

**19<sup>th</sup> July04  
For Sign On**

## **Consultation on ADB's Draft Public Communications Policy**

### **Statement of Bangladesh Civil Society Working Group on ADB PCP <sup>1</sup>**

1.0 Asian Development Bank (ADB) has, since its inception systematically spawned and promoted poverty by way of its projects in the name of development and environmental sustainability. The notion of development, which ADB promotes, is premised on a false notion of what constitutes poverty and the solutions required to eliminate it. Technical fixes to conditions created by long-standing political and social problems has led to disastrous consequences. Displacement, immiserisation and a loss of livelihood opportunities of affected communities have been the result.

2.0 This process of pauperization has been exacerbated by the manner in which the affected communities have been stripped of their voice in the decision-making process. Closed-door consultations between ADB officials and the borrower governments have determined the fate of millions of poor in the Asia region.

3.0 The draft PCP, in no manner or form, acknowledges both the historical and current creation of poverty through ADB projects and policies. Even more, it gives inadequate space or authority to affected stakeholders to determine whether a project is appropriate in their communities.

**4.0 We fundamentally believe that citizens and their sovereign governments have the right and responsibility to engage in transparent and deliberative processes in order to determine national development policies.** The right of the Bangladeshi citizen should not and cannot be preempted by the pressure from an external actor like the ADB. It is evident in Bangladesh that the meanings of 'sovereignty', 'citizenship' and 'good governance' become hollow when citizens are forced to be relegated into monitoring and implementing policies formulated by MDBs without their participation.

5.0 The policy of Bangladesh has been underwritten by neo-liberal paradigm under the tutelage of multilateral and bilateral donors, of which ADB is a partner. Till 2002/03 since independence, Bangladesh has received a total of US 40.7 billion dollars and the amount of aid has started to decline since 1980's. Notwithstanding such squeeze in the level of aid, donors' imposition of their single-minded approach of development packaged in privatization, deregulation, liberalization continue to remain unabated. The results of such policies have brought more misery than good.

6.0 The current policy regime, devoid of ownership and participation, has choked the development process: 90 million do not have access to primary health care, 100 million lacks access to adequate sanitation, 12 million under-five children are malnourished, two million

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<sup>1</sup> This draft statement was made at the consultation meeting on ADB PCP organized by ADB at Dhaka on 19<sup>th</sup> July '04, this current statement is to be made available to the public as well as ready for signature by any interested individuals.

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infants have low birth weights, 110 million are denied access to electricity. The resultant of the neo-liberal policies advocated by organizations such as ADB have culminated into increasing socio-economic disparities: in Bangladesh the national income share of the bottom five per cent of the population has declined from 1.03 per cent to 0.67 per cent, while that of the top five per cent increased from 18.85 per cent to 30.66 per cent; and that of the bottom 20 per cent declined from 6.52 per cent to 2.21 per cent, while that of the top 20 per cent increased from 44.87 per cent to 55.02 per cent.

7.0 Had the ADB's operational intention to work for the public good, it should have consequentially conceived its policies and projects for the citizen's of the country in which it operates. No other issue than that of the use of natural resources such as oil and gas for domestic purpose has united Bangladesh, yet the ADB turns it back to the public by taking an anti-people stand, having overt bias towards Trans National Corporations (TNCs). Without the consent of people in its project areas, ADB has continued to deny consent of the impacted nor has shown its genuinity in consulting with these groups, nor has demonstrated its commitment to true participation, neither has engaged in partnership with the people, nor has valued the treasure of indigenous knowledge. The Bank has not maintained even the so-called project requirement such as EIA. All of the ADB projects demonstrate of such glaring failure of ADB. People have resisted ADB's projects such as KJDRP, SBCP Modhupur Eco-park.

10. Past and ongoing experiences of ADB projects show that the appropriate information is not provided to the appropriate people at the appropriate times. Despite repeated requests from project affected people and locally elected decision makers, ADB project managers and implementers have not shared crucial information about project design, financing arrangements, risks, liabilities and repayment schedules. Furthermore, project affected peoples and the locally elected decision makers do not have access to clear and effective grievance and redressal procedures.

11. It is evident that ADBs commitment to public participation is superficial. Any process of information 'disclosure' that does not result in meaningful participation by project affected people and perceptible change in ADB's institutional behavior towards accountability and responsiveness to community concerns, is a futile exercise. It is also clear that ADBs 'disclosure' of information has no bearing on its institutional decision making processes.

12. The PCP itself has been a vague outline of policy, a detailed investigation of the draft has revealed various discrepancies and statements with hidden double meanings which aim to compound more secrecy of ADB than disclosure in the name of constraints and disclaimers. The consequence of which has resulted in a draft which lacks any real vision and conceptual clarity.

13. In the draft PCP it has been seen that in "Section 2: Audience" the presence of the community or the local people within the project area has been willfully and blatantly avoided.

14. Whatever participation is suggested through the PCP is all nullified by *Articles 129 to 139* in which the ADB spells out its constraints.

15. Article 76 removes the burden of ADB to provide quality translations that are accurate. Moreover, a case-by-case approach to translation is not adequate

16. There is a lack of transparency and democracy within ADBs own structure, if this is the case then it is only natural to expect their project operations to be done with the same cloak and dagger approach.

### **On the present Consultation Process:**

It has been observed that the design of this particular consultation has willfully failed to acknowledge the presence of the affected parties and the people who directly face the impact of ADB funded large scale operations. It has been also further observed that Local Government representatives such UP chairman and UP members within the project areas have been neglected in this consultation proceeding along with the lack of the presence of the various ethnic minority groups. The process has been marred by the deliberate avoidance of the elected representatives of the people such as Member of Parliament. Hence the true 'people's voice' is neither heard nor recognized in the PCP consultation process.

### **Recommendations**

- The ADB, as a public institution established for public good, should clearly state a binding commitment that it has a legal and moral responsibility to the communities affected by its projects and should clearly outline a process through which all its policies, practices and documents should be made public before all decisions are made.
- Through out the project cycle, the ADB should disclose project and programme documents that are already produced by the Bank and that provide regular updates on project and programme status.
- Prior informed consent of affected communities should be built into project feasibility phase. The process of formulating CSPs should undergo complete overhaul, in which people participation should not be mere cosmetic.
- Timely responses are essential. The request process in the draft policy allows up to 90 days for ADB to respond to a request for information. If the requestor moves to the appeal stage this can take another 195 days. Altogether, it can take up to six months to receive a decision on whether a certain information will be disclosed.
- The ADB should foster greater transparency in its corporate clients and require at least the same disclosure standards for private sector information as is required for public sector operations.
- The ADB should disclose detailed budgetary information including information on actual expenditures and outlays.
- The proceedings of the Board of Directors should be open to the public. Transcripts and summaries should be publicly available.
- All the proceedings between the Bank and the government, formal or informal, must be made public.
- An appropriate independent appeal mechanism is needed to interpret ADB's 'presumptions in favor of disclosure.. Responses to request for information should

include detailed explanations of the 'harms' associated with disclosure. Concurrently a specific and 'harm'-based definition of business confidentiality is necessary to ensure disclosure policy accountability.

- It is our experience with past and ongoing projects of ADB that it is critical to give substantive information in local languages on affected people. It is the right of the affected people that they receive information of the projects at early stages of negotiations and not during the implementation phase, only. By not engaging in this practice ADB is denying the people's right to information.
- It is almost comical to expect that citizens have to pay in order to gather information about project operations which affect their lives

The current transparency practices of the ADB has failed to ensure accountability to the people that it is mandated to serve and the draft PCP has failed to conceive its main shortcoming in formulating a genuine communication policy that ensures the fundamental right to information because of its inherent structural rigidities arising out of its orthodox understanding of development. Thus, the draft PCP has failed to address many of the problems associated with access to information at the institution.

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