comprehensive strategic planning exercise called Umidas, geared to defining a sustainable development plan for the state until 2020, was carried out in 1998 involving the major societal actors of Rondônia.
must never stop reminding ourselves that it is up to government and its people to decide what their priorities are should be. We must never stop reminding ourselves that we cannot and should not impose development by fiat from above or from abroad (Wolfensohn 1998, p. 10).

An integral aspect of LAC’s Participation Action Plan was the hiring of social analysis and NGO specialists for the resident missions. Ten consultants, also known as NGO liaison officers, were hired by March 1996, one for each of the 10 countries where the Bank had local offices in the region. In global terms, as of mid-1999, 71 resident missions had staff that work with NGO/civil society issues. The NGO specialists hired in LAC were all experienced social scientists or development practitioners. While all had previous experience working with CSOs, several had established their own CSOs, and two had previous experience working with the Bank. After two years, five of these specialists had left the Bank for a variety of reasons, and their replacements were hired in 1999. While many specialists initially carried out primarily liaison-related functions (for example, disseminating information, organizing consultation meetings; channeling CSO project-related complaints to task managers), over time their work evolved to providing operational support to task managers in such areas as social analysis, beneficiary assessment, and stakeholder participation strategies. In June 1998,
new, more detailed terms of reference incorporating this shift in role was drawn up, and their title was changed to Social Development and Civil Society specialist.

Several Bank studies on participation have demonstrated that there is growing empirical evidence that effective participation strategies do improve the success rate of development projects and programs. They do so by encouraging:

- Greater social relevance of the initiatives undertaken
- Increased ownership by all stakeholders, but especially by local beneficiaries, who are generally ultimately responsible for carrying out and maintaining the project activities
- Improved project implementation (including disbursement schedules and programmatic results)
- Greater social control and enhanced monitoring capability
- Institutional collaboration that allows for complementary skills mixes to be leveraged
- Greater sustainability in the long-term.

Another important aspect that experience in several Bank-financed projects in Brazil has demonstrated is that participation can benefit the stakeholders involved in different ways. First, local beneficiary populations have more say in how development projects are carried out and thus can better optimize the benefits. Second, NGOs, researchers, and other supporting actors benefit by being constructively engaged and having their expertise better utilized. Third, if well informed, CSOs can monitor the implementation of projects and help government authorities and Bank staff avoid unnecessary delays and guard against corruption. Finally, governments and the financing agencies have better-performing projects, and society at large (which ultimately pays the bill) gets more “bang for its buck” in terms of successfully implemented development programs. The Bank’s 1997 WDR states that:

Evidence is mounting that government programs work better when they seek the participation of potential users, and when they tap the community’s reservoir of social capital rather than work against it. The benefits show up in smoother implementation, greater sustainability, and better feedback to government agencies (p. 10).

In short, participation can be a win-win proposition for all parties concerned.

On the other hand, these studies have also demonstrated that there are various constraints and unknown aspects related to participation. Not only is there still much to learn about the nature, benefits, and costs of participation, but different actors such as CSOs and multilateral banks have different definitions and expectations about what is substantive participation, since it can range from simple consultation to full operational partnership. Participation also involves a series of methodologies and techniques that are still little understood by most Bank staff and are only now being written up and decodified by the experts:

Experience indicates that strong NGO/CBO involvement significantly contributes to project success, especially providing benefits and opportunities for participation by the poor and marginalized. However, the record is mixed: NGO/CBO involvement varies greatly in depth and quality, and the Bank and borrowers give too little attention to factors critical to success, such as the environment for NGOs/CBOs, NGO capacity, and the use of appropriate business practices (World Bank 1998d, p. 37).

Further, the financial and time costs of participation have not been adequately quantified. Effective stakeholder participation can imply such costs as translation and distribution of Bank/government documents; organizing community consultation meetings; carrying out of needs assessment research; arranging for CSO representatives to accompany appraisal missions; and funding CSO monitoring of Bank-funded projects. These costs are generally not foreseen by task managers and thus are not factored into preparation and supervision budgets.

As the Bank has experienced firsthand in such projects as Planalloro, promoting participation in complex and conflict-ridden social settings can also be difficult and time consuming. While experience has demonstrated that incorporating stakeholder participation mechanisms into projects of this nature is essential to their sustainability, this process can represent unexpected delays in operational timetables. There are
also situations where the parties are seemingly so far apart and the interests so diametrically opposed that promoting collaboration seems impossible, at least at that juncture. This is the case, for instance, in the Amazon region, where the interests of rubber tappers and cattle ranchers have frequently led to violence. The best-known case, of course, was that of rubber tapper leader Chico Mendes, who was killed by cattle ranchers in 1988. In short, there is still a good deal to learn and skills to acquire on participation before it can be effectively mainstreamed throughout the Bank.

Recognizing that information is the cornerstone to any successful participation strategy, the Bank has also begun to take specific steps to bridge the information gap. In January 1994 it adopted a new policy on public disclosure of information that detailed which documents were placed in the public domain, procedures for obtaining them, and established public information centers in Washington, Paris, and Tokyo. The brochure World Bank Policy on Information Disclosure stated:

The Bank recognizes and endorses the fundamental importance of accountability and transparency in the development process. Accordingly, it is the Bank’s policy to be open about its activities and to welcome and seek out opportunities to explain its work to the widest possible audience (World Bank 1994a, p. 2).

As a result of this policy, many of the most relevant Bank documents can be found in the Bank’s home page, http://www.worldbank.org/, or at one of the many public information centers (PICs) that are being established throughout the world.

The Brazil country management unit (CMU) has undertaken two important initiatives to improve its public information disclosure and dissemination policies. First, the Bank opened a Public Information Center (PIC) in partnership with UNICEF and the Fundação Getúlio Vargas (FGV). The PIC was inaugurated in August 1997 and is now located at the Bank Office in Brasilia (see address at the back). The PIC has reference materials, a small stock of free Bank publications such as reports and studies, and several computer terminals available to users wishing to access the Bank’s home page on the Internet. Since information exchange is a two-way street, the Bank has also taken steps to better inform Bank staff on the positions and perspectives of Brazilian CSOs. Thus the second information-related initiative undertaken was the establishment within the Bank’s Brasilia office, of a Civil Society Reference Center. There are brochures and literature of dozens of Brazilian CSOs, as well as directories and studies on the civil society sector.

In addition to providing CSOs with general Bank materials and basic project-specific documents such as the project information document (PID) and project analysis document (PAD), the Brazil office has been able to enhance its information disclosure policies even further in some cases. In projects such as Planafloro, AIDS/DST, and the Pilot Program, “aide memoirs” and official Bank-government correspondence are being provided to CSOs on a regular basis as an explicit and successful strategy to promote more transparency and improve relations. Experience has demonstrated that there is generally little to be lost technically (quality of program implementation) and much to gain institutionally (promoting ownership and improved relations) in such an approach. This is especially true of social projects, where there is almost no, if any, information of a sensitive nature that cannot be divulged.

The Bank has also taken steps to revise its policies regarding the country assistance strategy (CAS), which is not generally in the public domain and has been at the center of the information disclosure discussions with CSOs worldwide and in Brazil. A recent report on the Bank’s CAS policy and experience found that 22 of the 47 CASs undertaken during fiscal year 1997 and the first half of fiscal year 1998 had elements of participation. Of these 22 cases, 10 were undertaken with extensive consultation with a broad array of civil society stakeholders that included follow-up consultation mechanisms. Further, 13 CAS (59 percent of the 22 cases) managers reported that civil society participation had “directly identifiable impacts” on the CAS. The study found that participatory CASs “helped to focus government development agenda, or to build consensus around government strategy” (World Bank 1998c, p. 7). As a result of these findings, the Bank’s Executive Directors adopted a new CAS policy in September 1998 that encourages greater disclosure of the CAS by the introduction of the CAS public information notice (a
two-page summary of the major elements of the strategy document) and procedures for public disclosure of the CAS if the local government requests such action. In light of this evolving CAS policy worldwide, the Brazil Country Management Unit decided to undertake a broad consultation process in preparation for the 2000-20001 country strategy. A wide array of CSOs including NGOs, social movements, trade unions, universities, church groups, and donor agencies were invited to several meetings held in Brasília, Rio de Janeiro, and São Paulo during October-November, 1999. The participants were provided with a summary draft of the strategy and a list of all active loans and published Bank studies. Bank staff also consulted, for the first time, a variety of federal ministries, state governors and congressmen.

Mention should also be made of the Bank’s Inspection Panel, which many CSOs consider to be one of the Bank’s most significant instruments, to date, to ensure accountability, transparency, and participation. Since the panel was established in 1994, Brazilian CSOs have submitted requests for investigations of three Bank-financed projects in Brazil in which they claimed that the “rights and interests” of local people has been adversely affected. These were the Planafloro (1996), Itaparica (1997), and Pilot Agrarian Reform (1998 and 1999) projects. While none of the three were approved for full investigations by the Executive Directors of the Bank, the panel nonetheless undertook several fact-finding missions to the project sites and produced reports on each project. Although there is considerable disagreement as to the applicability and veracity of the Brazilian CSO claims, as well as to the results of these investigations, there seems to be, nonetheless, agreement that the panel mechanism represents a significant new element in Government–Bank–CSO relations. As Bank President Wolfensohn wrote in a report on the first four years of the panel, “When the Board … created the Inspection Panel five years ago, it created an unprecedented means for increasing the transparency and accountability of the Bank’s operations” (World Bank 1998a, p. vii). In the case of Planafloro, it is widely accepted that the Panel process played a key role in the impetus to restructure and improve project performance. Well-known rural development expert Zander Navarro has written that “Planafloro most likely represents the most significant and broad transfer of decision-making authority that a World Bank-funded project has experienced in Brazil, markedly increasing the participation of Rondônian civil society groups in project implementation and management” (Zander, 1996, p.41).

Forging a Tripartite Dialogue

While Bank-CSO formal contact and dialogue are only beginning in Brazil, relations have been evolving for some time on the global level. These contacts began in 1981 with the establishment of the international NGO–World Bank Committee (NGOWG). This was a committee consisting of Bank staff and 26 NGO representatives from throughout the world that has met on a yearly basis to exchange information and promote policy dialogue. In 1995 the NGO–World Bank committee was decentralized by the establishment of regional subcommittees in Africa, Asia, and Latin America (LAC). The first LAC Bank–NGO meeting was held in Paipa, Colombia, in June 1995 with over 80 participants from the Bank, NGOs, and governments from the region. Leading Washington-based and Latin American NGOs attended. During this meeting, the Bank vice president for Latin America committed his staff to implementing a series of interchange activities in order to enhance dialogue and improve relations between the Bank and NGOs. This became known as the LAC Participation Action Plan (box 7).

The second LAC Bank-NGO meeting was held in Montelimar, Nicaragua, in June 1996 with largely the same representation of Bank staff and NGOs. The agenda of this second meeting consisted of several presentations and panel discussions by Bank staff and NGO representatives regarding flagship and social investment funds projects in several countries (Argentina, El Salvador, Nicaragua, Peru) and gender. Commitments made by the Bank in the Montelimar meeting included piloting participatory CAS processes in several countries, and holding a series of subregional thematic workshops in the region during 1997. These seminars were carried out in Ecuador (Andean Region), El Salvador (Central America), and Brazil (Southern Cone and Brazil).

The third regional meeting was held in Lima, Peru, in October 1997. The meeting was organized around a series of joint panel discussions (Government–CSOs–Bank) on such key issues as macroeconomic policies,
state reform, participatory CASs, urban poverty, and gender. The Bank's delegation, which was once again headed by the LAC vice president, also included the chief economist as well as other regional managers. The Brazilian CSO presence consisted of representatives from Rede Brasil and CEPEPO (Belém). The Lima meeting was more informal and relaxed than the two previous annual gatherings, leading to substantive and free-flowing discussions on the topics. The most important commitment made was a proposal to institutionalize the intersectoral dialogue process by establishing a permanent Bank-CSO committee in Latin America.

Another commitment made in the Nicaragua meeting and seconded at the Lima meeting was to carry out a joint Bank-CSO study on urban poverty. This study was initiated by a workshop held in Rio de Janeiro in May 1998 that brought together leading Bank staff, CSO practitioners, and academics in the area of urban poverty. The Bank’s Poverty Reduction and Economic Management (PREM) network and FASE jointly organized the workshop. Papers were produced and discussed on the following topics: context of urban poverty; role of the informal sector; provision of basic services; gender issues; social capital and networks; correlation between violence and poverty; environmental degradation; and governance issues. The level of discussion at this workshop was both thorough and intense, allowing all sides to get past preconceived notions and openly express their views.

The fourth LAC Bank-CSO meeting was held in Montego Bay, Jamaica, in June, 1998, and was programmed more as a technical workshop than the previous three. There were panel discussions on urban poverty, privatization, gender, debt management, education, and the CAS. The discussion revolved around macroeconomic and key social issues as the Bank brought several of its leading regional economists to debate with CSO economists and leaders such issues as the impact of privatization on unemployment, the role of the informal sector in addressing urban poverty, and differing priorities in educational reform. While the discussion was often intense, characterized by clearly divergent views, it proved to be quite helpful in clarifying positions and identifying common ground on several key issues such as poverty alleviation, gender, and education reform.

Acting on the decision made the previous year in Lima, both the Bank and the CSOs consolidated their regional Bank-CSO operational structure. In order to better coordinate its civil society strategy in the region, the Bank established the LAC Civil Society Steering Committee, chaired by the Vice President and composed of representatives of all seven country (CMU) and four sector (SMU) management units in the region. The CSOs for their part elected a new steering committee for the NGOWG and agreed on an annual budget to finance ongoing dialogue and partnership initiatives. In terms of new and ongoing collaborative commitments, the Bank and the CSOs agreed on the following initiatives: (1) the Bank would initiate a regional consultation process on the WDR 2000, which would focus on poverty, inequality, and vulnerability; (2) the Bank would carry out participatory CASs in two or three countries; and (3) the Bank would fill the five vacant slots for the social development and civil society specialists in the Bank’s country offices.

The fifth regional meeting was held in Santiago, Chile, in October 1999 and was preceded, for the first time, by country-level preparatory meetings in Colombia, Argentina, and Nicaragua. Reflecting the evolving nature of Bank-civil society relations in the region, this meeting proved to have the most fluid and effective meeting dynamics. There were panel and small group discussions on the social impact of structural adjustment loans (fiscal policy, social security, and social project components) and the future role of these bilateral regional meetings. Several important agreements were reached geared to revitalizing the strategic role of these regional meetings: (1) encourage the decentralization of the regional forum to the country level by establishing local government-CSO-Bank mechanisms for dialogue and collaboration; (2) broaden the participation of CSOs in the NGOWG by inviting trade unions, indigenous, afro-latino, and other social actors to participate in the forum; and (3) develop a single, broad agenda for the next regional meeting to be jointly researched and presented.

The Latin American CSO representation in these five regional meetings was coordinated by the Asociación Latinoamericana de Organizaciones de Promoción (ALOP). ALOP is a leading regional network of 43 development NGOs located in nearly every country of the hemisphere. Local ALOP affiliates in each of the countries organized and hosted the meetings. In Colombia, the Confederación Colombiana de ONGs (CCONG), or the association of Colombian NGOs, hosted the
meeting. The Fundación Augusto César Sandino (FACS) organized the second meeting, in Nicaragua. The Peru meeting was hosted by one of LAC’s best-known NGOs, Centro de Estudios y Promoción del Desarrollo (DESCO). The meeting in Jamaica was convened by the Caribbean Poverty and Development and Center (CPDC). Finally, the meeting in Chile was organized by the regional CSO working group with assistance from the Santiago-based NGO, SUR.

While in the beginning of this process, nearly all of the CSO participants were NGOs that belonged to ALOP, by the Jamaica meeting a concerted effort had been made to broaden the representation to include other NGO networks and representatives from trade unions, professional associations, and academia. On this issue of civil society interlocutors in Latin America, it is interesting to note that the World Bank and the IDB have had different liaison strategies and contacts in the region. While the World Bank has tended to concentrate its efforts on leading NGO networks such as ALOP and FICONG, the IDB has sought out a different public, namely corporate foundations, charitable organizations, as well as some individual NGOs.

Unprecedented Bank–Civil Society dialogue and exchange has also occurred in Brazil throughout this period, in part instigated by the liaison impetus at the regional level. Several groundbreaking meetings and workshops were held over the past three years. The first was a tripartite seminar called “Novas Parcerias em Políticas de Combate à Pobreza,” which took place in Belo Horizonte in March 1997. The seminar was convened as part of the LAC Participation Action Plan that called for regional seminars throughout Latin America. The seminar was sponsored by the World Bank, and supported financially by the Banco Nacional de Desenvolvimento Econômico e Social (BNDES) and the Minas Gerais state government. The principal objectives of the seminar were twofold: share information about Government–Civil Society–Bank collaboration in poverty alleviation activities, and promote tripartite dialogue geared to building future partnerships. Approximately 60 participants from Brazil, Argentina, Paraguay, and Chile attended the seminar, including top federal and state government officials, representatives of leading CSO networks, and Bank staff from Washington. The seminar addressed broader issues such as government–civil society relations, new civil society actors addressing poverty alleviation, as well as case study presentation of specific government and civil society poverty alleviation programs. Overall, the meeting was deemed successful in terms of the quality of the thematic presentations and discussions, diversity of participants (sectorally and regionally), and because it afforded a singular opportunity for institutional exchange among Government officials, CSO technicians, and Bank staff. At the end of the meeting, the Bank’s Brazil country director announced several future Bank initiatives geared to improving government-CSO-Bank relations in Brazil. These included (1) carrying out a review of the Brazil portfolio to determine the existence of participatory mechanisms; (2) hosting a follow-up tripartite seminar on the advantages and constraints of participation; and (3) establishing a public information center in Brasilia.

A second important instance of Bank–CSO dialogue was a meeting Bank President James Wolfensohn held with leading NGOs representatives in March 1997 (box 8).

A third and more recent and strategic initiative geared at promoting tripartite dialogue was a meeting convened to discuss sector-specific issues. The Ministry of Planning’s international relations office (SEAIN), at the suggestion of the Bank’s Country Director, decided to hold tripartite discussion meetings on the different sectors that are of interest to CSOs and that are also covered by the Bank’s country strategy. The first such meeting was held in April 1998 and was geared to the sanitation sector. The watershed meeting brought together representatives of three government agencies (Secretaria de Políticas Urbanas/SEPURB, Caixa Econômica Federal/CEF, and Banco Nacional de Desenvolvimento Econômico e Social/BNDES), the World Bank, the IDB, and the civil society (Rede Brasil, FASE, Associação Nacional de Reforma Urbana (ANSUR), Federação Nacional dos Urbanitarios (FNU), and the Frente Nacional de Saneamento Ambiental no Brasil.

The meeting consisted of presentations by the government, multilateral bank, and CSO representatives, and a general discussion on the major challenges facing the sanitation sector in Brazil. Although the content of the discussion was somewhat general and there was disagreement over several basic issues, the overall tone was constructive and conducive to improved collaboration. Consensus was reached on a few issues: the
serious deficit the country faces in the area of sanitation; the need to ensure active local government participation in federally funded sanitation projects; and advantages of promoting effective stakeholder participation strategies. New meetings geared to discussing other sectors such as education and environment are contemplated for 2000.

A fourth instance of increased dialogue has occurred in the area of education, where there has historically been little contact between the government/Bank and CSOs related to Bank-financed loans, despite being an area of the great priority and interest to all three sides. In order to attempt to bridge this perception gap and help the Bank design its long-term education strategy in Brazil, the Bank in 1997 established a multidisciplinary and representative consultative group on education. The Bank invited education specialists as well as representatives of leading Brazilian CSOs to join the group, including one (Ação Educativa) that had been among the most vocal critics of the Bank’s policies. In 1998, the Bank followed a similar participatory methodology when it undertook studies on gender and on early childhood education. In the first case, the Bank hired independent researchers who interviewed key government, academic, and civil society gender specialists and practitioners. In the case of early childhood education, the Bank convened a two-day workshop and invited an intersectoral group of experts from the government, private sector, and civil society sectors to discuss the major issues and experiences of early childhood education and the appropriateness of the Bank’s study design.

The final example of consultative processes has been involved the revision of several Bank operational directives. The ODs in several key areas such as indigenous affairs, involuntary resettlement, and forest management are being converted to operational policies (OPs), bank procedures (BPs), and good practices (GPs). Bank staff began the consultation process in each case by circulating the relevant documents widely through the Internet and hiring independent experts to research the policy changes and/or facilitate the consultation meetings. After this initial process, consultation meetings were held with a representative group of NGOs, social movements, and government officials in Brasilia during the October 1998 to November 1999 period.

Growing Relations and Operational Collaboration

Although it may seem improbable when considering the traditional antagonistic relationship between CSOs...
and the Government/Bank, often characterized by misunderstandings and recriminations, in reality there is a great deal of contact and relations between the two sides. A recent worldwide study carried out by the Bank’s Operational Evaluation Department (OED) demonstrates that CSO–Government/Bank collaboration has increased nearly tenfold in the last decade. The 1998 study focused on the role of NGOs and CBOs in 37 projects being implemented in five countries—Brazil, Bolivia, India, Kenya, and Mali. The study found that over the last 5 years, (fiscal years 1993–97), involvement with NGOs/CBOs was sought in 954 Bank-supported projects, which represent 17 percent of the 5,666 projects approved. On the other hand, the number of projects with provision for civil society participation has increased significantly in recent years, from 20 percent in 1989 to 46 percent in 1997. Overall 38 percent is projects of the Bank’s active portfolio make some provision for CSO involvement.

The report noted with interest that “provision for NGO/CBO involvement was highest in projects targeted at improving gender equality (80 percent), improving the environment (54 percent), and reducing poverty (48 percent), that is, NGOs/CBOs are involved in Bank-supported projects in accordance with the priorities of OD 14.70.” The study also found that CSO involvement is greatest in regions where poverty is highest, such as Africa and Asia. In terms of the type of CSOs involved in Bank-supported projects since 1973, the most common were NGOs (64 percent), followed by CBOs (49 percent), and international NGOs (28 percent). The most common reason cited by Bank staff for involving CSOs was to “enhance beneficiary participation” and “capture expertise.” Oddly, three institutional qualities commonly cited as CSO comparative advantages—cost-effectiveness, innovation, and flexibility—were not highly listed (World Bank 1998d).

It should be mentioned, however, that the report also pointed to a certain overprojection in the involvement of CSOs in Government/Bank–financed projects worldwide, at least in terms of what the data would seem to indicate in the Bank’s own databases. It stated that:

Nevertheless, substantive involvement of NGOs/CBOs is less frequent in these two countries (Brazil and India) than the Bank’s database indicates. A small number of projects are highly successful, demonstrating good practices that are likely to be applicable elsewhere. It is also evident that the design and implementation of projects that involve NGOs and CBOs is improving: newer projects are doing more to involve NGOs and CBOs than older ones. Overall, however, a gap remains between good intentions and achievements (World Bank 1998d, p. 14).

In Brazil, the growing level of CSO–government interaction and collaboration has taken various forms and includes citizen-government policy councils, participatory budgetary processes, and project advisory bodies. First, CSOs participate in national citizen-government policy councils in such areas as children’s rights (Conselho Nacional dos Direitos da Criança e do Adolescente/CONANDA), health (Conselho Nacional da Saúde), the environment (Conselho Nacional do Meio Ambiente/CONAMA), and women’s rights (Conselho Nacional dos Direitos da Mulher/CNDM). These councils are generally composed of both government and civil society representatives, sometimes evenly distributed, and in some cases with a majority of civil society representatives.

These councils were created after the promulgation of the 1988 Federal Constitution which introduced various mechanisms for citizen participation in policy-making within a larger and comprehensive political decentralization framework which transferred power and resources to the local level. The great majority of Brazil’s 5,508 municipalities have bipartite councils where government and civil society organizations have equal representation. The different types of local councils include health, children’s rights, social service, school lunch, education, rural development, women, urban development, environment, culture, sports, transportation, employment, and budget. Many larger cities and capitals, such as Recife, have over 10 active citizens’ councils, although their activism and effectiveness vary considerably.

A recent study on this phenomenon carried out jointly by IBAM (a research NGO) and IPEA (government economic research agency) defends the notion that, despite some phase-in problems, these councils can be considered a transition to “deliberative democracy,” and that they can effectively promote greater government
accountability, transparency, and partnership with civil society. The Bank in its 1997 WDR, on the role of the state, also clearly recognized the value of these participatory policy councils:

But periodic voting does not always mean the state is more responsive. Other mechanisms are needed to ensure that the concerns of minorities and the poor are reflected in public policies. Getting genuine intermediary organizations represented on policymaking councils is an important first step in articulating citizen interests in public policymaking (p. 10).

The Bank has followed through on this view by including the establishment of local rural development councils as a funding precondition in several of its rural poverty and land management projects.58

The other citizen participation mechanism mentioned is the participatory budgeting experiences being implemented at the municipal level throughout Brazil. The experience began in the early 1990s in the city of Porto Alegre, and because of its effective results in terms of promoting greater citizen involvement, curbing corruption, and improving cost-benefit ratios, it has been replicated in dozens of cities. The Bank analyzed the Porto Alegre experience and estimated that 14,000 persons were involved directly in the budgeting process through assemblies and meetings, and another 100,000 were linked indirectly through neighborhood associations (WDR 1997, p. 122).

The second form of CSO-government collaboration has occurred as CSOs have begun to provide technical assistance to local and state officials through consultant contracts in such areas as the environment, health, education, and urban transportation. One example of this is the technical assistance and lobbying exercised by the Instituto de Estudos Amazônicos (IEA) in favor of improving the livelihood of rubber tappers while preserving the Amazonian rain forest. As a result of their efforts, President Jose Sarney established the first Extractive Reserves in 1990. In an additional instance of collaboration, the researchers associated with leading CSOs are increasingly being contracted by the Brazilian government and the Bank to carry out project analysis and evaluation. There are several recent technical assistance experiences that stand out because of their unprecedented and strategic nature:

- The Ministry of the Environment hired CSO researchers to evaluate two of its subprograms (Demonstration Projects and Extractive Reserves) within the Pilot Program to Conserve the Rain Forest.59
- The Ministry of Health hired a number of CSO consultants to analyze project proposals and provide technical assistance within its AIDS/STD program. As a matter of fact, the social analysis of the recently approved AIDS/STD II loan was carried out by a well-known NGO activist and researcher who had been among the most critical of the earlier AIDS/STD project.
- A senior economist at the Brasilia office contracted in 1998 leading urban development NGOs (FASE and POLIS) to carry out household and community surveys to determine the characteristics and impact of urban poverty. These data will be fed into a Brazil urban poverty study and the 2000-2001 WDR which is geared to poverty.
- The Bank's social development sector leader for Latin America hired in 1998 two leading CSO/university researchers to carry out a study on urban violence.
- The Bank's environmental sector leader for Brazil hired in 1998 two leading CSO researchers from the Amazon to assist with the development of the Bank's forest resource management strategy paper for Brazil.

Third, CSOs are increasingly becoming grant recipients of government “small-grant funds” such as the Pilot Program’s PDA and the Ministry of Health's AIDS/STD (table 4).

Fourth, key CSO leaders have been elected to public office as mayors, city council members, and even congressmen, or have been hired or appointed to government posts. Several known cases include the Secretary of Justice of Pernambuco State, the Secretary of the Environment of Sao Paulo state, the recent head of Brazil’s environmental protection agency (IBAMA), the mayors of several towns, and several members of the Conselho da Comunidade Solidária. All are well-known CSO activists and leaders in their respective fields of endeavor. President Cardoso himself and his wife were found-
ing members of one of Brazil’s best-known social science research NGOs, CEBRAP. In short, the distance between the CSO and government sectors, which was quite great only a few years ago, is quickly and quietly being bridged. As a recent Bank OED report found: “Constructive relationships often depend on creative individuals with previous links to the NGO community who carefully nurture new relationships with NGOs/CBOs as has occurred in Brazil in AIDS/STD control and the Northeast Rural Poverty Alleviation Program in the State of Rio Grande do Norte” (World Bank 1998d, p. 16).

A clear example of this growing government–civil society–Bank collaboration is the Pilot Program to Conserve the Brazilian Rain Forest, which has been a watershed experience from a variety of perspectives (box 9).

Unprecedented CSO–government–Bank relations have also evolved around the AIDS/STD project, where NGOs now largely maintain collaborative relationships with the three levels of government. An illustrative example of improved government-CSO relations in the AIDS field occurred in Curitiba. There, a relationship that had only a few years before been characterized by conflict and tension gave way in 1996 to a productive partnership between the municipal and state level AIDS programs and a dozen CSOs. This was achieved after CSOs were brought into the process through an invitation to serve on the Paraná State AIDS Commission. With adequate information and frank dialogue, CSOs not only learned more about the complexities of governing with its daily tradeoffs and bureaucratic impediments, but were made to feel co-responsible for AIDS policy in the state.

The level of improved collaboration in the AIDS area was further exemplified by a consultation seminar held to discuss the $300 million AIDS/STD II project. The seminar, “AIDS II: Novas Parcerias no Combate a Epidemia,” was held in Brasília in April 1998. The event was tripartite in nature and involved over 60 government officials (from all three levels), donor agency representatives (official and nonofficial), and civil society representatives (NGOs, trade unions, social movements).

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**Box 9. Pursuing Sustainability in the Amazon**

The Pilot Program to Conserve the Brazilian Rain Forest was initially proposed by the G-7 industrial countries in the wake of growing concern for the fate of the Brazilian Amazon in the early 1990s. The program consists of twelve subprograms executed by the Ministry of the Environment and several other government agencies to address such issues as indigenous land demarcation; rain forest conservation; sustainable community development; scientific research and experimentation; state environmental policy; consolidation of extractive reserves; and watershed management. Different from most Bank loans in Brazil, the pilot program is funded by a $250 million grant provided by the European Commission and half a dozen industrialized countries, namely Germany, and is managed by the World Bank.

This program has been quite innovative from a variety of standpoints that include its sustainable development philosophy, collaborative design and supervision approach, and stakeholder participation mechanisms. First, the program is based on the notion that development approaches in such fragile ecosystems as the rain forest must be rooted in environmental and biodiversity conservation. More important, it is actively supporting environmentally friendly community development initiatives at the local level carried out by traditional forest peoples and small-scale agricultural producers. Second, the project design is multilateral in nature, operationally linking over 15 international donor and government agencies. The Bank’s own supervision approach, carried out by a multidisciplinary team of staff residing in Brasília, is more collaborative and interactive than the norm.

Last and perhaps most innovative is the pilot program’s effective stakeholder participation approach. Of the nine active subprograms, six have unprecedented participatory mechanisms which include CSO consultation meetings; hiring CSO researchers to carry out project feasibility and monitoring studies; CSO representation on project selection committees; and funding of CSOs. By 1999, over 110 CSOs from throughout the Amazon and Atlantic rain forest regions have received grant funds totaling $19 million, and leading environmental NGOs such as Imazon, ISA, and ISPAN have been heavily involved in the design and evaluation of several of the subprograms. Further, the two principal CSO network counterparts to the pilot program, the 430-strong Grupo de Trabalho Amazônico (GTA) and the 110-member Rede Mata Atlântica, have received institutional support funds of over $700,000 to participate and monitor the program.
The meeting had two underlying objectives: (1) discuss the results and impact of the AIDS I project; and (2) analyze and comment on the AIDS II proposal. This was the first national seminar of the Bank-funded AIDS project that involved all major stakeholders, and it not only produced timely programmatic recommendations (several of which are being incorporated into the AIDS II execution), but was surprisingly constructive in tone. As a result of this positive momentum, a national seminar on the institutional and financial sustainability of AIDS organizations was held in October 1999 involving 80 representatives from these same sectors as well as from private sector companies. Another interesting and singular experience of greater government–civil society–Bank operational relations was the RPAP in Rio Grande do Norte (box 10).

The federal government's principal advocate for the need to better explore the potential for government-civil society partnership has been the Conselho da Comunidade Solidária, which is headed by First Lady and anthropologist Ruth Cardoso. Reflecting this newfound recognition of the civil society sector, the council has launched a program geared to promoting a more enabling legal environment and more visibility for the civil society sector, as well as more government-civil society collaboration (box 11).

Box 10. Northeast Rural Poverty Alleviation Program Incorporates Participation

The Northeast Rural Poverty Alleviation Program (RPAP) is a large Bank-funded rural development program initiated in 1985 and implemented in all 10 Northeastern states. An estimated 14,000 community groups (producers associations, cooperatives, and women's groups) have received grants to carry out over 30,000 small-scale infrastructure and productive projects. In one state, Rio Grande do Norte, the RPAP has stood out for the singular quality and intensity of government–civil society relations.

The principal catalyst of this collaboration has been the Fórum do Campo, a network of 15 CSOs composed of trade unions (FETARN), social movements (MST), NGOs (ACC, SEAPAC), and church organizations (SAR, MEB), which was established in 1993 as a result of a campaign to combat the endemic drought of the region. Over time, utilizing a combined strategy of policy advocacy and service provision, the Fórum was able to influence and gain unprecedented access to the RPAP. Initially, the Fórum earned a seat on the state's RPAP governing council. Later, Fórum members were selected to provide technical assistance to RPAP-funded associations. In 1995, Fórum members were invited to carry out the monitoring of the RPAP program, carrying out field visits of over 350 small-scale projects in the state. This monitoring process involved assessing the physical project results, functioning of municipal RPAP councils, and quality of technical assistance provided.

The impact of the active Fórum participation in RPAP in Rio Grande do Norte state has been noticeable in several respects:

- A total of 136 municipal RPAP councils were established, many with the active participation of the Forum. Further, Rio Grande do Norte is the only Northeastern state to have an active state-level RPAP policy council.
- The state seems to have a greater percentage of more consolidated and sustainable community associations which carry out a series of integrated development activities, and not just the single activity funded by the RPAP.
- An unprecedented level of political dialogue and collaboration has developed between the state government, rural trade unions, NGOs, and even the landless rural movement.

As the Bank's Implementation Completion Report stated, “performance improved markedly and the NGO partnership with the [technical unit] and the communities is a distinguishing feature of the State's project experience” (World Bank 1998d, p. 19). There are many contextual factors that explain the advances made in Rio Grande do Norte, but four stand out. First, the state has an unusually cohesive and strong civil society sector that has a proven track record of successful development initiatives and more pragmatic, results-oriented approach to policy advocacy. Second, the state has a government characterized by openness to civil society and a willingness to test new ideas. Third, there are institutional “bridge-builders” who served a key role in forging partnerships. This was the case, for instance, of several leaders of the trade union federation who were hired to work within the RPAP executing agency. Last, the parties set up experimental mechanisms for collaboration, which were quickly “field tested” and later expanded once they proved successful.
Another recent trend in intersectoral partnership is occurring between civil society organizations and the private sector. There are several examples of private sector–civil society collaboration which demonstrate the potential benefits that such collaboration can bring in terms of mobilizing resources, policy innovations, and programmatic results. Below are three of the most salient examples:

**FUNDAÇÃO ABRINQ** is a foundation established in 1990 by the Association of Toy Manufacturing Companies (ABRINQ), which has been able to generate a variety of highly successful public education, corporate responsibility, and fundraising activities geared to children's services and rights. The foundation received its first fundraising grant of $160,000 in 1994 and by 1996 had leveraged this seed money into a $1.4 million budget. ABRINQ’s current annual budget is $8 million, which benefits over 250,000 children through a number of programs ranging from child sponsorship and classroom improvements to an award program for companies that refrain from using child labor. ABRINQ carries out these activities with a staff of some 40 persons, through partnership with CSOs and government agencies, and with funding from a solid donor base consisting of wealthy individuals and over 2,000 companies.

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**Box 11. Conselho da Comunidade Solidária**

The Conselho da Comunidade Solidária is a joint government-civil society body established by the Cardoso administration in 1995. Its purpose is to advise the government on social development policies, as well as serve as a forum for intersectoral dialogue and program experimentation. It currently is composed of 32 members: 4 ministers; 27 representatives of civil society (NGOs, private sector, academia, church, culture); and presided over by the First Lady.

To date the conselho has launched six major programs, three of which have been operating for four years:

- **Alfabetização Solidária**, a youth literacy program, 24,000 community teachers have taught over 475,000 youth in 589 municipalities with the highest rates of illiteracy. It is funded, in part, by 59 companies which have donated $32 million.

- **Capacitação de Jovens**, an urban youth vocational training program which has enlisted over 1,000 NGOs to train 35,000 youth from throughout Brazil. The program has leveraged over $30 million from private companies.

- **Universidade Solidária**, a university student summer volunteer program, has sent some 5,300 students from 152 universities to over 343 of the poorest municipalities of the Northeast and Northern regions of the country to carry out community development initiatives. Over $3.5 million leveraged from the armed forces, universities, and companies.

Three projects were initiated in 1997 with funds from the Inter-American Development Bank (IDB):

- **Revisão do Marco Legal** was instrumental in the approval of several new laws geared to promoting an enabling legal environment for the nonprofit sector in Brazil: law regulating and encouraging volunteer work and the civil society organization law.

- **Promoção do Trabalho Voluntário** promotes voluntarism through the establishment of a national network of volunteer service centers (17 established to date) throughout Brazil.

- **Re de Informação do Terceiro Setor (RITS)** increases the visibility of the Third Sector through a national electronic information network.

All of these programs have three features in common: they (1) seek an end to traditional clientelistic dependence on government programs by promoting sustainable, self-help initiatives; (2) encourage programmatic innovation, replication, and scaling up; and (3) promote government–civil society–private sector partnerships. Important collaboration has been forged so far with major companies (ABIFARMA, Votorantim, General Motors, FENABRAVE, DM9), government ministries/agencies (Aeronáutica, Petrobras, Telebrás, CNPQ), and leading NGOs (ISER, Centro Luis Freire, Gêledes).

The conselho has also played an important role in promoting intersectoral dialogue and consensus building around several key and politically sensitive issues. These include agrarian reform, job creation, children’s rights, food security, basic education, and nonprofit law reform. In each of these themes, leading national opinion makers (government officials, trade unionists, businessmen, CSO leaders, academics, and church officials) were brought together in lively workshops that resulted in a series of “common agenda” recommendations and, in some cases, specific research and policy initiatives.
including major corporations such as Adidas, Citibank, and Sadia.

PORTOSOL is a foundation established in Porto Alegre in 1996 to carry out a microcredit program geared to low-income producers and vendors. It is one of the most promising programs in Brazil, having an active clientele of over 1,300 small-scale entrepreneurs. It has lent out over $5 million for its revolving capital fund from private banks, government, and international donor agencies. What makes this experience unique is that it represents an effective collaboration by three distinct actors: private sector (Federation of Industries and association of businessmen), government (municipal and state governments of different political parties), and civil society (community leaders and university professors).

MOVIMENTO VIVA RIO was established in 1993 as a broad-based civic campaign to address growing urban violence in Rio de Janeiro. It promoted street marches, anti-violence public education campaigns, and community policing programs. Over the past three years it has also developed an urban development program sponsoring a variety of cutting-edge initiatives. These include a volunteer placement phone bank, adult literacy educational programs, and a micro-financing program in Rio de Janeiro’s largest favela (Rocinha). Viva Rio was established by a diverse set of organizations including NGOs, municipal government, leading newspaper and television companies, businesses, and churches.

CSO Funding

Relations between CSOs and the Government/Bank have evolved to the point that thousands of CSOs today receive funding from the latter. Although most of this funding has been provided indirectly, the Bank does maintain several mechanisms for funding CSOs directly. Both modalities will be described below.

In terms of direct funding, there are several CSO funding mechanisms based in Washington. These include:

- Small Grants Program (SGP)
- Consultative Group to Assist the Poorest (CGAP)
- Global Environment Facility (GEF)
- Special Grants Program.

In August 1997, as part of the Bank's internal reforms, several of these grant funds were incorporated into the Development Grant Facility (DGF) in order to consolidate their management under a single umbrella mechanism. The funds that have been utilized to fund CSOs in Brazil are presented in more detail below (table 4). The Institutional Development Fund (IDF) is another funding mechanism which, while largely geared to governments, has been used in some countries (such as Argentina and Bolivia) to fund CSOs directly. In the case of Brazil, utilizing IDF funds to fund CSOs has been discouraged, since the funding request must undergo the standard government approval channels of all Bank loans, even becoming a line item in the national budget. Thus the cost-benefit ratio for such small grants is deemed unfavorable.

In terms of indirect funding through government, the World Bank currently funds thousands of CSOs throughout Brazil via small-grants funds in various existing government loans. As a matter of fact, approximately $806 million has been channeled to CSOs during the six-year period of 1997 through 2002 (table 5). This amounts to approximately $134 million per year, and this figure is expected to grow as new loans come on line in the next few years. Although these funds vary considerably in terms of thematic areas, they share many of the same developmental goals and programmatic functions:

- Encourage demand-driven initiatives
- Decentralize decisionmaking to the local level
- Transfer benefits directly to impoverished communities.

It should be noted that the Government and the Bank are learning from operating and supervising these funds, since neither one has much experience in retailing monies through small grants. While the funds represent valuable mechanisms by which to begin integrating the macro and micro development sectors, they also generate problems related to contrasting institutional cultures. Clashes over such issues as differing programmatic expectations, administrative procedures, and accountability standards are not uncommon since CSOs
generally have less formal accountability standards than government agencies.

The differences in project implementation and reporting generally begin with the relations between donor and grantee. While CSOs have traditionally maintained a relationship with donors based on trust and political solidarity that led to less detailed project design and informal reporting requirements, the governmental sector has been characterized by greater formality caused by the need to guarantee public accountability and stringent financial accounting regulations. For this reason, CSOs sometimes balk at having to follow the more detailed and often overly bureaucratic administrative procedures mandated by Brazilian administrative law. One of the most common complaints heard by CSOs involved in these funds is that the procurement procedures require grantees to obtain three written bids before they can make purchases above a certain amount. Another common complaint heard is that these funds cannot be used to pay labor benefits (social security, retirement, and so forth) or other taxes. The OED report on NGO participation in

Table 4. Bank Mechanisms Geared to Funding CSOs

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<thead>
<tr>
<th>Name</th>
<th>Total funds</th>
<th>Program characteristics</th>
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<tr>
<td>Small Grants Program (SGP)</td>
<td>$750,000 (annually)</td>
<td>This program was established in 1983 and has funded hundreds of CSOs worldwide. The program is geared to promoting Bank-CSO interaction through such activities as networking meetings and publications. The limit per project has been $15,000. In fiscal year 1997 a total of 60 grants were awarded globally. The most recent Brazilian CSO recipient of the SGP was the Fórum Brasileiro de ONGs e Movimentos Sociais para o Meio Ambiente e Desenvolvimento, which received $15,000 in 1997 to host a national meeting of CSOs to prepare for the Rio+5 International Environmental Conference held in Rio de Janeiro in March 1997. In 1998, for the first time, a portion of the SGP funds were decentralized to the country level. A total of 20 countries worldwide were awarded funds of $25,000 each to disburse until June 1998, including the Brazil CMU. In Brazil, the Bank established the Fundo de Apoio a Parcerias (FAP), which was designed to fund activities specifically geared to tripartite interaction. A tripartite selection committee chooses six CSO proposals for funding. In 1999 the funds allotted to the FAP were increased to $60,000 and 17 grants were awarded to a variety of NGOs, community groups, and social movements from throughout Brazil.</td>
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<tr>
<td>Consultative Group to Assist the Poorest (CGAP)</td>
<td>$32 million</td>
<td>CGAP was established in 1995 as a follow-up to an international conference on microcredit. It is geared to funding successful CSOs that provide microcredit and training to small-scale entrepreneurs. By 1998 it had channeled over $16 million to several dozen CSOs worldwide. In Brazil, the CGAP provided the Banco do Nordeste (BNB) with $50,000 in 1997 to assist it in designing its rural credit program. One limitation CGAP has for Brazilian CSOs is the fact that it requires proponents to maintain a relatively high client level, a minimum of 4,000 active borrowers. Few if any of Brazil’s nascent microenterprise service organizations can yet meet this threshold.</td>
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<tr>
<td>Global Environment Facility (GEF)</td>
<td>GEF has three modalities which fund CSOs in Brazil. They are the Fundo Brasileiro para a Biodiversidade (FUNBIO), which is discussed below; Programa de Pequenos Projetos (PPP), and the Mid-Sized Projects Fund. The PPP receives funds from GEF through UNDP and is geared to funding small (limit of $30,000) environmental projects in the Cerrado biome in Brazil. The fund is operated by Instituto Sociedade, População, e Natureza (ISPN), a well-known NGO in Brasilia. By 1998 the fund had channeled over $524,000 to 24 CSOs. The Mid-Sized Projects Fund was established in 1996 and is geared to funding CSOs that require up to $1 million to scale up successful environmental programs. CSOs must send their applications directly to Washington.</td>
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Table 5. Government Small-Grants Funds Geared to Funding CSOs

<table>
<thead>
<tr>
<th>Project</th>
<th>Total funds ($ millions)</th>
<th>Executing agency</th>
<th>Program characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural Poverty Alleviation Project (RPAP)</td>
<td><strong>$48.8</strong></td>
<td>Eight Northeastern state governments (Bahia, Ceará, Sergipe, Rio Grande do Norte, Piauí, Pernambuco, Paraíba, and Maranhão)</td>
<td>These are funds earmarked for CSOs in eight Northeastern states to carry out infrastructure, production, education, and health community-based projects. The great majority of the organizations funded are community associations, although some NGOs benefit by being hired by recipient organizations to provide technical assistance and training. The projects are increasingly selected by municipal development councils that must have at least 80 percent civil society composition.</td>
</tr>
<tr>
<td>Pilot Land Reform</td>
<td><strong>$118.9</strong></td>
<td>Ministério Extraordinário de Política Fundiária</td>
<td>Part of these funds ($40 million from the Brazilian government) is provided in the form of loans to groups of landless rural workers to purchase land, and the remainder is distributed as grants to cover community-based infrastructure, agricultural production, and technical assistance activities. The project is being implemented in five Northeastern states (Bahia, Ceará, Maranhão, Minas Gerais, and Pernambuco).</td>
</tr>
<tr>
<td>Mato Grosso Natural Resources Management Project (Prodeagro)</td>
<td><strong>$40.0</strong></td>
<td>State of Mato Grosso</td>
<td>The Programa de Apoio a Iniciativas Comunitárias (PADIC) was established as a demand-driven instrument to improve project performance during the restructuring of Prodeagro in 1997. Leading CSOs in the state not only sat on the selection committee but were also grant recipients. By 1998, 191 local projects had been funded.</td>
</tr>
<tr>
<td>Rondônia Natural Resources Management Program (Planafloro)</td>
<td><strong>$22.0</strong></td>
<td>State of Rondônia</td>
<td>As with its sister agency in Mato Grosso, the Programa de Iniciativas Comunitárias (PAC) was established as a result of the complete restructuring of Planafloro. Not only did representatives of a broad spectrum of CSOs (small-scale rural producers, rubber tappers, indigenous, and environmental NGOs) and private sector organizations sit on the selection committee, they also participated in the identification and analysis of projects. By 1998, 146 local projects had been funded, for an average amount of $65,000, over 110 to carry out environmental protection, agricultural production, and social infrastructure projects.</td>
</tr>
<tr>
<td>Pilot Program to Conserve the Rain Forest</td>
<td><strong>$21.0</strong></td>
<td>Ministry of the Environment and Water Resources</td>
<td>The Demonstration Projects subprogram (PDA) had provided by 1999 $19 million to NGOs, social movements, and community groups of the Amazon and Atlantic rain forest. These carried out environmental protection, social development, agricultural production, and extractive marketing activities.</td>
</tr>
<tr>
<td>AIDS/STD</td>
<td><strong>$20.0</strong></td>
<td>Ministry of Health</td>
<td>The program had successfully funded, by 1997, 427 projects implemented by 175 CSOs and worth $18.1 million, which ranged from leading policy advocacy and public education organizations to small community groups that provide care and counseling. The Bank renewed this loan in 1999, and its NGO funding component is expected to disburse $20 million over the next four years.</td>
</tr>
<tr>
<td>Rio Grande do Sul Natural Resources Management and Rural Poverty Alleviation Project</td>
<td><strong>$12.9</strong></td>
<td>State government of Rio Grande do Sul</td>
<td>This rural poverty alleviation project, which incorporates the major lessons the Bank has learned with the implementation of rural social funds worldwide, will fund projects selected by municipal development councils and submitted by informal groups of low-income farmers.</td>
</tr>
<tr>
<td>Fundo Brasileiro para a Biodiversidade (FUNBIO)</td>
<td><strong>$10.0</strong></td>
<td>Fundação Getúlio Vargas</td>
<td>FUNBIO is operated with GEF moneys to fund NGOs, community groups, government agencies, and research centers that carry out environmental and biodiversity projects. The fund approved in 1998 the first tranche of 10 projects valued at $2.4 million. The selection committee is composed of leading business leaders, researchers, government officials, and NGO technicians.</td>
</tr>
<tr>
<td>Pilot Program to Conserve the Rain Forest</td>
<td><strong>$7.9</strong></td>
<td>Ministry of the Environment and Water Resources</td>
<td>The Forest Resource Management Subprogram (Promanejo) came on line in 1999 and is geared to funding local “promising initiatives” in the areas of forest management, agro-forestry systems, and sustainable logging.</td>
</tr>
<tr>
<td>Pilot Program to Conserve the Rain Forest</td>
<td><strong>$4.5</strong></td>
<td>Ministry of the Environment and Water Resources</td>
<td>The Extractive Reserve Subprogram (RESEX) is funding agroforestry and productive activities of six associations of rubber tappers located in four extractive reserves in the Amazon.</td>
</tr>
</tbody>
</table>

**TOTAL** | **$806**

Note: This is not an exhaustive list of all funds of this nature in the Bank’s Brazil portfolio, only the best-known cases. A portfolio review that will map all such funds in the country portfolio is now under way. These amounts include Brazilian government (federal and state) counterpart funds as well. Although the limits and average size of the CSO grants vary depending on the fund, an overall estimate of the approved projects ranges from $50,000 to $80,000 annually.

* These funds are all provided as grants with the exception of part of the funds within the Pilot Land Reform, which are provided as loans to purchase land.

* It should be noted that the three Rainforest Pilot Program funds are not World Bank funds, but rather originate from the G-7 industrial countries, namely Germany and the members of the European Union, and are managed by the Bank.
Bank-funded projects worldwide recognized these problems:

Contracts are often tightly drawn, providing limited allowance for overheads and little room for flexible implementation. NGOs accept these contracts because they are often dependent on projects for operating funds, but many do so reluctantly. The problem lies mainly in the complexity of government payment procedures and the limited administrative capacities of NGOs and CBOs. A few projects make significant efforts to overcome these problems. Good examples include the Demonstration Projects in the Pilot Program to Conserve Brazil’s Rain Forest where government works through a commercial bank to disburse funds at the community level (World Bank 1998d, p. 360).

While the executing government agencies often understand the criticism, they must explain to the CSOs that these are procedures governed by specific Brazilian laws and World Bank regulations that are geared to ensuring the proper use of public funds. Paradoxically, although CSOs have for years conceptually defended the need to ensure accountability of public funds, they are having a difficult time, in practice, abiding by the additional administrative procedures these laws entail.

On the other hand, the Bank has begun to realize that it may also have to adjust to working with CSOs. With this in mind, it has carried out many studies worldwide that analyze the problems with small funds administration and has attempted to adopt more flexible procurement, disbursement, and reporting requirements when possible. The OED report specifically made several recommendations in this regard:

To ensure flexible project implementation, help borrowers and train Bank staff to employ fully the flexibility that exists in Bank procedures (such as for consultancy and procurement) with respect to working with NGOs/CBOs, further simplify business procedures without loss of transparency or accountability, and provide guidelines for reasonable overheads for contracts with NGOs (World Bank 1998d, p. xviii).

Another Bank study referred to the singular financial nature of CSOs and the need for governments and the Bank to be sensitive to their budgetary needs; “NGOs operate on a very thin financial base and need to be fully compensated for the services they are expected to provide. They should receive overhead and advances similar to those customary for commercial contractors” (Carroll, Schmidt, and Bebbington 1996, p. 39). In the case of Brazil, more streamlined procedures have been established for the PDA, PAIC, PADIC, and FUNBIO, although some CSOs continue to complain about rigidity in some of their oversight requirements.

Although it is too early to assess the results and impacts of these funds, since the majority of them have only recently been established, the preliminary analysis has been largely positive. An independent evaluation of the PDA, carried out in 1999 by researchers associated with several leading NGOs, demonstrated that the 97 projects funded to date were quite socially relevant and technologically innovative, and were being carried out by highly representative grassroots organizations. While the economic sustainability of the productive projects (which account for over 40 percent of all funded projects) was not yet assured because of several structural problems with marketing and enterprise management, it was clear that the projects were helping to promote needed community organizing and institution capacity-building in the Amazon region (Santilli 1997).

Disadvantages and Advantages of Tripartite Collaboration

Disadvantages

While acknowledging that important strides have been made in government–civil society–Bank collaboration, some analysts and practitioners in all three sectors feel that the growing phenomenon of tripartite relations may either have gone too far or have generated several unresolved problems. This is the case, for instance, with those that feel that the proliferation of government–citizen policy councils is exaggerated and question the representativity of the CSOs and other civil society participants. Some officials in the Cardoso administration share this view and question the legitimacy of the
**conselhismo** phenomenon, where self-appointed CSO representatives have as much voting power as elected officials. They feel that CSOs need to have a presence in such councils but they should be consultative in nature in order to not dilute the legitimate power of elected officials. It is for this reason, they point out, that bipartite councils set up by the Cardoso administration have tended to be consultative in nature rather than deliberative.65 At the other end of the political spectrum, analysts point to the dangers of *participação constrangida*, in which project-induced councils are seen as a straitjacket or “token” bodies rather than being spontaneous and effective participatory mechanisms.66 In these situations, the councils simply serve to legitimize interests of government officials or rubber-stamp government-induced decisions.

Critics also often point out that CSOs have never been elected and thus do not have legally granted representation or formally speak for anyone. This is obviously true, but what this view ignores is that CSOs gain their political legitimacy, in part, not from a representational or electoral rationale, but rather from defending larger, universal principles. These principles include human rights, gender equity, and environmental protection. While these do not have natural constituencies, they must nonetheless be advocated in modern society. Further, as established political parties face a disenchanted electorate and a crisis of governance in Brazil and worldwide, it is increasingly the organized civil society sector, often led by the CSOs, which help to fill the political void. Most analysts agree that elected representatives in Brazil and throughout the world do not have the capability to represent the interests of all the myriad constituencies within society.

This is especially true of marginalized sectors such as landless rural workers, indigenous populations, and the urban poor, who often do not have the political base to elect their own representatives. In these situations, CSOs often play a crucial role as the voice of the voiceless. This is the case of the Rede Brasil, which, although led by traditional NGOs, represents large constituencies such as small-scale rural producers and urban slum dwellers when discussing broad policy questions or specific projects with the World Bank and the IDB. These informal citizens' movements should thus be seen as a complementary power that adds strength and depth to the democratic system, rather than a movement that challenges the power of elected representatives. As the Bank's 1997 WDR recognized:

The growth of these intermediary organizations reflects the larger movement toward democracy in many regions and, in some countries, the need to bridge the “missing middle” between citizens and the state (p. 114).

CSOs also derive legitimacy from—and are increasingly recognized as important development actors because of—their largely successful efforts at the grassroots level. As reflected by the title of the *Veja* cover story on civil society some years ago *O Brasil que dá Certo* or “The Brazil That Works,” CSOs are increasingly valued for their effective organizing, resource mobilization, and technical skills. Further CSOs, and particularly NGOs, often have the technical capability and financial resources to participate at national and international public policy forums that the smaller, less sophisticated groups cannot attend. In this way, NGOs can and generally do defend the broader interests of other civil society sectors.

Interestingly enough, greater CSO influence and relations with government are also questioned by many in the CSO community. Not only do many CSOs continue to harbor long-standing suspicion of their government interlocutors, expecting them to attempt to control or co-opt them, countless others maintain conceptual restrictions to working closely with government or even scaling up their operations. Many CSO leaders and academics feel that CSOs should not attempt to replace the role of the state in providing social services, since these are governmental responsibilities enshrined in the Brazilian Constitution. Further, they feel that an expanded CSO role in society is part of the so-called neoliberal strategy to reduce the size and influence of the state. This view, as expressed by a well-known academic, generally sees CSOs as contributing: “to the privatizing of public policy, and to leading these policies to a market-based solution, just as prescribed by conservative alternatives to the welfare state model” (Gonçalves 1996, p. 56). For this reason, many CSOs are hesitant to receive government funds or to accept the invitation by governments to expand their often-localized education and...
health services. Even the Bank recognizes the dilemma experienced by CSOs as stated in the OED report on CSO-Bank relations:

Many NGOs have reservations about accepting contracts from governments. Reservations may be ideological or practical. Accepting funds from governments may reduce NGOs' credibility with their clients and their supporters and have a chilling effect on their ability to have a critical relationship with government (World Bank 1998d, p. 36).

Some CSOs also feel that they will stray away from their traditional government watchdog role and lose their hard-earned autonomy if they collaborate too closely with government.

Still others, take a middle position in this debate on evolving government-civil society relations. They argue that by adopting a more visible and proactive stance, CSOs don’t risk substituting government, but rather serve to complement government action. As Leilah Landim states, “This is the worst idea one can have of this sector. A civil society sector presupposes a strong and active state, transparent, with clear rules, and CSOs which are autonomous, vibrant, and proactive” (Gazeta Mercantil 1998, p. 4). Further, this view contends that CSOs bring singular skills and experiences that complement government expertise and capabilities. Rather than be seen as an impediment, CSOs can play a role, as they do in the United States and Western Europe, of monitoring government action and establishing partnerships with government to provide services to society at large, and in the long-run contribute to the improved effectiveness of government projects. While many within the civil society sector feel that the Bank is intent on having CSOs substitute the work and even the role of the state, the Bank's OED report is clear on this: “NGOs and CBOs are valued partners most often when they complement government rather than substitute for it” (World Bank 1998d, p. 16).

The role of the Bank is also questioned at times, especially when it finds itself unwittingly cast as middleman between the government and civil society. What often happens in problematic projects is that the Bank is placed in an intermediation role between feuding government and civil society organizations. This was clearly the case in the Planaflore, Prodeagro, and Itaparica projects, where the local CSOs attempted to influence government policy by putting pressure on the Bank. This is not an appropriate role for several reasons. First, because the Bank is, after all, an outside funder, while government and civil society are the principal protagonists of national development processes. Government and civil society should thus always take center stage in the development process. Second, the Bank is poorly equipped for such an intermediate role because of its own distant and tentative relations with civil society. Clearly, the best-case scenario for any development project is for the government to constructively engage civil society in its implementation. The ideal position for the World Bank, on the other hand, is to simply play a catalytic role in this process by encouraging the government, when needed, to be more open and responsive to CSO overtures for information and participation. The OED study found that the Bank has comparative advantages in fulfilling a catalyst role and has made some headway in this regard. The report states that:

The Bank is in a unique position to facilitate government-civil society dialogue and interaction because of its direct relationship with government, in particular the economic/financial sectors. In several instances (e.g. in the formulation of the Pilot Program or in the preparation of the AIDS/STDs Control project), the Bank has played a positive role in this. (Fumo, 1998, p.36)

In this light, the Bank is accumulating valuable insight about stakeholder participation experiences worldwide that it can bring to bear on the Brazilian portfolio.

**Advantages**

Despite the contradictions and problems that characterize Government–CSO–Bank collaboration, mounting evidence suggests that the advantages of this growing institutional synergy are many and mutually beneficial. The Bank’s WDR 1997 report on the role of the state was clear on this point:
The benefits of greater consultation and partnership with civil society show up in improvements in the process of public policymaking, in the quality of service delivery, and, in some instances, in improved rate of return (World Bank 1997a, p.120).

This growing recognition of the successful track record and unique expertise of NGOs is especially important during this period of generalized political decentralization and redefinition of the role of the state in Brazil and throughout Latin America. As the state reduces its size and some of its attributions in the social areas, partnerships with CSOs are increasingly seen as a more effective, flexible, and low-cost alternative to traditional unilateral government programs.

There are several studies under way geared to better understanding and encouraging Government–CSO–Bank collaboration. First, the Bank sponsored worldwide research on the legal status of CSOs that has resulted in the first draft of the Handbook on Good Practices for Laws Relating to Nongovernmental Organizations. The Bank also sponsored an electronic symposium in November 1997 with the participation of leading NGO leaders and jurists from Latin America to discuss the findings of the handbook. Second, the already mentioned OED study on the participation of NGOs in Bank-financed projects worldwide attempted to determine the costs and benefits of this collaboration. Brazil was one of the five countries selected, and participation by community associations, social movements, and NGOs was analyzed in the following three projects: AIDS/DST, PDA, and RPAP.

Third, the World Bank Institute or WBI has undertaken a Partnership in Poverty Alleviation Program, which is geared to identifying, analyzing, and rewarding successful poverty alleviation programs carried out through intersectoral (Government–CSO–private sector) partnerships. WBI’s program was launched in 1996 in partnership with UNDP and the Inter-American Foundation in six countries: Argentina, Bolivia, Colombia, El Salvador, Jamaica, and Venezuela. A principal feature of the program was the establishment of national tripartite (government, civil society, private sector) advisory committees to oversee the program and select the case studies. In Brazil, this program was introduced in 1998 and carried out in partnership with the Fundação Getúlio Vargas (São Paulo branch). FGV convened an intersectoral group of development experts and practitioners that selected and researched 10 successful subnational partnership initiatives located throughout Brazil. These initiatives are geared to such areas as health care, sanitation, microcredit, education, and enterprise development, and were all carried out through local intersectoral partnerships. The findings and “lessons learned” of these experiences were disseminated through a video, national seminar, and publications.

The civil society consultation process carried out by the IDB in three Latin American countries, including Brazil, also recognized the value of a tripartite approach to development. The process revealed that:

There is an increasing maturation of the world at large, with bilateral donors, the World Bank and UN, Governments, academics, and Northern foundations all recognizing the trisector approach as important to addressing development problems. These diverse actors are beginning to tease out a strategic framework for this approach which includes: a legal and fiscal enabling structure; capacity building for the civil society sector; resources for the sustainability of the sector; partnership mechanisms and operations; and mapping and increased visibility of the civil society sector.

These various studies have produced several lessons that clearly point to the advantages of intersectoral collaboration. First, the benefits are mutual, since each sector (Government–Civil Society–Bank) has differing, yet complementary, experience and know-how. In terms of technical expertise, the government and Bank have recognized competency in the content, or “hardware,” aspects of development such as conceptualizing macro policies, baseline research, economic modeling, and sector work. CSOs, on the other hand, have proven experience in the process and organizational, or “software,” aspects of development such as participatory approaches, community organizing, and stakeholder ownership strategies. Because of their self-help nature and smaller size, CSOs also tend to have an ability to innovate and adapt, as well as be more cost-effective than government
agencies. Further, civil society entities have an intimate knowledge of local reality and conditions and can provide an in-depth, sector-specific perspective, while the Bank brings a broader, longitudinal, perspective that is both cross-sectoral and international. A Bank study on stakeholder participation stated: “Many intermediary NGOs have experience in participatory project design and skills in participatory research, community mobilization, facilitation techniques, and group dynamics” (World Bank 1996, p. 156).

Second, in terms of institutional roles, while civil society entities bring grassroots representation and legitimacy to the bargaining table, the government and the Bank bring the weight and resources of the official sector. Experience has demonstrated that both aspects, social legitimacy and institutional support, are necessary ingredients to allow for successful development initiatives. Third, if CSOs are brought into the process in a constructive fashion, they can prove to be effective partners in terms of project monitoring, technical assistance, and project implementation. The Bank primer Working with NGOs states that:

The most successful examples of Bank-NGO collaboration are those in which NGO involvement comes early on in the project cycle and NGOs are treated as partners in the development process, not simply as hired contractors or service delivery agencies. Partnership implies: consultation concerning development objectives and goals, mutual transparency and shared decision-making (World Bank 1995, p. 45).

Even if CSOs are not involved directly in project matters, they are key opinion makers in society and can help mobilize community interest around the project and disseminate useful information about the projects to the beneficiary population. With the adoption of a new worldwide anti-corruption policy in 1998, the Bank is also beginning to recognize and value the important role CSOs can play in helping to curb corruption at the project level.

Recent experience demonstrates that certain thematic areas seem to be more inclined to encourage closer relations and more operational collaboration among the three sectors. These include the environment, health, education, and rural poverty issues. There are certainly a variety of reasons that account for this trend, but three key factors, which seem to encourage greater participation, are:

- Issues that have a more universal and less political/ideological appeal, such as AIDS and the environment
- Social programs that are more complex to implement and thus require greater stakeholder discussion and ownership to ensure successful project outcomes and long term sustainability, such as rural poverty and education
- Regions such as the Amazon, which, because of their immensity and problems, have limited government presence.

Another lesson on partnerships seems to be that the Bank and CSO personnel have a better chance of more substantive and constructive engagement when focused on a specific program or project, rather than on larger policy questions. The Mato Grosso Natural Resources Management Project (Prodeagro) exemplifies this point well. While there is still considerable disagreement between the state government and CSOs over more contentious issues such as indigenous land demarcation, agrarian regularization, and environmental protection policies, both parties opted to negotiate the establishment of a small-grants fund (PADIC) and concentrate on its joint implementation. The hope is that many of the small-scale initiatives financed by the fund would not only serve to address the larger, thornier issues, but its joint administration would allow both sides to forge a more constructive working relationship. This expectation seems to have at least partly been borne out as expressed by Mato Grosso’s opposition party Congressman Gilney Viana in a 1998 report about CSO participation in Prodeagro. He stated that this experience had been: “a concrete and successful example of participation, intervention, and change in public policy, with significant reflexes for other sectors in society” (ABONG 1998b, p. 95).
4. Conclusion

The civil society sector in Brazil is not yet clearly defined or visible, yet its significance and weight are steadily becoming more apparent. Not only has the number of CSOs mushroomed over the past decade, but their role in national and local development processes is being increasingly recognized. This is especially true of NGOs, which have gone from near-clandestine status a decade ago to being valued and visible development actors today. After having demonstrated their effectiveness in promoting grassroots organizing and social services, NGOs are now participating in policy discussions at the macro level.

While barriers based largely on past animosity still exist between CSOs, government, and the World Bank, relations are improving rapidly. There are a growing number of innovative mechanisms for tripartite information sharing, dialogue, consultation, operational collaboration, and funding. Recent experience with Bank-financed projects in Brazil demonstrates that increasing Government–Civil Society–Bank collaboration can improve the effectiveness of development projects. Collaboration not only promotes greater local ownership and beneficiary involvement, but can result in improved operational results and social impact. While the World Bank recognizes its catalytic role in promoting stakeholder participation, it is the Brazilian government, at various levels, that is taking the lead in promoting government–civil society collaboration.

There are several steps that can be taken to further encourage government–civil society–Bank collaboration within the World Bank’s Brazil portfolio. First, governments at various levels and the Bank need to further promote public disclosure of project documents in order to enlist informed stakeholder participation. The Bank, in particular, needs to more systematically translate key documents into Portuguese. Second, dialogue and consultation mechanisms, which are beginning to effectively improve the relations between the government/Bank and national CSO networks, should be consolidated. A more participatory approach needs to be undertaken at the country strategy level (CAS), as well at the level of each Bank-financed loan.

An approach that is being used successfully at headquarters and in the LAC region and could be applied in Brazil is the sponsoring of joint (CSO–Government–Bank) research and training activities. Third, task managers should increasingly adopt social analysis and stakeholder participation methodologies that are being effectively implemented in several projects (in the areas of the environment, AIDS, and rural development) to increase government–civil society ownership and improve project implementation performance.
Notes

1. All dollar amounts are U.S. dollars unless otherwise noted.

2. Sociedade civil organizada is a political term that emerged during the 1980s to refer to sectors that actively opposed the military regime, such as labor unions, NGOs, social movements, church and community groups, and activist professional associations. This definition is not as inclusive as others, since it generally does not include the private sector.

3. This is the term most widely used in the United States. In Great Britain the word most widely used to designate this sector is charities.

4. The term third sector originated in the United States and was popularized by such social scientists as Alan Wolfe and Lester Salamon to describe the third leg of a societal tripod that consists of the government (first sector), the economy or markets (second sector), and the social sector (third sector). This is generally considered a less political and more inclusive term, since it includes charitable organizations, cultural associations, and corporate foundations.

5. In his book Getting Ahead Collectively: Grassroots Experiences in Latin America, Albert Hirschman wrote about the innovative, low-cost, and successful development approaches adopted by 45 cooperatives, NGOs, and neighborhood associations he visited in six Latin American countries (the Dominican Republic, Colombia, Peru, Chile, Argentina, and Uruguay) in 1983 under the sponsorship of the Inter-American Foundation.

6. Fukuyama studied the three countries with a “high dose of trust” (Germany, Japan, and the United States), and three countries with “low dose of trust” (France, Italy, and China) in order to demonstrate how the levels of trust and social capital affect the political and economic life of these countries.

7. These figures are based on comparing data from two sources: the Demographic Census of 1991 and the National Household Survey (PNDA) of 1995 (Gazeta Mercantil, 1998, Dôssie, p. 1).


10. The initiative began with a conference hosted by IDB’s president, Enrique Iglesias, in October 1994 in Washington and included formal consultations, meetings, and studies in several Latin American countries. These activities were held in Brazil, Mexico, and Colombia and were carried out by the Synergos Institute and Civicus. In Brazil, this consultation was coordinated by two NGOs, IDAC and ISER. The initiative also resulted in the forming of the network Latin American Social Leaders Working Group on Civil Society, which brings together leaders and specialists from NGOs and donor agencies from throughout the hemisphere. The most recent event of the IDB Civil Society Initiative was a large regional conference held in Colombia in May 1998, which brought together some 800 persons including the president and vice presidents of the IDB, government officials, civil society leaders, private sector executives, and social science researchers. The three-day conference analyzed the lessons learned from 32 “best practice” case studies of Government–Civil Society–Private Sector partnerships throughout Latin America, and discussed the IDB’s strategy to promote the consolidation of civil society in the region.

11. These include founding date, staff size, financial resources, institutional vitality, thematic diversity, membership base, beneficiaries reached, and visibility in
the press (Inter-American Development Bank, United Nations Development Programme El Capital Social).

12. A 1998 survey of 184 ABONG members found that only 36 organizations, or 19.5 percent, had the federal “utilidade pública” certificate. A larger number, however, 38.5 percent of the surveyed NGOs, were registered in the CNAS, which represents a marked increase in relation to the 19.3 percent reported in 1994. Yet only 16.3 percent of those registered with the CNAS have been able to obtain exception from paying employee social security taxes (ABONG, 1998c).

13. In order for a community organization to become legalized, it has to register as a “nonprofit civil association” by filing the “articles of incorporation” at a local Cartório de Registro de Pessoas Jurídicas, or organizational legal notary office. These articles include bylaws, a list of elected officers (generally four), headquarters address, and minutes of the founding assembly (with a quorum of members signing). Until recently the organization had to pay for these documents to be published in the local Diário Oficial, or government registry newspaper. Since the organizational proponents often had little formal education and the nascent organizations had no funds, they either opted not to become legalized or had to rely on donations from local politicians, which often served to compromise the independence of the organization from its founding. Many “legal assistance” NGOs were established precisely to assist base groups with this legalization process.

14. Although the women’s rural movement is one of the least visible and researched, there is evidence that it is a dynamic and growing social phenomenon. The movement in Rio Grande does Sul, which is closely tied to the MST, has a reported membership of 20,000 women. The quebradeiras de côco movement in Maranhão, which was organized to obtain the right of access to the babaçu nut tree in squatter areas, has promoted several multiple-state conferences and has even sent representatives to several global United Nations conferences.

15. Folha de São Paulo 1997b, pp. 1–11.

16. The Land Reform and Poverty Alleviation Pilot Project (Loan# 6475) is being enacted in five Northeastern states (Bahia, Ceará, Maranhão, Minas Gerais, and Pernambuco) for a total value of $150 million. As the PAD states: “Land conflicts have built up pressure on the government to decisively address the problems related to skewed land distribution . . . [and thus it] is eager to experiment with alternative approaches to land reform.” The project will provide associations of landless workers with loans to purchase land, and grant funds to implant infrastructure improvement and contract technical assistance geared to promoting sustainable land management and agricultural production.

17. Brazil has nearly 7,500 Catholic parishes, and most of these maintain a variety of charitable or social action centers. The Archdiocese of Rio de Janeiro, for instance, has helped establish and maintain 113 schools, 51 health centers, 41 daycare centers, 22 food and clothes distribution centers, 9 orphanages, 6 community centers, 5 vocational training centers, 2 legal aid organizations, and 17 centers for young women, elderly, handicapped, street children, and marginalized populations (Landim1993a).

18. LBV was established in 1950 by São Paulo radio personality Alzira Zarur. Today LBV is an ecumenical charity that reaches over 3 million low-income persons through its 440 social service centers located in all 27 states and several neighboring countries in the Southern Cone. LBV is one of the few Brazilian charities to effectively tap into the reservoir of individual charitable giving, with a current membership of over 5 million contributors.

19. This term is a clever play on the term pilantra, which signifies “swindler,” with filantropia, or “philanthropy.”

20. The Second Vatican Council (1962–65), convened by Pope John XXIII, became the symbol of the church’s new openness to the modern world. Terming the church the “people of God,” the council encyclicals declared that the church shared the “joy and hope, the grief and anguish of contemporary humanity, particularly of the poor and afflicted.” In Latin America, the follow-up conferences of Medellín and Puebla (1968 and 1973) gave this progressive message a clear social expression by highlighting the concern of the church for social justice issues such as poverty, land concentration, and urban violence. Thus was spawned Liberation Theology with its “preferential option for the poor” and emphasis on the growing leadership role of lay leaders through the “base Christian communities” that proliferated in urban slums and rural communities throughout
Latin America, and especially Brazil. By the 1990's, there were an estimated 70,000 base Christian communities located in 94 percent of Brazil's 255 dioceses.

21. The Pastoral da Criança began in a small Paraná town and by 1998 provided services to over 17,000 communities throughout Brazil through a network of 56,000 volunteers. Because of the Pastoral's low-cost and innovative nutrition and oral rehydration programs, infant mortality fell nearly by half in just five years (1989–93)—from 53 to 27 per thousand births—in the communities it assists.

22. Many of the Protestant denominations in Brazil are still considered “missionary churches” having been first implanted in Brazil in the latter half of the 19th century. The first group of Protestants to arrive were several dozen Methodist families, which came to Brazil fleeing from post–Civil War United States in the 1870s. They settled in a rural area in the interior of the state of São Paulo that later became the town of Americana.

23. The Igreja Universal do Reino de Deus was established in 1978. Geared mainly to the urban poor and preaching a mixture of financial rewards and medical cures for the faithful, the church has mushroomed over the past years to include a reported 2,500 churches in 50 countries. The temples are often located in converted old movie houses or large storefronts in the downtown areas of Brazil’s cities, large and small. A salient characteristic of the church has been its aggressive proselytizing, noisy church services, and astute moneymaking approach. The press reports that the church today raises over R$1.5 billion annually from tithing members and a vast array of business holdings that includes Brazil’s third largest national television network (TV Record) and a commercial Bank (Banco de Crédito Metropolitano) (Veja 1997, pp.76–81).

24. It is estimated that the in the municipality of Rio de Janeiro alone, there are 288 Spiritist obras sociais, or social service centers. A study that researched a subset of 62 of these centers documented that over 13,000 low-income and indigent persons in Rio de Janeiro were reached daily through some 190 different charitable services being offered (Landim 1998, pp.130–148).

25. The principal members of GIFE include the following Brazilian and North American foundations and companies: Instituto C and A,Bradesco, Vitae, Sirotsky Sobrinho, Oderbrecht, Roberto Marinho, Alcoa, ABRINQ, Oderbrecht, IBM, Xerox, Kellogg, Ford, and MacArthur.

26. It was reportedly first used in a 1950 report of the Economic and Social Council (ECOSOC) (Gonçalves 1996).

27. In his book Intermediary NGOs: The Supporting Link in Grassroots Development (1992), Thomas Carroll defines a GSO as a “civic developmental entity that provides services … to local groups of disadvantaged rural or urban households and individuals.” Unlike the MSOs (membership support organizations such as local cooperatives or trade unions), GSOs do not have a membership base, but tend to be more formal and professional.

28. The term nongovernmental organization does not appear anywhere in the legislation, and thus NGOs are not juridically distinguished from any other nonprofit organizations. As the ranks of NGOs have grown exponentially over the past decades, the continued juridical limbo and lack of tax incentives have increasingly become an operational impediment, sometimes forcing NGOs to ignore tax and labor laws, or even avoiding becoming legalized. A survey of environmental NGOs carried out by the World Wildlife Fund (WWF) found that 15 percent of the 725 groups studied were not legally registered.

29. The first time the term NGO was reportedly used in the national written press was in a 1988 Jornal do Brasil article titled: “Nongovernmental Organizations Take Over the Country” (Landim 1998, p.53).

30. The study was based on a “directory of directories” published by the Inter-American Foundation in 1990. The countries with the largest number of NGOs were Brazil (1,010), Colombia (594), Bolivia (365), Chile (345), Honduras (250), and Mexico (212) (Fernandes 1994).

31. Alexis de Tocqueville, French political writer and statesman, described the virtues of nascent American democracy in his 1835–40 book Democracy in America. Tocqueville argued in his book that the flowering of democracy occurred in the United States, best exemplified by the existence of thousands of voluntary associations, because conditions there best permitted the spreading of European social ideas.

32. This is the case, for instance, of NGOs such as ISA, which established an active (not just pro forma as is usually the case) board of directors mirrored on the
U.S. non-profit tradition of active boards, and IBASE, which attempted to diversify its fundraising strategy based on European NGO experience (that is, adopting for-profit spin-off ventures and selling services).


34. During the early 1990s IBASE worked on more than 10 thematic areas ranging from agrarian reform and street children to the foreign debt. Its multifaceted staff trained local community leaders, participated in national policy advocacy networks, and participated frequently in U.N.-sponsored international conferences.

35. See the views expressed by Friends of the Earth and OXFAM in the report titled “Planafloro um Ano Depois” (Friends of the Earth, OXFAM 1997).

36. The European agencies were in the forefront of this agency-counterpart partnership approach. The precursor was the Dutch agency NOVIB, which began to hold its plataforma consultative meeting in the mid 1980s, in which NOVIB’s funding strategy was fully discussed with its NGO grantees. OXFAM/UK has also been well known for carrying out joint public advocacy campaigns in both Brazil and Britain on such topics as debt relief, land violence, and poverty alleviation. North American Foundations such as Kellogg, Inter-American, and MacArthur also held joint thematic and consultative seminars with their grantee organizations around such topics as capacity building, project evaluation, and fundraising.

37. This figure is somewhat skewed by two well-known environmental organizations, SOS Mata Atlântica and Greenpeace, which have unusually large membership bases of 10,000 and 3,000 respectively. SOS Mata Atlântica, for instance, was the first to adopt its own credit card, which today generates nearly 70 percent of its income.

38. AACC reported that 11 percent of its $1.8 million annual budget came from several Swiss and German agencies (church, government, private), and 89 percent was raised from federal and state government sources through convênios, or service-provision contracts. These sources include the Ministry of Labor’s FAT fund, INCRA’s Lumiar program, and several state agencies, including the Secretary of Planning, which implements the Bank-funded Poverty Alleviation Program (RPAP).

39. Leaders of the Forum de ONGs de Rondônia established the Cooperativa de Trabalho Mutiplpo de Rondônia (COOTRARON) in 1997. By 1998 it was composed of 58 persons ranging from technicians to cleaning persons, who provide services to over nine organizations in such areas as juridical assistance, forestry, strategic planning, agronomy, and office cleaning. Several of its members provided services to the Bank-funded natural resource management project Planafloro and to INCRA’s Lumiar project. The cooperative was able to generate $22,000 a month in salaries, and its contracts cost 15 to 20 percent less than standard, formal contracts that utilize the Consolidação das Leis Trabalhistas (CLT) law.

40. The Bank recognizes this reluctance.

41. For a detailed history and discussion of the impact of NGOs in Recife, see “NGOs in Recife: From Policy Advocate to Policy Maker.” In this article, Kaye Pyle presents an interesting case study of how NGOs encouraged and assisted the government of Recife in establishing an innovative favela, or “shantytown,” urbanization program called Prezeis (Pyle 1997, pp. 12–23).

42. Of the six studies undertaken, four were World Bank–financed: (Planafloro (Rondônia); Prodeagro (Mato Grosso); AIDS/STD (national); and FLONAS/Pilot Program (Pará). Two others were funded by the IDB: Macrodrrenagem (Belem/PA) and PMACI (Acre). The final version of the study, Bancos Multilaterais e Desenvolvimento Participativo no Brasil: dilemas e desafios, was published in book form by FASE and IBASE in 1998.

43. The guide Para Compreender e Dialogar com Organismos Internacionais: Um Guia sobre o Banco Mundial no Brasil e no Mundo was published in September 1995 and is geared to CSOs. The guide contains chapters on Bank history, operational structure, structural adjustment policies, Brazil portfolio, and recent advances in the relationship with civil society.

44. In keeping with its strategy of working through Congress, Rede was able to get access to the CAS and the IDB’s country paper through a congressman who formally requested both documents from the Ministry of Planning. Both were subsequently published and commented on in a 1998 book titled A Estratégia dos Bancos Multilaterais para o Brasil.

45. The Fórum DCA, established by 67 organizations in 1988, played a key role in helping to draft and pres-
suring the Brazilian Congress to adopt the Estatuto da Criança e do Adolescente in 1990. Similar legislation was adopted in 25 state constitutions. The Fórum DCA further lobbied to have legislation passed by the President in 1991 to establish the Conselho Nacional dos Direitos da Criança e do Adolescente, which has 15 civil society representatives and oversees government policies and programs in this area. Today all 27 states and many large cities also have local children and adolescent rights citizen-government councils (ABONG 1998b, pp. 61–75).

46. Statement made by Neide Silva of ETAPAS (Pyle 1997).

47. NGO training courses have been launched by the following organizations: United States Agency for International Development (USAID); Centro de Estudos do Terceiro Setor (CETS) of the Fundação Getúlio Vargas (FGV-SP); Instituto de Estudos Especiais (IEE) of the Pontificia Universidade Católica de São Paulo (PUC-SP); Federação de Obras Sociais (FOS); and the Gestão para Organizações da Sociedade Civil (GESCL) of the Universidade de São Paulo (USP) (Gazeta Mercantil 1997a, p. A7; Dôssie 1998, p. 3).


51. The coalition of civil society organizations coordinated by the NGO Forum (FETAGRO, CUNPIR, OSR) are not only members of the PAIC Deliberative Council, which approves the projects submitted by the communities, but sit side by side with government technicians to analyze the project proposals. This participation has enhanced the selection process in two basic ways: the analysis is more complete, as CSO representatives have more local knowledge, and their presence has helped the state government avoid the political pressures associated with the statewide elections held in 1998.

52. The Bank is currently in the process of converting ODs to a new, more flexible format composed of three modalities: operational policies (OPs), bank procedures (BPs), and good practices (GPs).

53. These were Argentina, Bolivia, Brazil, Colombia, Costa Rica (Central America); Ecuador, Jamaica (Caribbean); Mexico; Peru; and Venezuela.

54. The eight-member CSO Steering Committee is being headed by a representative from the Confederación Colombiana de ONGs (CCCONG) with an alternate coordination by the Caribbean Poverty and Development Center (CPDC).

55. Participatory Country Assistance Strategy processes have subsequently been carried out in Colômbia, El Salvador, Ecuador, and the Dominican Republic with varying degree of civil society participation.

56. The three ALOP members in Brazil are Federação de Orgãos de Assistência Social e Educacional (FASE), Centro Josué de Castro (CJC), and Instituto de Estudos, Formação e Assessoria em Políticas Sociais (POLIS).

57. The committee which selects grants for the Pilot Program’s Demonstrations Projects (PD/A) is composed by an equal number of government officials and CSO representatives. The national and local health councils, for instance, have the following composition: 50 percent health consumers, 25 percent government, and 25 percent health professionals. The Conselho da Comunidade Solidária council which is consultative in nature, on the other hand, has an almost 7:1 ratio of civil society representatives (28) over that of government officials (4).

58. These include the reformulated RPAP projects (now called Rural Poverty Alleviation Projects—RPAP), the Paraná Land Management, and Rio Grande do Sul Rural Poverty Alleviation projects. The RPAP project alone has encouraged the creation of over 250 municipal councils throughout the Northeast. Further, the statutes of these RPAP councils stipulate that 80 percent of the seats be occupied by civil society organizations.

59. It is significant to note that one of the researchers hired to evaluate the RESEX project has previously been heavily involved in mounting the Inspection Panel case against the Bank in the Planafloro project. The fact that this environmental expert and NGO activist could be engaged more constructively in a Bank-financed project is a testament to what dialogue and a more open attitude on all sides can yield.

60. AACC alone was awarded over 50 technical assistance contracts by over 40 local producers associations during the 1993–96 period. These contracts totaled approximately $75,000.

61. The FAP selection committee is composed of representatives of SEAIN, Rede Brasil, and the World Bank. The fund received 48 proposals from 15 states, even though the editorial, or “call for proposals,” was advertised on the Internet for only a two-week period. The
six proposals selected were to cover the costs of technical assistance and training, project evaluation, and networking meetings. They were submitted by one national CSO network, three regional CSO networks, and two local CSOs.

62. The overarching objective of the Brazil SGP Fund is to promote government-civil society-Bank partnership through seminars, training, research, and dissemination activities. The thematic areas supported by the FAP during the past two years have included human rights, women’s health, environment, Afro-Brazilian culture, corporate philanthropy, and children’s rights. Perhaps the most notable feature of the Fund is the unusual composition of its selection committee, which is made up of three institutions which are generally at odds over the Bank’s track record: the Ministry of Planning, Rede Brasil, and the Bank.

63. This is the case in Rio Grande do Norte, where the Fórum Campo has successfully participated in the RPAP process on various levels from providing technical assistance to monitoring projects.

64. The amounts vary among funds—while one fund (PDA) requires three bids for all purchases above $200, the RPAP funds require bids for all purchases.

65. It is interesting to note, for instance, that the Conselho da Comunidade Solidária differs in two fundamental ways from the citizen-government council that preceded it, the Conselho Nacional de Segurança Alimentar (CONSEA). While the CONSEA, which was established during the Itamar Franco administration, had more of a deliberative function and its members both formally represented and were selected by civil society organizations, the Comunidade Solidária council has a clearly consultative status, and its civil society members are selected by the government and serve as individuals “chosen for their community and social tradition.”

66. Horácio Martins, community participation expert, has written widely about some of the legally mandated local participation councils in the Northeast region of Brazil, where the civil society participants do not, in reality, have equal representational rights to local political bosses, and are in this way vulnerable to being manipulated (Carvalho 1997).

67. This study was carried out by the International Center for Non-Profit Law (ICNL) and analyzed such issues as the legal definition, governance, taxation, and self-regulation of the NGO sector based on experiences worldwide.

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B. Comments by Civil Society Organizations’ Representatives about the World Bank

General Comments

The Bank has an image much more associated with the policies of structural adjustment of the IMF than of a development agency that funds poverty alleviation and other social initiatives. The overall image is more negative than positive, and there are serious contradictions between these two roles, of bank and development agency.

The Bank is not a readily accessible institution: its documents are hard to obtain, and when they are available, they are only in English. Its staff (particularly task managers) are hard to contact either in Washington or during their brief trips to Brazil.

Civil society organizations are generally not invited or allowed to opine on or participate in Bank projects. In the infrequent cases when CSOs are invited, it is usually only once the project is in trouble or at the end, rarely during the design and planning stages. CSOs also want to be able to discuss macroeconomic policies and the Bank’s overall strategy for Brazil.

The Bank’s funds are public in origin, thus the Bank should maintain a posture of accountability before society at large, which includes CSOs.

It is important to know what will be the role of the Resident Mission (RM), now that it is being expanded. Will the RM have any significant decisionmaking role regarding the definition of the Bank’s strategy in Brazil?

Often the World Bank and the Inter-American Development Bank (IDB) fund different projects in the same locale that have overlapping or contradictory strategies and impacts. There should be more coordination between both institutions. If little is known about the World Bank, much less is known about the International Finance Corporation (IFC) and its portfolio and strategy in Brazil.

There is no doubt that the Bank has adopted new policies recently, such as the information disclosure and participation policies, which are forward-looking and welcome. This is also true with regard to the Bank’s new gender policy and its role in the Beijing Conference. The issue, though, is whether these policies, which have been largely established in the policy area of the Bank, are also being fully implemented in the operations side, where they will ultimately have more impact.

While the Bank’s new information policy is welcomed, there are still problems in accessing Bank documents. A recent search of the Bank’s home page on the World Wide Web came up with only 18 project information documents (PIDs) of the 54 active grants. The fact that the country assistance strategy (CAS) is still a prescribed document also represents a serious impediment to better Bank–civil society dialogue.

The Bank is too compartmentalized in its development approach. A more holistic and integrated view of development is needed. It is also necessary for the Bank to address the causes of poverty and not only its consequences.

Bank-Government Relations

The Bank maintains an ambiguous relationship with the different levels of government, often bickering with the government and blaming it for delays in project implementation. The Brazilian government, on the other hand, often uses the Bank as a scapegoat when problems arise with projects. Civil society organizations, for their part, are left watching the sparring without knowing what are the real issues and problems. As a matter of fact, the Bank is often blamed for project implementation problems that are, in reality, caused by the government.

At times, the Bank has played a positive role in encouraging and even pressuring governments to maintain a more open and participatory posture with civil society organizations in relation to Bank projects, such as in the case of Planaflo, where the Bank encouraged the state government to carry out a participatory and comprehensive midterm review process. It is difficult for the Bank to have an effective social action strategy if its only interlocutor is the government, since the government often does not have an adequate or effective social strategy itself. Government is often divorced of grassroots reality or at best has only a superficial view of social conditions.

Operational Performance

It is not surprising that so many Bank projects suffer delays in their disbursement schedules and other problems, since the Bank still follows a management style more geared to funding “projects” rather than “programs,” with fixed time frames, overly bureaucratic funding procedures, and performance indicators that are largely quantitative. This approach may have been appropriate when the Bank primarily funded infrastructure projects, but this operational methodology is inadequate for funding social programs, which are much more complex, process-oriented, and unpredictable.
The Bank should adopt more flexible and process-oriented policies in projects geared to social development. These new policies would include longer time frames, decentralized project monitoring, and more flexible procurement policies within small-projects funds.

The Bank should also adopt project approval and evaluation criteria that take into account gender, race, and income distribution variables in order to better guarantee projects benefits among the poor.

The quality of project supervision by Bank staff varies greatly among projects, for it depends on the capacity and openness of the task managers and directors. Another problem is the high mobility that exists within Bank ranks. It is not uncommon for one task manager to negotiate a project, a second to monitor it, and a third to evaluate it.

Often the Bank overlooks serious implementation problems or does not enforce the full compliance of conditionalities. This seems to occur either because of slack supervision habits, a characteristic of an “project approval culture,” or because the Bank does not want to strain its relations with the government.

Specific Projects

The Pilot Program to Conserve the Rainforest is among the most advanced projects supervised by the Bank in terms of incorporating innovations and encouraging participation. One of the reasons for this different posture may be that the funds are provided in the form of grants rather than loans. Moreover, the program has encouraged greater participation of civil society organizations in the design of the various subcomponents (Demonstration Projects, Extractive Reserves, Forest Resource Management). The program also has a more intensive and qualitative supervision approach than the standard World Bank project.

The results and impacts of the Northeast Rural Development Projects (NRDP) vary greatly from state to state. While in some states the results are far below expected levels, in others, positive results have been achieved both in terms of the beneficiary population reached and in the level of stakeholder participation. The level of civil society participation and benefits in Rio Grande do Norte, for example, is one of the highest. There seem to be various variables that account for these differences in local participation: more openness by state governments to stakeholder participation; higher level of civil society organization at the local level; government-civil society dialogue centered on concrete mechanisms of participation; good track record of CSOs as technical assistance providers; and the role of the Bank in encouraging its government counterpart to promote greater participation.

The Northeast Education Project does not seem to be as well executed as it could be and is not reaching the expected results. An independent evaluation demonstrated that basic educational indicators such as dropout rates and grade repetition worsened more in areas targeted by the project than in areas untouched by the project. There seem to be various reasons for these poor results: (1) the project seems to have been designed by economists of the Ministry of Finance rather than educators of the Ministry of Education; (2) the project utilizes a traditional training methodology that has demonstrated as being ineffective; (3) the project doesn’t address the issues of low teacher salaries; and (4) the project maintains goals that are overly quantitative (number of students per teacher) without considering other qualitative indicators. Nonetheless, the results of the project have varied from state to state, with the performance in Ceará being the highest.

The AIDS/STD project is being well implemented by the Ministry of Health, with an innovative civil society participation component. Although over a hundred NGOs were funded to carry out public education and prevention work, this large project has brought several problems: (1) the program was characterized by a good deal of bureaucracy and delays related to procurement norms, disbursements, and labor laws; (2) the contracting of NGO technicians to assess and evaluate other NGOs led to unnecessary infighting; (3) the project inflated the funding market, leading to the creation of “bogus” NGOs and leading other international donor agencies to reduce their AIDS funding in Brazil; and (4) the program has led many NGOs to be financially dependent on the ministry. This last point is especially important in light of the termination of the AIDS projects slated for 1998. In addition, many of the NGO participatory mechanisms such as participating in the National AIDS Council and other thematic bodies, were not very successful, since the ministry did not always follow through on discussions and decisions made during council meetings.

The participation of civil society depends, in part, on its ability to demand and secure participation. An example of this phenomenon are two similar projects in the area of sanitation. While in the state of Parana the CSOs were effectively involved in the design of the state sanitation project and were even able to obtain Bank funds to accompany the project, in Bahia the state government negotiated the project unilaterally with the Bank in Washington, thus completely excluding the CSOs from the process.
World Bank–Civil Society Relations

These consultation meetings are quite welcome, for they demonstrate that the discourse and intentions of the Bank are beginning to change. Now it is important to certify that the Bank’s practice is also beginning to change through greater transparency and participation in the design and implementation of projects. The Bank may only be trying to legitimize its action through the presence of CSOs in these consultation meetings without permitting effective participation.

The dialogue between civil society and the Bank is still too formal and in some cases too antagonistic and ideological. It is necessary to tear down the wall of misperceptions, which is based on caricatures and oversimplification. Each side needs to accept the other as legitimate and well intentioned. More transparency on both sides and more frequent and frank dialogue can go a long way in resolving differences based on these misperceptions. On the other hand, this new level of interaction will also bring to light deeper differences of opinion and conceptual disagreements. For this reason it is important to have realistic expectations regarding this new interaction so that they are not frustrated and prematurely abandoned.

The government is the missing link in these consultation meetings. It needs to be present in a tripartite dialogue so that effective changes can occur in institutional relations.

Civil society organizations are generally not well prepared for this greater dialogue with the Bank. Civil society organizations need to formulate a more global agenda in order to discuss larger issues such as economic integration, local development, and participation. CSOs need to prepare themselves better to participate in technical discussions. CSOs also need to take risks, exposing themselves to criticism and evaluation, just as they demand of the Bank.

Civil society forums created to engage in dialogue with the Bank should strive to include the presence of social movements and community organizations, and not mostly NGOs.

Various agencies of the federal government are not open to dialogue with CSOs; thus the Bank should encourage them to become open by promoting tripartite information exchange and policy analysis meetings.

It is important to avoid excessive formalization of this new participation policy instituted by the Bank. Universal participation principles should be adhered to in a flexible fashion rather than attempting to adopt one-size-fits-all participatory mechanisms that do not take into account local context and demands. An example of this point can be seen in Bank-financed projects that have bipartite decisionmaking or advisory councils on which CSOs have a seat. It is more important to guarantee effective CSO participation than to worry about a particular representation formula, such as councils with exact voting parity between government and civil society representatives.

What are going to be the new policies of the Bank toward civil society? Is the Bank going to relate to them as interlocutors to discuss policies, as consultants to provide services, or as implementors of programs? No matter what form this interaction takes, it is important for these organizations to retain their autonomy relative to the Bank.

The Bank should consider funding initiatives at the municipal level, which have been characterized by innovation, effectiveness, and stakeholder participation. This would be in keeping with the decentralization trends now sweeping Brazil and the rest of Latin America. Perhaps the Bank should consider funding consortia of municipalities in order to avoid economies-of-scale problems. The Bank should also consider funding new initiatives in the area of microfinancing and income-generating activities that incorporate economic development with social equity goals.
C. Civil Society–World Bank Consultation Meetings

BRASÍLIA

Date: May 2, 1996
Host Organization: World Bank
Meeting Facilitator: Aurélio Viana (Rede Brasil)
Persons (Organizations) That Participated:
1. Augustino Veith (MNDH)
2. Don Sawyer (ISPN)
3. Dorinha Pereira (Partners of the Americas)
4. Fabio Vaz de Lima (GTA)
5. Iara Pietricovsky (INESC)
6. Iares Ramalho Cortês (CFEMEA)
7. Katia Drager Maia (Fórum Brasileiro de ONGs)
8. Marcio Santilli (ISA)
9. Marisa Ribeiro Dias (MNMMR)
10. Miralda Fernandes (MNMMR)
11. Paulo Lira (WWF)
12. Saulo Ferreira Feitosa (CIMI)
13. Steve Schwartzman (ISA)
14. Valdi Araujo (FENAPE)

RIO DE JANEIRO

Date: May 13, 1996
Host Organization: IBASE
Meeting Facilitator: Maria Clara Couto Soares (IBASE)
Persons (Organizations) That Participated:
1. Anthony Anderson (Ford Foundation)
2. Aurélio Viana (Rede Brasil)
3. Herbert de Souza (IBASE)
4. Iván dos Santos (CEAP)
5. Jacqueline Pitanguy (CEPIA )
6. Jane Galvao (ABIA)
7. Jorge Eduardo Durao (FASE)
8. Marcus Arruda (PACS)
9. Ricardo Neves (ITC)
10. Silvio Gomes de Almeida (ASPTA)

SAO PAULO

Date: May 15, 1996
Host Organization: ABONG
Meeting Facilitator: Eduardo Ehlers (Sal da Terra)
Persons (Organizations) That Participated:
1. Carlos Vidoto (CNB-CUT)
2. Fabio Ribas (GIFE)
3. Hamilton Faria (POLIS)
4. Isabel (MST)
5. Lidia Luz (Comissão Pro-Indio)
6. Lucia Calil (Sal da Terra)
7. Maria Madalena Alves (Ação da Cidadania)
8. Mario Mantovani (Rede Mata Atlântica)
9. Roberto Smeraldi (Amigos da Terra)
10. Sergio Haddad (Ação Educativa)
11. Sueli Caneiro (Geledes)
12. Tonhão (Vitae Civilis)

PORTO ALEGRE

Date: May 17, 1996
Host Organization: CIDADE
Meeting Facilitator: Zander Navarro (UFRGS)
Persons (Organizations) That Participated:
1. Auda Miller (CEAP/RS)
2. Conceição Paludo (CAMP)
3. Ellemar Wojahn (CAPA)
4. Jane Barcellos (ICC/Banco Portosol)
5. João Augusto de Oliveira (CEPAGRO)
6. Lino de David (CETAP)
7. Luis Dalla Costa (CRAB)
8. Nilton Bueno Fischer (UFRGS)
9. Regina Pozzobon (CIDADE)
10. Sérgio Baierle (CIDADE)

RECIFE

Date: June 3, 1996
Host Organization: OXFAM/UK
Meeting Facilitator: Michael Bailey (OXFAM/UK)
Persons (Organizations) That Participated:
1. Arthur Powers (Projeto Pommar)
2. Eduardo Homem (CLF)
3. Eduardo Jordao de Araujo (Espaço Aberto)
4. Geraldo Marinho (ARRUAR)
5. Henrique Barros (Consultor)
6. Jose Arlindo Soares (Centro Josue de Castro)
7. José Carlos Zannetti (CESE)
8. Mauricio Arrocha (CAATINGA/Forum da Seca)
9. Haleem Lone (OXFAM/UK)
BELÉM

Date: June 5, 1996
Host Organization: IPAM
Meeting Facilitator: Jean Hebete (CAT)

Persons (Organizations) That Participated:
1. Marcelo Freitas (SPDDH)
2. Adalberto Verissimo (IMAZON)
3. Aldalice Otterloo (UNIPOP)
4. Denise Gomes (CPT)
5. Lucio Flavio Pinto (Jornal Pessoal)
6. Olga Lúcia Mantilla (POEMA)
7. Padre Bruno (Movimento Emaus)
8. Paulo Moutinho (IPAM)
9. Raimundo Waldomiro (Caritas)
10. Ubiratan Moraes Diniz (Fórum de Reforma Urbana/FASE)
11. Vicki Schneiber (POEMA)

CUIABÁ

Date: October 25, 1996
Host Organization: FORMAD
Meeting Facilitator: Vivianne Amaral (Bioconexao)

Persons (Organizations) That Participated:
1. Ivar Luiz Busatto (OPAN)
2. Márcia de Campos (CDHHT)
3. Lúcia Misorelli (IPECA)
4. Heitor Q. Medeiros (Associação Matogrossense de Ecologia)
5. Adalberto Eberhard (Ecotrópica)
6. Vicente José Puhl (UFMT)
7. Dorotéa E. Dressler (Grupo de Saúde Popular)
8. Inácio José Werner (FORMAD)
9. Silbene Santana de Oliveira (CPT/MT)
10. Roberto Ricardo Vicentin (FASE/MT)
11. João Malthezo (ASOR/STR)
12. Teobaldo Witter (IECLB/MT)
13. Eliana Martinez (ARCA)
14. Fábio Ricardo Reis (ECOPANTANAL)
D. World Bank Reports on Participation and Social Analysis

E. List of Brazilian Civil Society Organization Directories and Studies


Landim, Leilah, and Cotrim, Leticia Ligneul. 1996. ONGs: Um Perfil—Cadastro das Filiadas à Associação Brasileira de ONGs (ABONG). São Paulo: ABONG/ISER.
World Bank Address in Brasília

Banco Mundial
SCN Q.2 Bl.A S/304-305
Edif. Corporate Financial Center
70.712-900 Brasília DF
PHONE: (061) 329-1000
FAX: (061) 329-1010
EMAIL: jgarrison@worldbank.org

Public Information Center address:
(Address same as above)
EMAIL: pic_brasilia@worldbank.com

Other World Bank Offices in Brazil:

Recife
Edifício Sudene, Sala 1S-108
Cidade Universitária
50670-900 Recife PE
PHONE: (81) 453-1644
FAX: (81) 453-4624

Cuiabá
Avenida Isaac Povoas, 1251
Edifício Nacional Palacius, Sala 603
Centro
78.045-640 Cuiabá MT
PHONE: (65) 624-6661
FAX: (65) 624-3820

World Bank address in Washington:

World Bank
1818 H St. N.W.
Washington, DC 20433

World Bank Web Page:

http://www.worldbank.org/