CIVIL SOCIETY BOARD BRIEFER

The IDB–World Bank Full Mutual Reliance Framework (FMRF)

Prepared for the Boards of Directors of the Inter-American Development Bank and the World Bank · May 2026

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This briefer summarizes civil society's position on the proposed FMRF. The full submission—with sources and the detailed comparison tables in Annexes 1 and 2—is available as a companion document and is cross-referenced throughout.

The decision before the Boards

The Boards are being asked to approve a Full Mutual Reliance Framework (FMRF) between the IDB and the World Bank (WB), modeled on the December 2024 WB–Asian Development Bank (ADB) FMRF. A well-designed framework could reduce duplication and improve efficiency in co-financed operations. As currently designed, however, it risks weakening the environmental and social (E&S) protections, accountability access, and procurement standards that protect project-affected communities. The IDB–WB context requires a more tailored approach that addresses governance, E&S, and accountability.

Why this matters

The core problem is the "full adoption" model. The non-lead ("Trail") Lender adopts the Lead Lender's policies in full and sets aside its own stronger standards. That is acceptable only if the two frameworks are genuinely equivalent. The submission documents areas of misalignment between the IDB's Environmental and Social Policy Framework (ESPF) and the WB's Environmental and Social Framework (ESF); in most, the IDB standard is stronger *(Annex 1)*. Dropping protections that already apply in co-financed projects today is a regression, and can be inconsistent with the IDB's own "no dilution" commitment under ESPF para. 6.2. *(IV–V, Annex 1).*

One gap is especially urgent: reprisals. Latin America and the Caribbean is the most dangerous region in the world for environmental and human rights defenders. The IDB ESPF protects complainant safety, defines reprisals broadly (including judicial harassment and SLAPP suits), and requires consultations free from fear of retaliation; the WB ESF has no equivalent protections. Under the FMRF, communities in WB-led projects could lose these safeguards—a potentially life-threatening loss *(V, Annex 1).*

Accountability. On accountability, the Trail Lender's Independent Accountability Mechanism (IAM) would be barred from processing complaints. Because the WB Inspection Panel and Dispute Resolution Service (IP/DRS) apply more restrictive eligibility criteria than the IDB's

MICI, communities could be left without meaningful access to accountability *(Annex 2).*

Pilot. On evaluation, the planned pilot should not measure only institutional efficiency, such as person-hours saved and client satisfaction. I should also consider E&S outcomes, communities' voices, and access to accountability.

No meaningful and informed dialogue with civil society. Engagement with civil society has fallen short. It has been asked to respond to slide presentations with general information. Civil society cannot meaningfully comment on a framework it has never seen, reducing the process to a procedural exercise *(II).*

What we ask the Board to do

Before the framework is finalized, we urge both Boards to direct management to:

Civil society engagement

- **Open a meaningful dialogue with civil society.** Share a written draft for civil society comment (minimum 30 days), publish a response document explaining what was and was not incorporated, and hold at least one further substantive discussion round *(II).*

Environmental and social standards

- **Benchmark before aligning.** Conduct and publicly disclose an independent, standard-by-standard comparison of the IDB ESPF and WB ESF before approval *(V, Annex 1).*
- **Respect "no dilution."** The IDB Board confirms the full adoption model is consistent with the non-dilution clause in the ESPF para. 6.2.
- **Protect defenders.** Designate the IDB ESPF's reprisal protections as non-waivable floors, regardless of which institution leads.

Accountability and remedy

- **Guarantee accountability access.** Grant communities the most favorable IAM eligibility criteria (MICI's); conduct and publicly disclose a benchmark MICI against the WB IP/DRS; and disclose the MICI–WB IAM Memorandum of Understanding for comment before finalization *(IX, Annex 2).*
- **Remedy.** Have the Trail Lender actively contribute to remedy, not merely observe *(X).*

Procurement

- **Apply the higher procurement standard.** Require a single, unified procurement process that meets the higher standard in each area—eligibility, transparency, risk mitigation, bid evaluation, and E&S provisions such as a SEA/H disqualification mechanism—and address the transition period given the IDB's ongoing procurement review *(VIII).*

Governance and oversight

- **Preserve oversight during project design and implementation.** Grant the Trail Lender observer status with the capacity to review, flag, and require responses during project design and implementation, and establish a mechanism to raise these concerns *(VI).*

Pilot and evaluation

- **Measure what matters.** Define robust pilot criteria that capture E&S and accountability outcomes, not only efficiency, and include independent assessment and input from civil society and communities before any full rollout *(XI).*

The undersigned organizations are committed to constructive engagement and welcome a substantive dialogue with both Boards as part of this process.