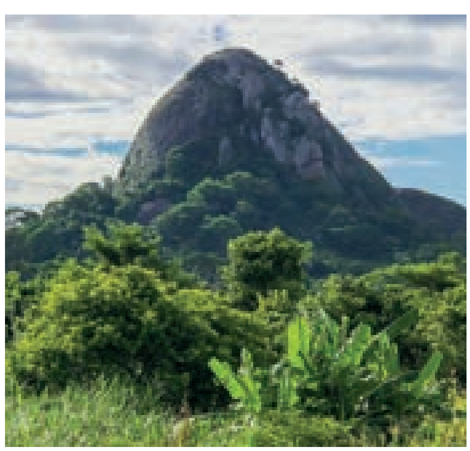
TOOLS FOR ACTIVISTS:

An Information and Advocacy
Guide to the World Bank Group



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INTRODUCTION

INTRODUTION

As one of the largest public development institutions in the world, the World Bank Group (WBG) has an enormous impact on the lives and livelihoods of millions of people in developing and transition countries across the globe.

While the WBG plays an important role in understanding and addressing the development challenges facing the planet, in some cases its financing has the opposite impact of what is intended, further impoverishing communities in the places where it finances projects. Projects it has financed have disrupted indigenous communities, displaced millions of poor people, and caused widespread environmental damage in the Bank's borrowing countries. Despite some changes over recent years, most Bank projects are developed and decided without the informed participation of the borrowing country residents, and there often remains a significant gap between the Bank's stated mission of poverty reduction and the impacts of the projects and policies it supports on the ground.

Over the last 40 years, a growing movement of civil society organizations, activists and communities has challenged the Bank to protect rather than destroy the environment, to empower rather than impoverish communities, and to be more transparent, accountable, inclusive, and democratic in its approaches to development. Campaigns have been waged to stop disastrous projects, to strengthen environmental and social policies, and to fundamentally change the development priorities of the World Bank and other multilateral lenders to aim more directly at alleviating poverty. This global movement has successfully pressured the Bank to undertake significant reforms. Because of these efforts, people around the world now have greater access to information about the Bank's lending activities. Environmental and social safeguard policies are in place that require risk assessments of projects as well as the prevention and mitigation of environmental and social impacts. When these policies are violated, and harm occurs, the WBG now also has complaint mechanisms—the Inspection Panel and the Compliance Advisor Ombudsman (CAO)—to which impacted people and communities can directly appeal and seek redress.

All of these reforms have given the public more tools to participate in decision making about development. The ability to take advantage of opportunities, however, depends on an informed civil society. If, as Frederick Douglass said, it is true that "power concedes nothing without a demand," individuals and communities need to understand what their rights are in the face of the power of the World Bank in order to effectively make their demands. After thirty years of monitoring the Bank, the Bank Information Center (BIC) believes that without independent public monitoring and pressure, the gap between the Bank's rhetoric and reality will remain wide and may in fact expand. That is why we have developed the *Tools for Activists: An Information and Advocacy Guide to the World Bank Group*. We hope to increase civil society's influence in development decision-making by empowering people with essential information about 1) what the Bank is and how it functions, 2) Bank policies that are intended to protect the environment and people's rights, and 3)strategies that can be used to influence Bank lending to promote economically and socially just and environmentally sound development. We hope that this Toolkit will help people around the world find a way to promote and defend their rights in the context of development decisions.

What you'll find in this guide: Tools for activists

The toolkit is organized into 5 modules that can be read together or used separately. Modules 1 and 2 of this toolkit provide a basic overview of what the World Bank Group is, how it works and how it engages in your country.

Module 1, "World Bank Group Basics," provides an introduction to the components and functions of the World Bank Group, and a brief description of the power dynamics governing the institution. Exposing the structure and workings of the institution helps to demystify it and to alert readers that the World Bank Group is, above all, a public institution which should ultimately be accountable to the people in its member countries.

Module 2, "The World Bank Group in Your Country," describes in more detail the types of activities the Bank supports in a country, and presents the key stages in the development project cycle.

On the basis of this foundation, the remaining sections of the guide are designed to familiarize readers with tools that can help you promote and defend your rights in the context of WBG operations. Modules 3, 4 and 5, describe three essential components of the struggle to influence development decision-makers: transparency, safeguards and accountability.

Module 3, "Access to Information at the World Bank Group," describes your rights to information and the institution's policies with regard to the disclosure of various documents produced by and for the Bank in the context of its operations. It provides basic tips on how to find and request information from the WBG and to whom to appeal if you are denied information. Access to information is the basic starting point for informed engagement, active resistance and viable alternatives to proposed development operations. The World Bank Group produces many documents about its operations, but often doesn't share them with those most affected by the projects and policies it supports. Understanding which documents exist, what rights you have to access them and how to obtain them is a powerful tool to have under your activist belt.

Module 4, "Protecting Your Rights: Environmental and Social Standards at the World Bank Group," presents a brief history and overview of the policies that the World Bank, IFC, and MIGA—three of the five arms of the World Bank Group—have adopted in response to calls by civil society for the WBG to prevent environmental and social harms resulting from its operations. Additional users' guides linked in this module summarize the key provisions of the policies in order to highlight the WBG's own obligations to provide additional support for the defense of social and environmental rights. Clear environmental and social standards are necessary to protect individuals, communities, and ecosystems from harm. Despite its stated goals of sustainable development and poverty reduction, the World Bank Group supports many activities that have adverse impacts on people and the planet. Familiarizing yourself with the institution's own commitments to environmental and social standards can help you defend your rights and those of future generations.

When those environmental and social standards aren't upheld or don't succeed in preventing negative impacts, channels of accountability must exist to provide people with the opportunity to complain and seek redress for grievances.

Module 5, "When Rights Are Violated: Accountability at the World Bank Group and Beyond," introduces the formal complaint mechanisms that exist at the World Bank Group and discusses alternative channels through which people negatively affected by the projects and policies of the WBG can seek recourse or pressure the institution to address problems. This section includes tips on using the mechanisms, including what to expect from them and their limitations. No one mechanism can provide a fail safe means to hold the World Bank Group accountable for the impacts of its operations, but by learning how to use the multiple avenues available, you increase the opportunities to promote social, economic, and environmental justice.

Thank You!

We are indebted to friends and colleagues who have taken the time to offer feedback and suggestions on drafts of this effort. We also welcome comments and feedback from you, our readers. Send thoughts to **info@bankinformationcenter.org**

BIC's Mission:

The Bank Information Center (BIC) promotes social, ecological and economic justice by amplifying local voices and democratizing development.

Who We Are:

BIC is an independent, non-profit, non-governmental organization that advocates for transparency, accountability, sustainability, and inclusion in development finance.

What We Do:

BIC partners with civil society in developing and transition countries to monitor and influence the policies and operations of the World Bank Group and other international financial institutions (IFIs). In partnership with international, regional, and local CSOs, BIC conducts research and advocacy aimed at reforming and improving IFI policy and practices.

Our Services Include:

- Outreach and trainings
- Hard-to-obtain IFI documents
- Country and policy updates
- Project monitoring
- Policy analysis
- Advocacy support

Contact Us:

Visit us at our Washington, DC headquarters:
1023 15th St NW
10th floor
Washington, DC 20005

Call Us:

+1 (202) 737-7752

Email Us:

info@bankinformationcenter.org

Find out more information:

www.bankinformationcenter.org

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How To Navigate This ToolKit

Module 1: World Bank Group Basics

- What is the World Bank Group?
- What does the World Bank Group do?
- The World Bank (IBRD and IDA)
- IFC and MIGA: Supporting the private sector
- Who runs the World Bank Group?
- Where does the World Bank Group get its money?
- Who represents your country at the World Bank Group?
- Who else should have a say?

Quick Reference: World Bank Group Contact Information

Module 2: The World Bank in Your Country

- The Big Picture: What's the World Bank Group's plan for your country?
- How does the Bank put the plan into action?
- Building roads, schools and dams: project lending
- Changing laws, regulations and institutions: policy lending
- Bringing in the private sector: IFC and MIGA
- Who can you talk to about World Bank Group projects in your country?

Quick Reference: Key Project Documents

Quick Reference: Common Arguments You Are Likely to Hear from the World Bank Group

Tools Getting information from and about the Bank, environmental and social standards, and holding the Bank accountable.

Module 3: Access to Information at the World Bank Group

- Information is a right!
- Disclosure policies at the World Bank, IFC and MIGA
- Other strategies for obtaining information about World Bank Group operations in your country

Quick Reference: How You Can Get Information From the World Bank Group

Module 4: Protecting Your Rights: Environmental and Social Standards at the World Bank Group

- Challenges to protecting rights
- World Bank Environmental and Social Policies
- IFC Performance Standards
- MIGA Safeguard Policies

Quick Reference: World Bank Safeguard Policies

Quick Reference: World Bank Environmental and Social Framework

Module 5: When Rights are Violated: Holding the World Bank Group Accountable·

- Internal accountability mechanisms: an introduction
- External accountability challenges: what else can be done?

Quick Reference: Facts About the Inspection Panel and CAO

Glossary of Terms and Acronyms

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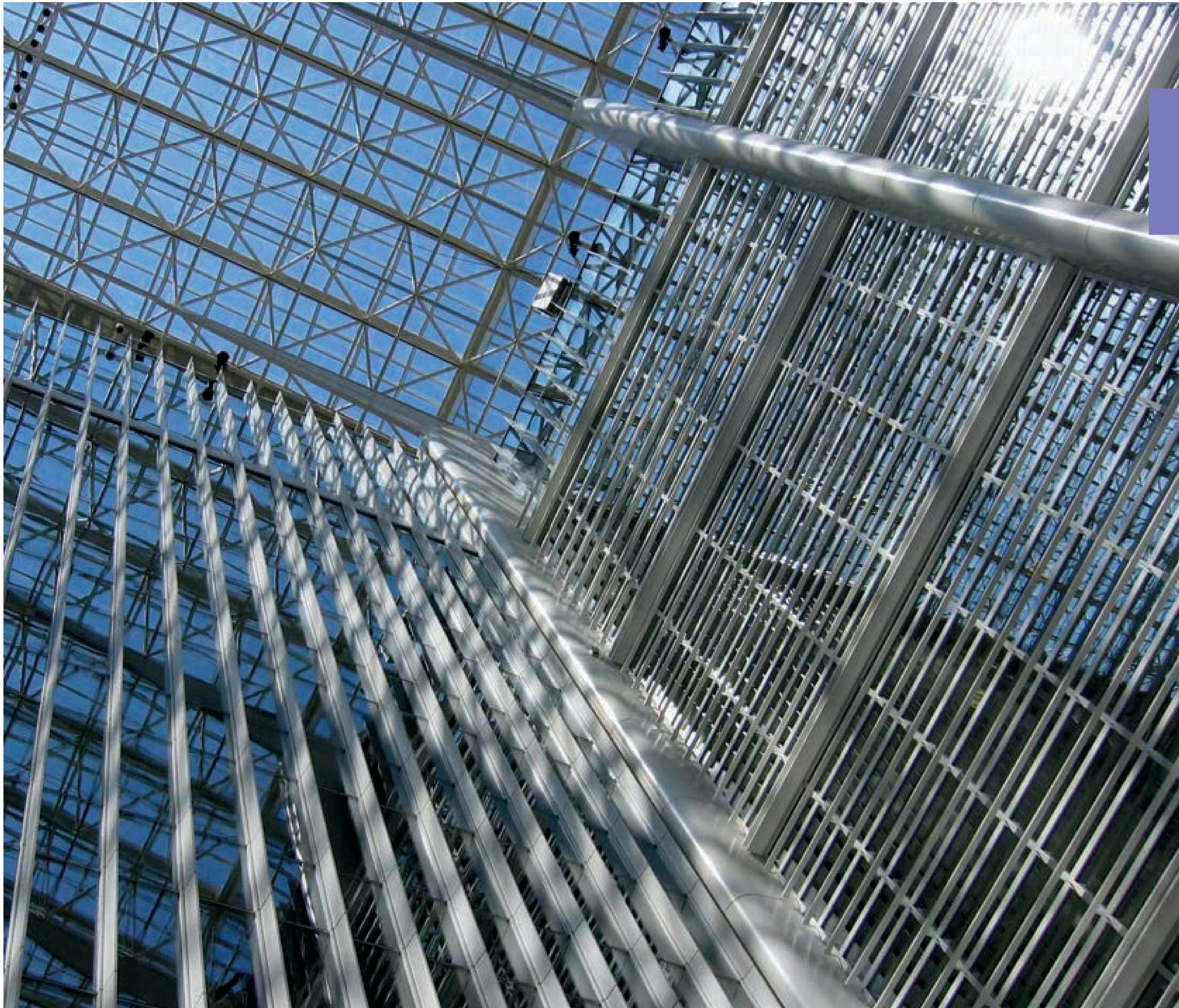
MODULE 1: WORLD BANK GROUP BASICS



MODULE 1: WORLD BANK GROUP BASICS

Sections In This Module:

What is the World Bank Group?

The World Bank Group (WBG) is a public international body owned and directed by its member countries. Each year, the WBG provides billions of dollars in loans, grants and other types of financial and technical assistance to governments and private companies in Africa, Asia, the Middle East, Latin America, and Eastern Europe. Its operations influence laws and regulations, government spending, and private sector investment decisions in countries around the world. Whether you track your country's national budget, provide support to communities displaced by a mine or help people access safe drinking water, it is likely that the activities of the World Bank Group affect your work. As a public institution, the World Bank Group should be accountable to the public of its member countries—in particular the poor on whose behalf it ostensibly operates.

The World Bank Group is made up of **five separate arms**. Two of those arms—the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA)—work primarily with governments and together are commonly known as “the World Bank”. Two other branches—the International Finance Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA)—directly support private businesses that invest in developing and transition countries. The fifth arm is the International Center for Settlement of Investment Disputes (ICSID), which arbitrates disagreements between foreign investors and governments.

What does the World Bank Group do?

The World Bank Group was originally established to support reconstruction in Europe after World War II, but has since reframed its mission and expanded its operations both geographically and substantively. Today, the World Bank Group’s mission is to end extreme poverty and promote shared prosperity—an important commitment to which the Bank should be held and against which its activities should be evaluated. In its first year of operation, 1946, the Bank had 38 member countries and lent less than US $500 million. Today, the World Bank Group has 189 member countries and provides over US$60 billion in loans, grants, investments, and guarantees annually for activities ranging from agriculture to trade policy, from health and education to energy and mining. The expansion of the Bank’s operations has been driven in large part by the institution’s need to remain relevant in an increasingly competitive international lending climate. At the same time that the Bank has expanded the scope of its support to governments, it has also increased its direct engagement with private companies through the IFC and MIGA.

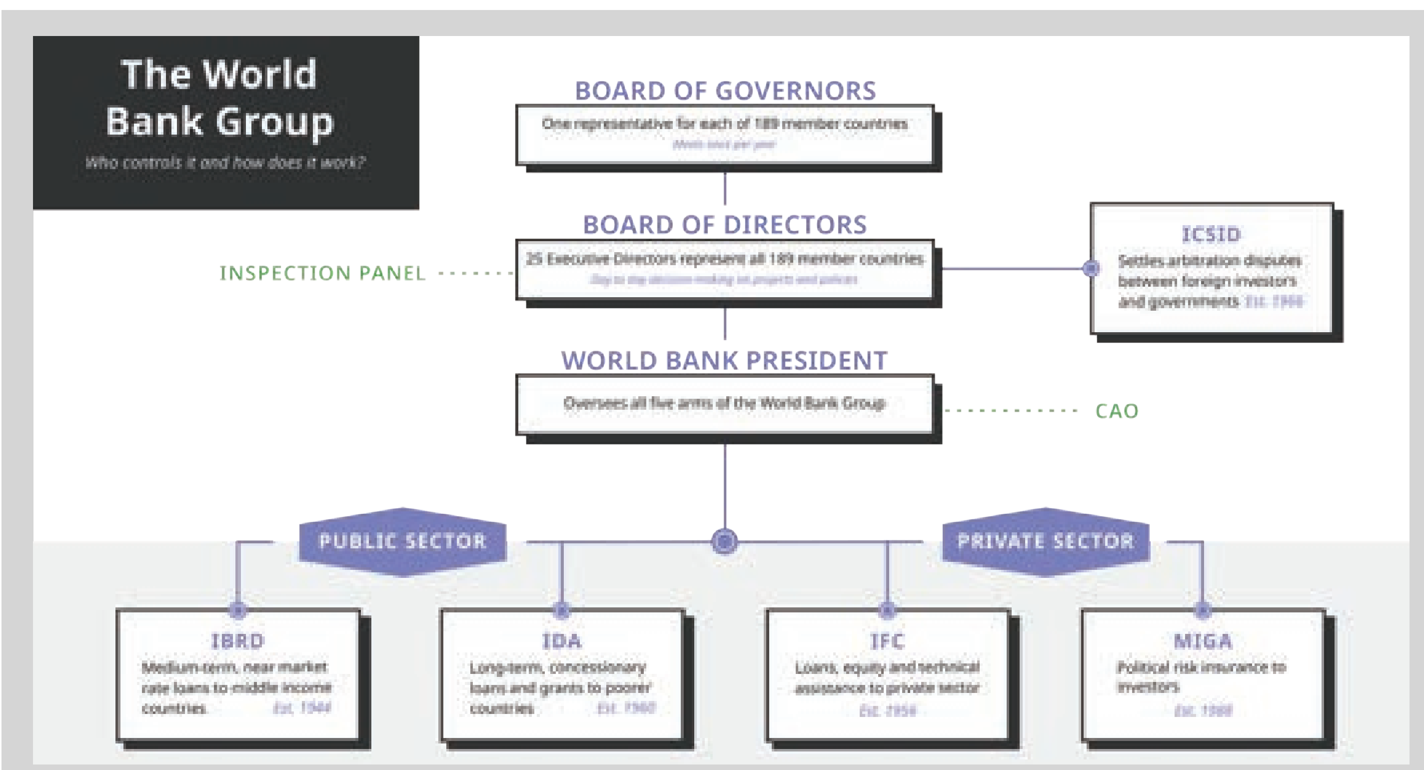
The Bank’s tendency to extend itself into new areas is often referred to as “mission creep,” and signifies an increase in the Bank’s influence beyond its original narrow economic focus. The institution often adeptly responds to critiques of its operations by inventing new work for itself and refashioning itself as an expert on the issues of concern, sometimes causing new problems in the process. For example, civil society criticisms of the environmental damage caused by Bank-backed projects spurred the Bank to remake itself as a leading environmental expert and champion of biodiversity conservation beginning in the late 1980s. Through this “greening” process the Bank has increased its influence over decisions about land use and natural resource management in many countries, and deflected attention from operations which continue to negatively impact the environment. The Bank’s most powerful members—the G-8 governments poverty and promote shared prosperity—an important commitment to which the Bank should be held and against which its activities should be evaluated. In its first year of operation, 1946, the Bank had 38 member countries and lent less than US $500 million. Today, the World Bank Group has 189 member countries and provides over US $60 billion in loans, grants, investments, and guarantees annually for activities ranging from agriculture to trade policy, from health and education to energy and mining. The expansion of the Bank’s operations has been driven in large part by the

IS THE WORLD BANK GROUP PART OF THE UN?

Although the World Bank Group is formally a specialized agency under the Economic and Social Council (ECOSOC) of the United Nations (UN) system, it does not share the UN decision-making structure, nor is it directly accountable to the UN.

PRESSURE TO LEND

Structural imperatives within the Bank drive lending in ways that may detract from poverty alleviation goals. For instance, the Bank finances its administrative budget from profits derived from its finance and lending operations. Internally, Bank staff is promoted largely on the volume of funds they process, not on the effectiveness of Bank operations—contributing further to the pressure to lend.



institution's need to remain relevant in an increasingly competitive international lending climate. At the same time that the Bank has expanded the scope of its support to governments it has also increased its direct engagement with private companies through the IFC and MIGA.

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The World Bank Group as knowledge broker: The Bank has cornered the market on development research, publishing numerous books and reports that frame the debate on development issues. In the absence of alternative sources of information, many countries get their information about economic policies and development models from the World Bank Group. Bank lending is often tied to a borrower's acceptance of such Bank-generated knowledge and advice (referred to as "conditionality," see box in the next section).

The World Bank Group as gatekeeper to development finance: Since many donors take their lead from the World Bank Group, the institution's financing decisions and evaluations of country development strategies affect

WITH STRINGS ATTACHED:
CONDITIONALITY IN BANK FINANCING

The Bank typically requires certain actions of borrowing countries in advance of loan/grant approval and/or in the course of a project's implementation—known as "conditions" or "conditionality." Conditionality became particularly controversial in the context of structural adjustment loans in the 1980s, when the Bank used its lending to advance a particular set of macroeconomic reforms that came to be known as the "Washington Consensus." Investment projects often contain conditionality as well.

Conditions can range from requiring a government to privatize its state-owned companies or adopt lower trade tariffs, to mandating new budget and procurement procedures. On the positive side, conditionality in projects can include provisions to make budgets more transparent or to pass right to information legislation. The Bank's imposition of controversial conditions on borrowing governments has been heavily criticized over the years, as a violation of national sovereignty and an undemocratic way to force reforms that can have substantial consequences on people and planet.

On the other hand, Bank lending comes with requirements to meet certain environmental and social standards. These requirements, which are seen as positives by civil society and human rights activists, are sometimes labeled as conditionalities by governments that view these requirements as overly costly and time-consuming.

borrowing country access to capital from a broad spectrum of sources. Both the World Bank Group's own lending and other donors' decisions are shaped by the Bank's research and analysis—in particular, by Bank studies like the Country Policy and Institutional Assessments (CPIA), the annual "Doing Business" report, and Investment Climate Assessments (ICA), which rate countries largely on the basis of their economic policies and openness to foreign investment. The Bank's gatekeeper role is much stronger for aid-dependent countries without credit ratings than for countries that have access to international capital markets.

The World Bank (IBRD and IDA)

The World Bank lends money to low- and middle-income governments for two general uses: investment projects and policy reforms. Investment project lending typically supports public works such as water systems, roads and schools. The World Bank also lends money for economic, institutional or other policy reforms, known as "development policy lending." These reforms can influence the amount and composition of public spending in your country and the design of your government's economic and social policies, affecting things like the cost of electricity and water, labor laws and investment regulations.

World Bank lending can take the form of loans or grants, and the poorest countries often receive both. In recent years, the Bank has increased the proportion of its financing provided through grants. While grants have the significant advantage of not contributing to a country's debt, like loans they still require governments to undertake certain actions in order to access financing.

IFC and MIGA: Supporting the private sector

While the World Bank (IBRD and IDA) provides credit and non-lending assistance to governments, the IFC provides loans and equity financing, advice and technical services to the private sector. Although the IFC is a public entity, its clientele consists of transnational, national and local companies. The operations of these private enterprises often privilege profitability over sustainability and "business confidentiality" over the public's right to know. As a result, it is frequently difficult for the public to measure or influence the development impacts of the IFC's activities.

THE WORLD BANK GROUP AND THE IMF

The World Bank Group and the International Monetary Fund (IMF) were created together at the Bretton Woods Conference in 1944. Although they were designed to serve distinct but complementary roles. The IMF was tasked with maintaining stability of exchange rates in the global economy and promoting expanded trade through short-term loans for general budget support and economic policy advice to any of its member countries. The World Bank Group was tasked with helping to rebuild specific sectors of countries' economies and promote economic growth and development by providing long-term loans to governments of its poorer member countries for public works and other investments to boost economic activity.

Today, the headquarters of the two institutions sit across the street from one another in Washington, DC, and although they don't always communicate openly they often function in tandem to exert pressure on borrowing governments. Loans from the two institutions frequently contain cross-conditionality, meaning that the policy reforms or actions required of a government in order to access funds from one institution may be tied to requirements specified by the other institution. Beyond this direct influence on governments through financing, both institutions, and the IMF in particular, play gate-keeping functions, influencing a countries' access to financing from other public and private sources. Because the World Bank Group and many other donors will only lend to governments that have no outstanding debts to the IMF and are complying with IMF policy recommendations, the IMF wields tremendous power over whether countries have access to external financing at all. At the same time,the World Bank Group's analysis and lending operations influence the amount and type of funds countries get from other donors.

DOES THE WORLD BANK GROUP FUND CIVIL SOCIETY?

In 2013, the World Bank Group announced a new funding arm that would support civil society organizations directly. The fund, called the Global Partnership for Social Accountability, or GPSA, issues calls for proposals for civil society from countries whose governments have opted in to participation in the fund. Proposals funded by the GPSA are for large projects focused on social accountability.

WHO DECIDES?

Decisions at the Board of Directors are ostensibly taken on a "consensus" basis rather than by strict vote. However, the allocation of voting power forms the backdrop of decisions and Bank management closely follows whether a voting majority of members supports a particular project or policy.

The IFC is more influential than numbers alone suggest. Through its lending and advisory activities, it mobilizes funds from other lenders. In recent years, the IFC has also exerted an increasing influence on the lending standards followed by other international financiers (such as private banks), particularly when they operate in countries without strong standards.

MIGA's stated goal is to help developing countries attract and retain private investment by providing companies with insurance against loss of their assets due to war, expropriation or other political instability. In addition to offering insurance to private companies, MIGA mobilizes guarantees from other sources for investors and assists host governments with legal services and strategic advice about investment. MIGA has been criticized for not ensuring that local populations and the environment are protected against the risks that investments may pose to them. It is active in many "risky" post-conflict-countries, for example helping investors profit in contexts where local populations may not be in a position to defend their own interests.

Who runs the World Bank Group?

The World Bank Group is a profoundly political institution controlled by the strongest of its member governments, despite the fact that the Bank's charter forbids it from engaging in politics. The World Bank Group's headquarters are located in Washington, DC, where over half of its approximately 12,300 employees work. The remaining World Bank Group staff work in more than 100 country offices around the world.

The World Bank Group is jointly owned by its **189 member country governments**, each of which holds shares in the Bank in rough proportion to the size of its economy. The size of each country's share determines the weight of its vote on the Bank's board. This "one-dollar-one-vote" structure affords richer countries greater power in decision-making processes at the institutions than poor, borrowing countries. Ultimate decision-making authority rests with the Board of Governors, to which each member country appoints a representative. For most countries, the governor is the Minister of Finance (or the national equivalent, e.g. the Treasurer). The **Board of Governors** meets once a year at the IMF/World Bank Annual Meetings to review and set broad policies and priorities. Day-to-day decisions at the World Bank Group are taken by the **Board of Directors**. The board has 25 members, each representing one or more member governments. Eight of the Bank's largest shareholders—the United States, Japan, Germany, France, the United Kingdom, China, Saudi Arabia and Russia—each have their own directors on the Board. In contrast, all 47 sub-Saharan African countries are represented by just three executive directors and command less than 6% of all voting shares. The board operates largely behind closed doors, without public access to its deliberations or details about its decisions. Full board meetings are held at least twice a week (currently on Tuesday and Thursday) to approve all WBG financing, and to monitor the Bank Group's day-to-day work. Smaller board committees meet almost daily.

The **President** of the World Bank Group is neither chosen democratically nor is s/he representative of all of the Bank's member countries. By tradition, the World Bank Group President is a US citizen, and the IMF Managing Director is a European. Although the World Bank Group President is officially approved by the Board of Directors, in practice the candidate named by the United States has always been approved. All World Bank Group departments report to the President who, importantly, also acts as the chair of the Board of Directors.

The "democratic deficit" in the governance of the institutions has come under a storm of criticism in recent years. Although there was much controversy surrounding the last appointments of the WB and IMF leaders, the illegitimate tradition of allowing the US and Europe to head the two most powerful global financial institutions continues.

Where does the World Bank Group get its money?

Although member countries pledge subscription fees to the World Bank Group, the bulk of the capital the IBRD uses to finance projects comes from selling bonds on the international financial markets. World Bank Group bonds are considered sound investments, enabling the institution to make a good profit. In 2019, for example, the IBRD raised US $54 billion in bond sales. Most of the member government pledges are used as collateral to guarantee the Bank's bonds, some of which are held by governments and central banks. The Bank then lends to borrowing countries at a slightly higher interest rate than the rate they pay their bondholders. Borrowing countries repay their loans, enabling the Bank to pay off the investors and pocket the difference. The result? The IBRD makes a profit every year, which it uses to finance the Bank's administrative budget and to provide funds to its soft-loan window, IDA. Beyond these subsidies from IBRD earnings, the majority of the money that IDA provides to poorer countries comes from donor contributions, supplemented by loan repayments. The major donors to IDA, called the IDA Deputies, meet every three years to discuss new priorities for IDA and to determine new contributions. From 2017-2020, IDA pledged US $75 billion to poor countries. Thus, donor countries exert significant influence on IDA strategies and operations, not just through their voting shares on the Board of Directors, but by setting policies for IDA—and at times the entire Bank— through the IDA replenishment process. The most recent IDA replenishment process completed at the end of 2019.

MEMBERSHIP AT THE WORLD BANK GROUP

To be a member of any part of the WBG, a country must first be a member of the IMF and IBRD. Countries that belong to IDA are divided into two groups, according to their economic standing. Most donor countries are 'Part 1', while most borrowers are 'Part 2'. For more detailed information about which parts of the WBG your country belongs to, go to the WB website at: https://www.worldbank.org/en/who-we-are.

WORLD BANK PRESIDENTS, PAST AND PRESENT

The World Bank's reins have always been in the hands of an American man. Beginning with Eugene Meyer in 1946, the post of World Bank President has been held by 13 different men. Prior to their tenure at the World Bank, these men often worked as investment bankers, politicians or at the Department of Defense.

THE US AND THE BANK

Without a doubt the United States exercises great influence over the World Bank Group. **The US possesses the largest share of voting power and maintains enough votes to block any decision requiring a super-majority** (such as changes to the Bank's Articles of Agreement). Critically, the US effectively controls the appointment of the Bank's President. The US Treasury Department devotes significant resources to reviewing Bank operations and given the Bank's location in Washington, US Government representatives regularly interact with Bank officials. However, it is not quite accurate to say that the US simply dominates the Bank. Coalitions of other members often block US initiatives. European governments occupy many seats on the Bank's Board and can derail US initiatives. In recent years, the Bank's largest borrowers, such as India, China, and Brazil have played a more assertive role in challenging US priorities.

PASSING THE HAT FOR IDA

Civil society groups have used the IDA replenishment process to secure reforms of the World Bank Group. North/South civil society coalitions have pressured IDA donors to include strengthened environmental and social policies as conditions of their replenishment contributions. Furthermore, groups in the US have worked with legislators to demand reforms as they appropriate US funds to IDA. For example, the Bank's information disclosure policy and the Inspection Panel were created as the result of such pressure.

Who represents your country at the World Bank Group?

The minister of finance or national equivalent is the primary member country representative at the Bank, and thus is the main interlocutor with the Bank when loans are being negotiated. However, ministers of finance often do not represent all of the interests in a country. The ministry's policy priorities may not be congruent with those of other ministries, let alone the interests of the majority of the country's population.

In some countries, **parliamentarians** or specific legislative committees must review and approve loans undertaken by the government. In those countries, civil society may be able to work with members of parliament to increase public scrutiny of the projects and policies supported by aid money. However, parliamentarians often lack sufficient information about the structure and functioning of the World Bank Group or the design and content of specific development operations to exercise effective oversight.

Who else should have a say?

The **public!** As an institution using public funds and operating in the name of the people in the countries in which it operates, the World Bank Group should be accountable to the public. Whether directly or through their elected legislators, people should be able to influence the institution's operations.

In donor countries such as the US, a significant percentage of tax dollars allocated for overseas development assistance may be funneled through the World Bank Group. Thus, taxpayers have both a right and obligation to demand that the funds are not used in ways that harm people or the environment. In borrowing countries, where residents are the people in whose name projects are undertaken, individuals and communities have a right to influence the development decisions that affect their lives. They too can demand that their own representatives at the institutions and their ministries of finance provide opportunities for their voices to be heard before final decisions are taken.

Elected legislators should play a role in deciding whether and how IFIs operate in their country, consistent with the interests and needs of the population. Increased parliamentary oversight of the IFIs is necessary to keep the international financial institutions accountable to elected government representatives and the public at large, rather than solely to the finance ministers of the most powerful countries.

In brief:

- The World Bank Group is comprised of four financing bodies: IDA and IBRD provide loans and grants to governments, while IFC and MIGA provide financing and insurance to private companies.
- The World Bank Group's stated mission is to end poverty and promote shared prosperity in a sustainable way. Its operations and impacts should be evaluated against this commitment.
- A public institution, the Bank is directed by member country governments with voting power roughly divided according to the amount a country contributes to the Bank, on a "one-dollar-one-vote" formula, giving donor countries far greater decision-making power than borrowing countries.

QUICK REFERENCE:
WORLD BANK GROUP CONTACT INFORMATION

World Bank Group — general

Telephone: +1 (202) 473-1000

Address: 1818 H Street NW,
Washington, DC 20433 USA

Website: www.worldbank.org

International Finance Corporation

Telephone: +1 (202) 473-1000

Address: 2121 Pennsylvania Avenue,
NW Washington, DC 20433 USA

Website: www.ifc.org

MIGA

Telephone: +1 (202) 458-2538
or +1 (202) 522-2630

Email: migainquiry@worldbank.org

Website: www.miga.org

ICSID

Telephone: +1 (202) 458-1534

Email: ICSIDsecretariat@worldbank.org

Website: icsid.worldbank.org

Inspection Panel

Telephone: +1 (202) 458-5200

Email: ipanel@worldbank.org

Website: www.inspectionpanel.org

Compliance Advisor/Ombudsman

Telephone: + 1 (202) 458-1973

Email: CAO@worldbankgroup.org

Website: www.cao-ombudsman.org

Integrity Vice Presidency

Website: www.worldbank.org/fraudandcorruption

World Bank Group Contacts in your country

Executive Director

Name:____________________

Telephone:____________________

Email:____________________

Website:____________________

Country Office

Name:____________________

Email:____________________

Website:____________________

Country Director or Manager

Name:____________________

Email:____________________

Website:____________________

In-country NGO/Civil Society Liaison or Communications Officer

Name:____________________

Email:____________________

Website:____________________

Other contacts:

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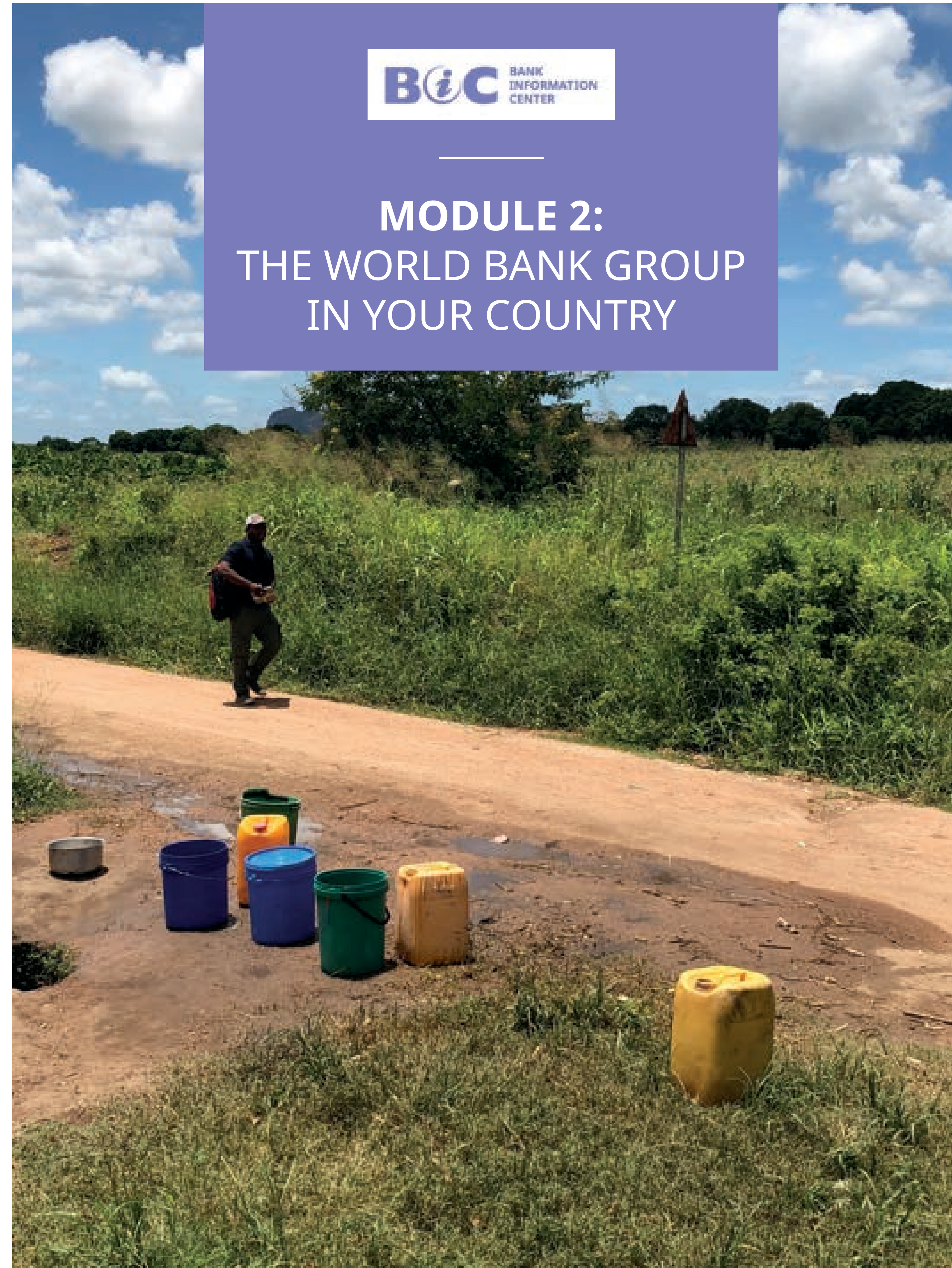

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MODULE 2:
THE WORLD BANK GROUP IN YOUR COUNTRY

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Sections In This Module:

The World Bank Group (WBG) may be involved in a variety of activities in your country, from visible investment projects to behind-the-scenes research. Whether financing the construction of bricks-and-mortar projects such as dams and roads, funding government healthcare and education programs, or promoting policy reforms like the adoption of new import tariffs or the privatization of state companies, the Bank has an impact on many aspects of life in developing and transition countries around the world.

Understanding how the World Bank Group may be operating in your country is the first step toward addressing the impacts it has on people and the environment.

The Big Picture: What's the World Bank Group's plan for your country?

Many factors determine World Bank Group (WBG) activities in your country. Borrowing governments propose projects for which they seek Bank support. At the same time, the Bank has its own priorities, reflected in its sector, country and regional strategies. Finally, powerful donor countries on the Bank's Board of Directors seek to ensure that their own interests are served by the institution's operations. What ultimately takes place in your country is a result of how these different factors interact.

The World Bank Group prepares a Country Partnership Framework (CPF) (or equivalent document) for each country in which it operates. The CPF is a four-to-six year strategy that the World Bank Group develops jointly with the borrowing country government to guide its operational activities in that country. The CPF identifies a select set of objectives for the Bank's work that can be linked to specific sectors such as agriculture or energy, or might be as broad as enhancing service delivery. All projects and programs that the Bank finances within the time frame of this strategy must be aligned with it, as well as any research or technical support that the Bank provides. The CPF is built around a results framework that identifies the objectives that the WBG activities are expected to help the country achieve, the results chain that links the objectives to the country's development goals, and indicators of progress. The CPF also specifies the total amount of World Bank Group funding available for activities in a country over the coming years, and provides different "lending scenarios" (base case, high case, low case) according to which a country may access more or less Bank funding.

The priorities identified in the CPF are drawn from several sources, including the Bank's analysis as well as the country's national development priorities. Before embarking on the process of preparing a CPF, the Bank develops a Systematic Country Diagnostic (SCD), the analytical document that provides analysis and grounding for determining the opportunities and constraints to poverty alleviation in a

VARIATIONS ON THE CPF

Country Engagement Notes (CENs) are prepared for post-conflict countries and outline the transition from short-term emergency lending to longer-term development lending when the Bank cannot determine a longer term strategy due to instability or uncertainty. CENs usually cover a shorter period of 18 months to 2 years.

TIPS AND CAUTIONS ABOUT THE SCD AND CPF PROCESSES

Although public consultations on the SCD and CPF may provide useful opportunities to influence the debate about development priorities or to shape the Bank's interventions in your country, civil society should have realistic expectations about what engagement in these processes will achieve. They should be cautious about investing energy in them, absent guarantees that public input will be taken into account and that all issues, including controversial economic policies, will be open to public discussion.

Find out when the next CPF is being developed for your country: projects.worldbank.org/en/projects-operations/country-strategies

country. The SCD along with the government's national development plan are used to begin a discussion with the government about priority areas for the country and where the Bank's added value could be. The Bank also looks to see what other donors are planning in the country. In addition, consultations with stakeholders including the private sector and civil society must inform the development of both the SCD and CPF.

In sum, key inputs to the CPF include: the SCD; the government's development plan; other donors' plans; and stakeholder consultations.

After a final draft of the CPF is completed by the World Bank country team and has been signed off on by the Regional Vice President and the Managing Director, it will then be sent to the Bank's Board of Directors for discussion. If your government has given the Bank "simultaneous disclosure" approval, the final draft of the CPF will be disclosed to the public at the same time it is sent to the Board. Otherwise it will be disclosed after the Board discussion.

During the course of the CPF cycle, the priorities are reviewed every two years in a document called the Performance and Learning Review (PLR). The PLR should also be informed by consultations with the government and external stakeholders. Based on the results of the PLR, the Bank can decide to with priorities identified in the CPF, or make a course correction for the coming two years. At the conclusion of the CPF period, a Completion and Learning Report (CLR) is conducted to review and report on the progress made under that CPF and learn lessons for the coming strategy.

How does the Bank put its plan into action?

Research and analysis: the Bank's non-lending activities

As part of its strategy in any country, the Bank conducts research and analysis which influences the content of its lending operations, impacts the government's policies and is frequently referenced by other donors. This includes evaluations of a country's public spending, governance and corruption, procurement and investment regulations, and sector-specific policies (such as regulations on forestry or trade). As an important source of financing for many countries and as a leading producer of research on development issues, the World Bank Group's analysis carries significant weight among governments, investors and other financial institutions.

Some of these Bank studies are not publicized or they are kept confidential. In these cases, the public has no knowledge that the work is being done, let alone the opportunity to influence the research or its findings and recommendations. The Bank's failure to widely disseminate its research is unfortunate because these studies can contain detailed information for activists and advocates seeking to influence their own governments. On the other hand, a good deal of Bank research is made public, and can give civil society a window into the Bank's diagnoses and solutions when it comes to specific development challenges.

This research is prepared by a wide range of departments, some of which focus on specific countries and regions, while others take a more global perspective.

Building roads, schools and dams: project lending

The World Bank's most visible activities are often its investment projects, which constitute the bread and butter of its operations. Project lending can support bricks-and-mortar investments spanning a range of sectors, as well as discrete activities in different government ministries.

Although investment loans support a wide variety of activities, the Bank processes all projects in a similar way. A project "task team" is created to work with the borrowing government, taking a prominent role in the preparation of the project. The teams are led by task team leaders and composed of specialists from various Bank departments. The government is ultimately responsible for project implementation, and thus typically takes a more prominent role during that phase.

Projects are developed according to a defined project cycle. Understanding this cycle enables you to know what information and specific project documents should be available at different stages of a project's development, and when there are important opportunities to influence decisions about project selection, design or implementation. (See Quick Reference: Project and Policy Lending Cycles and Documents.)

INVESTING IN INFRASTRUCTURE: INROADS INTO THE AMAZON

The Bank's investment projects can have direct and immediate impacts on people and the environment, making them a natural rallying point for civil society critiques of Bank operations. One of the most infamous such projects was the Polonoroeste highway in the Brazilian Amazon. From 1981 to 1983, the Bank approved over US$450 million in loans for the construction of a 1500 kilometer highway in the region of Rondonia, Brazil. The road was designed to penetrate into sparsely populated areas of the Amazon rainforest in order to provide the increasing number of landless migrants in the region with infrastructure, easier access to natural resources and land for agriculture. However, poor planning, cursory assessments of potential project impacts and a lack of oversight led to the influx of tens of thousands of people who devastated the area's natural resources. The project also neglected to demarcate boundaries in a way that would protect the lands of indigenous peoples and other local communities. The subsequent incursion facilitated the destruction of the lands of several traditional groups in Rondonia and contributed to the introduction of a number of deadly diseases which spread rapidly through the isolated communities.

Polonoroeste is a striking example of how the Bank's support for an investment can contribute to negative impacts. Civil society uproar around the failures associated with this attempt to "develop" the Amazon represented a historic moment in efforts to reform the Bank's operations.

Changing laws, regulations and institutions: policy lending

A portion of the money that the Bank lends or grants in your country goes straight to government coffers to support certain changes in your country's laws, regulations or institutions. This financing, called Development Policy Finance or Lending (DPF or DPL), does not support physical investments like roads, hospitals and schools. Instead, the money provides both an incentive and a cushion to your government for adopting policy and institutional reforms advised by the Bank. The Bank doesn't give out its money casually. DPLs are typically provided in one or more installments (called "tranches"), each of which is tied to the borrower's fulfillment of specific requirements.

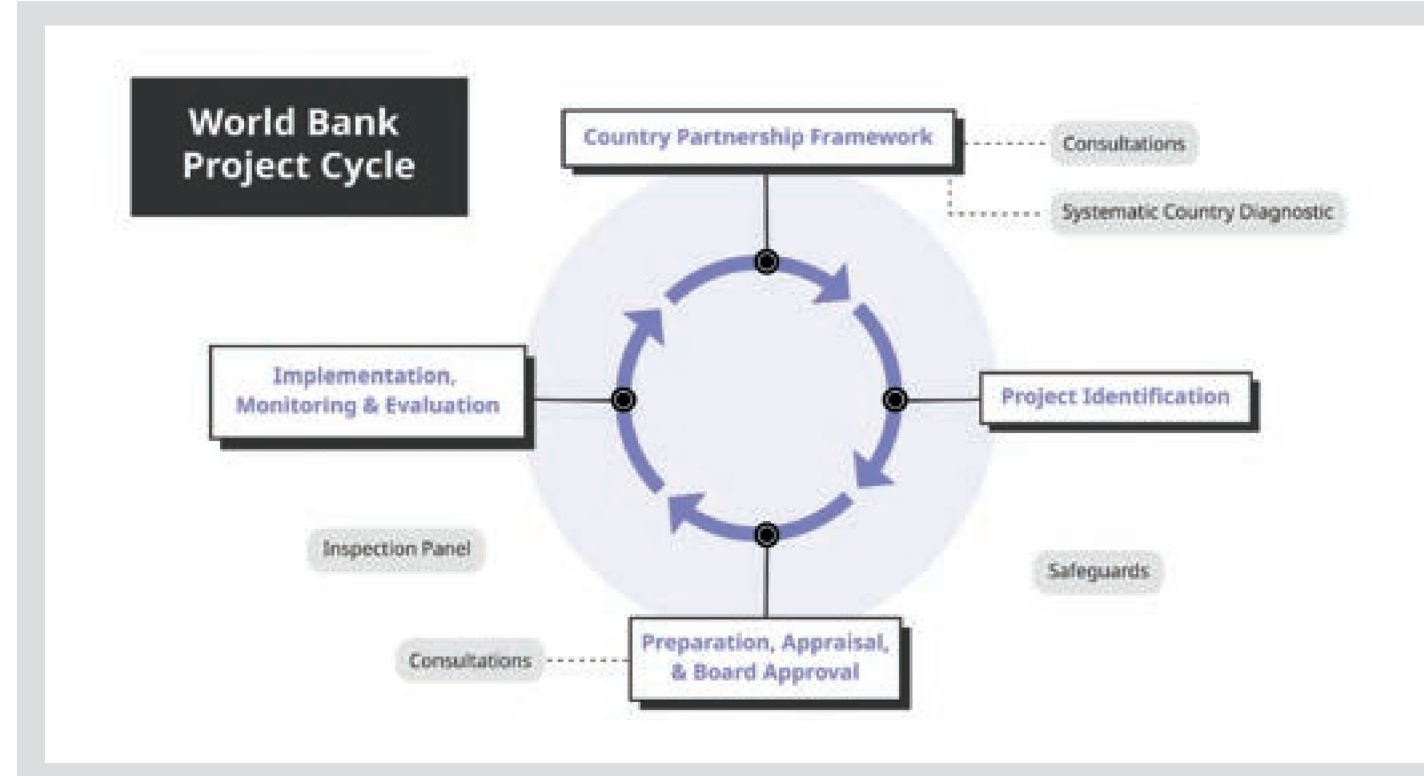
Like investment projects, policy loans and grants are developed by task teams typically led by an economist, and follow a project cycle similar to that for investment loans but with documents specific to policy lending (see Quick Reference: Project and Policy Lending Cycles and Documents). The opportunities to obtain information about and influence the content of policy loans are more limited than they are for project lending. The policies addressed through Development Policy Lending remain more of a black box because the World Bank and government officials typically discuss them behind closed doors and far from citizens impacted by them. However, as opaque and distant as they may seem, policy reforms can have very direct—and at times, dire—consequences for a country's population.

Putting results first: Program for Results Lending

The Bank can also finance government programs through a third lending instrument called Program for Results. Projects financed through Program for Results can be a wide range of programs, ranging from education to health to decentralization efforts. In this type of loan, the Bank disburses financing according to demonstrated results, which are measured according to agreed upon milestones called "disbursement-linked indicators." In these projects, the Bank is generally less involved in the design and preparation of the program, and assesses the risk of providing financing to the larger sector of the project based on the institutional capacity of the government in that sector. Civil society have expressed concerns about

EDUCATION AND HEALTH: NOT WITHOUT RISKS

In addition to physical infrastructure projects ranging from hydropower-producing dams to roads that connect from city to city, the Bank also funds other types of government programs through its Investment Project Financing instrument. These projects can include funding the development of a new secondary education curriculum, or the provision of primary health care services to rural populations. Historically, these projects have been categorized by the Bank as lower risk, and in the past civil society organizations have also focused their attention on the higher risk infrastructure projects. However, in recent years CSOs have brought attention to the harms that can result from exclusion of certain populations, including groups that are marginalized due to their ethnicity, age, or ability, from receiving project benefits. As a result of civil society advocacy, the Bank has begun to recognize that the exclusion of what they term "disadvantaged and vulnerable groups and individuals" from receiving project benefits is a type of social risk that must be identified, avoided, and mitigated in its projects.



TYPES OF WORLD BANK RESEARCH	DESCRIPTION
Country Forest Note	Explores options to minimize the trade-offs of planned development on forests, by providing integrated upstream analysis of policies and investments and their potential impacts on forests. Intended to guide projects and programs to be "forest-smart."
Economic and Sector studies (Education, Finance, Agriculture, Health, Transportation, Industry & Trade, etc.)	Examine the relevance and effectiveness of the policies, institutions and investments in a given sector and provide recommendations for sector reforms. No standard format; vary according to sector and Bank's focus.
Poverty Assessment	Analyzes the causes and consequences of poverty in a country and examines how public policies have impacted poverty reduction.
Systematic Country Diagnostic (SCD)	Analyzes the key opportunities and barriers for poverty alleviation in a country and is used to inform the Country Partnership Framework.
Risk and Resilience Assessment (RRA)	Examines the root causes of Fragility, Conflict, and Violence (FCV) risk factors in a country.

THE CONSEQUENCES OF CONDITIONALITY: HOW BANK POLICY LENDING DEVASTATED THE CASHEW TRADE IN MOZAMBIQUE

During the 1990s, the World Bank used the leverage of its financing to pressure the government of Mozambique to liberalize the trade of its largest cash crop, cashews. By eliminating subsidies and other support to farmers, cashew producers in the poverty-stricken country were exposed to stiff international competition, thus earning a much lower price for their crops.

Although the World Bank insisted that market liberalization would contribute to the country's growth, these reforms quickly crippled one of Mozambique's main industries and primary sources of government revenue. Despite protests from farmers, industrialists and unions, the government of Mozambique was required to implement the reforms in order to access much-needed financing from the Bank.

The Bank continues to place similar conditions on its policy loans and grants today, often forcing countries to choose between refusing Bank policy prescriptions that they think are not in the best interest of their population and thereby losing access to much-needed funds, or accepting Bank financing and the strings attached despite the risks that the required policy reforms may pose to people and the environment.

the increase in this type of lending, particularly for projects where there are higher environmental and social risks—in these cases, the more limited role and leverage of the Bank means it cannot easily ensure that environmental and social harms are identified, avoided, and mitigated.

Bringing in the private sector: the IFC and MIGA in your country

The IFC and MIGA provide financing directly to transnational, national, and local private sector companies investing in developing and transition countries, often building off of policy reforms supported by the World Bank Group's lending and advice to governments. IFC and MIGA's activities should be consistent with the priorities identified in the Bank's CPF (or equivalent strategy) for a given country, and IFC and MIGA participate in the process of developing the CPF. Similar to the task teams in charge of World Bank projects, there are teams of IFC and MIGA staff responsible for the loans, investments and guarantees they provide to private companies. These teams, headed by investment officers at the IFC and underwriters at MIGA, are typically smaller than those working on Bank projects.

IFC and MIGA project cycles are more opaque and considerably shorter than those of the World Bank. Claiming that they are constrained by business confidentiality requirements, the IFC and MIGA don't publicly disclose much information about how projects are identified, designed or implemented. Neither institution publicly reports on the development impacts of the projects it supports, making it difficult to assess how well the institutions are contributing to poverty reduction and sustainable development.

The opportunities for the public to influence IFC and MIGA operations—with virtually no advance notice and little information about them, as well as their shorter project timelines—are limited. However, civil society has succeeded in forcing the IFC and MIGA to modify or even abandon problematic projects by exploiting their sensitivity to reputational risk. The IFC is particularly attuned to its reputation because it competes directly with private lenders for business.

Who can you talk to about World Bank Group projects in your country?

Civil society organizations can access information about the World Bank Group through several sources: the institution itself, governments and other civil society organizations. There are a number of different contacts within the Bank, depending on your objective. Many concerns and requests can be handled by country offices. Others are better addressed by contacts at the Washington, DC headquarters. A first step in learning more is to see if the Bank has an office in your country. The Bank has over 100 country offices; you can find a complete list on the Bank's website: https://www.worldbank.org/en/where-we-work. The IFC has field offices in many borrowing countries, and MIGA has three regional hubs in Asia, Europe and the Middle East, and Africa that work closely with the headquarters' staff based out of the Washington, DC office.

Your government and civil society organizations are also good sources of information about World Bank Group activities in your country. See Module 3 for more information.

Contacts in your government

The Ministry of Finance (MoF) or its national equivalent acts as the main intermediary between the World Bank Group and the borrowing government. In theory, the MoF is responsible for proposing projects to the World Bank Group and negotiating them. Therefore contacting the MoF can be a useful way to find out what the World Bank Group is doing in your country. Line departments or ministries such as the Ministry of Transportation are the main contacts for information about projects in their sectors after they are approved by the Board of Directors, and are responsible for implementing these projects.

You may also want to contact your parliamentarians regarding World Bank Group operations. In some countries, the parliament is required to review and approve all loans taken by the government or to oversee the operations of public financial institutions, like the Bank, in a country.

BEYOND FINANCING: TECHNICAL ASSISTANCE & ADVISORY SERVICES

Beyond their financing activities, IFC and MIGA both provide technical assistance and advisory services to governments on private sector development, privatization and investment climate reforms aimed to attract foreign investors.

MIGA: A BLACK BOX

MIGA's role as a guarantor places it at a much greater distance from actual project implementation than either the IFC or the Bank. This fact, coupled with the near absence of any information about projects that MIGA supports, makes it much more difficult for the public and civil society to understand MIGA's role and to know when and how to lodge grievances when problems arise with projects that MIGA supports.

TIPS AND CAUTIONS ON WBG EXTERNAL AFFAIRS

The Bank has been trying to steer all civil society contact through its external relations staff. Although they can be important points of contact and may assist groups with a variety of concerns, decision-making power often resides with the country director or project task managers. Civil society groups should insist on direct contact with those responsible for Bank decisions.

USEFUL CONTACTS AT THE WORLD BANK GROUP

TYPE OF INQUIRY	WHO TO CONTACT	HOW TO FIND THEM
General questions or concerns about any aspect of WBG operations in your country	Country Director/ Country Manager	Check the country page on the World Bank's website: www.worldbank.org/en/where-we-work
Seeking guidance on finding information or contacts at the World Bank Group; information on Bank processes and events in your country, such as consultations	Civil society liaison	Visit the WB website to identify the civil society liaison in your country. Note: they do not have decision-making authority on projects or policies, and so should not replace direct contact with Bank staff.
Project-specific questions about WB, IFC and MIGA operations	WB: task team leader IFC: lead investment officer MIGA: underwriter	Project documents often list names of responsible staff, but it can sometimes be difficult to identify these people and obtain their contact information. For assistance, contact BIC: info@bankinformationcenter.org.
Concerns about a proposed WBG strategy, policy or project, prior to its approval	The Executive Director representing your country at the WBG Board of Directors	Visit the page for your Executive Director on the WB website: www.worldbank.org/en/about/leadership/directors
Concerns about harms resulting from a WBG project or policy that have not been resolved by WBG staff	World Bank Inspection Panel and IFC/MIGA's Compliance Advisor/ Ombudsman	For more information on these citizen complaint mechanisms, see Module 5 of this toolkit.
Information or concerns about corruption related to any World Bank Group operation	World Bank's Integrity Vice Presidency	Submit a report of corruption via the online form: www.worldbank.org/fraudandcorruption

In Brief

- World Bank operations in your country are guided by several key documents.
- The Bank produces a variety of documents during the preparation, implementation and evaluation phases of its projects.
- Understanding what documents are produced, if and when they are made publicly available, and how to obtain them can help sharpen civil society advocacy efforts.
- The Country Partnership Framework (CPF) (or equivalent) describes the joint government and World Bank Group plan for development interventions in a country over a 4-6 year period.
- The CPF is informed by the Bank's analysis of constraints and opportunities for poverty alleviation which are laid out in the Systematic Country Diagnostic (SCD).
- Consultation with stakeholders is required in developing both the CPF and SCD, but civil society input is often not taken seriously in these processes.
- The Bank implements its country strategy through research and analysis, investment projects, and policy loans, all of which may influence government policy and other donors' agendas.
- Find out about World Bank Group operations in your country through the Bank's website: www.worldbank.org/countries.
- The World Bank's Country Director, your Ministry of Finance (or equivalent) and other civil society organizations are also good resources.

World Bank documents are often highly technical and difficult to understand. Ask BIC for help: info@bankinformationcenter.org

SEE MODULE 3: ACCESS TO INFORMATION AT THE WORLD BANK GROUP for tips on getting Bank documents

QUICK REFERENCE:
KEY DOCUMENTS FOR PROJECT-BASED LOANS

PROJECT PHASE	DOCUMENT	DISCLOSURE STATUS
Strategy and Identification	Country Partnership Framework (CPF): Outlines the Bank and government's priorities and proposed lending and nonlending activities in a country for aperiod of 4-6 years. Monthly Operations Summary (MOS): Updated on the Bank's website monthly, MOS lists projects under preparation in all borrowing countries.	Yes (draft CPFs are not usually disclosed) Yes
Preparation and Appraisal	Project Information Document (PID): Earliest publicly-available project document. Provides summary project and initial environmental and social risk screening information. Updated periodically prior to Board approval. Environmental and Social Review Summary (ESRS): Provides an overview of potential environmental and social risks that have been identified in the project and how the Environmental and Social Standards will be applied. Resettlement Plan: Describes the anticipated impacts on affected communities in the project area, and what measures will be taken to ensure that livelihoods are restored or improved. Required for all projects involving involuntary physical or economic displacement. To be disclosed, consulted publicly and completed prior to project approval. Environmental and Social Impact Assessment (ESIA): Describes anticipated environmental and social impacts, and related mitigation measures. More in-depth ESIA required for projects involving major environmental impacts or resettlement. Stakeholder Engagement Plan (SEP): Describes different groups of project stakeholders including disadvantaged and vulnerable groups, and lays out a plan for engaging and consulting these stakeholders throughout the project life cycle and informing them of potential risks and mitigation plans. Also provides a summary of how information will be disclosed to project stakeholders, and how stakeholders can report and resolve concerns or grievances through a project level grievance mechanism.	Yes Yes Yes Yes

PROJECT PHASE	DOCUMENT	DISCLOSURE STATUS
Approval	Project Appraisal Document (PAD): Prepared for the Board, the PAD provides a comprehensive description of project rationale, components, budget and implementation plan. Public after Board approval, or slightly earlier if the government agrees to simultaneous disclosure.	Yes draft PADs are not disclosed)
Implementation	Implementation Status and Results Report (ISR)—Main Bank report evaluating progress of project implementation against baseline indicators. Key issues and risks to project success are described. Prepared semi-annually.	Yes
Evaluation	Implementation Completion and Results Report (ICR): Evaluates project success in achieving objectives and rates Bank and borrower performance. Prepared within 6 months of when the project is completed. Independent Evaluation Group (IEG) report: The Bank's Independent Evaluation Group assesses select projects and sectors to gauge quality and highlight problems. IEG reports are routinely made public.	Yes Yes

QUICK REFERENCE:
COMMON ARGUMENTS YOU ARE LIKELY TO HEAR FROM THE WORLD BANK GROUP

The World Bank Group's preemption doctrine: A misguided mission

The World Bank Group often says: If we don't finance this project, someone else would, and it would be worse.

But in reality: The World Bank Group is a public financial institution with limited resources. Its stated mission is to reduce poverty and promote shared prosperity. It has neither the mandate nor the means to prevent all bad projects from taking place or to make all potentially harmful investments slightly less damaging. Arguing that a project will be better if the Bank is involved is not sufficient or sound rationale for supporting it. Indeed, this logic could justify Bank involvement in any operation, from a toxic chemical factory to a highway through a rainforest, in order to pre-empt others from doing it more carelessly. In recent years, the Bank has frequently held out the threat of Chinese financing as a justification for its own, pre-emptive involvement in various high-impact projects. Given its finite resources and the opportunity costs of activities it undertakes, the Bank should select projects on the basis of their likelihood to make a positive contribution to poverty reduction.

Deflecting blame

The World Bank Group often says: Environmental and social standards or "safeguards" are a costly drag on development

But in reality: The notion that safeguards hinder development is premised on a false assumption—that there is a tradeoff between improving economic wellbeing and protecting the environment and society. Far from being at odds with development, social and environmental protections are integral to sustainable growth and poverty reduction. Projects that are selected and designed without consideration of social and environmental standards actually create risks and costs not only for affected populations and ecosystems, but for the Bank itself.

Playing weak: selectively downplaying the bank's power

The World Bank Group often says: We don't have any leverage if we are not involved in the project.

But in reality: The World Bank Group remains an extremely powerful institution, with strong influence over member governments. While financing a project provides one vehicle through which the Bank Group exercises its leverage, it is by no means the only channel of influence available to the institution. The Bank's ability to condition its overall lending to a country and its public and private communications can also significantly impact decisions taken by a Government. Moreover, if the Bank Group is financing a project in order to have a say over how it is done, then the Bank's leverage is strongest before it disburses its funds. Thus, if social, environmental and transparency problems are not remedied before funding is distributed, the Bank is far less able to ensure that they will be resolved later.

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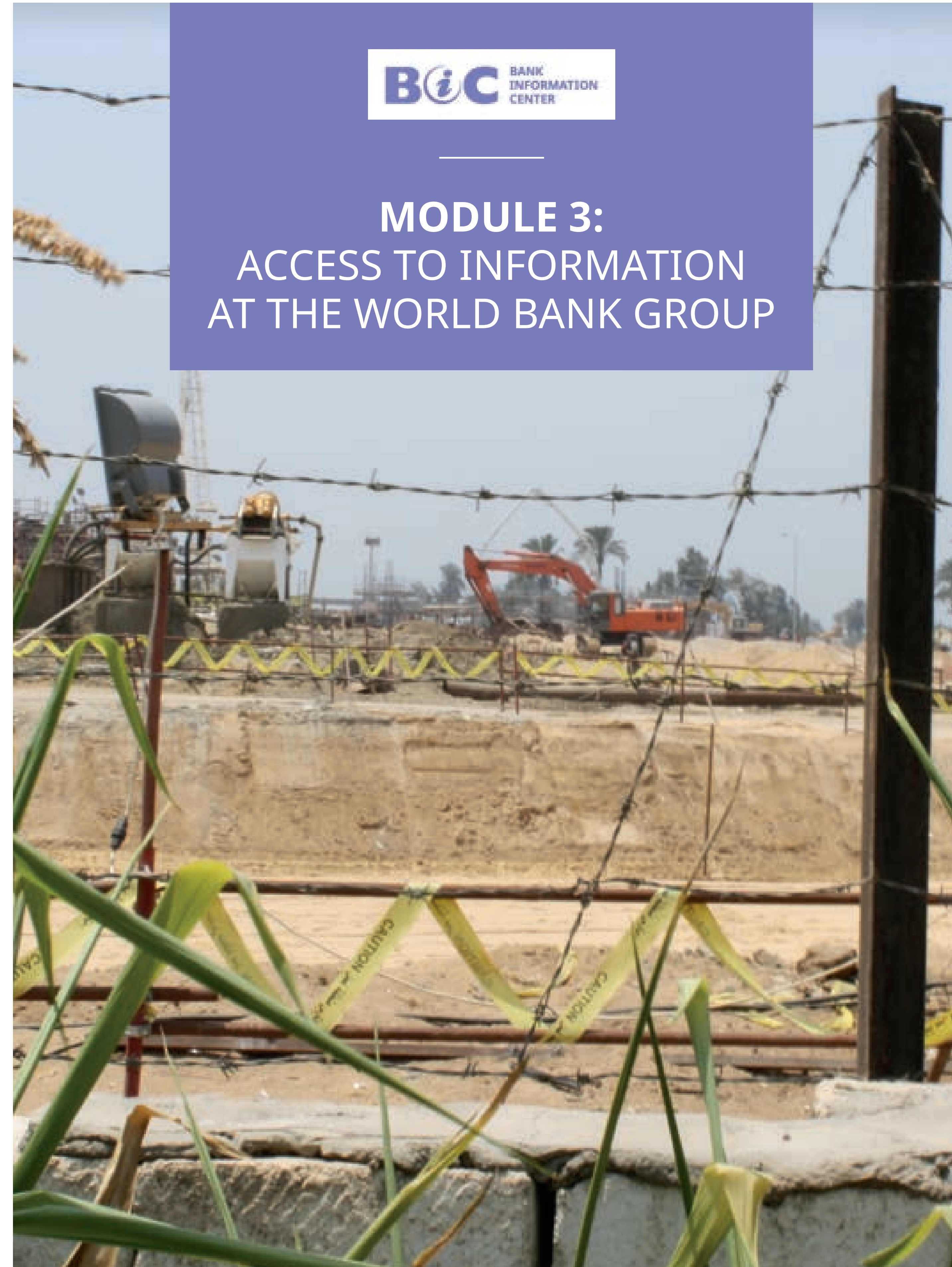


MODULE 3:
ACCESS TO INFORMATION AT THE WORLD BANK GROUP

MODULE 3: ACCESS TO INFORMATION AT THE WORLD BANK GROUP

Sections In This Module:

- Information is a right!
- Disclosure policies at the World Bank, IFC and MIGA
- Other strategies for obtaining information about World Bank Group operations in your country
- Find out more!
- Quick Reference: How You Can Get Information from the World Bank Group

Civil society has made significant advances in opening the World Bank Group (WBG) to greater public scrutiny over the past decades. Nevertheless, the public is kept in the dark about many of the Bank's decisions and operations.

Access to information is the basic starting point for informed engagement, active resistance and proposals for viable alternatives to WBG operations. Understanding what documents exist, what rights you have to access them, and how to obtain them are powerful tools to have under your activist belt.

Information is a right!

Article 19 of the United Nations Universal Declaration of Human Rights includes the right "to seek, receive and impart information and ideas." This statement encompasses the right to access information held by public bodies,

WHAT'S STILL SECRET? PUSHING THE TRANSPARENCY FRONTIER AT THE WORLD BANK GROUP

Although far more information is available from the WBG today than it was years ago, many of its decisions and operations remain shrouded in secrecy. The following areas represent major gaps in the institution's transparency:

- Draft information about strategies, policies and projects under consideration is not routinely available to the public, unless they are subject to public consultation. This secrecy, protected by the 'deliberation exception', deprives affected populations of the opportunity to influence decisions before they are taken.
- The Board of Directors meets behind closed doors and transcripts of discussions are not made public, preventing people from knowing how their governments are representing them and shielding the most important development decisions from public scrutiny.
- The WBG discloses very limited information during the implementation of projects and strategies, hampering efforts to monitor the impacts of the institution's operations and to track the use of its funds while there is still time to correct problems.

including international financial institutions such as the World Bank Group. Goal number 16 of the Sustainable Development Goals (SDGs) adopted by the United Nations in 2015 includes the aim to "..build effective, accountable, and inclusive institutions at all levels." People have the right to know what is being planned for their communities in order to make informed decisions about development processes that affect their lives and hold officials accountable.

Disclosure policies at the World Bank, IFC and MIGA

The World Bank, IFC and MIGA have recognized the right to information by establishing information disclosure policies, in the same way that countries have adopted Freedom of Information laws. The World Bank and IFC adopted their first disclosure policies in 1994, and MIGA followed in 2000. Their policies went through several reviews and the latest Access to Information policies at the WBG typically contain the following elements: principles of disclosure; exceptions to disclosure; routine disclosure; and request driven disclosure.

Principles of disclosure: The fundamental principle of World Bank Group policies on access to information is "a presumption in favor of disclosure." In theory, this "presumption" means that all information held at the institution can be disclosed unless it is commercially sensitive or otherwise deemed confidential (on the basis of an exception to disclosure specified in the policy). In practice, however, the World Bank, IFC and MIGA release only a limited amount of information and over-apply their broad exceptions to disclosure.

Exceptions to disclosure: The World Bank, IFC and MIGA Disclosure Policies list several types of information that cannot be disclosed, including:

- Confidential and sensitive business information
- Information related to internal and external negotiations and deliberation
- Information generated by a third-party (such as a government or consultant)
- Proceedings of the Board of Directors
- Personal information about employees
- Information prohibited or restricted by other policies or national laws.

Most of these exceptions to disclosure are overly broad and could include almost all information held at the institution. In addition to being more narrowly drawn, disclosure exceptions should only protect information that would otherwise cause harm if disclosed.

Routine disclosure: Most of the information available from the WBG is automatically—or routinely—disclosed through its website.

Typically, this information includes:

- Basic information about the structure of the institution
- Board of Executive Directors contact information, meeting calendar and meeting minutes (including a brief list of attendees, issues discussed, and actions taken—not a record of proceedings)
- Operational policies and strategies
- Country analytical studies and programs
- Evaluations, and monitoring reports including some reports produced by the Independent
- Evaluations, and monitoring reports including some reports produced by the Independent Evaluation Group (IEG)

Request-driven disclosure: All other information that is not posted on the World Bank, IFC or MIGA websites should be available by request from the WBG's headquarters, country offices or through the institutions' portals.

When a request is denied, the requester can submit an appeal to be considered internally, and if denied, again, the requester can appeal with an independent panel.

Other strategies for obtaining information about World Bank Group operations in your country

Your government should be able to provide information on World Bank, IFC and MIGA projects in your country. As discussed in Module 2, the Ministry of Finance or national equivalent is your country's main liaison with the WBG. Various ministries are involved in the implementation of Bank operations. Sometimes legislative committees are responsible for overseeing government loans from IFIs, including the WBG. Approaching any or all of these sources for information could prove useful.

TRANSLATION FRAMEWORK

Approved in 2003, the World Bank's Translation Framework aims to increase the regular and timely translation of key documents, including strategies and project information. However, the framework does not provide strict guidance on what documents must be translated. It rather vests responsibility for translation decisions in the business units. Find more on the Translation Framework http://documents.worldbank.org/curated/en/333211468162290165/pdf/36923.pdf

Civil society organizations operating locally, regionally or internationally are also often very good sources of information about WBG projects and policies. Bank Information Center can help you identify civil society groups working on issues relevant to your country: Contact us at info@bankinformationcenter.org

In brief

People have a fundamental right to know what is being planned for their communities in order to participate in and make informed decisions about development processes that affect their lives.

- The World Bank, IFC and MIGA have recognized the right to information by establishing access to information policies. However, in practice the institutions release only a limited amount of information.
- You can access World Bank, IFC and MIGA information through their websites. Your government and civil society organizations are also important resources.
- When information is not routinely disclosed, request it and demand an explanation for why something is kept confidential.

Find out more!

Resources from Civil Society Groups

"Transparency Charter for International Financial Institutions: Claiming our Right to Know". Global Transparency Initiative, September 2006. http://www.freedominfo.org/wp-content/uploads/GTI-charter.pdf

"Unlocking the World Bank's Access to Information Policy: Your Key to the Vault" Bank Information Center, July 2011 https://bankinformationcenter.cdn.prismic.io/bankinformationcenter%2F0ea43428-7b36-481e-8b86-97829a41acff_access_to_info.pdf

"Early Warning System" (an online tool that provides information and project documents on development projects around the world), Center for International Environmental Law and the International Accountability Project, https://ews.rightsindevelopment.org.

Resources from the World Bank Group

World Bank Access to Information Policy
https://policies.worldbank.org/sites/ppf3/PPFDocuments/Forms/DispPage.aspx?docid=3693

IFC Access to Information Policy
https://www.ifc.org/wps/wcm/connect/c8a61c48-32c2-49b2-8e46-2ade87f774e0/IFCPolicyDisclosureInformation.pdf?MOD=AJPERES

MIGA Access to Information Policy
https://www.miga.org/report/access-information-policy

QUICK REFERENCE:
HOW YOU CAN GET INFORMATION FROM THE WORLD BANK GROUP

The World Bank, IFC and MIGA websites

Much of the information about World Bank Group operations is routinely available through the World Bank, IFC and MIGA websites: www.worldbank.org, www.ifc.org and www.miga.org.

Some useful World Bank Group webpages:

- The Projects Databases for the World Bank, IFC and MIGA link visitors to information on over 19,000 World Bank Group projects, including relevant project documents:
  - The World Bank's projects database: www.worldbank.org/projects
  - The IFC projects database: https://disclosures.ifc.org/#/landing
  - MIGA projects database: https://www.miga.org/projects
- The Document Database links visitors to approximately 30,000 WBG public documents. Access the database through the "Publications" link on the World Bank homepage: www.worldbank.org/reference
- World Bank Country Pages provide information on current projects and priorities in borrowing countries, and link visitors to relevant country and project documents. Country pages can be accessed through the "Countries" link on the World Bank homepage: www.worldbank.org/countries. You can also directly access your country page on the World Bank website by typing the name of your country www.worldbank.org/[your country's name].

The Project and Document Databases and Country Pages are not always consistent, so if you are looking for a specific project, start with the Projects Database, but if you are seeking general information on operations in your country, search first via the country page.

World Bank Group Information Research Guide

The World Bank, IFC, and MIGA each have websites loaded with information. Researching those websites can be an overwhelming exercise. To make researching easier, the WBG developed a guide to navigate the websites and help users find the information they need. Unfortunately this website guide is only available in English. Access the guide here: https://researchguides.worldbankimflib.org/WBGInfoguide

Through this guide you can find information about and links to:

1. The WBG structure;
2. Different ways to get involved;
3. Projects and Operations across WBG's different institutions;
4. Information about each country members in the WBG;
5. Links to different data and statistics resources;
6. Research, reports & repositories;
7. Legal cases and grievances handled by the accountability mechanisms of the different WBG institutions;
8. Links to the different WBG social media accounts;
9. Contact information for WBG institutions.

Making requests for information

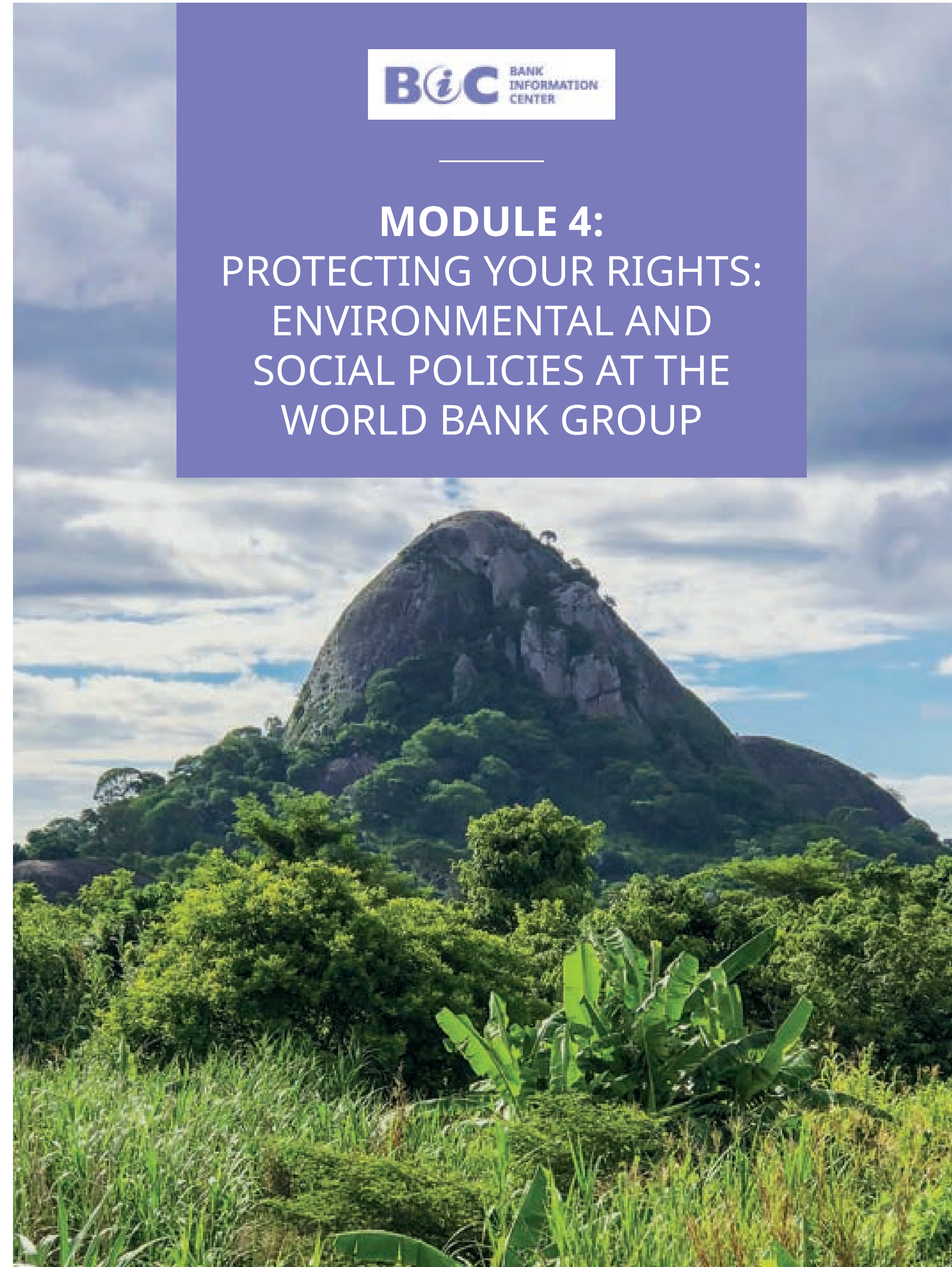
As per the Access to Information policies of the WBG, you can submit requests online for information that you cannot find on the institutions' websites. Here are the links to submit requests:

World Bank:
https://www.worldbank.org/en/access-to-information/request-submission

IFC:
https://disclosures.ifc.org/#/inquiries

MIGA:
https://www.miga.org/contact/access_to_information

BANKINFORMATIONCENTER.ORG



MODULE 4: PROTECTING YOUR RIGHTS: ENVIRONMENTAL AND SOCIAL POLICIES AT THE WORLD BANK GROUP

MODULE 4:
PROTECTING YOUR RIGHTS: ENVIRONMENTAL AND SOCIAL POLICIES AT THE WORLD BANK GROUP

Sections In This Module:

Through its lending programs and policy advice, the World Bank Group (WBG) exerts considerable influence on economic, social, and environmental policies and investments in much of the world. While the WBG claims to be promoting "sustainable development," the consequences of its activities often run counter to the notion of sustainability—damaging or depleting natural and human resources rather than protecting or enhancing them for current and future generations.

Being familiar with WBG policies can be extremely useful to activists seeking to prevent, expose, and remedy harms related to WBG operations, and to communities working to assert their rights in the context of development decisions that affect them.

Challenges to protecting rights

Projects that build roads, dams, and power plants, finance mining and other natural resource extraction, and promote large-scale agricultural development can harm the environment, often irreversibly. In many cases these projects displace people and negatively affect their livelihoods. Bank-sponsored policy reforms—such as cuts in government subsidies to cotton farmers, privatization of drinking water services, or changes to investment regulations that make it easier for private companies to acquire land—may also cause serious social and environmental harm.

Local communities have long fought to protect their rights from the negative impacts caused by loans from international financial institutions (IFIs). Civil society groups have often sought protection through international human rights law and conventions, their own governments and courts, and the institutions themselves.

In light of inadequate protections afforded by national laws and difficulties in enforcing international environmental, social, and human rights standards, civil society groups demanded that the WBG—as a global public institution—adopt its own binding social and environmental standards that would apply regardless of variations in national laws and regulations in the countries where it operates. Since the late 1970s, the World Bank (IBRD/IDA) has approved a range of internal policies that are intended to guide the selection and design of the projects and policy reforms it supports. In the 1990s, the International Finance Corporation (IFC) and Multilateral Investment Guarantee Agency (MIGA) followed suit and introduced internal policies largely based on those endorsed by the World Bank, though tailored to their private sector operations.

Evolution: From the World Bank Safeguard Policies to the Environmental and Social Framework (ESF)

In 1998, the World Bank grouped ten of its key environmental and social policies into a set of "Safeguard Policies" which together are designed to provide the environment and vulnerable populations some minimum protections from the negative impacts of Bank-financed operations. The Safeguard Policies created mandatory standards and procedures that the borrowing government and the Bank must follow when preparing and implementing Bank-financed investment projects. For example, the environmental assessment safeguard required that a project's potential impacts must be analyzed and that project-affected communities must be consulted before the project is approved.

Beginning in 2012, the World Bank undertook a five-year review process to update and streamline the Safeguard Policies that had been in place for decades. This review process included global consultations with civil society. The process resulted in the creation of the World Bank Environmental and Social Framework (ESF), which applied to all new World Bank investment lending starting on October 1, 2018. Projects that existed prior to October 1 have continued to use the earlier Safeguard Policies. As a result, the Bank expects the Safeguard Policies and the ESF to co-exist until at least 2025. It is important for civil society and project-affected people to find out as much as possible about a project's timeline so that they know whether the Safeguard Policies or the ESF applies to the project.

The ESF consists of:

- Environmental and Social Policy (ESP): Overarching policy statement that lays out World Bank due diligence requirements;
- World Bank Directive on Addressing Risks and Impacts on Disadvantaged and Vulnerable Individuals or Groups: Directive that provides direction for World Bank staff on identification and mitigation of increased risks to groups and individuals who might be more likely to be adversely affected by project impacts or more limited than others in their ability to take advantage of project benefits due to their particular circumstances;
- Environmental and Social Standards (ESSs): Ten standards covering different topic areas that must be applied by the borrower in each project;

NOT BOUND BY HUMAN RIGHTS?

The World Bank Group is not a formal "party" to international human rights conventions, and thus asserts that it does not hold specific human rights obligations, even though nearly all its member governments are signatories to the main rights conventions. Civil society groups and academics continue to challenge the WBG to formally recognize its human rights obligations as an international organization and to uphold human rights in its lending operations.

IMMUNITY AND THE BANK

The Bank's Articles of Agreement limit legal actions that a member country can take against the Bank. Furthermore, the Bank demands that member countries adopt legislation that provides the institution and its staff members a wide degree of immunity from prosecution in national courts. While the U.S. Supreme Court has rejected the WBG's claims of absolute immunity in the Budha Ismail Jam, et al. v. IFC case, there are still significant barriers for communities affected by its lending operations to legally challenge the WBG and other IFIs.

The Quick Reference Guides at the end of this Module summarize key provisions of the Bank's ESF and Safeguards. For additional information, please visit: https://projectsworldbank.org/en/projects-operations/environmental-and-social-policies.

WHO DOES THE BANK DEFINE AS "DISADVANTAGED AND VULNERABLE"?

The World Bank Directive on Addressing Risks and Impacts on Disadvantaged and Vulnerable Individuals or Groups specifies that "disadvantaged and vulnerable" refers to "those individuals or groups who, by virtue of, for example, their age, gender, ethnicity, religion, physical, mental or other disability, social, civic or health status, sexual orientation, gender identity, economic disadvantages or indigenous status, and/or dependence on unique natural resources, may be more likely to be adversely affected by the project impacts and/or more limited than others in their ability to take advantage of a project's benefits."

Individuals/groups considered "disadvantaged and vulnerable" can vary depending on the country context, so it is important for civil society to advocate to include other individuals/groups not captured by this list who might be marginalized in a country. This is simply the list of individuals/groups the Bank is required to look at the impact of projects on.

• Guidance Notes: Non-binding guidance for borrowing governments on the implementation of the ESSs.

• Good Practice Notes: Non-binding notes for borrowing governments with best practice guidance on specific issues such as gender, third party monitoring, non-discrimination and disability, sexual orientation and gender identity, and use of security forces.

What does the ESF do?

The ESF updated the Safeguard Policies and developed a new set of requirements to ensure that development projects financed by the World Bank do not harm people or the environment, or discriminate against marginalized groups. Country governments borrowing from the World Bank to finance development projects must adhere to the standards laid out in the ESF as a condition of financing. The ESF's standards cover a number of areas, including safe labor and working conditions, natural habitats, and project stakeholder engagement.

What are the safeguard policies and the ESF important civil society groups?

The Safeguard Policies and ESF establish minimal procedural rights and important opportunities for participation and access to information. If communities believe a project is not in compliance with the Bank's policies, they can lodge complaints to the Bank's independent accountability mechanism, the Inspection Panel (See Module 5 for more information about the Inspection Panel).

What are the differences between the ESF and safeguard policies?

Because the ESF and Safeguard Policies will co-exist for a number of years due to the number of older projects that apply the Safeguard Policies, it is useful to understand the key differences between the two.

The new Framework differs from the previous Safeguard Policies in both structure and content. In terms of content, the new Framework covers several areas that were not in the old Safeguards and expands coverage of social issues that had not been previously addressed or included. For

THE IMPORTANCE OF ESS10

While all of the environmental and social standards are important for safeguarding people and the environment in World Bank-financed projects, ESS10 can be an opportunity for concerned groups to raise a range of issues and engage in the development process.

ESS10 is meant to ensure the engagement of all stakeholders in each phase of the project from inception through implementation and monitoring, and ending with the closure and decommissioning of the project. ESS10's requirements provide entry points for stakeholders to be engaged, including having access to information, venues to provide input and receive feedback, and access to grievance redress. ESS10 requires that the borrower provide details on how each of these three categories will be satisfied in ways that fit the nature and scale of the project and also the characteristics of the stakeholders. For more information on ESS10, see the Quick Reference section at the end of this chapter.

example, the ESF includes language on protections related to gender and adds a new standard on Labor and Working Conditions as well as on Stakeholder Engagement and Information Disclosure. The ESF also includes a new Directive for Bank staff on the consideration of disadvantaged and vulnerable groups. Civil society broadly welcomed the inclusion of social issues where there had previously been gaps in the coverage of the Safeguard policies, but continues to express concerns about whether the Bank is sufficiently investing in building capacity and expertise to cover these new issues.

The structure of the Framework differs from the Safeguard Policies in that there has been a significant shift in responsibility for implementing the ten ESSs from the Bank to borrowing governments. The Bank's role has transitioned toward conducting due diligence before agreeing to finance a particular project, and then supervising, monitoring, and evaluating the project during its design and implementation. Civil society continues to voice serious concerns that shifting responsibilities of implementation to borrowers will lead to a weakening of the social and environmental protections that prevent harm in Bank-financed projects. Civil society is also concerned about greater flexibility in the language and requirements in the new ESF.

The ESF as leverage

Like the Safeguard Policies, the Bank's ESF provides critical leverage points for local communities. These environmental and social protections are written into loan agreements, converting Bank policy into a legal obligation of the borrower. Specific requirements in the new ESF guarantee civil society, communities, and the general public's access to project information and provide openings to give input to project teams about projects in which they have an interest. Where local authorities are reluctant to uphold these commitments, communities can turn to the Bank as another means of applying pressure to assert their rights.

Does the ESF apply to all the Bank's operations?

The Bank's ESF (and Safeguard Policies) only apply to its investment project financing—which funds projects such as the construction of public works, industrial development schemes, agriculture programs, natural resource extraction, or support to government education and health programs. It does not apply to the Bank's development policy lending for reform of national laws, regulations, or institutions, even though policy reforms can cause significant social and environmental impacts. The Bank has developed a separate policy regarding social and environmental reviews of policy loans, with fewer requirements for due diligence and supervision. The ESF also does not apply to the Bank's results based lending instrument, called Program for Results.

THE ESF AND POLICY LENDING

Development policy lending—the Bank's instrument for supporting government policy reforms—may cause significant social and environmental impacts. Deflecting calls from civil society to apply rigorous social and environmental review requirements to its policy lending, the Bank adopted a vague operational policy (OP 8.60) that leaves it largely up to Bank staff to determine how extensively to examine potential impacts of proposed policy loans. The policy requires the Bank to determine if policy lending will likely cause "significant poverty and social consequences" or "significant effects on the country's environment, forests, and other natural resources." If such impacts are likely, the Bank is to assess how well a borrowing country's own laws and regulations will reduce such adverse effects and is to propose how any shortcomings are to be addressed. The policy fails to provide more specificity, and does not require the Bank to avoid severe impacts.

The absence of more rigorous environmental and social protections for policy lending does not mean that civil society must remain silent about the consequences of Bank-supported reforms on people and environment. Citing Bank violations of other internal policies, such as those regarding supervision and poverty reduction, activists have raised concerns and filed complaints about policy loans to the World Bank's Inspection Panel (see Module 5). Civil society also continues to push for the Bank to apply stronger social and environmental standards its policy lending operations. To access a complete set of the World Bank's internal policies governing its operations, visit the Bank website at: https://policies.worldbank.org/sites/ppf3/Pages/Manuals/Operational%20Manual.aspx

STEPS TO SEEKING REDRESS

When an individual or group feels that their rights have been violated, they should seek redress as early as possible. If local authorities are unresponsive, groups should review the measures agreed to between the Bank and the borrower (contained in locally available project documents such as the environmental assessment) and complain to the Bank as early as possible. The Bank staff in charge of a project, such as the Task Team Leader, may have significant influence, particularly in the early stages. If the Task Team Leader ignores local complaints, groups should "move up the ladder," communicating directly to the Bank's Country Director. Groups may also wish to contact the Executive Director representing their country on the Bank's Board, or appeal to supportive non-governmental organizations in Northern countries that could relay the complaints to their country's Executive Directors at the Bank. If complaints remain unanswered, local groups may wish to consider filing a formal complaint with the Bank's Inspection Panel as well as seeking legal action in local, national or international courts. Groups should document all actions taken to seek redress. See Module 5 for more information.

What are some of the main problems with the ESF and Safeguards?

Numerous problems exist with the safeguard policies, including the following:

- The policies often fall short of leading international rights and standards that could provide stronger protections to affected communities.
- The policies do not cover the entire range of social and environmental impacts caused by Bank-financed projects.
- The policies apply only to Bank investment lending operations but not Development Policy Lending or Program for Results.
- The Bank and borrower often do not comply with all of the policy provisions.

IFC Performance Standards

The IFC provides financing and a range of services directly to private sector clients conducting business in developing countries. Many IFC loans have supported companies engaged in activities that cause significant social and environmental impacts, such mining, oil and gas pipelines, and pulp and paper mills, among others.

The IFC's environmental and social policies were updated in 2012 to adopt the Sustainability Framework which consists of the Policy on Environmental and Social Sustainability, the Performance Standards, and the Access to Information Policy. The IFC Performance Standards, which define clients' responsibilities for managing environmental and social risks, have been globally recognized as a benchmark for environmental and social risk management in the private sector.

The eight Performance Standards are:

- Performance Standard 1: Assessment and management of environmental and social risks and impacts;
- Performance Standard 2: Labor and working conditions;
- Performance Standard 3: Resource efficiency and pollution prevention;
- Performance Standard 4: Community health, safety, and security;
- Performance Standard 5: Land acquisition and involuntary resettlement;
- Performance Standard 6: Biodiversity conservation and sustainable management of living natural resources;
- Performance Standard 7: Indigenous peoples; and
- Performance Standard 8: Cultural heritage.

Why the change in approach and what has it meant for affected people?

The IFC recognized that it needed to adopt policies that are more outcome-oriented and provide clearer guidance for private sector clients. In the process, the IFC put in place a set of standards ("Performance Standards") that are considerably more flexible than its former Safeguard Policies. Over time, there have been some improvements in the Performance Standards, such as more rigorous consultation requirements overall, such as the change from "Free, Prior, Informed Consultation" with Indigenous Peoples in its 2006 version to "Free, Prior, Informed Consent" in 2012. Furthermore, the 2012 Performance Standards apply to a greater number of IFC investments, whereas the 2006 version only applied to IFC's project finance investments. Nonetheless, IFC still relies heavily on client-generated information and self-monitoring by the private sector, raising questions about the independence and objectivity of impact reporting and the comprehensiveness of compliance and mitigation measures. Despite the IFC's aim to demonstrate its leadership with the Performance Standards, civil society continues to identify weaknesses in the Performance Standards and the failure of the IFC and its clients to adhere to them.

For more information on the IFC's Performance Standards, see: https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/policies-standards/performance-standards.

For more information on MIGA's Performance Standards, see: https://www.miga.org/environmental-social-sustainability.

Communities can contact the Compliance Advisor Ombudsman (CAO), the independent accountability mechanism for the IFC/MIGA, with complaints about adverse environmental and social impacts of IFC's operations when it fails to comply with these policies. See Module 5 for more information.

A shift with global implications

The revamping of IFC's policies has had far-reaching implications. Not only does the IFC influence other financial institutions through its own lending and investment activities (which often involve other banks known as financial intermediaries), but it also wields significant influence over the more than 100 lending institutions (primarily commercial banks) that have pledged to uphold the IFC's social and environmental standards in their own project lending. Known as the "Equator Principles," these standards are based on the Performance Standards, providing the IFC even greater leverage to influence the ways that other lenders treat environmental and social risks and impacts.

MIGA Performance Standards

The private insurance arm of the World Bank Group, MIGA, adopted environmental assessment and disclosure policies in 1999, pledging that its projects would also comply with the IFC Safeguards in effect at that time. Since then, MIGA has developed its own social and environmental policies, updating them in 2007 and 2013. MIGA's current Policy on Environmental and Social Sustainability and its Performance Standards apply to all investment guarantees since October 1, 2013. Much like those of the IFC, MIGA's Performance Standards cover the following issues:

- Performance Standard 1: Assessment and management of environmental and social risks and impacts;
- Performance Standard 2: Labor and working conditions;
- Performance Standard 3: Resource efficiency and pollution prevention;
- Performance Standard 4: Community health, safety, and security;
- Performance Standard 5: Land acquisition and involuntary resettlement;

- Performance Standard 6: Biodiversity conservation and sustainable management of living natural resources;
- Performance Standard 7: Indigenous peoples; and
- Performance Standard 8: Cultural heritage.

The purpose of these policies is to help MIGA and its clients to manage and improve their environmental and social performance. However, given that the volume of MIGA's business is the smallest of the WBG, the impacts of its insurance and investment guarantee operations are less known and frequently come under less scrutiny than those of the World Bank and IFC. Nonetheless, MIGA has experienced notable growth in recent years, so it is important for civil society to be aware of MIGA's environmental and social policies and remain vigilant with respect to MIGA's operations.

Communities can contact the Compliance Advisor Ombudsman (CAO), the independent accountability mechanism for the IFC/MIGA, with complaints about the adverse environmental and social impacts of MIGA's operations when it fails to comply with these policies. See Module 5 for more information.

In Brief!

- Although the World Bank Group may seek to promote "sustainable development," its activities can also damage or deplete natural and human resources.
- Responding to international pressure, in 1998 the World Bank (IBRD/IDA) adopted the Safeguard Policies to guide the selection and design of projects and policies that it supports through its lending. After a five-year review process, the Bank adopted a system called the Environmental and Social Framework (ESF), which applied to new projects starting on October 1, 2018.
- The IFC and MIGA adopted their own Safeguard Policies, which evolved into the IFC's 2012 Performance Standards and MIGA's 2013 Performance Standards. These standards are fundamentally the same; they differ only to reflect each institution's distinct business model.
- Understanding these policies will equip you to prevent, expose, and remedy harms related to World Bank Group operations.

Find out more!

Resources from Civil Society Groups

- "Civil Society Guide to the World Bank's Environmental and Social Framework," Bank Information Center, 2019, https://bankinformationcenter.cdn.prismic.io/bankinformationcenter/b742a4fd-87d0-4315-98befee330dd8b10_Civil+Society+Guide+to+the+WB+ESF.pdf.
- "Community Guide to the International Finance Corporation," Inclusive Development International, 2017, https://www.inclusivedevelopment.net/resources/tools/ (available in English, French, and Vietnamese).

Resources from the World Bank

- World Bank Environmental and Social Policies (including links to the Environmental and Social Framework (ESF) and Safeguards): https://projects.worldbank.org/en/projects-operations/environmental-and-social-policies.
- IFC Sustainability Framework (with links to its Access to Information Policy, Policy on Environmental and Social Sustainability, and Performance Standards): https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/policies-standards/sustainability+framework.MIGA Environmental and Social Sustainability (with links to its Policy on Environmental and Social Sustainability and Performance Standards), https://www.miga.org/environmental-social-sustainability.

QUICK REFERENCE:
THE WORLD BANK ENVIRONMENTAL AND SOCIAL FRAMEWORK

The World Bank approved the new Environmental and Social Framework (ESF) in 2016 following a lengthy process of consultations and revisions that were undertaken to update the environmental and social Safeguard Policies. The ESF applies to all projects that the public sector arms of the Bank (IBRD and IDA) finance through the Investment Project Financing lending instrument.

The ESF consists of:

- Environmental and Social Policy (ESP): Overarching policy statement that lays out World Bank due diligence requirements;
- World Bank Directive on Addressing Risks and Impacts on Disadvantaged and Vulnerable Individuals or Groups: Directive that provides direction for World Bank staff on identification and mitigation of increased risks to groups and individuals who might be more likely to be adversely affected by project impacts or more limited than others in their ability to take advantage of project benefits due to their particular circumstances;
- Environmental and Social Standards (ESSs): Ten standards covering different topic areas that must be applied by the borrower in each project;
- Guidance Notes: Non-binding guidance for borrowing governments on the implementation of the ESSs.
- Good Practice Notes: Non-binding notes for borrowing governments with best practice guidance on specific issues such as gender, third party monitoring, non-discrimination and disability, sexual orientation and gender identity, and use of security forces.

ESS1: Assessment and Management of Environmental and Social Risks and Impacts

Requires that borrowers identify and manage environmental and social risks associated with a project, including through conducting an environmental and social assessment during the project preparation stage. Projects are classified by the level of overall environmental and social risk using the Systematic Operations Risk-Rating Tool (SORT) which looks at a number of risk factors, and assigns an overall rating of High, Substantial, Moderate, or Low risk. Establishes a mitigation hierarchy which instructs borrowers first to anticipate and avoid risks and impacts; then to minimize or reduce risks and impacts to acceptable levels; then once risks and impacts have been minimized or reduced, mitigate; and finally, where significant residual impacts remain, compensate for or offset them. Instructs borrowers to ensure that project negative impacts do not fall disproportionately on those who might be disadvantaged or vulnerable, and to ensure that all groups have access to project benefits

ESS2: Labor and Working Conditions

Requires that borrowers ensure safe labor and working conditions in Bank-financed projects. Prohibits the use of forced or child labor in Bank-financed projects. Borrowers must provide a grievance mechanism for project workers, including sub-contracted workers.

ESS3: Resource Efficiency and Pollution Prevention and Management

Requires borrowers to promote the sustainable use of resources, including energy, water, and raw materials, while avoiding or minimizing adverse impacts on human health and the environment caused by pollution from project activities, project-related emissions of short and long-lived climate pollutants, generation of hazardous and non-hazardous waste, and risks and impacts associated with pesticide use. Requires borrowers to estimate gross GHG emissions, where feasible, and to apply World Bank Group's Environmental Health and Safety Guidelines and other Good International Industry Practice.

ESS5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

Defines the types of involuntary displacement (including economic displacement) that can result from development projects. Defines who borrowers must consider as impacted people by involuntary resettlement (including those who do not have formal claim to the land that they use or live on). Lays out a process for developing a Resettlement Action Plan for mitigating adverse impacts in projects where there are potential involuntary resettlement impacts.

ESS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources

Requires Borrowers to protect and conserve biodiversity and habitats, apply the mitigation hierarchy and the precautionary approach in the design and implementation of projects that could have an impact on biodiversity, and support livelihoods of local communities, including Indigenous Peoples, and inclusive economic development, through the adoption of practices that integrate conservation needs and development priorities. It includes requirements for legally protected, designated or regionally/internationally recognized areas of high biodiversity value. It also includes provisions to prevent invasive alien species and requirements on animal husbandry and large-scale commercial farming. Primary suppliers are of natural resource commodities are also required to meet sustainability requirements.

ESS7: Indigenous Peoples/Sub-Saharan African Historically Under-served Traditional Local Communities

Requires that borrowers conduct a Vulnerable Groups Framework for projects that could have an impact on indigenous peoples (and Sub-Saharan African Historically Under-served Traditional Local Communities). Projects that impact these groups can only proceed if free, prior, and informed consent (FPIC) is sought and received from these communities prior to the project commencing, and must be maintained through continuing provision of current project information and dialogue throughout the term of the project.

ESS8: Cultural Heritage

ESS8 requires Borrowers to protect cultural heritage from the adverse impacts of project activities and support its preservation, address cultural heritage as an integral aspect of sustainable development, promote meaningful consultation with stakeholders regarding cultural heritage, and promote the equitable sharing of benefits from the use of cultural heritage.

ESS9: Financial Intermediaries

Financial Intermediaries (FIs) are banks or other institutions that have their own lending/financing portfolio to finance development projects. ESS9 requires that when the World Bank provides funds to an FI, the FI must have in place environmental and social systems, and create an Environmental and Social Management System (ESMS). Requires that FIs engage with stakeholders, and disclose a summary of its ESMS.

ESS10: Stakeholder Engagement and Information Disclosure

Requires that borrowers identify all stakeholders of a project, including those who stand to benefit or are at risk of facing negative impacts as a result of the project, with particular attention to vulnerable and disadvantaged groups. Requires borrowers to publicly disclose information about project risks and benefits in a language and manner understandable and accessible to project stakeholders. Instructs borrowers to develop a plan (laid out and made public in the Stakeholder Engagement Plan) to ensure that all stakeholders are informed and consulted on project risks and impacts throughout the project life cycle, and to establish an independent, accessible grievance mechanism and process for stakeholders to submit project-related complaints.

Why is ESS10 particularly useful for civil society and communities?

Stakeholder engagement policies can present entry points that enable communities and civil society organizations to engage in the development process. ESS10 is meant to ensure the engagement of all stakeholders in each phase of the project from inception through implementation and monitoring, and ending with the closure and decommissioning of the project. Throughout the project cycle, the borrower must report periodically on the implementation of all the policies governing the project, including the implementation of ESS10. ESS10's requirements provide entry points for stakeholders to be engaged. These entry points can be summed up in three main categories: access to information, venues to provide input and receive feedback, and finally grievance redress. ESS10 requires that the borrower provide details on how each of these three categories will be satisfied in ways that fit the nature and scale of the project and also the characteristics of the stakeholders.

What is the definition of stakeholders?

The World Bank divides project stakeholders into two main groups. Depending on the nature and scale of the project, these groups can be local, regional, or national. The two groups are:

1. Those who are directly affected, either positively or negatively, by the project, and/or their representatives. The borrower has the responsibility to verify that representatives truly represent and communicate with the affected communities they represent.
2. Those who are interested in the project. These groups can be government agencies, private sector entities, academia or non-governmental organizations (NGOs) who are concerned about the specific sector or issue the project focuses on or potential impacts of the project.

How and when are the stakeholders for a specific project identified?

Very early on in the project cycle, before the World Bank approves the project, the borrower must list and analyze each of the stakeholder groups, identify how each is affected, concerned about, or interested in the project, and the main characteristics of each group. Special attention should be given to the vulnerable and disadvantaged groups such as the elderly, women, children, minorities, indigenous populations, people with disabilities, LGBTQ, etc. In developing the list of stakeholders, and the analysis that accompanies it, the borrower can consult and discuss with different entities who are knowledgeable of the local and sector context, and also with representatives of the identified stakeholders. In high risk projects, the borrower can seek the help of an independent specialist to develop the entire analysis or parts of it.

Can anyone be engaged?

Anyone interested or who believes s/he might be impacted by the project can participate at any time, even if they have not been identified as stakeholders in the initial identification.

Where can I find details on each of the entry points for engagement in a specific project?

The borrower should develop a detailed plan to engage each of the identified stakeholder groups. This plan is called the **Stakeholder Engagement Plan (SEP)**. Besides the identification and analysis of the stakeholders, the SEP should provide details on what, how and when the borrower will communicate with each of these groups. The borrower is obliged to discuss the draft SEP with the stakeholders and get their input on the proposed engagement plans. The plan should be submitted to the World Bank before the Bank approves the loan, and disclosed on the World Bank's website. As project circumstances and stakeholders' concerns change during the project cycle, the SEP is updated to reflect such changes.

The SEP should be made available to all stakeholders in a format and language that is understandable to, and through channels that are appropriate for, all stakeholder groups. The borrower should inform the stakeholders about the publication of the SEP and venues to access it including through Bank and government agency websites, social and formal media, radio, posters, etc.

What does the Stakeholder Engagement Plan (SEP) cover?

Meaningful engagement means that the parties involved have enough information to contribute informed views and receive feedback on the views they provide, and also have access to functional accountability mechanisms to report concerns or problems.

The SEP includes details on the type of information that should be shared with each of the identified groups, as well as the timing, format, language, and dissemination venue for that information. It also includes the different venues designed for each of those groups to provide input and receive feedback, such as through in person consultation meetings or online surveys.

The plan for engagement with each of the identified groups is unique to fit the specific characteristics, interests and concerns for each group. Special efforts should be made to engage with vulnerable and disadvantaged groups. For example, information shared with affected communities should be in their local language and in less technical terms; innovative ways should be designed to communicate with communities with low literacy level; sign language and braille should be used as needed; and locations for in person engagement/consultation should be accessible to accommodate persons with disabilities. Engagement should also be free of coercion and intimidation and that is why special arrangements should

1. Depending on the nature and the scale of the risks and impacts of the projects, the elements of a SEP may be included as part of the Environmental and Social Commitment Plan (ESCP), which lays out all the activities and actions the borrower will implement to comply with all the 10 ESF standards with a clear time frame. This ESCP should be submitted to the Bank, and disclosed, before the Bank approves the loan, and is included in the official legal loan agreement between the Bank and the borrower.

be made to engage with groups who might be at risk or intimidated for cultural or political reasons such as women, children, elders, LGBTQI, indigenous, or other minorities. The detailed plans for engagement with each of these groups should be included in the SEP.

What project information should be disclosed to affected communities?

Before the Bank approves a project, the borrower should share information about the project, the potential risks, the measures to be taken to avoid or minimize the risks, including mitigation and compensation plans for risks that cannot be avoided. The borrower should also consult with the communities on these measures and plans. In addition, the borrower should share and discuss the draft SEP with affected communities. The input received from stakeholders and the feedback from the borrower should be reflected in the documents submitted to the Bank before the Bank approves the project. These documents should be made available to the communities to verify that they truly reflect the issues raised in the engagement process.

Depending on the nature and scale of the risks associated with the project, more formal points of engagement/consultations should be organized with affected communities throughout the project life cycle to provide updates and receive feedback on risk mitigation plans. High risk projects require more frequent and intensive consultation. Low and medium risk projects require at least two formal rounds of consultation, one during project preparation and another during project implementation. Consultations should also be arranged whenever new risks are identified.

In addition to details on how, when, and where consultations will take place, the SEP also details what information needs to be disseminated before each of these consultations, as well as the means of dissemination and means to announce the availability of the information. The SEP also includes details on how consultations will be documented.

Engagement should not be limited to formal consultations; it is a continuous process. Throughout the project's life cycle, the borrower should continue to share updates on the project and on the implementation of the risk mitigation and compensation plans. The borrower should set appropriate systems to make these updates available on a continuous basis and to receive and respond to requests for more information. The SEP will also include information about other channels of communication and engagement that allow the stakeholders to stay engaged, provide their inputs, and receive feedback.

What if the concerns raised by the communities are not addressed through these engagement channels?

The borrower should set in place a mechanism to receive and address complaints. The SEP should identify the entity in charge of receiving complaints and a detail a clear system and timeline to look into the complaints. The different ways to file a complaint should be clearly described in the SEP, along with how project stakeholders will be informed about the grievance mechanism. The SEP should also clarify the measures that should be taken to protect complainants from retaliation. Special measures should also be identified to facilitate access to the grievance mechanism by vulnerable and disadvantaged groups.

What if the grievance mechanism does not satisfactorily address a complaint?

The project grievance mechanism is not a substitute for the Bank's other accountability mechanisms. Community members who believe they are harmed by a project can still approach the World Bank's management or the Bank's independent Inspection Panel to look into their concerns.

QUICK REFERENCE: WORLD BANK SAFEGUARD POLICIES

ABCS OF BANK PROJECTS

Projects are categorized according to the degree of potential adverse social and environmental impacts:

- Category A: may cause "irreversible," diverse, or unprecedented damage
- Category B: impacts are site-specific and can be more readily mitigated than for Category A projects
- Category C: minimal or no adverse environmental impacts
- Category FI: for subprojects financed through financial intermediaries that may have negative impacts. For Category A and B projects, the borrower must consult with project-affected groups and local non-governmental organizations about project's environmental aspects and take their views into account. Borrower must (a) initiate consultations as early as possible; (b) for Category A projects, borrower consults groups at least twice (before terms of reference for the assessment are finalized and once a draft assessment report is prepared); (c) borrower consults affected groups throughout project implementation as necessary to address related issues.
- For all Category A and B projects borrower must provide relevant material in a timely manner prior to consultation and in a form and language that are understandable and accessible to the groups being consulted.

Newer projects have shifted to using a different categorization regime called the Systematic Operations Risk-Rating Tool (SORT) in which risk is classified as high, substantial, moderate, or low.

In 1998, the World Bank grouped ten of its key environmental and social policies into a set of "Safeguard Policies" which together are designed to provide minimal protections to the environment and vulnerable populations from negative effects of Bank-financed operations. The World Bank Safeguard Policies establish mandatory standards and procedures that the Bank and its borrowers must follow in preparing and implementing Bank-financed projects. The Safeguards apply to projects that reached the concept stage prior to October 1, 2018. Newer projects apply the Environmental and Social Framework. Because projects that were initiated under the Safeguard Policies will continue to apply these standards, it is important for civil society to be aware which policies apply to projects of interest, and the key provisions of the applicable policies.

Key provisions of the Bank's Safeguard policies are described below. Most of these policies are composed of Operational Policies (OP), that detail requirements that must be upheld by project implementers, and Bank Procedures (BP,) that list the procedures Bank staff must follow. The full text of these mandatory policies can be found on the Bank's website at www.worldbank.org/safeguards.

Environmental Assessment

OP/BP 4.01 (1999, Revised April 2013)

The "Environmental Assessment" policy is the "umbrella policy" through which potential social and environmental impacts are identified and mitigation measures proposed. The assessment process determines whether other safeguard policies (such as involuntary resettlement) apply. Although called the "environmental" assessment, impacts on human health and safety, involuntary resettlement, indigenous peoples, and physical cultural resources are all to be assessed as well.

- The Bank screens projects to identify potential impacts early in the project cycle and categorizes projects according to level of impacts. Different categories trigger varying requirements regarding pre-project studies, participation, and information disclosure.
- The borrower conducts an assessment. Identified impacts are to be avoided or minimized and project alternatives are to be examined. The borrower assesses not only the impacts of immediate the project area, but the project's "area of influence" (e.g., access roads, power lines, pipelines) as well as unplanned developments (spontaneous settlements, logging, etc.) induced by the project.
- The assessment contains appropriate mitigation measures to offset potential negative social and environmental impacts.
- The Bank should not (or cannot) finance projects that contravene legislation or obligations of the country under relevant international environmental treaties and agreements.
- For high-risk (Category A) projects, the borrower must retain independent experts not affiliated with the project to carry out the assessment.

Natural Habitats
OP/BP 4.04 (2001, Revised April 2013)

This policy establishes limits on Bank-financed projects that may impact areas with high degrees of plant and animal species and that have not been essentially modified by human activity.

Critical natural habitats are

- Existing or proposed protected areas;
- Areas recognized as protected by traditional local communities (e.g., sacred groves);
- Sites that maintain conditions vital for the viability of the above protected areas, or;
- Other areas of high conservation value identified by the Bank or other bodies.

The Bank may finance projects that involve "significant conversion" (or damage) of natural habitats only if there are no "feasible" alternatives (defined in financial and technical terms). Comprehensive analysis must show that potential benefits "substantially outweigh" environmental costs.

The Bank will not finance projects that involve significant conversion or degradation of what the Bank deems "critical natural habitats."

The Bank determines significant conversion or degradation on a case-by-case basis. Significant conversion exists when major changes in land or water use eliminate or severely weaken the integrity of a natural habitat. Degradation occurs when an area is modified to the extent that it substantially loses the ability to maintain viable populations of native species.

- Projects with significant impacts are to be classified as "Category A" and must include mitigation measures acceptable to the Bank. Such measures normally include minimizing habitat loss and establishing ecologically similar protected areas often referred to as "offsets."
- Consultation and information disclosure requirements of the environmental assessment policy apply. Additional language may provide civil society groups more leverage: borrowers must "take into account the views, roles, and rights of groups, including NGOs and local communities affected by Bank-funded projects and to involve such people in planning, designing, implementing, and monitoring and evaluating such projects."

Forests
OP/BP 4.36 (2002, Revised April 2013)

The Forests policy builds off the Natural Habitats policy. If the Bank determines that a forest area is not a

- The Bank will not finance projects that would involve significant conversion or degradation of critical natural habitats (including critical forest areas). This is not a "no go zone" standard for sensitive forest areas, but a weaker standard of not financing projects that would "significantly" damage such areas.

WHAT IS SIGNIFICANT CONVERSION?

The Bank determines significant conversion or degradation on a case-by-case basis. Significant conversion exists when major changes in land or water use eliminate or severely weaken the integrity of a natural habitat. Degradation occurs when an area is modified to the extent that it substantially loses the ability to maintain viable populations of native species.

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- The Bank does not finance projects that contravene applicable international environmental laws.
- The Bank will not finance plantations that involve any conversion or degradation of critical natural habitats, including adjacent or downstream critical natural habitats (a higher standard than allowing "significant conversion").
- The Bank will not finance commercial logging if areas affected are "critical forests" or related critical natural habitats (higher standard than allowing "significant conversion").
- Commercial logging operations must be certified under an independent forest certification system acceptable to the Bank.
- "Meaningful participation" of local people, communities, and organizations is required in the development of the certification system.
- Forest Management Plans are often developed, though not required. Disclosure of these plans is not mandatory but is considered "good practice."

Involuntary Resettlement
OP/BP 4.12 (2001)

The Forests policy builds off the Natural Habitats policy. If the Bank determines that a forest area is not a

- Involuntary resettlement is to be minimized, if not avoided.
- Displaced persons must be assisted at a minimum in restoring their former living standards, income earning capacity, and production levels. Though not required, the policy speaks of improving living standards of resettled persons.
- Resettlement activities should be conceived and executed as sustainable development programs.
- The policy applies when a Bank-financed project causes the loss of land (including buildings), assets, or sources of income. The policy also applies when a project restricts access to parks and protected areas.

- Affected persons without formal titles or legal claims to the land they occupy are covered by the policy but will be provided resettlement assistance rather than compensation for the loss of occupied land.

Indigenous Peoples

OP/BP 4.10 (2005)

This policy establishes standards and procedures when projects affect indigenous communities. It recognizes the limited procedural rights of indigenous communities to confer or deny support to proposed projects.

- Avoid potentially adverse effects on indigenous communities or, when such avoidance is not "feasible," minimize, mitigate, or compensate for such effects.
- Bank-financed projects must deliver culturally appropriate social and economic benefits to indigenous communities.
- The Bank must identify if indigenous peoples are present in or have a collective attachment to the project area. The borrower conducts a social assessment of these peoples.
- The policy establishes higher consultation standards than normally apply to other groups. Free, prior, and informed consultation of Indignenous Peoples is required at each stage of the project, and the Bank will provide financing only if there is broad community support for the project.
- The policy establishes a higher access to information standard than normally afforded communities affected by projects:
  - "Indigenous Peoples' communities are to be provided all relevant information in a culturally appropriate manner at each stage of project preparation and implementation."
- The borrower must prepare, in consultation with indigenous communities, an Indigenous Peoples Plan that ensures that (a) affected Indigenous Peoples receive culturally appropriate social and economic benefits and (b) adverse effects are avoided, minimized, mitigated, or compensated.

WHAT IS FULL REPLACEMENT VALUE?

All affected assets (land and structures) are to be compensated at their replacement cost, that is, equivalent to the amount required to replace the asset in its existing condition. Since in many borrower countries, and especially at the project sites, there may not be functioning housing markets to help dictate the cost of a house, replacement cost should be equal to the cost of constructing/purchasing a new structure, without making any deductions for depreciation.

- Land-based resettlement strategies "should" be provided to displaced persons whose livelihoods are land-based. Does not require land-for-land compensation.
- Compensation for loss of land or assets is to be at full replacement value.
- Taking of land and related assets is allowed only after compensation has been paid and resettlement sites and moving allowances have been provided.
- Displaced persons are to be offered transitional support and development assistance to restore livelihoods, in addition to compensation.
- Affected persons must be consulted on resettlement options and offered opportunities to participate in planning, implementing, and monitoring. The borrower must prepare resettlement plan on all aspects of resettlement.
- Identify choices of affected persons regarding resettlement measures and compensation.
- Draft resettlement plans must be available at an accessible place in a form, manner, and language that are understandable.

HUMAN RIGHTS

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- Identify choices of affected persons regarding resettlement measures and compensation.
- Draft resettlement plans must be available at an accessible place in a form, manner, and language that are understandable.

Pest Management

OP/BP 4.09 (1998)

This policy promotes the use of biological or environmental control methods and reduces reliance on synthetic chemical pesticides and sets conditions on the acquisition and use of pesticides.

Key Provisions

- Pest populations are to be controlled through Integrated Pest Management (IPM) approaches. The Bank may finance the purchase of pesticides when use of them is justified under an IPM approach.

Cultural Property

OPN 11.03 (1986)

This policy requires Bank projects to avoid damage to and assist in the preservation of cultural property, such as sites having archeological, paleontological, historical, religious and unique cultural values.

Key Provisions

- The Bank "normally declines" projects that will "significantly" damage non-replicable cultural property and only assists projects that prevent such damage.
- The Bank provides assistance in protecting cultural properties encountered in Bank-financed projects, often through relocation and museum preservation.
- Bank staff must determine the extent of knowledge about cultural property in project area. Specialists should survey the area if there is a chance of such property existing in the area.

Safety of Dams

OP/BP 4.37 (1999)

This policy establishes procedures and safety requirements for construction of new dams and for projects that depend on the safe functioning of existing dams. Requirements apply to large dams (15 meters or more in height, with some exceptions).

Key Provisions

- For construction of new dams, the borrower must engage a panel of independent experts to review the design, construction, and start of operations and prepare detailed plans for all phases of dam construction and operation.
- For existing dams, the borrower must engage independent dam specialists to inspect, evaluate the safety status of the dam, review operation and maintenance procedures, and submit a written report for any potential remedial work.
- Bank staff must review all written reports, verify that recommendations have been adopted, and monitor all activities related to dam safety provisions.

Projects on International Waterways

OP/BP 7.50 (2001)

This policy seeks to reduce potential conflict between states that border an international waterway (or a bay, gulf, etc.) over projects that may affect the use of or pollute the waterway.

Key Provisions

- The policy encourages borrowers to notify and to provide sufficient project details so other states bordering the waterway can determine if their interests are affected. If the borrower refuses notification, the Bank normally continues with the project. If the borrower objects to the project, the Bank discontinues processing.
- The Bank encourages states bordering the waterway to enter into agreements that cover concerns about the waterway.
- If states raise objections, the Bank may appoint independent experts to review the project.
- The policy applies to dams, irrigation, flood control, navigation, water, sewage and industrial projects.

Projects in Disputed Areas

OP/BP 7.60 (2001)

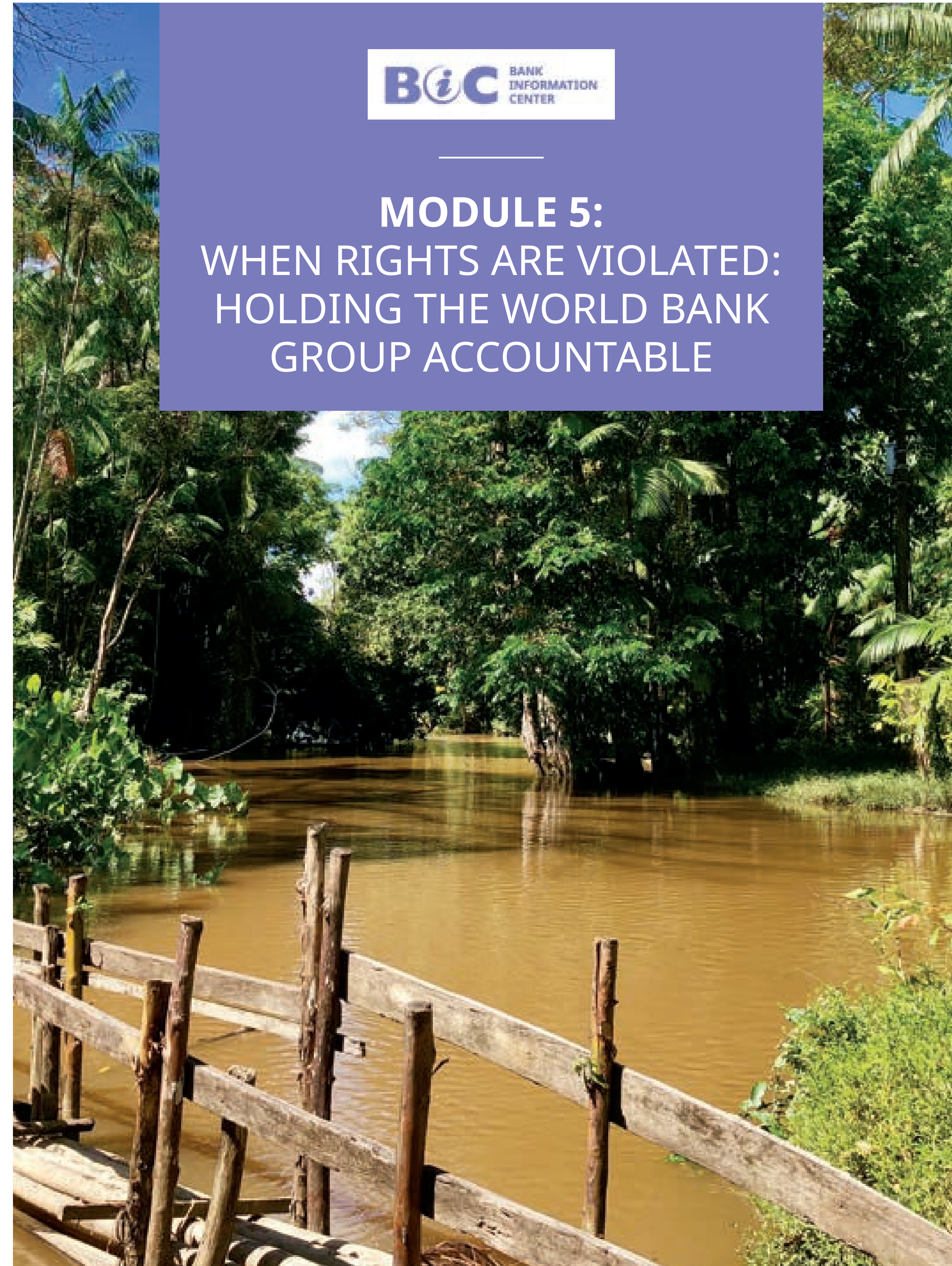
This policy establishes limited rules for the Bank financing projects in areas disputed by two or more states.

Key Provisions

- The Bank may proceed with a project in a disputed area if all governments in the dispute agree to go forward without prejudice to claims.
- The Bank may finance projects even if one government objects, provided that the Bank determines that the project is not harmful to the interest of the claimants and that no conflicting claims have received international recognition.
- The policy requires early identification of territorial disputes and descriptions in all Bank documentation.

BANKINFORMATIONCENTER.ORG

MODULE 5:
WHEN RIGHTS ARE VIOLATED: HOLDING THE WORLD BANK GROUP ACCOUNTABLE



MODULE 5: WHEN RIGHTS ARE VIOLATED: HOLDING THE WORLD BANK GROUP ACCOUNTABLE

Sections In This Module:

- Independent accountability mechanisms: an introduction
- The Inspection Panel
- The Compliance Advisor/Ombudsman
- What to expect when filing a complaint
- Challenges when filing a complaint
- Other strategies for holding the World Bank Group accountable
- Find out more!
- Quick Reference: Facts about the Inspection Panel and CAO

The World Bank Group's (WBG) projects and policies can have detrimental impacts on people and the environment. When harm occurs, whether because WBG operations fail to comply with their own policies and procedures or in spite of adhering to them, affected individuals and communities must have a forum through which they can seek accountability and redress as well as other tools to do so.

The struggle to hold the WBG accountable for harm caused by its operations is ongoing. Civil society groups have employed a range of strategies to ensure that the WBG and other international financial institutions (IFIs) are held accountable for their actions. One primary result of these civil society efforts is the creation of independent accountability mechanisms (IAMs) that can receive complaints directly from project-affected people and their representatives and serve as a channel within the institution to enhance accountability and access to redress. In addition to filing complaints to IAMs, civil society groups have employed a variety of other strategies that have brought significant external pressure on the WBG and its peer institutions. These range from negotiation to protest, to outright rejection of Bank projects, policies, and processes. It is critical for civil society organizations (CSOs) to understand some of the strategies and tactics available to people who have experienced harm because of WBG activities.

Independent accountability mechanisms: an introduction

An IAM is a separate office housed within an IFI that handles complaints about the adverse social and environmental impacts of that institution's operations. Although the IAM is linked to an IFI, the IAM's leadership and staff are independent from the IFI's management and typically report directly to the institution's board of directors or president. IAMs generally perform three functions: conduct compliance investigations, offer dispute resolution, and provide institutional advice through an advisory role. Almost all IAMs undertake some form of monitoring of the outcomes of these functions.

An IAM's primary aims are to provide recourse for project-affected people, ensure accountability when the IFI fails to comply with its own social and environmental safeguard policies, and foster institutional learning in order to prevent future harm and improve the IFI's operations. While the form and function of IAMs differ, they share a common foundation in "citizen-driven accountability," which maintains that citizens should have a greater say in the development process and the right to recourse with regard to actions that affect them. Despite their limitations, over the years IAMs have led to significant reforms within IFIs and enabled communities to restore their environments and reclaim their livelihoods.

The World Bank Group has two IAMs: the Inspection Panel and the Compliance Advisor Ombudsman (CAO).

UGANDA ROADS

In early 2014, Joy for Children, a civil society organization working to prevent child marriage in Western Uganda, noticed increased rates of teen pregnancy and HIV/AIDS in the community of Bigodi, located near the construction of a World Bank funded roadway. Further investigation determined that children were being sexually abused and exploited by road construction workers. Efforts to bring the issue to the attention of the roadway contractor, the Ugandan Police, relevant Ugandan government officials, and the World Bank country office were met with a complete absence of response. With the support of BIC, Joy for Children brought a complaint to the World Bank Inspection Panel alleging violations of the World Bank's policies on environmental and social impact assessments, involuntary resettlement, and monitoring and supervision.

The involvement of the Inspection Panel led to large scale change both in Uganda and for the World Bank as an institution. Once the Bank began to take the issue seriously, solely as a result of the Inspection Panel's involvement, senior Bank management recognized that the project had been mismanaged and that their staff's supervision and monitoring were wholly insufficient to ensure safeguards compliance. The Bank thus admitted to virtually all the allegations made by the community and put in place a plan to remediate the harm to the community, suspended lending to Uganda until reforms were made to address the country's lack of capacity to comply with Bank standards, and appointed a high level panel on Gender Based Violence to recommend World Bank reforms. Slowly but surely the Bank is making progress in preventing and responding to GBV and sexual exploitation in the projects it funds.

A FLASH POINT FOR ACCOUNTABILITY: THE SARDAR SAROVAR DAM

One can trace the origin of the Inspection Panel and movement for citizen-driven accountability at the WBG to some of the most high-profile and controversial projects in its history. Among these is the Sardar Sarovar Dam on India's Narmada River, which would result in extensive environmental impacts and displace over 200,000 people. When local groups and international NGOs decried the consequences of the dam, the Bank was forced to commission an independent review in 1992. The review found clear and repeated violations of Bank policies and documented the link between those violations and the severe costs to the affected communities and the environment. With mounting criticism from civil society and intense pressure from member country governments, particularly the US Congress, the Bank's Board of Directors created the Inspection Panel in 1993—a first-of-its-kind mechanism that allowed project-affected people to raise their concerns directly to the highest levels of the Bank and hold it accountable for failing to comply with its own policies.

Ultimately, the Indian government declined further disbursements from the Sardar Sarovar loan, and the Bank withdrew from the project.

The Inspection Panel

In 1993, the World Bank became the first IFI to establish an IAM to respond to complaints from project-affected people and assess the Bank's compliance with its own policies and procedures. This mechanism, known as the Inspection Panel, was put in place by the Bank's Board of Directors as a response to widespread criticism of the institution's failure to comply with its internal policies while funding road projects in tropical rainforests and dams in highly populated areas. These projects led to massive environmental degradation and an incalculable loss of livelihoods.

The Inspection Panel is a three-member body with a permanent secretariat and staff, located at the Bank's headquarters in Washington, D.C. The Panel receives and investigates eligible complaints from people who feel they have been or could be harmed by activities financed by the public sector arms of the World Bank Group (IBRD/IDA) because of a violation of the Bank's own policies or procedures. The Panel also carries out an advisory function through reports and outreach on lessons emerging from its cases. Unlike other IAMs, the Panel currently does not conduct dispute resolution. The Panel cannot carry out monitoring of the outcomes of its cases following their closure without explicit authorization from the World Bank Board of Directors.

The Compliance Advisor/Ombudsman

With growing public concern about the negative impacts of investments supported by its private sector arms, in 1999 the WBG established the Office of Compliance Advisor/Ombudsman (CAO) to address complaints associated with International Finance Corporation (IFC) and Multilateral Investment Guarantee Agency (MIGA) operations. While the Inspection Panel only investigates whether the Bank has violated its own policies and provides institutional advice based on case lessons, the CAO has a broader mandate. In addition to examining IFC/MIGA compliance with their policies and procedures and performing an advisory role, the CAO also offers dispute resolution to help parties reach mutually agreeable solutions to a complainant's concerns. The CAO can also monitor the outcomes of its compliance, dispute resolution and advisory functions.

Independent from the Institutions

With growing public concern about the negative impacts of Although both the Inspection Panel and CAO are part of the WBG and physically located at the institution's headquarters, they are considered to be independent because they are not connected to WBG Management. The Inspection Panel reports to the World Bank Board of Directors; the CAO reports directly to the World Bank Group President.

Like other IAMs, it is important to note that the Inspection Panel and CAO can only investigate lapses in compliance on the part of the WBG. They have no authority over the actions of the WBG's clients, i.e. borrower governments, financial intermediaries, or private companies, thus limiting them from fully addressing the needs of some complainants.

At the time of this toolkit's publication, the Inspection Panel and CAO are undergoing reviews of their functionality and effectiveness. It is possible that these reviews will result in changes to the Panel's and CAO's structures, functions, and processes.

What to expect when filing a complaint

Complaints can be submitted to IAMs for a variety of reasons. Some complainants file because they have specific problems they want resolved, such as a failure to receive compensation for land lost or damage to livelihoods. Others may file because they wish to elevate the profile of an issue to attract national or international attention so as to get government officials or corporate executives to make serious efforts to resolve their grievances. Regardless of your reasons for filing, you should expect the Inspection Panel and CAO to handle your complaint in a professional, objective, and independent manner.

Usually it is more effective to file a complaint during the early stages of the project preparatory process because it may increase the likelihood that your concerns will be resolved to your satisfaction. However, it is not likely that the Inspection Panel or CAO will recommend a moratorium on project activities due to filing a complaint.

ACCOUNTABILITY AT OTHER IFIs

The creation of the Inspection Panel spurred other International Financial Institutions (IFIs) to create their own IAMs, which are now a common feature within development finance. IAMs have established the International Accountability Mechanism Network (IAMnet) in order to build capacity, share insights on case handling processes, and exchange ideas on best practice in the accountability field. To be an IAMnet member, a mechanism must meet certain criteria and adhere to the principles of citizen-driven accountability. For more information, visit http://independentaccountabilitymechanism.net/

GOOD TO KNOW

In some cases, it may be possible to file a complaint at multiple IAMs. When IFIs jointly support a project, project-affected people may have access to the IAMs at their respective institutions. It is important to keep in mind that each IAM has different eligibility requirements and case processes.

Common challenges to filing a complaint

- Groups often find it burdensome to fulfill the requirements of filing a complaint and to understand the WBG's policies and the IAM's processes.
- It is difficult to assess the potential advantages and disadvantages of filing a complaint.
- Access to information about a project can be limited, especially in the early stages of a project's development. Information that is available may be very technical and only in English.
- It is difficult to find out whether the World Bank or IFC/MIGA (or other IFI) is considering or involved in a project, and therefore it is hard to know which IAM can handle your complaint. It is also challenging to obtain information about how much of a loan has been disbursed, repaid, etc., which affects when your complaint can be filed.
- Complaint processes can be long and time and resource intensive, with no guarantee of tangible benefits.
- Access to the Panel and CAO can be difficult, especially for groups in remote locations and/or without modern technology and communication facilities.
- Despite best efforts by the Panel and CAO, complainants may face risks of retaliation for filing a complaint.

Common challenges to filing a complaint

- Groups often find it burdensome to fulfill the requirements of filing a complaint and to understand the WBG's policies and the IAM's processes.
- It is difficult to assess the potential advantages and disadvantages of filing a complaint.
- Access to information

Other strategies for holding the WBG accountable

In addition to filing complaints to IAMs, CSOs and project-affected people have sought other avenues outside the WBG to increase accountability and obtain redress. While some have pursued legal challenges to the WBG's

STRENGTHENING THE WBG ACCOUNTABILITY ECOSYSTEM?

The WBG Board of Directors recently embarked on two separate review processes involving the Inspection Panel and CAO. Each process has varied in its scope and level of interaction with civil society. It remains to be seen whether the WBG's leadership will heed the calls of civil society and use this opportunity to strengthen citizen-driven accountability at the WBG.

The Inspection Panel process formally began in August 2017 with a goal of examining whether the Panel required any updates to continue to operate effectively under the new Environmental and Social Framework (ESF). In October 2018, the Board approved several reforms to the Panel's "toolkit," including the ability of complainants to view the Panel's investigation report before the Board decides on how Management should respond to the report. However, the Board is still deliberating on whether to approve other much-needed reforms, which would (1) extend the time for complainants to file complaints, (2) enable the Panel to monitor outcomes, and (3) provide the Panel with a dispute resolution function.

The WBG officially released information about the CAO process in October 2019, soon after the historic U.S. Supreme Court decision in the Budha Ismail Jam, et al. v. IFC case. The scope of the review not only covers the CAO's effectiveness, but also IFC/MIGA's responsiveness and role in the accountability framework. A review team consisting of external experts is leading the review process and is accepting feedback from stakeholders throughout their review. WBG leadership will consider the team's assessment before approving any reforms.

COMPLAINTS ACROSS IAMs: BUJAGALI HYDROPOWER DAM

The Bujagali Hydropower Dam is one of the most complained-about projects in the history of the IAMs. The dam and its related projects have been the subject of numerous investigations over the years. Project-affected people and civil society filed multiple complaints to the Inspection Panel and CAO, as well as the IAMs at the African Development Bank and European Investment Bank. The government of Uganda, with support from the WBG, African Development Bank, European Investment Bank, and other investors, asserted that the 250 megawatt hydropower dam built on the River Nile would bring more affordable energy to Ugandans. Instead, the dam has resulted in negative environmental and social impacts, including labor violations, lack of compensation for land, and harm to local spiritual values and culture. Furthermore, due to the high cost of producing the electricity, the dam has not eased the financial burden on Ugandan families.

Combined with other strategies, project-affected people and civil society have used IAMs to raise global awareness of the dam's impacts and seek redress and accountability. The Inspection Panel and CAO completed separate investigations and found several instances of non-compliance on the part of the World Bank and IFC/MIGA, respectively. The communities and civil society groups will remain vigilant throughout the implementation of remedial actions by the WBG.

IN CONTRAST:
A MANAGEMENT-LED GRIEVANCE SERVICE
The World Bank Grievance Redress Service (GRS) is a management-led service where project-affected people can submit complaints if they believe a World Bank-funded (IBRD/IDA) project has or is likely to adversely affect them. Unlike the Inspection Panel (or CAO for IFC/MIGA), the GRS is not independent from the institution. The GRS is a part of and reports to World Bank management. While this service may enable project-affected people to engage directly with Bank management, some complainants pursue other strategies due to this lack of independence.

GOOD TO KNOW
Filing a complaint to the GRS does not prohibit you from filing to the Inspection Panel, or other IAMs if appropriate. In addition, you are not required to first file to the GRS before proceeding to the Panel or other IAMs. However, note that the Panel requires complainants to first raise their issues to World Bank management and attempt to resolve them prior to filing to the Panel. Filing first to the GRS is just one way in which complainants can satisfy this requirement. There is no such requirement for filing to the CAO, which handles complaints related to IFC/MIGA operations.

claim of immunity from both international and national law, it demands a great deal of financial and other resources to file cases against it or its employees in courts with no guarantee of a satisfactory outcome. Given this situation, complainants often consider a combination of strategies and tactics.

One of the most important external tools that civil society can use in the struggle for accountability and redress is the media. Because of the WBG's sensitivity to its reputation, highlighting substantiated grievances in the press and on social media can often help civil society hold the WBG accountable, achieve remedies, and prevent future harm. Other strategies that civil society groups use to pressure the institution include organizing public hearings, conducting tribunals of eminent persons, lobbying parliamentarians and promoting parliamentary oversight of the WBG, advocating for corporate and financial regulatory reform in their countries —particularly in sectors involving WBG clients, committing acts of civil disobedience, holding referenda, and appealing to UN bodies and regional entities, such as the Inter-American Commission on Human Rights. Such actions undoubtedly spotlight an issue and amplify concerns, helping to increase pressure on the WBG.

In Brief

- The World Bank Group (WBG) has two independent accountability mechanisms through which project-affected people can seek accountability and recourse for the adverse impacts of WBG operations: the Inspection Panel and the Compliance Advisor Ombudsman (CAO). The Inspection Panel can investigate claims of harm resulting from World Bank (IBRD/IDA) projects, while the CAO has oversight over IFC/MIGA operations. It is important to understand the advantages and limitations of both mechanisms, as well as other IAMs that may be relevant to your complaint.

- Other strategies, such as using local and international courts, engaging in civil disobedience, advocating parliament for more oversight of the WBG and corporate and financial reforms, and raising your complaint with UN bodies may also create external pressure to hold the WBG accountable for its actions. The media can be an especially powerful tool, given the WBG's sensitivity to its public reputation.

Find out more!

Resources from Civil Society Groups

- "10 Steps to Filing a Complaint," Centre for Research on Multinational Enterprises (SOMO), https://www.somo.nl/hrgm/10-step-guide-filling-complaint.
- "Accountability Console" (an online database of complaints filed at IAMs. Registration is required. Users may request a fee waiver.), Accountability Counsel, https://accountabilityconsole.com.
- "Accountability Resource Guide: Tools for Addressing Environmental and Human Rights Abuses in International Finance and Development," Accountability Counsel, 2015, https://www.accountabilitycounsel.org/wp-content/uploads/2017/08/ARG-V8.pdf.
- "Early Warning System" (an online tool that provides information and project documents on development projects around the world), Center for International Environmental Law, Coalition for Human Rights in Development, and the International Accountability Project, https://ews.rightsindevelopment.org.
- "Follow the Money to Justice" (an online tool to help communities identify which financial institutions are supporting development projects), Inclusive Development International, https://www.followingthemoney.org.
- "Glass Half Full? The State of Accountability in Development Finance," 2016, Centre for Research on Multinational Enterprises (SOMO) and others, www.glass-half-full.org.
- "Tools for Human Rights Defenders" (online resources to guide and support complainants and other human rights defenders), Coalition for Human Rights and Development, https://rightsindevelopment.org/our-work/hrd.

RISK OF REPRISAL

In recent years, we have witnessed the closing of civil society space and a movement against citizen-driven accountability across the globe. The risk of retaliation and the occurrence of reprisals against people who speak out against harmful projects have increased. Risks of reprisal and retaliation have not only affected complainants, but also their families and others associated with them, including IAM consultants, interpreters, expert witnesses, and CSO representatives who support IAM processes. These threats and acts can leave the lives of the individuals concerned in ruin. They can also serve as a deterrent for project-affected people to seek accountability and redress through IAMs and other strategies.

Recognizing this trend, the Inspection Panel and CAO have developed resources for their staff to identify and respond to these risks and retaliatory measures.

- The Inspection Panel's "Guidelines to Reduce Retaliation Risks and Respond to Retaliation During the Panel Process" can be found here: https://www.inspectionpanel.org/sites/ip-ms8.extcc.com/files/documents/IPN%20Retaliation%20Guidelines_2018.pdf.
- The CAO's "Approach to Responding to Concerns of Threats and Incidents of Reprisals in CAO Operations" can be found here: http://www.cao-ombudsman.org/newsroom/documents/CAOApproachtoReprisals.htm.

In addition, IAMnet has developed a "Guide for Independent Accountability Mechanisms on Measures to Address the Risk of Reprisals in Complaint Management" as a practical toolkit to help IAMs approach the risk of reprisals to project-affect people and others who are associated with the complaint process. It provides suggestions, examples, and tools that can be used to assess and address risks and reprisals more effectively. The toolkit can be found on the IAMnet website at http://independentaccountabilitymechanism.net/.

**LANDMARK LITIGATION:
BUDHA ISMAIL JAM, ET AL. v. IFC**

Fishing and Farming Communities Successfully Challenge IFC's Claim of Immunity in Court

On February 27, 2019, the U.S. Supreme Court decided in a landmark case that international organizations like the WBG can be sued in U.S. courts, invalidating the IFC's claim that it had absolute immunity from lawsuits. The decision comes after fishing and farming communities in Gujarat, India sued the IFC for its role in financing the Tata Mundra Ultra Mega coal-fired power plant project, which devastated the communities and their environment.

Prior to the lawsuit, the communities filed a complaint to the CAO, which validated the community's concerns and found that the IFC had repeatedly violated its own policies and procedures. Despite the CAO's findings, the IFC failed to take corrective measures to effectively address its non-compliance and remedy the harm to the communities. As a last resort, the communities turned to litigation, which was the first time that project-affected people have used the courts to hold an IFI accountable for supporting a harmful project. In light of the U.S. Supreme Court's decision, the case has returned to the lower courts for further deliberations.

Despite this tremendous outcome, litigation will likely remain a very costly and time consuming strategy for many communities.

REPUTATIONAL RISK

The WBG is highly sensitive to its reputation as an international organization with a stated mission of alleviating poverty and promise to "do no harm." When civil society groups document cases of increased impoverishment and environmental damage caused by WBG projects, groups are in effect challenging the WBG's raison d'etre.

Resources from the World Bank Group

- Compliance Advisor Ombudsman (IFC/MIGA): www.cao-ombudsman.org.
- "The work of the Compliance Advisor Ombudsman" (short films), CAO, 2019: https://www.youtube.com/channel/UC7EhYN8wfdupAH4_-B1ltGw.
- Inspection Panel (World Bank): https://www.inspectionpanel.org.
- "The Inspection Panel at 25: Accountability at the World Bank." World Bank, 2018, https://inspectionpanel.org/sites/inspectionpanel.org/files/publications/25th%20Anniversary%20Book-PDF%20Version.pdf.
- What is the Inspection Panel" (short video), Inspection Panel, 2016, https://www.youtube.com/watch?v=9dOQW6gccM.

QUICK REFERENCE:
FACTS ABOUT THE INSPECTION PANEL AND CAO

	INSPECTION PANEL	IFC/MIGA CAO
Basic description	Established in 1993. Three member, full-time panel with a secretariat and staff support, based at the WBG headquarters in Washington, D.C. Can appoint expert consultants when required. Covers complaints about World Bank (IBRD/ IDA) operations. Reports to the World Bank Board of Directors. Released its "Guidelines to Reduce Retaliation Risks and Respond to Retaliation During the Panel Process" in 2016. As of February 2020, had processed 146 complaints. For more information, visit www.inspectionpanel.org	Established in 1999. Based in Washington D.C., office is led by the CAO Vice President, who is supported by an Ombudsman (dispute resolution), a Senior Compliance Specialist, a Senior Advisory Specialist, and other staff. Can appoint expert consultants when required. Has a Strategic Advisors group consisting of members from civil society, private industry, academia, and the field of conflict resolution. Covers complaints about IFC/MIGA operations. Reports to the WBG President. Released its "Approach to Responding to Concerns of Threats and Incidents of Reprisals in CAO Operations" in 2018. As of February 2020, the CAO had processed 193 complaints. For more information, visit www.cao-ombudsman.org
Functions	Compliance investigations, advisory services. Can monitor and report on outcomes only with Board authorization.	Compliance investigations, dispute resolution, and advisory services. Can monitor and report on outcomes.

	INSPECTION PANEL	IFC/MIGA CAO
Who can file	Two or more affected persons who are suffering or are likely to suffer harm because of a World Bank-financed operation (or a local NGO or another person that represents affected person/s. If no local representation is available, an international NGO can also represent the complainant. Proof of representation is required). A member of the World Bank Board can also request an inspection. The Panel maintains confidentiality upon request but anonymous complaints are not accepted.	There are three triggers for the CAO's complaint process: (i) Any individual or community impacted or likely to be impacted by an IFC/MIGA operation can file (or a proven representative of such); (ii) The WBG President or IFC/MIGA senior management can request an investigation or advisory services; and (iii) The CAO Vice President can initiate a case. The CAO maintains confidentiality upon request but anonymous complaints are not accepted.
When to file	At any time in the life of a project, even before the World Bank approves financing, but before 95 percent of the financing has been disbursed.	At any time when the IFC/ MIGA is participating in or actively considering the project associated with the complaint. However, leverage over the client may decrease over time. Complaints cannot be filed when IFC/MIGA is no longer involved in the project, e.g. on past (closed) projects for which loans have been fully repaid, IFC equity has been sold, or MIGA guarantee coverage has ended.

	INSPECTION PANEL	IFC/MIGA CAO
What to file	Complaint should include information about the complainant and/or any appointed representatives; the World Bank operation related to the compliant; the harm experienced (or likely to experience) due to the operation; how the complainant believes the World Bank has failed to follow its policies (the complaint does not need to list specific policies); and the complainant's past attempts to inform Bank management about the harmful impacts and why the complainant is not satisfied with the response. The complaint may include any resolution that the complainant would like to see.	Complaint should include information about the complainant and/or any appointed representatives; the IFC/MIGA operation related to the complaint; how the complainant is or is likely to be affected by environmental and/or social impacts of the operation. The complaint may also include the resolution that the complainant would like to see.
	Complaint can include a request for confidentiality.	Complaint can include a request for confidentiality.
	It is useful to submit as many details as possible, but complainants can provide additional information and evidence of harm during the course of the complaint process.	It is useful to submit as many details as possible, but complainants can provide additional information and evidence of impacts during the course of complaint process.
	The Panel's website provides a sample complaint form as guidance.	The CAO's website provides a sample complaint form as guidance.

	INSPECTION PANEL	IFC/MIGA CAO
Key process milestones (The full process can take anywhere from 6 months to 3 years.)	Panel's registration of the complaint (referred to as a "request") is filed within 15 days of receiving it.	CAO's registration of the complaint. The CAO determines eligibility within 15 days of registration.
	The Panel notifies management of the complaint. Management sends response to the Panel within 21 days.	The CAO assesses eligible complaints to determine whether dispute resolution is possible or whether the complaint should be handled through the compliance process. The assessment may take up to 120 days.
	Eligibility decision by the Panel (Panel may conduct a site visit to determine eligibility). Within 21 days of Management's response, the Panel decides whether to issue a recommendation to investigate to the Board. The Panel sends its report and recommendation to the Board for a decision (on a no-objection basis).	If the parties agree to proceed to dispute resolution, the CAO will help achieve a mutually satisfying resolution. If the parties reach an agreement, the CAO will assist with monitoring its implementation. Timing depends on a variety of factors, including the complexity of the case.
	If the Board approves an investigation, the Panel begins the investigation and conducts a site visit. The Panel aims to complete the investigation within 6 months. Complainants have the chance to review the Panel's report before meeting with Management.	If the parties do not agree to proceed to dispute resolution or if the compliance process is triggered (e.g. by the CAO Vice President), the CAO initiates a compliance appraisal to determine whether the complaint warrants a full investigation. This may take up to 45 days.
	Management issues its "Report and Recommendations" in response to the Panel's findings within 6 weeks of receiving the Panel report. Management is required to consult with complainants when developing action plans.	The CAO conducts its investigation. Timing depends on a variety of factors, including the complexity of the case. CAO issues its investigation report to management.
	The Board decides on next steps in light of the Panel's findings and Management's response, including an action plan.	Management has 20 days to issue a response.
	Management reports back periodically on its implementation of the action plan.	The CAO sends its report and Management's response to the WBG President for clearance. After clearance, the CAO sends the report to the complainant.
		The CAO monitors the outcome of the investigation until IFC/MIGA has addressed the non-compliance findings.

	INSPECTION PANEL	IFC/MIGA CAO
Transparency of the process	The Panel maintains a case registry that includes complaints and when the Panel received them, notices of registration (and non-registration), eligibility reports, investigation reports, management responses and recommendations/action plans, Board decisions, and management progress reports, as appropriate.	The CAO maintains a case registry that includes complaints and when the CAO received them, assessment reports, dispute resolution agreements and related close-out reports, compliance appraisals, investigation reports, and monitoring reports, as appropriate. IFC/MIGA responses may also be posted on the registry. Information may be limited due to requests for confidentiality.
	Complainants have access to investigation reports in order to participate in the development of Management's action plan. The action plan is sent to the Board to decide on the next steps.	The CAO shares the final investigation report with complainants after it allows IFC/MIGA to review and comment on the factual accuracy of the draft reports and the WBG President clears them.
Current status	Undergoing a Board-led review of its functionality and effectiveness.	Undergoing a Board-led review of its functionality and effectiveness.

BANK INFORMATION CENTER

GLOSSARY OF TERMS AND ACRONYMS

GLOSSARY OF TERMS AND ACRONYMS

Bank Management Includes the following individuals and entities: Vice Presidents of regions, Global Practices, and other divisions; Managing Directors; General Counsel; Chief Financial Officer; Senior Vice President and Chief Economist; Executive Vice Presidents of IFC and MIGA; Director-General and President of the World Bank Group (WBG). See Module 1 for more information on WBG structure. Management does not include the Inspection Panel or Compliance Advisor Ombudsman (CAO).

Bank Information Center (BIC) The Bank Information Center partners with civil society in developing and transition countries to influence the World Bank Group and other international financial institutions (IFIs) to promote social and economic justice and ecological sustainability. https://bankinformationcenter.org/

Board of Directors Makes day-to-day decisions at the World Bank Group. Has 25 members, each representing one or more member governments. Votes assigned in rough proportion to the size of a country's economy; thus richer countries have more decision-making power than poorer, borrowing countries. Operates largely behind closed doors, without public access to its deliberations or details about its decisions. Full Board meetings held at least twice a week (currently on Tuesday and Thursday) to approve all WBG financing, and to monitor the WBG's day-to-day work. Board committees meet almost daily. See Module 1 for more information on World Bank structure.

Board of Governors Ultimate decision-making authority at the World Bank rests with the Board of Governors, to which each member country appoints a representative. For most countries, the governor is the Minister of Finance or Economy. The Board of Governors meets once a year at the IMF/World Bank Annual Meetings to review and set broad policies and priorities. See Module 1 for more information on World Bank structure.

Bretton Woods Institutions Include the World Bank and the International Monetary Fund (IMF). Both were established at a meeting of 43 countries in Bretton Woods, New Hampshire, USA in 1944, to help rebuild the shattered postwar economy and to promote international economic cooperation. See Module 1 for information about the relationship between the World Bank and the IMF.

Civil Society Organizations (CSO) Civil society covers the space between the activities of the state and the market. Organizations within civil society range from church groups to environmental pressure groups to local credit collectives and trade unions.

Compliance Advisor/Ombudsman (CAO) The independent accountability mechanism for the IFC/MIGA that receives complaints related to environmental and social concerns associated with IFC/MIGA operations. The CAO has three complementary functions: conducting investigations of IFC/MIGA compliance with their own policies and procedures; providing dispute resolution services; and providing advice to IFC/MIGA through its advisory role. Established in 1999. See Module 5 for more information on independent accountability mechanisms like the CAO and Inspection Panel.

Country Director Head of a World Bank multi-country office. Single-country offices are headed by Country Manager. See Modules 2 for information on World Bank staff in your country.

Country level assessments and diagnostic studies Include evaluations of a country's public expenditure performance, governance and corruption, procurement and investment regulations, and sector-specific policies (such as regulations on forestry or laws on trade). Influence the content of the Bank's lending operations in the country, impact the government's policies, and are frequently referenced by other donors. The Country Diagnostic Working Group was established in 2017 to coordinate between donors, visit www.countrydiagnostics.com for more information, and see Modules 2 and 3 for more information on World Bank documents and information disclosure.

Country Manager Head of a World Bank country office. Multi-country offices are directed by a Country Director. See Module 2 for information on World Bank staff in your country.

Country Partnership Framework (CPF) Outlines the Bank and borrowing government's joint priorities and the WBG's proposed lending and non-lending activities in a country for 4-6 years. Consultations with stakeholders including civil society are required during the preparation of the CPF. See Modules 2 and 3 for more information on World Bank documents and information disclosure.

Development Policy Lending/Financing (DPL/DPF) One of the three main types of Bank lending is for Development Policy Loans, which provide budget support to borrowing countries in exchange for their adoption of policy reforms. See Module 2 for more information on what the Bank is doing in your country.

Environmental and Social Framework (ESF) A set of environmental and social requirements that apply to projects financed to the Bank's Investment Policy Financing starting on October 1, 2018. The ESF will eventually replace the Bank's safeguard policies, including the Operational Polices. See Module 4 for more information on safeguard policies.

Environmental and Social Impact Assessments and Management Plan (ESIA, EMP) Documents that describe anticipated environmental and social impacts of World Bank projects and related mitigation measures. To be disclosed at least 60 days prior to project approval, consulted publicly and completed prior to project approval. See Modules 2 and 3 for more information on World Bank documents and information disclosure.

Executive Directors Represent one or more member governments in making the day-to-day decisions on the WBG Board of Directors. The board currently has 25 members. See Module 1 for more information on World Bank structure.

International Bank for Reconstruction and Development (IBRD) One of the five arms of the World Bank group. Lends money to governments of middle-income countries at near-market interest rates. See Module 1 for more information on the arms of the World Bank Group.

International Center for Investment Disputes (ICSID) A legally autonomous international organization established to arbitrate disputes between foreign investors and host governments. One of the five arms of the World Bank Group. See Module 1 for more information on the arms of the World Bank Group.

International Development Association (IDA) Lends money to low income country governments at below-market interest rates. One of the five arms of the World Bank Group. See Module 1 for more information on the arms of the World Bank Group.

International Finance Corporation (IFC) Provides loans, equity investments, and other financial products to private companies and financial intermediaries (e.g. commercial banks, hedge funds, private equity funds, and insurance companies) operating in developing and transitional countries. One of the five arms of the World Bank Group. See Module 1 for more information on the arms of the World Bank Group.

International Monetary Fund (IMF) Established in 1944 along with the World Bank. Tasked with maintaining stability of exchange rates in the global economy and promoting expanded trade through short-term loans for general budget support and economic policy advice to any of its member countries. See Module 1 for more information on the IMF/World Bank relationship.

Implementation Completion and Results Report (ICR) Evaluates loan success in achieving objectives and rates Bank and borrower performances. Prepared within 6 months of a loan's closure. See Modules 2 and 3 for more information on World Bank documents and information disclosure.

Implementation Status and Results Report (ISR) Main Bank report evaluating progress of project implementation. Key issues and risks to project success are described. See Modules Parts 2 and 3 for more information on World Bank documents and information disclosure.

Independent Accountability Mechanism (IAM) is a separate office housed within an international financial institution that handles complaints about the adverse social and environmental impacts of that institution's operations. Although the IAM is linked to the institution, the IAM's leadership and staff are independent from management and typically report directly to the institution's board of directors or president.

Independent Evaluation Group (IEG) The IEG is an independent evaluation unit reporting to the World Bank's Board of Directors, that rates the development impact and performance of all the Bank's completed lending operations. Results and recommendations are reported to the Board and fed back into the design and implementation of new policies and projects. IEG reports are routinely made public.

Inspection Panel (IP or Panel) The independent accountability mechanism for the World Bank (IBRD/IDA) that receives complaints from any two or more people who feel they have been or could be harmed by activities financed by the World Bank because of a violation of the Bank's own policies or procedures. Established in 1993 in response to criticisms the institution faced over several high-profile problematic projects. See Module 5 for more information on independent accountability mechanisms.

Integrity Vice Presidency (INT) is an independent unit within the World Bank Group that investigates and pursues sanctions related to allegations of fraud, corruption, collusion, obstructive, and coercion in World Bank Group-financed projects.

Investment Climate Assessments (ICAs) Measures the attractiveness of country policies and regulations to foreign investors and the cost of doing business. See Modules 2 and 3 for more information on World Bank documents and information disclosure.

Legal Agreement Loan, Guarantee, or Development Credit Agreement between the Bank and the borrower. See Modules 2 and 3 for more information on World Bank documents and information disclosure.

Loan Agreement (LA) Outlines binding borrowing government obligations to the Bank, as well as the disbursement and repayment schedule. Public following Board approval, although typically only available by request. See Parts 2 and 3 for more information on World Bank documents and information disclosure.

Low-Income Countries Term for countries with a below-average per capita income. Countries defined by the World Bank as being low income are eligible for both IDA and IBRD loans.

Middle-Income Countries (MICs) A country with a GNI per capita that is between that of the low-income countries and that of the developed countries. MICs are eligible for IDA loans from the World Bank.

Monthly Operations Summary (MOS) Lists projects under preparation in all borrowing countries. Updated on the Bank's website monthly. See Modules 2 and 3 for more information on World Bank documents and information disclosure.

Multilateral Investment Guarantee Agency (MIGA) The newest financing arm of the World Bank Group, established in 1988. It provides political risk insurance to foreign investors in developing countries, protecting them from loss of income and property resulting from political violence, civil disobedience, expropriation, currency devaluation, and other non-commercial risks. See Module 1 for more information on the arms of the World Bank Group.

Non-Governmental Organization (NGO) Public or private organizations of a charitable, research, or educational nature that are concerned with a wide range of social, economic, and environmental issues. May act on an international, national, or local scale. Some raise money from the public and from governments to help fund projects in developing and emerging market countries or to assist in disaster relief. Others attempt to educate the public and campaign on major global issues or to lobby governments and international agencies to change public policies.

Operational Policies (OP) Most safeguard policies are comprised of Operational Policies (OP) that list core requirements of the Bank in how it engages with countries and Bank Procedures (BP) that list the procedures Bank staff must follow. See Module 4 for more information on safeguard policies. Projects funded through the Bank's Investment Policy Financing after October 1, 2018 are covered under the Environmental and Social Framework instead of OPs.

Part 1 and 2 Countries Part 1 countries are donor countries, while Part 2 are borrowing.

Program for Results (P4R) Newest lending instrument of the World Bank. The Bank uses this instrument to support government programs ranging from healthcare to education to decentralization. Disbursements are tied to verifiable results of the project, which are laid out in a set of Disbursement-Linked Indicators that can be found in the program document.

Project Appraisal Document (PAD) Prepared for the Board, the PAD provides a comprehensive description of project rationale, components, budget, and implementation plan. Made public after the project is approved by the Board of Directors. See Modules 2 and 3 for more information on World Bank documents and information disclosure.

Project Information Document (PID) Earliest publicly-available project document. Provides summary of the project objectives and information. Updated periodically prior to Board approval. See Modules 2 and 3 for more information on World Bank documents and information disclosure.

Resettlement Action Plan (RAP) Describes the anticipated impacts on affected communities in the project area, and what measures will be taken to ensure that livelihoods are restored or improved. Required for all projects involving involuntary physical or economic displacement. Disclosure, public consultation, and completion required prior to project approval. See Modules 3 and 4 for more information on World Bank safeguard policies and project documents.

Significant Conversion Caused by major changes in land or water use that eliminate or severely weaken the integrity of a natural habitat.

Stakeholder Engagement Plan (SEP) Document identifying the main groups of stakeholders that could be impacted by a project, stand to benefit from it, or otherwise have an interest in the project. Outlines the methods and plan for ensuring that these stakeholders are provided key project information, consulted, and have access to a way to raise grievances about the project throughout the project life cycle. The document is produced by the borrowing government for projects applying the Environmental and Social Framework (ESF), and is disclosed on the World Bank website.

Systematic Country Diagnostic (SCD) An analytical document that identifies the key opportunities for and barriers to poverty alleviation in a country. Produced by the World Bank in advance of the preparation of a Country Partnership Framework with a borrowing government. Consultations with stakeholders including civil society are required in preparing this document, and it is disclosed when finalized on the World Bank website.

United Nations Universal Declaration of Human Rights Established by the United Nations in 1948 as a common standard of achievement for rights and freedoms. See Module 4 for more information about rights and the World Bank.

World Bank (WB) Refers to two of the five arms of the World Bank Group: The International Development Association (IDA) and the International Bank for Reconstruction and Development (IBRD). See definition for 'World Bank Group' for more information on the institution as a whole. See Module 1 for more information about World Bank structure.

World Bank Group (WBG) A public international body made up of five separate arms, owned and directed by the governments of its member countries. Provides billions of dollars in loans, grants, and other types of financial and technical assistance each year to governments, financial intermediaries, and private companies in Africa, Asia, the Middle East, Latin America, and Eastern Europe. Operations influence laws and regulations, government spending and private sector investment decisions in countries around the world. Two arms of the WBG, the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA) work largely with governments and together are often called "the World Bank." The International Finance Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA) directly support private businesses and other financial institutions investing in developing countries. See Module 1 for more information about World Bank structure.

World Bank President Neither chosen democratically nor representative of all the Bank's member countries. A US citizen by tradition. Chair of the Board of Directors. All World Bank departments report to the President. See Module 1 for more information about World Bank structure.

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