INTRODUCTION

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 has helped highlight the development challenges facing the planet, projects it has financed have disrupted indigenous communities, displaced millions of poor people and caused widespread environmental damage in the Bank's borrowing countries. Structural adjustment programs have reduced government spending, dismantled state agencies, devalued currencies and opened countries to volatile global market forces, while millions of poor people have been left behind. Most Bank loans are developed and decided without the informed participation of the borrowing country residents. It could be argued that the Bank often has more influence on developing country budgets and operations than the elected governments of those countries. Despite some changes over recent years, there 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.

The last 30 years have seen the emergence of a global movement that has challenged the Bank to protect rather than destroy the environment, to empower rather than impoverish communities, and to be more transparent, accountable 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 – which includes concerned and affected nongovernmental organizations (NGOs), grassroots social organizations, and individuals – 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 policies are in place requiring environmental assessment of projects and financing for environmental mitigation. And people now have complaint mechanisms – the Inspection Panel and the Compliance Advisor Ombudsman – to which they can directly appeal if they feel they have been harmed by Bank projects.

All of these changes have given the public more tools to participate in economic decision making. The ability to take advantage of opportunities, however, depends on an informed civil society. If 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 twenty 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 influence in development decision-making by empowering people with essential infor-

Without independent public monitoring and pressure, the gap between the Bank's rhetoric and reality will remain wide and may in fact expand.

mation 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 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

Parts 1 and 2 of this toolkit provide a basic overview of what the World Bank Group is, how it works and how it may be affecting your country. **Part 1, "World Bank Group Basics"** provides an introduction to the components and functions of the 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, alerting readers that the World Bank Group is, above all, a public institution which should ultimately be accountable to the people in its member countries.

Part 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 and policy cycle.

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

Part 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.

Part 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 (arms of the World Bank Group) have adopted in response to civil society calls for the institution to prevent environmental and social harms resulting from its operations. Additional users' guides summarize the key provisions of the policies in order to highlight what the WBG's own obligations are and underscore requirements that 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. **Part 5, "When Rights Are Violated: Accountability at the World Bank Group and Beyond"** introduces the citizen 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. The section includes tips on using the mechanisms, including what to expect from them and their limitations. No one mechanism can provide a failsafe 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 for 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@bicusa.org

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

BIC advocates for the protection of rights, participation, transparency, and public accountability in the governance and operations of the World Bank, regional development banks, and IMF.

Our services include:
- Outreach and trainings
- Hard-to-obtain IFI documents
- Country and policy updates
- Problem project monitoring
- Policy analysis
- Advocacy support

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HOW TO NAVIGATE THIS TOOLKIT

Basics

What the Bank is, how it works and what its doing in your country.

Part 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?
- Quick Reference: World Bank Group Contact Information
- Who represents your country at the World Bank Group?

Part 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: Common Arguments You Are Likely to Hear from the World Bank Group
- Quick Reference: Project and Policy Lending Cycles and Key Documents

Tools

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

Part 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

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

- Challenges to protecting rights
- World Bank Safeguard Policies
- IFC Performance Standards
- MIGA Safeguard Policies
- Quick Reference: World Bank Safeguard Policies

Part 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

1

WORLD BANK GROUP BASICS

IN THIS SECTION

- 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?
- Find out more!
- Quick Reference: World Bank Contact Information

You have probably heard of the World Bank. From protests against food price hikes in the 1980s to the fees you may pay at your local health clinic, from massive dams to the research you may find at your local university, the World Bank leaves its mark on many aspects of daily life.

However, the World Bank remains a distant and unknown institution to most people. Understanding what it is, what it does and how it's governed are the first steps to influencing its decisions.

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 member countries - in particular the poor on whose behalf the institution 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 primari-

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. Civil society groups continue to push for greater UN oversight of the Bank.

THE WORLD BANK'S GOVERNANCE STRUCTURE

BOARD OF GOVERNORS
One representative for each of 185 member countries.
Meets once per year.

BOARD OF DIRECTORS
24 Executive Directors represent all 185 member countries.
Day to day decision-making on projects and policies.

WORLD BANK PRESIDENT
Oversees all five arms of the World Bank Group.

ICSID
Est. 1966; Purpose:
A legally autonomous international organization established to arbitrate disputes between foreign investors and host governments.

"THE WORLD BANK"
PUBLIC SECTOR

IBRD
Est. 1944
Purpose: Lends money to middle-income countries at near-market interest rates.
Financing instrument: credits of 15-20 years with 3-5 year grace period on repayment;
2006 financing: US$14.1 billion

IDA
Est. 1960
Purpose: Lends money to poorer countries at below-market interest rates.
Financing instrument: credits of 35-40 years with 10 year grace periods on repayment;
2006 financing: US$9.5 billion

PRIVATE SECTOR

IFC
Est. 1956
Purpose: Provides loans and equity investments to private companies operating in developing and transitional countries.
2006 financing: US$8.3 billion

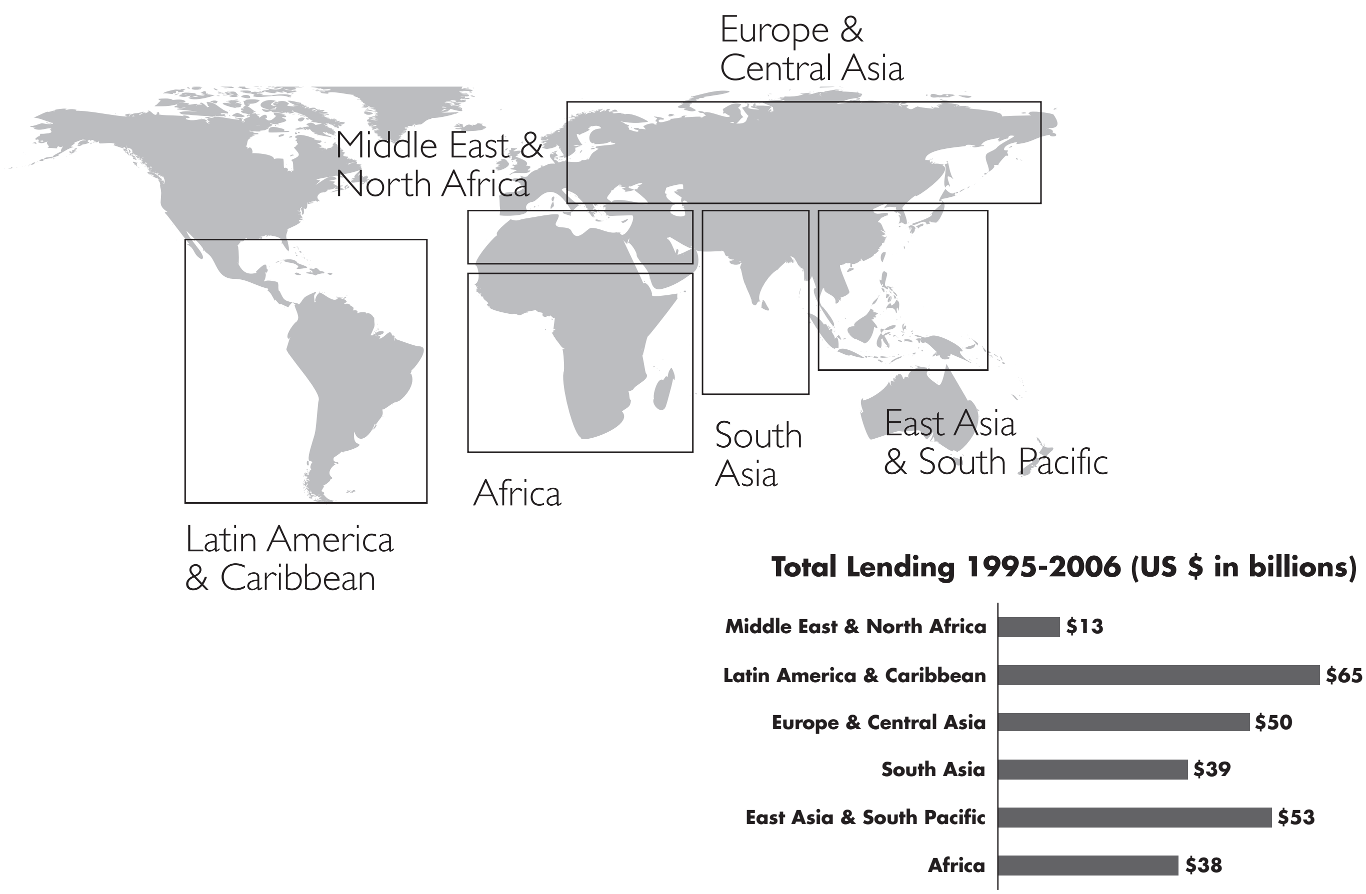
MIGA
Est. 1988
Purpose: Provides political risk insurance to foreign investors in developing countries.
2006 guarantees: US$1.3 billion

ly 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 investing 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

THE BANK'S WORLD



Group's mission is to reduce poverty – 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 184 member countries and provides over US$20 billion 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. Through this "greening" process the Bank has increased its control 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 – regularly assign the Bank new functions. But beneath the introduction of new departments and lending instruments, the World Bank Group's focus remains the promotion of private-sector led economic growth.

The World Bank Group's stated mission is to "fight poverty and improve people's lives." Lending between US$20 and US$30 billion annually, the World Bank Group is among the largest sources of public financing in the world. However its

SEE PART 2 for more information on what the World Bank Group may be doing in your country.

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.

various roles as lender, knowledge broker, and gatekeeper to development finance collectively serve another purpose: to steer investor dollars and aid flows to targeted countries and sectors. The poverty focus of these investments is often questionable. The Bank's roles as knowledge broker and gatekeeper are introduced here, and its lending functions are discussed in the next section.

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 2000, the World Bank Group created its own research and training group – the World Bank Institute (WBI) – to directly influence development discourse. The WBI conducts trainings of government officials, including parliamentarians, and civil society representatives on various dimensions of development policy and planning.

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 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) 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, often known as "structural adjustment" or "development policy" lending (see box). 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.

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. 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.

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. Its stated mission is "to promote sustainable private sector investment in developing countries, helping to reduce poverty and improve people's lives." Although the IFC is a public entity, its clientele consists of transnational, national and local companies. The operations of these pri-

EQUATOR BANKS

Find out more:
www.equator-principles.com

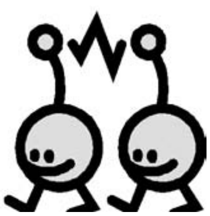
A group of over 40 private banks collectively known as the Equator Principles Financial Institutions revised and agreed to adhere to a set of standards intended to ensure that projects they finance are socially and environmentally responsible. These standards are based on the International Finance Corporation's safeguard policies.

vate 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 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 insur-

SISTER INSTITUTIONS AT THE HELM OF THE WORLD ECONOMY: 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 gatekeeping 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.

ance 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 6,000 of its approximately 9,500 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 **185 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 repre-

WORLD BANK GROUP VOTING POWER

	Voting Share (%)	Director Seats
US	16	1
Other G-7	27	6
Other non-borrowers	18	7
Developing country borrowers	39	10

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.

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' (28 countries), while most borrowers are 'Part 2' (137 countries). For more detailed information about which parts of the WBG your country belongs to, go to the WB website at: www.worldbank.org/about_us

A FEW GOOD (WHITE AMERICAN) MEN?

The World Bank's reins have always been in the hands of a white American man. Beginning with Eugene Meyer in 1946, the post of World Bank President has been held by 10 different men with little or no development background. Prior to their tenure at the World Bank, these men often worked as investment bankers, politicians or at the Department of Defense.

For a full list of World Bank Presidents, past and present, read BIC's "Who Rules the World (Bank)?"

sentative. 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 24 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 two 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

THE US AND THE BANK

Without a doubt the United States exercises inordinate 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 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.

European. Although the World Bank Group President is officially approved by the Board of Directors, in practice the candidate named by the United States is always 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 2005, for example, the IBRD raised US$13 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 has made a profit every year since 1947 (regardless of actual effectiveness of Bank operations to alleviate poverty). The profits are used 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. Out of the more than US$35 billion that IDA plans to provide poor countries in 2006-2008, more than US$20 billion is expected to come from new donor contribu-

"The [World Bank] president should be chosen through an open and transparent selection process, strictly on the basis of their merits and capacity to do the job."

PASSING THE HAT FOR IDA

Civil society groups have used the IDA replenishment process to obtain 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. Find out more on BIC's website: **www.bicusa.org/ida15** tions. 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 next IDA replenishment process began in early 2007.

SEE PART 2: THE WORLD BANK GROUP IN YOUR COUNTRY
for more information

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.

THE ROLE OF PARLIAMENTS

Over 100 parliamentarians in 50 countries have signed the International Parliamentarian Petition demanding their increased participation in international financial operations in their countries. www.ipp.org

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 fight poverty and to help people help themselves and their environment. 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.

FIND OUT MORE!

Civil Society Resources

- "Who rules the World (Bank)?". Bruce Jenkins and Nancy Alexander, Bank Information Center. www.bicusa.org/who_rules_the_WB

ORGANIZATIONS AND NETWORKS WORKING ON THESE ISSUES

- Bank Information Center: www.bicusa.org
- BIC's Wolfowitz Watch webpage: www.bicusa.org/wolfowitz
- Banktrack: www.banktrack.org
- Bretton Woods Project: www.brettonwoodsproject.org
- Campagna per la Riforma Della Banca Mondiale: www.crbm.org
- Central and Eastern Europe (CEE) Bankwatch Network: www.bankwatch.org/project.shtml?w=147587
- Eurodad: www.eurodad.org
- FI Watchnet: www.ifiwatchnet.org
- IFIs Latin America Monitor: www.ifis.choike.org
- Rede Brasil: www.rbrasil.org.br
- Third World Network: www.twnside.org.sg
- World Bank Disinvestment Campaign: www.wbbeurope.org
- World Bank Bonds Boycott: www.econjustice.net/wbbb/
- 50 Years is Enough: www.50years.org
- International Parliamentarians' Petition: www.ippinfo.org
- World Bank President website: www.worldbankpresident.org

World Bank Resources

- World Bank Group official website: www.worldbank.org
- US Treasury Website: www.treasury.worldbank.org/Services/Capital%2bMarkets/

WORLD BANK GROUP CONTACT INFORMATION

World Bank Group - general
Tel: +1-202-473-1000 or +1-202-473-1000
Website: www.worldbank.org
Address: 1818 H Street NW, Washington, DC 20433 USA

Infoshop
Tel: +1-202-458-4500
Email: pic@worldbank.org
Website: www.worldbank.org/infoshop
The Infoshop is the Bank's Public Information Center and handles requests for World Bank Group documents. World Bank Public Information Centers (PICs) can also be found in certain countries. For a list of PIC's in borrowing countries, go to: www.worldbank.org/publicinformationcenters

International Finance Corporation
Tel: +1-202-473-7711
Fax: +1-202-974-4384
Website: www.ifc.org

MIGA
Tel: +1-202-473-1000
Website: www.miga.org

ICSID
Tel: +1-202-458-1534
Fax: +1-202-522-2615
Website: www.worldbank.org/icsid/about/about.htm

Inspection Panel
Tel: +1-202-458-5200
Fax: +1-202-522-0916
Email: ipanel@worldbank.org

Compliance Advisor Ombudsman
Tel: +1-202-458-1973
Fax: +1-202-522-7400
Email: cao_compliance@ifc.org

Department of Institutional Integrity
Tel: 202-458-7677
Fax: 202-522-7140
Email: investigations_hotline@worldbank.org
Website: www.worldbank.org/integrity

World Bank Group contacts in your country

EXECUTIVE DIRECTOR

Tel: ______________________

Fax: ______________________

Email: ______________________

Website: ______________________

COUNTRY OFFICE

Tel: ______________________

Fax: ______________________

Email: ______________________

Website: ______________________

COUNTRY DIRECTOR OR MANAGER

Tel: ______________________

Fax: ______________________

Email: ______________________

Website: ______________________

NGO/CIVIL-SOCIETY LIAISON

Tel: ______________________

Fax: ______________________

Email: ______________________

Website: ______________________

OTHER CONTACTS

Tel: ______________________

Fax: ______________________

Email: ______________________

Website: ______________________

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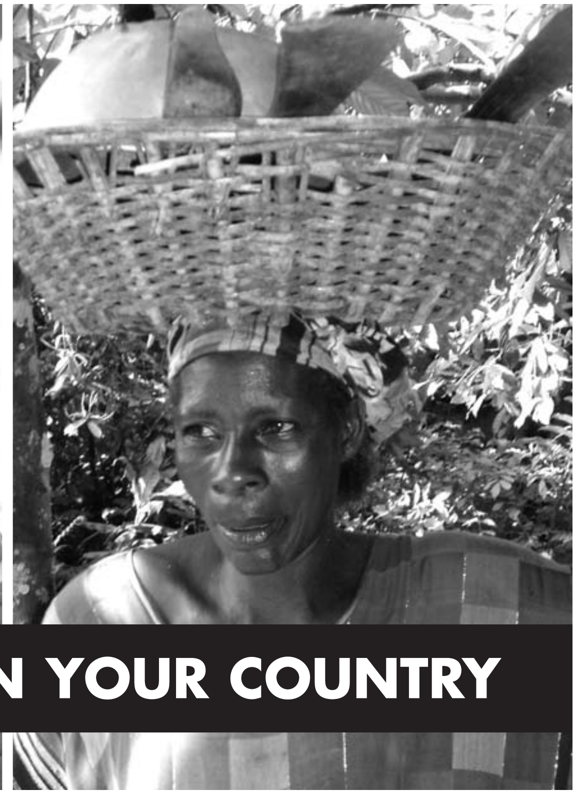

THE WORLD BANK GROUP IN YOUR COUNTRY

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, 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 (WB) 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 says that all of the projects it supports in a country are requested by the government or defined on the basis of a government's stated vision for development. In reality, borrowing governments and/or the public often do not have sufficient influence over the development of key strategic documents guiding Bank activities in their country.

In low-income countries eligible for IDA money, World Bank Group activities are ostensibly guided by the country's own **Poverty Reduction Strategy Paper (PRSP)**. A borrowing government prepares a PRSP to outline the country's priorities and targets for reducing poverty over a 3-5 year period. Countries have been developing PRSPs since 1999, when the World Bank Group began requiring them in order for countries to gain access to debt relief. PRSPs are publicly-available government documents.

Although public consultations are supposed to help set the government's strategy, civil society organizations in many countries argue that the consultation process remains flawed, and that governments are unduly influenced by the priorities of the Bretton Woods Institutions. This is because PRSPs are subject to WB/IMF endorsement and often fail to discuss the most controversial and sensitive economic issues, such as trade policy and privatization.

The World Bank Group prepares a **Country Assistance Strategy (CAS)** (or equivalent document) for each country in which it operates. The CAS, which is subject to approval by the WB Board, outlines Bank priorities in a country over a three to five year period, as well as the Bank's planned project and policy lending, research and technical support for the country. For low-income countries, the CAS is supposed to

IT'S ALL IN A SCORE

HOW MUCH MONEY YOUR COUNTRY GETS FROM THE BANK

For low-income countries which receive IDA funds, the lending scenarios identified in the CAS are largely dependent upon how high a country scores on the Bank's Country Policy and Institutional Assessment (CPIA). The CPIA grades each IDA country on the basis of its economic management, business regulations, social policies and governance performance. CPIAs have generated controversy because of the Bank's sole control of the choice of indicators and their evaluation, and the failure to make the results public.

draw upon the priorities described in the PRSP. The CAS 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, depending on its fulfillment of specific policy reforms and other actions (often called "triggers"). The CAS is a publicly-available document; it is released only after it is approved by the Board, and only if the borrowing country agrees to its release.

Bank staff is supposed to gather input from the government, civil society and other interested groups when preparing the CAS. However, as with the PRSP, consultations are often flawed. There is no strict requirement that public consultations be held during the drafting of the CAS or that copies of the draft strategy be made publicly available for comment. While it is becoming increasingly common for Bank staff to contact civil society in the course of the preparation of the CAS, and in some countries to publish draft CAS documents, comments received are often not reflected in final country strategies.

VARIATIONS ON THE CAS

- Country Partnership Strategies have replaced the CAS in some middle and upper-middle income countries

- Transitional Support Strategies are prepared for post-conflict countries and outline the transition from short-term emergency lending to longer-term development lending

- Country Reengagement Notes are prepared for countries that have previously been ineligible for World Bank loans and grants, often because of arrears, in-country conflict or disputes with the Bank.

TIPS AND CAUTIONS ABOUT THE CAS AND PRSP PROCESSES

Although public consultations on the PRSP and CAS may provide useful opportunities to influence the debate about development priorities or to shape the Bank's intervention in your country, civil society should have realistic expectations about what engagement in these processes will achieve and 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.

- **objectives** the Bank is trying to accomplish through the CAS;
- **lending scenarios** (base case, high case, low case) indicating how much money the Bank will make available for your country;
- **"triggers"** which indicate specific policy reforms and other actions required of your government to access higher or lower levels of aid;
- **proposed project pipeline**, identifying specific planned lending projects and studies.

Find out when the next CAS is being developed for your country: www.worldbank.org/cas
Find out whether your government has developed and published a PRSP: www.worldbank.org/prsp

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.

Many of these Bank studies are not publicized or kept confidential. Thus the public often 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 these studies is unfortunate because they can contain detailed information for activists and advocates seeking to influence their own governments. At the same time, the Bank's analyses and diagnoses of problems typically reflect biases toward a market-oriented approach to growth and development, often leading to policy recommendations that many believe are detrimental to the interests of the poor.

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. Investment projects can come with strings attached, requiring the borrowing government to implement specific actions and policy changes in order to receive financing.

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

SEE PART 3: ACCESS TO INFORMATION AT THE WORLD BANK GROUP
for tips on getting Bank 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 populations. 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.

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 comprised 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.)

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, often called "adjustment" or "development policy"

TYPES OF WORLD BANK RESEARCH	DESCRIPTION
Poverty Assessment	Analyzes the causes and consequences of poverty in a country and examines how public policies affect the poor
Public Expenditure Review	Evaluates the efficiency and composition of government spending
Country Procurement and Financial Management Assessment	Reviews the quality of a country's procedures for awarding public contracts and evaluates its accounting and auditing processes
Investment Climate Assessment	Measures the attractiveness of country policies and regulations to foreign investors and the cost of doing business
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. No standard format; vary according to sector and Bank's focus.

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's 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.

lending, 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. Adjustment loans 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 adjustment 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 "adjustment 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.

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. Increasing private sector investment, and particularly foreign direct investment, is a central tenet of the development model promoted by the World Bank Group. The emphasis on foreign direct investment has been challenged by evidence from the field, which does not prove a correlation between increased FDI and public welfare. One recent study conducted by the United Nation's own Commission on Trade and Development (UNCTAD), found that FDI is not the unqualified good that World Bank Group advice and analysis sometimes make it out to be. Their activities are supposed to be consistent with the priorities identified in the Bank's CAS (or equivalent strategy) for a given country. But because neither the IFC

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. Examples of IFC advisory activities include counseling the government of Cameroon on the privatization of its electricity company and the government of Kenya on the privatization of its rail system. MIGA helps countries identify and market investment opportunities with a particular emphasis on "frontier" countries, post-conflict countries and infrastructure investment.

(BOTTOM RIGHT) CREDIT: Martin Skalsky

nor MIGA publishes its own formal strategy for its interventions in a country, it is difficult to know how they select which sectors they engage in or specific projects they pursue.
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.

With virtually no advance notice and little information about their private sector operations, as well as shorter project timelines, the opportunities for the public to influence IFC and MIGA operations are limited. At the time of writing, the IFC still refuses to report on the impacts each one of its projects has on the poor. Instead, it provides aggregate or summary information on the social, environmental and economic impacts of its operations. 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 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 is

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.

Bibi-Heybat oil fields near Baku, Azerbaijan. Despite challenges by local communities concerned about environmental impacts of the Baku-Tbilisi-Ceyhan pipeline project, in November 2003 the IFC and the EBRD each approved financing of the project in the amount of US$125 million.

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: www.worldbank.org/countries. Although the IFC has field offices in many borrowing countries, all MIGA operations are 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 Section 3 for more information.

USEFUL CONTACTS AT THE WBG

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	Check the country page on the World Bank's website: www.worldbank.org/countries
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	It can be difficult to identify these people and obtain their contact information. For assistance, contact BIC: info@bicusa.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	Check BIC's website for an updated list of Executive Directors and contact information: www.bicusa.org/wbexecutivedirector
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 Part 5 of this toolkit.
Information or concerns about corruption related to any World Bank Group operation	World Bank's corruption hotline (accepts toll-free, anonymous calls 24 hours a day, with translation services)	Toll-free: 1-800-831-0463 Collect Calls: 704-556-7046 Mail: PMB 3767 13950 Ballantyne Corporate Place Charlotte, NC 28277, USA

CONTACTS IN YOUR GOVERNMENT

Civil society 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 and negotiating projects with the World Bank Group. Therefore contacting the MoF can also 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 responsible for implementing projects in their sectors, and are the main contacts for information after projects are approved by the Board of Directors.

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.

Although the World Bank Group aims to promote country ownership in its operations, in reality most line departments and elected officials are not involved in deciding which projects the World Bank Group finances. Civil society is calling for elected officials in borrowing countries to play a more meaningful role in overseeing World Bank Group operations in their country. Learn more about this initiative on the International Parliamentarians' Petition website: www.ippinfo.org.

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.

IN BRIEF

- World Bank operations in your country are guided by several key documents. The Poverty Reduction Strategy Paper (PRSP), prepared by low-income country governments with Bank endorsement, indicates the country's short-term poverty reduction targets. The Bank's Country Assistance Strategy (CAS) (or equivalent) describes its planned operations in a country over a 3-5 year period. Civil society influence on the content of these documents remains limited.
- 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.
- 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.
- 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.

FIND OUT MORE!

Civil Society Resources

- Testimony of Manish Bapna to the Senate Committee on Foreign Relations on Corruption at the MDBs www.bicusa.org/bicusa/issues/BIC_testimony_senate13may04.pdf
- "The World Bank's Strategy on Governance and Anticorruption-a civil society perspective". Zoë Wildig, CAFOD and Caoimhe De Barra, Trócaire, August 2006. www.cidse.org
- "The World Bank's "Master Plan" for your Country: The Country Assistance Strategy". Bank Information Center. www.bicusa.org/bicusa/issues/misc_resources/294.php
- "The Drive to Privatize Basic Services in Developing Countries". Nancy Alexander and Tim Kessler, July 2006. www.bicusa.org/bicusa/issues/BIC%20IFI%20Info%20Brief%20The%20Drive%20to%20Privatize%20Basic%20Services%20July%2011.pdf
- "Mainstreaming or undermining sustainability? The merger of the World Bank's environment and infrastucture networks". Bruce Jenkins, Bank Information Center, July 2006. www.bicusa.org/bicusa/issues/Mainstreaming_or_undermining_sustainability.pdf
- "The ABC of the PRSP". Bretton Woods Project. www.brettonwoodsproject.org/topic/adjustment/abcprsp.html
- International Parliamentarians' Petition website: www.ippinfo.org/

ORGANIZATIONS AND NETWORKS WORKING ON THESE ISSUES

- New Rules for Global Finance: www.newrules.org
- Global Transparency Initiative: www.ifitransparency.org
- Bank Information Center: www.bicusa.org
- ARTICLE 19: www.article19.org

World Bank Resources

- Poverty Reduction Strategy Paper (PRSP) webpage: www.worldbank.org/prsp
- Country Assessment Strategy (CAS) webpage: www.worldbank.org/cas
- Project cycle webpage: www.worldbank.org/projectcycle
- Country webpages: www.worldbank.org/countries
- Projects database: www.worldbank.org/projects
- Documents database: www.worldbank.org/reference/
- Highly Indebted Poor Country Initiative website: www.hipc.org
- Information Disclosure Policy: www.worldbank.org/disclosure

QUICK REFERENCE: WORLD BANK PROJECT LENDING CYCLE

1. Strategy and identification The World Bank supposedly selects its projects on the basis of the CAS and government requests, but it is difficult for the public to determine how specific projects are identified. Consultations during the drafting of the CAS represent one of the earliest opportunities for the public to influence the Bank's agenda and selection of projects. The first milestone in the project cycle is identification. During this phase, Bank management reviews and formally approves a project concept document (PCD).

2. Preparation and Appraisal During project preparation, the Bank task team takes the lead in designing the project. Environmental and social impact assessments and feasibility studies are conducted by the borrowing government or a consultant hired on their behalf. Most project-level consultations also occur at this stage. The second milestone in the cycle is appraisal – during which management reviews and approves a project appraisal document (PAD) and invites the borrowing Government to negotiate final project and loan conditions. Unfortunately, the PAD is not disclosed to the public at this time, before final project decisions are taken.

3. Board Approval The scheduled date of approval by the Board of Directors is publicly announced during project preparation and represents a key benchmark for activists. Any problems that are outstanding from the preparation phase should be brought to the Board's attention before approval. Loan agreements and the PAD are disclosed after Board approval. The Executive Directors and your government liaison with the Bank are the most relevant contacts at this stage.

4. Implementation During this phase, Bank financing is released and the Government takes the lead in implementing the project. Project implementation typically lasts about 5-6 years but can vary widely. Scarcely any information – including Bank supervision reports – is made available. The government implementing agency and Bank task team are relevant contacts at this stage.

5. Evaluation Bank staff prepare a completion report at the end of the project evaluating Bank and borrower performance. The Independent Evaluation Group within the Bank audits select projects and sectors. Evaluations are publicly disclosed. The Bank claims that lessons from evaluations inform future project design, but subsequent projects are not necessarily linked to the success of preceding operations.

Arguably, for the public, the most significant milestone in the project cycle is Board approval. One can essentially divide the project cycle into "pre-approval" and "post-approval." Before financing is approved by the Board of Directors, a project is still under preparation and its design remains subject to influence or cancellation. Most of the requirements regarding public consultation and impact studies apply before approval, during project preparation. Once the project passes the Board, there are no requirements regarding ongoing consultation with the affected communities and few structured opportunities for the public to review or influence the way in which projects are executed. The World Bank Group's leverage over the project implementer, whether a government or private company, declines significantly after financing is approved, so it is important to press for all problems to be resolved and issues addressed as early in the project cycle as possible. Knowing when the scheduled Board date is for a project is key to planning an effective advocacy strategy.

QUICK REFERENCE:
KEY DOCUMENTS FOR PROJECT-BASED LOANS

Project Phase	Document	Disclosure Status
Strategy and Identification	Country Assistance Strategy (CAS): Outlines the Bank's priorities and proposed lending and non-lending activities in a country for a period of 3-5 years.	Yes (draft CASs are not disclosed)
	Monthly Operations Summary (MOS): Updated on the Bank's website monthly, MOS lists projects under preparation in all borrowing countries.	Yes
	Project Concept Document (PCD): Provides first overview of project design, main components, environmental and social impacts and loan amount. Formal management approval of PCD required before project preparation can begin. Not disclosed, but should be requested	No
Preparation and appraisal	Project Information Document (PID): Earliest publicly-available project document. Provides summary of PCD. Updated periodically prior to Board approval.	Yes
	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. To be disclosed, consulted publicly and completed prior to project approval.	Yes
	Environmental Assessment (EA): Describes anticipated environmental and social impacts, and related mitigation measures. More in-depth EA required for projects involving major environmental impacts or resettlement (Category A). To be disclosed at least 60 days prior to project approval, consulted publicly and completed prior to project approval.	Yes
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.	Yes (draft PADs are not disclosed)
Implementation	Project Supervision Reports (PSR) – Main Bank report evaluating progress of project implementation. Key issues and risks to project success are described. Prepared semi-annually, PSRs are not disclosed but should be requested as they are useful documents.	No
Evaluation	Implementation Completion Report (ICR): Evaluates project success in achieving objectives and rates Bank and borrower performance. Prepared within 6 months of project is completed. A self-evaluation, the ICR often paints a rosy picture of performance.	Yes
	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 (most but not all)

QUICK REFERENCE:
KEY DOCUMENTS FOR POLICY-BASED LOANS

Project Phase	Document	Disclosure Status
Strategy and Identification	Concept Document (CD): Outlines desired policy reforms and details of proposed policy loan. Formal management approval required before preparation can proceed. Not disclosed, but should be requested	Yes
Preparation and appraisal	Project Information Document (PID): Earliest publicly-available project document. Provides summary of CD. Updated periodically prior to Board approval. Program Document (PD): Provides a comprehensive description of the policy operation, including reforms either directly supported by or required before, during or to access future funding. Annexes provide concise information on loan conditions. Disclosed after Board approval.	Yes Yes (draft PDs are not disclosed)
Approval	Letter of Development Policy (LDP): The borrowing Government sets out the program of objectives, policies, and measures to be supported by the development policy operation—typically a subset of the government's overall strategy in the LDP. LDP typically disclosed after Board approval. 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.	Yes Yes
Implementation	Tranche Release Document (TRD): Presents Bank justification for release of loan installment (also referred to as tranche) on the basis of country fulfillment of policy reform requirements. Disclosed after approval.	Yes (draft TRDs are not disclosed)
Evaluation	Implementation Completion Report (ICR): Evaluates loan success in achieving objectives and rates Bank and borrower performances. Prepared within 6 months of closure.	Yes

NOTES
1. There are no documents at the "strategy and identification" phase of IFC and MIGA project, nor are there any documents regularly disclosed during project implementation.

2. MIGA does not routinely disclose any project descriptions or indications of projects under consideration prior to their approval. The only document that MIGA may make available on its website before Board approval is an environmental impact assessment for the highest risk projects (called Category "A"). Otherwise, the only information MIGA routinely discloses about its projects is found in news announcements published after Board approval and in brief project summaries in MIGA's annual report.

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

THE WORLD BANK'S PREEMPTION DOCTRINE: A MISGUIDED MISSION

The World Bank often says: If we don't finance this project, someone else would, and it would be worse.
But in reality: The World Bank is a public financial institution with limited resources. Its stated objective is to promote sustainable development and reduce poverty. 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.
Development dodgeball: deflecting responsibility

DEFLECTING BLAME

The World Bank often says: Don't ask us, ask the government (or company).
But in reality: The World Bank Group frequently deflects public inquires and requests for information to project implementers. All too often, governments and companies respond by saying that they cannot provide certain information because the policies of the World Bank, IFC or MIGA prohibit it. Each party uses the other as an excuse to keep information from the public. While people should approach their own governments as a first option and pressure them to be more open, this does not relieve the WBG of its own obligations to be accountable for its operations. As a public development agency, the World Bank Group should uphold the highest standards of transparency and accountability across all of its activities with country and company clients, regardless of variations in their national laws or corporate practices.

THE POOR VERSUS THE ENVIRONMENT: A FALSE TRADE-OFF

The World Bank often says: Social and environmental "safeguard" policies 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 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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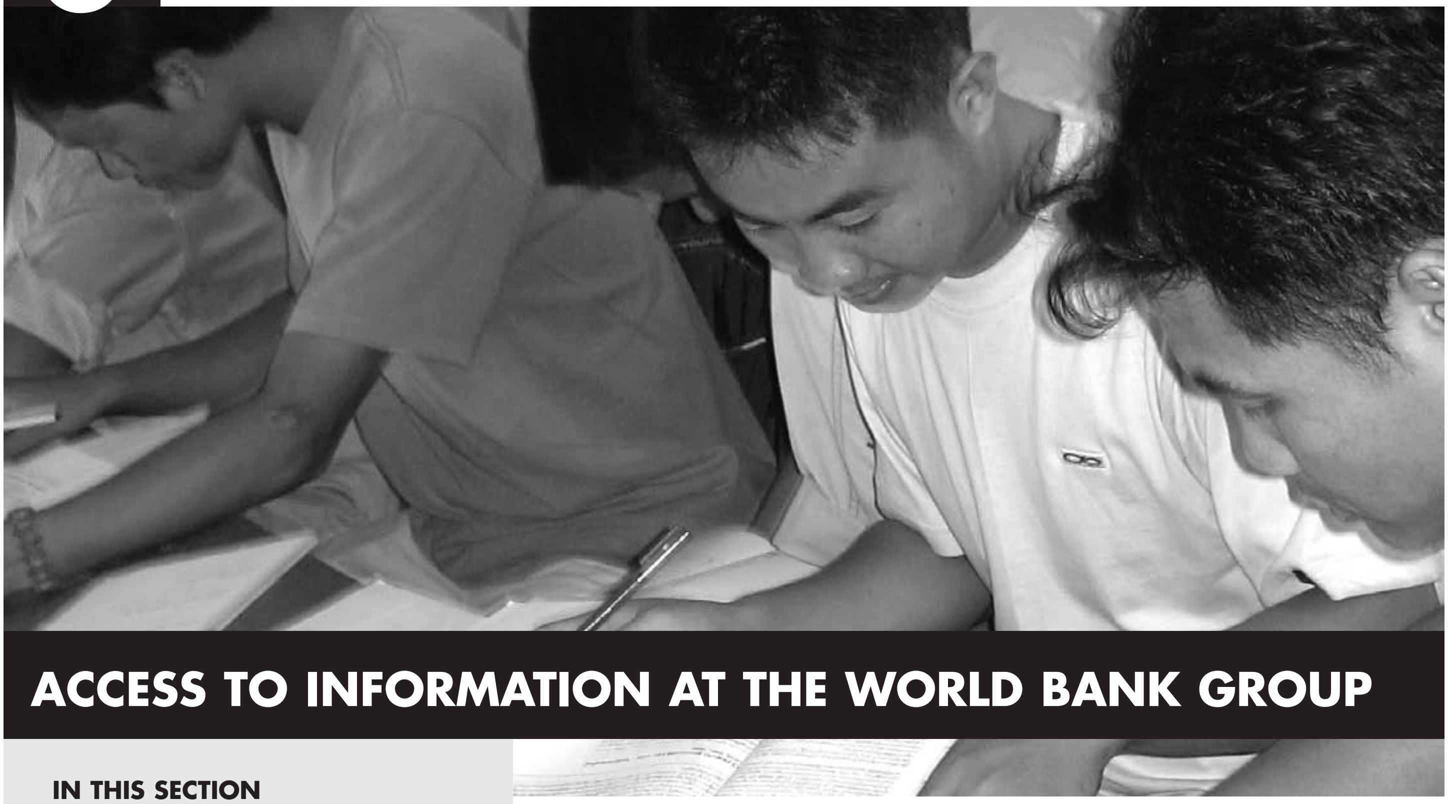

ACCESS TO INFORMATION AT THE WORLD BANK GROUP

IN THIS SECTION

- 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 up the World Bank Group to greater public scrutiny over the past decade. Nevertheless, the public is still 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 World Bank Group 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, including international financial institutions such as the

World Bank Group. 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.

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 first adopted a disclosure policy in 1994, and has since reviewed and updated its policy at least twice: in 2002 and 2005. The IFC and MIGA followed the World Bank's lead and approved their first disclosure policies in 1994 and 2000, respectively. In 2006, the IFC approved a set of new, updated disclosure standards. Understanding these policies will help you demand access to Bank documents when you need them.

Information disclosure policies at the World Bank 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 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 requested and publicly released 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 business information
- Information related to internal and external negotiations
- Information generated by a third-party (such as a government or consultant)

WHAT DISCLOSURE SHOULD LOOK LIKE

The Global Transparency Initiative's Transparency Charter provides standards upon which the access to information policies of international financial institutions should be based. The principles:

1. Right of Access
2. Automatic Disclosure
3. Access to Decision-Making
4. Right to Request Information
5. Limited Exceptions
6. Appeals
7. Whistleblower Protections
8. Promotion of Freedom of Information
9. Regular Review

Find out more at www.ifitransparency.org

- Proceedings of the Board of Directors
- Personal information about employees

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: The majority of information available from the WBG is automatically – or routinely – disclosed through its website and Public Information Centers (PICs). 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
- Basic information about loans, investments, guarantees and grants – before and after approval
- Evaluations, including some reports produced by the Independent Evaluation Group (IEG)

IFC's Disclosure Policy Advisor position was established in 2006 to help the public with information requests. Contact the Advisor if you are having problems getting information from the IFC: www.ifc.org/ifcext/disclosure.nsf/Content/Disclosure_Advisor

TRANSLATION FRAMEWORK

Approved in 2004, 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 hasn't been effectively implemented. Find out more: www.worldbank.org\disclosure

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 the Bank Group's 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, depriving 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 virtually no 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.

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

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 Section 2, the minister of finance or national equivalent is your country's main liaison with the World Bank Group. 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.

Civil society groups working with communities affected by the Chashma Right Bank Irrigation Project in Pakistan

Civil society organizations operating locally, regionally or internationally are also often very good sources of information about World Bank Group projects and policies. The following resources should help you identify civil society groups working on issues relevant to your country:

- IFIwatchnet: www.ifiwatchnet.org
- BIC website: www.bicusa.org/bicusa/issues/misc_resources/319.php
- Global Transparency Initiative website: www.ifitransparency.org

IN BRIEF

- People have a fundamental right to know what is being planned for their communities in order to make informed decisions about development processes that affect their lives.
- The World Bank, IFC and MIGA have recognized the right to information by establishing information disclosure policies. However, in practice the institutions release only a limited amount of information.
- Access World Bank, IFC and MIGA information through their websites, the Public Information Centers or the Infoshop. 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!

Civil Society Resources

- "Transparency Charter for International Financial Institutions: Claiming our Right to Know". Global Transparency Initiative, September 2006. www.ifitransparency.org/doc/charter_en.pdf
- "Assessing World Bank Openness: A Transparency Scorecard". Bank Information Center, 2007. www.bicusa.org/Legacy/IFI_Transparency_Chptr.pdf
- "Transparency and Accountability in International Financial Institutions". Graham Saul, Bank Information Center, May 2003. www.bicusa.org/Legacy/IFI_Transparency_Chptr.pdf
- "Behind closed doors: Secrecy at the international financial institutions". Global Transparency Initiative, October 2006. www.bankwatch.org/documents/behindcloseddoors.pdf
- GTI Charter of Transparency Principles for IFIs: www.ifitransparency.org/activities.shtml?x=44474&als[select]=44474

ORGANIZATIONS AND NETWORKS WORKING ON THESE ISSUES

- IFI Transparency Resource: www.ifitransparencyresource.org
- Global Transparency Initiative: www.ifitransparency.org
- ARTICLE 19: Global Campaign for Free Expression: www.article19.org
- Transparency International: www.transparency.org

World Bank Resources

- World Bank Information Disclosure Policy: www.worldbank.org/disclosure
- World Bank Public Information Centers: www.worldbank.org/pics
- World Bank Infoshop: www.worldbank.org/infoshop
- IFC Policy on Information Disclosure: www.ifc.org/ifcext/policyreview.nsf/Content/Disclosure+Policy+September+22+Launch
- IFC Corporate Relations Unit: www.ifc.org/contacts

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 Database links visitors to information on over 9000 World Bank projects, including relevant project documents. Access the database through the "Projects and Operations" link on the World Bank homepage: www.worldbank.org/projects.
- The Document Database links visitors to approximately 27,000 World Bank 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.

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.

Public Information Centers
The World Bank Group has a Public Information Center (PIC) in almost every borrowing country. PICs are places for the public to access information about World Bank Group operations. A full list of PICs can be found at: www.worldbank.org/pics.

PICs should provide the following:
- Direction on how to acquire information on Bank activities and Bank documents in local languages
- Publicly available Bank documents and publications, including those regarding projects in that country
- Adequate and accessible facilities with at least one computer with internet access

Many PICs also provide a reference library with government and NGO publications on economic, statistical, and development topics, and conduct outreach programs to raise awareness about Bank operations and to disseminate information locally.

If you have trouble locating or accessing your country's PIC, contact the Bank's disclosure team (disclosure@worldbank.org), the Country Director or your Executive Director.

Making requests to the InfoShop
The WBG's main Public Information Center is called the Infoshop, and it is located in Washington, DC. Any information not available through the World Bank, IFC or MIGA website can be requested through the Infoshop by email, fax, telephone or mail, at the addresses listed below. Information about the IFC operations may also be requested from the IFC's Corporate Relations Unit at the addresses listed below.

World Bank Group InfoShop
1818 H Street, NW
MSN J1-100
Washington, DC 20433 USA
Tel: +1-202-458 5454
Fax: +1-202-522 1500
Email: infoshop@worldbank.org

International Finance Corporation
Corporate Relations Unit
2121 Pennsylvania Avenue, NW
Washington, DC, 20433 USA
Tel: +1-202-476-3800
Fax: +1-202-974-4384
Email addresses listed at: www.ifc.org/contacts

Tips on making an information request
- Be specific
- Start local. Contact the Bank office in your country first.
- Put your request for information in writing.
- If your request is denied, ask for a written explanation.
- Be persistent

To request information that's more than 10 years old, contact the WBG archives department: archives@worldbank.org

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PROTECTING YOUR RIGHTS:

ENVIRONMENTAL AND SOCIAL STANDARDS AT THE WORLD BANK GROUP

IN THIS SECTION

- Challenges to protecting rights
- World Bank Safeguard Policies
- IFC Performance Standards
- MIGA Safeguard Policies
- Find out more!
- Quick Reference: World Bank Safeguard Policies

Through its lending programs and policy advice, the World Bank Group exerts considerable influence on economic, social and environmental policies and investment projects in borrowing countries. While the Bank 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 the institution's policies can be extremely useful to activists seeking to prevent, expose and remedy harms related to World Bank Group 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, that finance mining and other natural resource extraction, and that promote large-scale agricultural development inevitably 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 their own governments and courts, international human rights law and conventions, and the institutions themselves.

Much national legislation on rights is weak or not enforced, denying individuals and communities access to justice.

Many groups also often appeal to international human rights law for defense of their rights. Rights articulated in international conventions – such as the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights – are often violated in the course of IFI lending operations. Numerous other international agreements on the environment, labor, and rights of women, among others, also recognize rights that are frequently ignored by the IFIs. However, enforcement of human rights law and other international standards is exceedingly difficult and time consuming, creating further hurdles for groups seeking redress.

Complicating the picture, the World Bank Group and other IFIs are largely immune from prosecution in national courts, frustrating civil society attempts to hold such institutions legally accountable for their actions (see box, “Immunity and the Bank”).

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 not absolute, the Bank’s immunity creates significant barriers for legal challenges by communities affected by its lending operations.

NOT BOUND BY HUMAN RIGHTS?

The World Bank Group is not a formal “party” to international human rights conventions, and thus feels 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 have been challenging the Bank to formally recognize its human rights obligations as an international organization and to uphold human rights in its lending operations.

In light of inadequate protections afforded by national laws and difficulties in enforcing international human rights and other international standards, civil society groups demanded that the World Bank Group – 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 supposed 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.

World Bank Safeguard Policies

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 effects of Bank-financed operations. The Quick Reference section at the end of this chapter summarizes key provisions of the Bank's safeguards.

WHAT DO THE SAFEGUARDS DO?

The safeguard policies establish 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 policy requires that a project's potential impacts must be analyzed and that affected communities must be consulted before the project is approved.

Why are the safeguards important for civil society groups?

The safeguard policies establish minimal procedural rights and important opportunities for participation and access to information. Civil society groups have used the safeguards to alter project designs and the extent of social and environmental impacts as well as to secure greater project benefits for communities. When the Bank or the borrowing government fails to comply with any of the Bank's policies (not only the safeguards), communities can lodge complaints to the Bank's independent Inspection Panel. (See Part 5)

SAFEGUARDS AS LEVERAGE

The Bank's safeguards provide critical leverage points for local communities. Safeguard obligations – such as the types and levels of compensation that must be provided to local communities – are written into loan agreements, converting Bank policy into a legal obligation of the borrower. 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.

Do the safeguard policies apply to all the Bank's operations? The Bank's safeguard policies only apply to investment projects – such as the construction of public works, industrial development schemes, agriculture programs or natural resource extraction. They do not apply to the Bank's 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, quite weak policy regarding social and environmental reviews of policy loans. (See "Safeguards and Policy Lending)
What are some of the main problems with the 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 (structural adjustment) lending.
- The Bank and borrower often do not comply with all of the policy provisions.

SAFEGUARDS AND POLICY LENDING

Development policy lending – the Bank's new name for structural adjustment loans – may cause significant social

WORLD BANK SAFEGUARD POLICES

- OP 4.01 Environmental Assessment
- OP 4.04 Natural Habitats
- OP 4.09 Pest Management
- OP 4.10 Indigenous Peoples
- OP 4.12 Involuntary Resettlement
- OP 4.36 Forestry
- OP 4.37 Safety of Dams
- OP 7.50 Projects on International Waterways
- OP 7.60 Projects in Disputed Areas
- OPN 11.03 Cultural Property

Find out more in the Quick reference: World Bank Safeguard Policies pull-out section.

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.

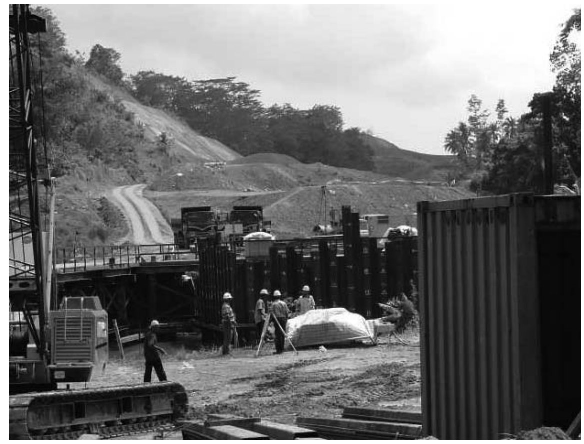
The absence of more rigorous "safeguards" for policy lending does not mean that civil society must remain silent about the consequences of Bank-supported reforms on people and environment. Citing Bank violations of other internal policies, such as those regarding supervision and poverty reduction, activists have raised concerns and filed complaints about policy loans to the World Bank's Inspection Panel (see Part 5). To access a complete set of the World Bank's internal policies governing its operations, visit the Bank website at: www.worldbank.org/opmanual

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 support companies engaged in activities that cause significant social and environmental impacts, such a gold mining, oil and gas pipelines, pulp and paper mills, among others.

In 2006, the IFC completely overhauled its social and environmental policies. It abandoned its former Safeguard Policies, based largely on those of the World Bank, in favor of a new system based upon principles and guidelines. The IFC adopted a Policy on Environmental and Social Sustainability that outlines IFC's obligations and a set of eight Performance Standards that identify a client's obligations in the following areas:

- social and environmental assessment and management systems;
- labor and working conditions;
- pollution prevention and abatement;
- community health, safety and security;
- land acquisition and involuntary resettlement;
- biodiversity conservation and sustainable natural resource management;
- indigenous peoples; and
- cultural heritage.



WHY THE CHANGE IN APPROACH AND WHAT DOES IT MEAN FOR AFFECTED PEOPLE?

The IFC claimed 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 that are considerably more flexible than the former safeguard policies. While the overhaul included some improvements – such as inclusion of social as well as environmental assessments as part of a client's project preparation and respect for all core labor standards – major concerns remain about discretionary language and the absence of required timelines and benchmarks for public consultation and disclosure of information. The performance standards increase reliance 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 mitigation measures. Despite the IFC's aim of demonstrating its leadership with the introduction of the performance standards, on some issues, such as human rights, the IFC's standards are not as rigorous as those of peer financial institutions and some corporations.

A SHIFT WITH GLOBAL IMPLICATIONS

The revamping of IFC's policies has far-reaching implications. Not only does the IFC influence other financial institu-

WHEN RIGHTS ARE VIOLATED: A PREVIEW OF SECTION 5

When an individual or group feels that 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 Manager, may have significant influence, particularly in the early stages. If the Task Manager 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.

For more information on MIGA's safeguard policies, see:
www.miga.org/sitelevel2/level2.cfm?id=1184

tions through its own lending and investment activities (which often involve other banks), but it also wields significant influence over the more than 40 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 largely set by the IFC, providing it even greater leverage to influence the ways that other lenders treat environmental and social risks and impacts.

MIGA SAFEGUARD POLICIES

The private insurance arm of the Bank Group, MIGA, adopted environmental assessment and disclosure policies in 1999, pledging that its projects would also comply with other safeguards then those in operation at the IFC. Since 2002, MIGA has been applying both its own environmental assessment policy and the following "interim issue-specific safeguard policies":

- Natural Habitats
- Forestry
- Pest Management
- Dam Safety
- Projects on International Waterways
- Involuntary Resettlement
- Physical Cultural Resources
- Indigenous Peoples

MIGA claims that the purpose of these additional safeguards is to determine "the soundness of a project's contribution to the development of the host country." However, it is difficult to know how MIGA makes this assessment or to gauge MIGA's compliance with its own policies because it discloses very little information about the projects it supports and virtually no records of the due diligence it conducts on prospective guarantees.

It is expected that MIGA will revise its current safeguard policies in the wake of IFC's adoption of its "Performance Standards."

IN BRIEF

- Although the World Bank Group claims to promote "sustainable development," its activities often damage or deplete natural and human resources.
- Responding to international pressure, the institution adopted the Safeguard Policies to guide the selection and design of the projects and policies. The IFC and MIGA soon followed suit with their own Performance Standards and Safeguard Policies, respectively.
- Understanding these policies will equip you to prevent, expose and remedy harms related to World Bank Group operations.

FIND OUT MORE!

World Bank Resources

- World Bank Safeguards: www.worldbank.org/safeguards
  IFC Safeguard Policy Updates: http://www.ifc.org/ifcext/policyreview.nsf/Content/SafeguardPolicesUpdate

QUICK REFERENCE: WORLD BANK SAFEGUARD POLICIES

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 borrower and the Bank must follow in preparing and implementing Bank-financed projects. See Part 4 for more details.

Key provisions of the Bank's public sector (IBRD/IDA) safeguard policies are described below. The more civil society organizations understand the Bank's policy requirements, the more able they will be to utilize the policies to further their interests in the context of Bank-financed projects. Most safeguard policies are comprised of Operational Policies (OP) that list core requirements 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)
This is the "umbrella policy" through which potential social and environmental impacts are identified and mitigation measures proposed. Assessment process determines whether other safeguard policies (such as involuntary resettlement) apply.

KEY PROVISIONS

- Bank screens projects to identify potential impacts early in project cycle and categorizes projects according to level of impacts (see box). Categories trigger varying requirements regarding pre-project studies, participation, and information disclosure.
- Borrower conducts assessment. Identified impacts are to be avoided or minimized and project alternatives are to be examined. Borrower assesses not only impacts of immediate project area, but 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.
- Assessment contains appropriate mitigation measures to offset potential negative social and environmental impacts. The mitigation measures are often contained in an Environmental Management Plan.
- 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.

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, 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.

Natural Habitats OP/BP 4.04 (2001)
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
- other areas of high conservation value identified by the Bank or other bodies.

KEY PROVISIONS
- Bank may finance projects that involve "significant conversion" (or damage, see box) 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.
- No financing of projects that, in the Bank's opinion, involve significant conversion or degradation of "critical natural habitats." (see box)

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.
- 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)
This policy establishes minimum standards on the types of forest projects that the Bank will finance. Provides for financing of commercial logging and plantations under restricted conditions.

KEY PROVISIONS
- Forests Policy builds off the Natural Habitats policy. If Bank determines that a forest area is not a critical natural habitat, the policy allows project financing that may cause significant conversion/degradation provided that (a) no feasible alternatives exist to the project or its siting; (b) comprehensive analysis indicates that benefits "substantially outweigh" costs; and (c) appropriate mitigation measures are incorporated.
- No financing of 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.
- Bank does not finance projects that contravene applicable international environmental laws.
- No financing of 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").
- No financing of 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 required in the development of the certification system.
- Forest Management Plans often developed, though not required. Disclosure not mandatory but considered "good practice."

Involuntary Resettlement OP/BP 4.12 (2001)
This policy establishes standards and procedures for projects that displace people from their homes or cause economic displacement due to loss of land, buildings, or sources of income.

KEY PROVISIONS

- Involuntary resettlement 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.
- 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 title 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.

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 markets in old housing, 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. (see box)
- Taking of land and related assets allowed only after compensation has been paid and resettlement sites and moving allowances have been provided.
- Displaced persons 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.
- Borrower prepares resettlement plan on all aspects of resettlement. Must 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.

Indigenous Peoples OP/BP 4.10 (2005)
This policy establishes standards and procedures when projects affect indigenous communities. Recognizes limited procedural rights of indigenous communities to confer or deny support to proposed projects.

KEY PROVISIONS

- Avoid potentially adverse effects on indigenous communities or, when such avoidance is not "feasible," minimize, mitigate, or compensate for such effects.
- Bank-financed projects to deliver culturally appropriate social and economic benefits to indigenous communities.
- Bank identifies if indigenous peoples are present in or have a collective attachment to the project area. Borrower conducts social assessment.
- Policy establishes higher consultation standards than normally apply. "The Bank provides project financing only where free, prior, and informed consultation results in broad community support to the project by the affected Indigenous Peoples." Free, prior, and informed consultation required at each stage of the project.
- Policy establishes a higher access to information standard: "Indigenous Peoples' communities are to be provided all relevant information in a culturally appropriate manner at each stage of project preparation and implementation."

- 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.

Human Rights
The Indigenous Peoples Policy is the only Bank operational policy that references human rights; the policy is to ensure "that the development process fully respects the dignity, human rights, economies and cultures of indigenous peoples."

- Physical Relocation is to be avoided or to occur only in exceptional circumstances and must be "broadly supported" by the affected indigenous peoples. Land-based resettlement strategies are to be used.
- Borrower must pay particular attention to but not required to recognize customary rights of indigenous peoples to lands or territories that they traditionally own, or customarily use or occupy. Legal recognition only required in projects that depend on recognition (such as land titling projects) or when such lands will be 'acquired.' Action plans for legal recognition to be developed in such cases.
- Commercial exploitation of indigenous peoples cultural knowledge and resources "is conditional upon their prior agreement to such development" (highest standard of consent in all of the safeguards).
- Exploitation of natural resources on indigenous lands and territories only requires weaker free, prior informed consultation standard. "Broad community support" clause is conspicuously absent in this section of the policy.
- Access restrictions to legally designated parks and protected areas, in particular access to their sacred sites, "should"—not must—" be avoided." Where it is not "feasible" to avoid restricting access, indigenous peoples only need to be consulted on preparation of a process framework and management plan that are to provide for equitable sharing of benefits from restricted areas.

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 to be controlled through Integrated Pest Management (IPM) approaches (see box). Bank may finance the purchase of pesticides when use justified under an IPM approach.

What is IPM?
IPM refers to a mix of farmer-driven, ecologically based pest control practices that seeks to reduce reliance on synthetic chemical pesticides. It involves (a) managing pests rather than seeking eradication; (b) relying on non-chemical measures to keep pest populations low; and (c) selecting and applying pesticides in ways that minimize adverse effects on beneficial organisms, humans, and the environment.

- Selection and use of pesticides (a) must have negligible adverse human health affects; (b) must be shown to be effective against target species; (c) must have minimal effects on non-target species and the natural environment; and (d) must take into account need to prevent the development of resistance in pests.
- Pesticides to be manufactured, packaged, labeled, handled, stored, disposed of, and applied according to standards acceptable to the Bank.

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 (policy to be updated as Physical Cultural Resources, OP 4.11).

KEY PROVISIONS

- Bank "normally declines" projects that will "significantly" damage non-replicable cultural property and only assists projects that prevent such damage.
- Provides assistance to the protection of cultural properties encountered in Bank-financed projects, often through relocation and museum preservation.
- Bank staff must determine extent of knowledge about cultural property in project area. Specialist should survey area if there is chance of such property in 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 of 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, borrower must engage 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, borrowers must engage independent dam specialists to inspect, evaluate safety status of the dam, review operation and maintenance procedures, and submit 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 or pollute the waterway.

KEY PROVISIONS
- Encourages borrowers to notify and to provide sufficient project details so other riparian states can determine if interests affected. If borrower refuses notification, Bank normally does so. If borrower objects, Bank discontinues processing.
- Bank encourages riparians to enter into agreements that cover concerned waterway.
- If riparians raise objections, Bank may appoint independent experts to review.
- Applies to dams, irrigation, flood control, navigation, water, sewage and industrial projects.

Projects in Disputed Areas OP/BP 7.60 (2001)
This policy establishes minimal rules for Bank-financing of projects in areas disputed by two or more states.

KEY PROVISIONS
- Bank may proceed if governments in dispute agree to go forward without prejudice to claims.
- Bank may finance project 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.
- Requires early identification of territorial disputes and descriptions in all Bank documentation

5

WHEN RIGHTS ARE VIOLATED:
HOLDING THE WORLD BANK GROUP ACCOUNTABLE

IN THIS SECTION

- Internal accountability mechanisms: an introduction
- External accountability challenges: what else can be done?
- Find out more!
- Quick Reference: Facts About the Inspection Panel and CAO

The projects and policies supported by the World Bank Group (WBG) can be detrimental to people and the environment. Whether harm occurs because Bank operations fail to comply with the institution's own policies and standards or in spite of adhering to those policies, affected individuals and communities must have the means to complain and seek redress.

The struggle to hold the Bank accountable for harms caused by its operations is ongoing. Civil society groups have employed a range of strategies to increase the accountability of the Bank and other international financial institutions (IFIs) for their actions. On one hand, groups have sought establishment of mechanisms inside the IFIs to provide channels for the redress of civil society grievances. On the other, a range of external accountability challenges have brought significant pressure on the Bank and its peer institutions. Civil society has challenged the World Bank Group from outside the institution, through a variety of tactics, from negotiation to protest, to outright rejection of Bank projects, policies and processes. It is critical for civil society organizations to understanding some of the strategies and tactics available to people who have experienced harm because of WBG activities.

Internal accountability mechanisms: an introduction

Today, the World Bank Group has two independent mechanisms through which citizens adversely affected by the projects or policies funded by the WBG can seek recourse: the Inspection Panel and the Compliance Advisor Ombudsman (CAO).

The Inspection Panel: In 1993, the World Bank became the first multilateral development bank to establish an independent body with oversight over the Bank's operations. This mechanism, known as the Inspection Panel, was put in place by the Bank's Board of Directors as a response to the criticism the institution faced over its funding for road projects in tropical rainforests and dams in highly populated areas. (See Part 2 box: "Investing in Infrastructure: Inroads into the Amazon.") The Inspection Panel is a three- member body with a permanent secretariat, housed at the Bank's headquarters in Washington, DC. The Panel receives and investigates eligible complaints from people who feel they have been or could be harmed by any activity financed by the World Bank (IDA or IBRD) because of a violation of the Bank's own policies or procedures. The Panel does not have jurisdiction over projects funded through the private sector arms of the World Bank Group – the International Finance Corporation (IFC) and Multilateral Investment Guarantee Agency (MIGA).

The Compliance Advisor Ombudsman: With growing public concern about the negative impacts of investments supported by its private sector arms, in 1999 the World Bank Group established an Office of Compliance Advisor/Ombudsman (CAO) to oversee the IFC and MIGA. While the Inspection

ACCOUNTABILITY AT OTHER IFIS

The establishment of the Inspection Panel and CAO has spurred other international financial institutions (IFIs) to create similar citizen complaint mechanisms. For more information on accountability mechanisms at other IFIs, visit BIC's website: www.bicusa.org/accountability

Panel only investigates whether the Bank has violated its own policies, the CAO has a broader mandate. In addition to examining the compliance of IFC and MIGA projects with the institutions' policies and procedures, the CAO also plays a problem solving (ombudsman) role and an advisory role to IFC/MIGA management.

Although both the CAO and the Inspection Panel are part of the WBG and physically located within the institution's headquarters, they are both considered to be independent because they are not connected to the management of the Bank, IFC or MIGA. The Inspection Panel reports to the World Bank Board of Directors; the CAO reports directly to the World Bank Group President.

Both the Inspection Panel and the CAO can only investigate and offer corrective actions for lapses in compliance on the part of the WBG. They have no authority over actions of the Bank Group's clients, i.e. borrower governments or private companies, thus limiting them from fully addressing the needs of some complainants.

WHAT YOU SHOULD KNOW BEFORE FILING A CLAIM

THE INSPECTION PANEL AND CAO MECHANISM PROMISES TO

- Address your grievance/s if your complaint is deemed eligible/legitimate thereby enhancing the chances of resolving your problems.
- Elevate your issues to many different levels within the World Bank Group (senior management, Board, etc.) which increases the chance of management paying greater attention to addressing your problems.
- Keep your identity confidential if you wish.
- Allow you to file a complaint in your local/national language.
- Provide the possibility of Panel recommendations being implemented given the leverage the WB has with the clients (government or private sector).
- Monitor Panel recommendations and Management action plans, *if the Board requests that it do so.*

THE INSPECTION PANEL AND CAO MECHANISM DOES NOT PROMISE TO

- Investigate the actions of other entities involved in project/policy formulation and implementation. This could lead to difficulties in determining where the role/responsibility of the Bank begins and ends.
- Guarantee complete transparency. Certain proceedings and reports are not shared with the claimant.
- Suspend implementation of a project, thus construction or other means of implementation may continue undisturbed.
- Ensure that your problem will be resolved to your satisfaction. The IFC may not exercise its leverage with the client to seek redress for your problems.
- Protect you from retaliation that you may face by calling attention to the problem and for "internationalizing" the issue.
- Investigate claims of corruption.

What to expect when filing a complaint

Complaints can be submitted to the accountability mechanisms for a variety of reasons. Some claimants 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 the government to make serious efforts to resolve their grievances. Usually, the earlier in the project preparatory process you file, the higher the chances of the problems being resolved to your satisfaction. It is not likely that the CAO or Inspection Panel will recommend a moratorium on project activities due to the filing of a complaint.

LEVERAGING BROADER INSTITUTIONAL REVIEWS AND REFORM: The impact of the claim concerning the Forest Concession Management and Control Pilot Project, Cambodia

The World Bank launched a $5 million Forest Concession Management and Control Pilot Project in Cambodia in 2000. The Project was aimed at helping logging companies meet government requirements for sustainable forest management plans and environmental and social impact assessments, and forest crime monitoring and prevention.

In 2005, the NGO Forum on Cambodia, acting in part on behalf of forest-dependent communities, filed a case with the Inspection Panel alleging the project harmed the lives of these communities. The Panel's findings, issued in June 2006, agreed with this assessment and blamed the Bank for breaching its safeguard policies with respect to indigenous peoples, consultation, environmental assessments, cultural and spiritual property, and social impacts.

The claimants feel the Panel's findings endorse their view that applying a technocratic fix to the forest sector in Cambodia without taking account of the wider social and political forces at play is a flawed approach. Bank Management has committed itself to remedial actions and will report progress to the Board on a bi-annual basis.

It is now hoped that lessons learned from Cambodia and a similar project funded by the Bank in the Democratic Republic of Congo, which is also the subject of a Panel investigation, will force the Bank to rethink its approach to forestry sector lending.

Common problems with filing a claim

- Groups often find it hard to fulfill the requirements of a complaint and to understand the Bank's policies and the processes of the mechanisms
- It is difficult to assess the potential advantages and disadvantages that accrue from filing a case
- It is difficult to find out how much of a loan has been disbursed (the Panel can only investigate projects before 95% of financing has been disbursed)
- The process can be long, and time and resource intensive with no guarantee of tangible benefits
- Access to the mechanisms can be difficult especially for groups without modern communication facilities (particularly internet and email)

External accountability challenges: What else can be done?

Beyond the internal accountability mechanisms, civil society groups have tried to exploit other avenues of oversight and accountability of the World Bank Group. Because the Bank Group claims immunity from both international and national law, cases cannot readily be filed against it or its employees in courts. Given this situation, claimants often consider a combination of other strategies and tactics. One of the most important tools that civil society can use in the struggle for accountability is the media. Because of the Bank Group's sensitivity to its reputation, highlighting substantiated grievances in the press can often help civil society achieve remedies or prevent future harm. Other tactics that civil society groups are using to pressure the institution include organizing public hearings, conducting tribunals of eminent persons, lobbying parliamentarians and promoting parliamentary oversight of the Bank, committing acts of civil disobedience, holding referendums, 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 Bank.

Street theater condemning World Bank policies. International People's Forum vs. the World Bank and IMF, 2006

Civil society advertisement published in the Financial Times, expressing concerns with the Sakhalin II project in Russia.

(BOTTOM RIGHT) CREDIT: CEE Bankwatch

MUMBAI URBAN TRANSPORT PROJECT, INDIA: Limitations of Inspection Panel's influence on implementing agencies and borrowing governments

The US$945 million MUTP, which benefited from a US$542 loan from the World Bank, was designed as a first and urgent step towards improving physical infrastructure in rail and road transportation. Construction began in 2002. Displacing more than 100,000 people to make way for the infrastructure improvements, MUTP is one of the largest urban resettlement projects supported by the Bank. Claiming that the WB had violated its own policies and procedures, three organizations representing affected communities submitted a claim to the WB Inspection Panel in 2004. The Panel found that even though affected communities were originally living in squalid conditions, the Bank violated its Resettlement Policy by not ensuring that their livelihoods and physical environment were improved in the resettlement sites; sites lacked access to water and sewerage and did not cater to the specific needs of the affected peoples. Bank management suspended loan disbursement in March 2006 to bring pressure on the executing agency to comply with Bank policies; the response from the government executing agency was one of defiance. The Bank resumed lending in July 2006 even though the government claims it has not changed its resettlement practice and that it has in fact forced the WB to change its policies. Progress Reports from both Bank management and the Inspection Panel are due September 2006.

THE INDEPENDENT PEOPLE'S TRIBUNAL

The Independent Peoples' Tribunal on the World Bank Group in India is a forum for people and communities impacted by World Bank funded projects and policies. The event provides an opportunity for affected individuals and groups to air their grievances, propose alternatives and share their experiences relating to the social, economic, cultural and environmental implications of World Bank activities in their country.

Krumovgrad's citizens claim their right to a clean environment threatened by the Ada Tepe gold mine project in Bulgaria.

REPUTATIONAL RISK

The World Bank Group is highly sensitive to its reputation as an international organization with a stated mission of alleviating poverty. When civil society groups document cases of increased impoverishment and environmental damage caused by Bank projects, groups are in effect challenging the Bank's *raison d'etre.*

IN BRIEF

- The WBG has two independent, internal mechanisms through which citizens adversely affected by the projects or policies funded by the WBG can seek recourse: 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 and MIGA operations. It is important to understand the advantages and limitations of both mechanisms.
- External strategies, such as using local and international courts, UN bodies and people's forums, may also help 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!

Civil Society Resources

- "Demanding Accountability: Civil-Society Claims and the World Bank Inspection Panel".Dana Clark, Jonathan Fox, and Kay Treakle, January 2003.
- One World Trust's 2006 Global Accountability Index: http://www.oneworldtrust.org/?display=index_2006: http://www.oneworldtrust.org/?display=index_2006

World Bank Resources

- World Bank Information Inspection Panel: www.worldbank.org/inspectionpanel
- Compliance Advisor Ombudsman (IFC and MIGA): www.cao-ombudsman.org/
- "Accountability at the World Bank: The Inspection Panel 10 Years On." World Bank Publication, 2003.

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 secretariat support, based at the WB headquarters in Washington, DC. Can appoint expert consultants when required. Covers both IDA and IBRD operations and as of August 2006, had processed 27 cases. Reports to the WB Board of Directors, issues an annual report and maintains a separate website: www.inspectionpanel.org	Established in 1999. Based in Washington DC, office is led by the Compliance Advisor Ombudsman, with responsibility delegated to an additional Ombudsman and an Advisor. 3 member team, supported by a secretariat, a set of Strategic Advisors, and a Review Advisory Group, Reports to the WB Group President. As of August 2006, the CAO had processed 41 complaints For more information, visit www.cao-ombudsman.org/
Who can file	Two or more affected person that are suffering or are likely to suffer harm, 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 affectee/s. Proof of representation needs to be filed. A member of the WB Board of Directors can also request inspection of a Bank project. Confidentiality is assured but anonymous complaints are not accepted.	There are three triggers for a CAO Claim (Ombudsman): (i) Any individual or community impacted or likely to be impacted by an IFC or MIGA project can submit (or a proven representative of such), (ii)The President or senior management of the IFC can request a CAO compliance audit or advisory services, and (iii) The CAO itself can initiate a case. Confidentiality is assured but anonymous complaints are not accepted.
When to file	At any time in the life of a project, even before the Bank approves financing for it, but before 95% of the financing has been disbursed.	At any time during project preparation or implementation, but CAO leverage decreases as monies are depleted. Complaints cannot be filed on past (closed) projects for which loans have been fully repaid, IFC equity has been sold or MIGA guarantee coverage has ended.

QUICK REFERENCE:
FACTS ABOUT THE INSPECTION PANEL AND CAO

	INSPECTION PANEL	IFC/MIGA CAO
What to file	Complaint must specify the project/program, describe the harm done, describe how World Bank policies have been violated/omitted, document past attempts to inform Bank management about the harmful impacts and explain why claimants are not satisfied with the World Bank's response. Useful to submit as many details as possible with request, but requestors can provide the Panel with additional information and evidence of harm during the course of the Panel's eligibility and investigation visits.	Complaint should describe the negative impacts experienced, or expected to be experienced as a result of the project; the efforts made by the claimant/s to bring the matter to the attention of the client or IFC, and the outcome that the claimant/s would like to see. Claimants cannot choose between a compliance audit and/or problem solving intervention. CAO decides whether a compliance audit is required either during or after completing the ombudsman process. Because the extent of the investigation the CAO will undertake varies from case to case, it is useful for complainants to provide as much concrete evidence as possible of direct harms they have suffered or are likely to experience at the time they lodge a complaint.
Key process milestones (process can take time, anywhere from 6 to 12 months)	Registration of request Management Response to the request sent to Panel (within 21 days of notification) Eligibility decision by Panel (sometimes Panel will conduct a site visit to determine eligibility), recommendation to the Board (on no-objection basis). Site visit by Panel and consultants to conduct investigation. Panel Reports to Board on Findings Management response to Panel's findings (within 6 weeks of receipt of Panel report) Board decision, in light of Panel's Findings and Management Recommendations/Action Plan Board decision	Complaint registered within 5 days. Eligibility determined within 15 days of receiving complaint. Eligible complaint/s investigated over a 30-90 day period. In this time, options and solutions are offered.

QUICK REFERENCE:
FACTS ABOUT THE INSPECTION PANEL AND CAO

	INSPECTION PANEL	IFC/MIGA CAO
Transparency of Process	Registration of case (time period not specified) disclosed Full request, panel eligibility report, management response, board decision posted on website after Board decision Panel's Findings, Management recommendations, Board decision posted on website after Board decision.	Outcomes of claim made public after case is resolved satisfactorily or after CAO closes case.

GLOSSARY OF TERMS AND ACRONYMS

Bank Management The Director General; Vice Presidents of regions, networks 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. See Part I for more information on World Bank structure.

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

Board of Directors Makes day-to-day decisions at the World Bank Group. Has 24 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 Bank Group's day-to-day work. Smaller Board committees meet almost daily. See Part I 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 often 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 Part I for more information on World Bank structure.

Bretton Woods institutions 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 Part 1 for information about the relationship between the World Bank and the IMF.

Budget support One of the two main types of Bank lending is for structural adjustment loans, which provide basic budget support to borrowing countries in exchange for their adoption of policy prescriptions promoted by the institution. See Part 2 for more information on what the Bank is doing in your country.

Country Assistance Strategy (CAS) Outlines the Bank's priorities and proposed lending and non-lending activities in a country for 3-5 years. See Parts 2 and 3 for more information on World Bank documents and information disclosure.

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) Examines the compliance of IFC and MIGA projects with the institutions' policies and procedures. Also plays problem solving (ombudsman) and advisory roles to IFC/MIGA management. See Part 4 for more information on accountability mechanisms.

Concept Document (CD) Outlines desired policy reforms and details of proposed policy loan. Formal management approval required before preparation can proceed. Not disclosed, but should be requested. See Parts 2 and 3 for more information on World Bank documents and information disclosure.

Country Director Head of a World Bank country office. Multi-country offices directed by a Country Manager. See Part 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. Coordinated by World Bank economists. Usually confidential. See Parts 2 and 3 for more information on World Bank documents and information disclosure.

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

Developing and Transition Countries Loose term used to identify poor nations, using criteria based almost exclusively on per capita income. Definition covers approximately 170 countries and about 70% of the world's population. Countries may be, but are not always, marked by low levels of technology, basic living standards and little in the way of an industrial base. Their economies are often agricultural and are characterised by cheap, unskilled labour and a scarcity of investment capital.

UN Economic and Social Council (ECOSOC) Coordinates the economic, social and related work of UN agencies and commissions.

Environmental Impact Assessments and Management Plan (EIM, EMP) Describes anticipated environmental and social impacts, and related mitigation measures. To be disclosed at least 60 days prior to project approval, consulted publicly and completed prior to project approval. See Parts 2 and 3 for more information on World Bank documents and information disclosure.
Executive Directors Members of the Board of Directors. See Part 1 for more information on World Bank structure.

Group of Seven (G-7) Composed of seven leading industrialized countries - USA, Britain, France, Italy, Japan, Germany and Canada.

International Bank for Reconstruction and Development (IBRD) Lends money to middle-income countries at near-market interest rates.

Financing instrument Credits of 15-20 years with 3-5 year grace period on repayment.

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 Part 1 for more information on the arms of the World Bank Group.

International Development Association (IDA) Lends money to poorer countries at below-market interest rates. Financing instrument: credits of 35-40 years with 10 year grace periods on repayment. One of the five arms of the World Bank Group. See Part 1 for more information on the arms of the World Bank Group.

International Finance Corporation (IFC) Provides loans and equity investments to private companies operating in developing and transitional countries. One of the five arms of the World Bank Group. See Part 1 for more information on the arms of the World Bank Group.

International Monetary Fund (IMF) Established in 1994 along with the World Bank Group. 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 Part 1 for more information on the IMF/World Bank relationship.

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

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

InfoShop The main Public Information Center of the World Bank Group. Any informtion not available through the World Bank, IFC or MIGA website can be requested through the Infoshop by email, fax, telephone or mail. See Part 3 for more information about getting information from the World Bank Group.

Inspection Panel (IP) Receives and investigates eligible complaints from any two or more people who feel they have been or could be harmed by any activity financed by the World Bank (IDA or IBRD), 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-profil problematic projects. See Part 4 for more information on accountability mechanisms.

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

International Parliamentarian Petition (IPP) Calls for parliaments to be fully involved in the development and scrutiny of IMF and World Bank policies. Currently over 1000 signatories from 50 countries. See Part 2 for more information on the World Bank in your country.

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

Letter of Development Policy (LDP) The borrowing Government sets out the program of objectives, policies, and measures to be supported by the development policy operation—typically a subset of the government's overall strategy in the LDP. LDP typically disclosed after Board approval. See Parts 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. Income definition varies. Countries defined by the World Bank as being low income are eligible for both IDA and IBRD loans.

Middle-Income Countries (MICs) A country that's GNP per capita 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 Parts 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, the Multilateral Investment Guarantee Agency (MIGA), was 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 Part 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 development projects in the Third World 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.

Non-lending assistance Technical assistance, etc.

Operational Policies (OP) Most safeguard policies are comprised of Operational Policies (OP) that list core requirements and Bank Procedures (BP) that list the procedures Bank staff must follow. See Part 4 for more information on safeguard policies.

Parliamentary Oversight Increased parliamentary oversight of the IFIs is necessary to keep multilateral development banks accountable to elected government representatives and the public at large, rather than solely to the finance ministers of the most powerful countries. Over 1000 parliamentarians from more than 50 countries have signed the International Parliamentarian Petition demanding their increased participation in international financial operations in their countries. See Part 2 for more information about the World Bank in your country.

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

Poverty Reduction Strategy Paper (PRSP) Guide World Bank activities in low-income countries eligible for IDA money. Outlines the country's priorities and targets for reducing poverty over the next 3-5 years. Publicly available. See Parts 2 and 3 for more information on World Bank documents and information disclosure.

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. See Parts 2 and 3 for more information on World Bank documents and information disclosure.

Project Concept Document (PCD) Provides first overview of project design, main components, environmental and social impacts and loan amount. Formal management approval of PCD required before project preparation can begin. Not disclosed, but should be requested. See Parts 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 PCD. Updated periodically prior to Board approval. See Parts 2 and 3 for more information on World Bank documents and information disclosure.

Project Supervision Report Main Bank report evaluating progress of project implementation. Key issues and risks to project success are described. Prepared semi-annually, PSRs are not disclosed but should be requested as they are useful documents. See Parts 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. To be disclosed, consulted publicly and completed prior to project approval. See Parts 2 and 3 for more information on World Bank documents and information disclosure.

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

Structural Adjustment Refers to Bank lending to support certain changes in your country's laws, regulations or institutions. Provides an incentive and cushion to your government for adopting policy reforms advised by the Bank. Provided in installments tied to your country's fulfillment of specific requirements. See Part 2 for more information about types of Bank lending.

Tranche Release Document (TRD) Presents Bank justification for release of loan installment (also referred to as tranche) on the basis of country fulfillment of policy reform requirements. Disclosed after approval. See Parts 2 and 3 for more information on World Bank documents and information disclosure.

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 Part 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 Part 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 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 investing in developing countries. See Part 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 Part 1 for more information about World Bank structure.

FRONT COVER: Gas flaring in Nigeria. CREDIT: Elizabeth Bast, Friends of the Earth BACK COVER: Community meeting. CREDIT: CEE Bankwatch