

APPENDIX 1

COMMUNICATIONS AND INFORMATION DISCLOSURE TRENDS AT OTHER MULTILATERAL DEVELOPMENT BANKS

A. External Relations at Other Multilateral Development Banks

1. Other multilateral development banks (MDBs) have increased proactive outreach work in recent years, backed by the commitment of their managements and greater staff and financial resources for media and public relations. The Washington-based MDBs have taken significant steps in responding directly to the growing demand for information about development institutions, a rising tide of criticism about the operations of international financial institutions from advocacy NGOs, and increasing competition for concessional funds from donor countries.

2. The World Bank has 250 professional staff engaged in external relations. Its field offices are particularly active in this area, especially in the Asia and Pacific region. The Inter-American Development Bank (IDB), perhaps ADB's closest comparator, has also increased its resources for external relations and has a current staff contingent of about 45 professional staff, supplemented by substantial consultant resources. In response to a critical report, the International Monetary Fund (IMF) has increased the number of professional staff engaged in external relations work from 70 in 2000 to 90 at the end of 2004. The World Bank, the IMF, and the IDB all have offices in Europe and Asia that are actively engaged in media and public relations. Consequently, they are all better known today than they were two decades ago.

B. Disclosure of Information at Other Multilateral Development Banks

3. In the realm of information disclosure, public access to information within the MDBs is now a topical issue because of the perceived influence of MDBs in developing countries. The United Nations Development Programme (UNDP) *Human Development Report 2002* asserted that there are "serious gaps in transparency" at the international financial institutions, noting the lack of minutes or records of votes of the executive boards of the World Bank and IMF. The *Human Development Report* concluded that, as a result, "citizens of member countries (or interested outsiders) cannot hold executive directors or their governments accountable for their policies in the IMF or the World Bank."¹

4. The first formal MDB information and disclosure policies—developed in the early 1990s—encouraged the public release of more details on policies, programs, and projects. However, there were considerable limitations and restrictions on the release of information. Further, the policies provided no guarantees that people living in project areas would have information about proposed activities to enable them to make meaningful contributions to project design and implementation. As a consequence, public calls to strengthen MDB disclosure policies were heard soon after their adoption. These calls have increased in recent years and have been echoed by some governments.

5. As a consequence, all MDBs have reviewed and expanded their information disclosure policies—or are actively doing so. These new policies share many common characteristics and features. All new policies, adopted as well as proposed, are more proactive in the provision of operational and other information. They expand the scope and type of information made publicly

¹ UNDP. *Human Development Report 2002: Deepening Democracy in a Fragmented World*. New York: 115. Available: <http://www.undp.org/hdr2002/chapterfive.pdf>

available, and usually highlight the official websites as important vehicles for information dissemination. They face similar constraints to making some information available to the public, including privileged information such as legal advice, information provided by another party, confidential business information, and information that would negatively affect relations between an MDB and member country governments.

6. Selected key features of individual MDB policies are noted below.

1. African Development Bank (AfDB)

7. The AfDB approved the *Disclosure of Information Policy Paper* in December 1997. The AfDB began a review of the policy in 2003, and, in March 2004, adopted a new policy incorporating greater transparency.

8. For example, the 2004 policy specifies that draft operational policy papers and draft country strategy papers will be disclosed at least 50 days before Board discussion of those papers in order to promote consultation and stakeholder participation. Country performance assessments are disclosed, as is summary documentation on any substantial changes made to a project following the project's approval by the Board of Directors.

9. The new policy also provides for the disclosure of summary proceedings of annual meetings, and gives directors of country and sector departments the authority to provide technical information about a project requested by an interested party.

10. When approving the revised *Disclosure of Information Policy*, the Board directed that the Policy should be updated regularly to incorporate best practices from similar institutions. In particular, the Board emphasized the need to monitor developments at similar institutions with regard to the disclosure of Board minutes.

2. European Bank for Reconstruction and Development

11. The European Bank for Reconstruction and Development (EBRD) approved a *Public Information Policy* in June 2000. The following year, EBRD conducted an initial review of the policy's implementation, as a result of which the Board requested a full-scale review. The review culminated in the adoption of a revised policy on 29 April 2003.

12. Project profiles (project summary documents) are made publicly available 30 days before Board consideration for private sector projects, and 60 days before Board consideration for public sector projects, and are kept up-to-date on the website after Board approval. Evaluations of private sector operations are also posted on the website.

13. Under the new policy, the public is invited to comment on the preparation of country strategies, and given at least 8 weeks in which to do so. An addendum summarizing the comments received, and the country team's response to the comments, are to be provided to the Executive Committee as well as to Directors ahead of consideration at the relevant country strategy workshop. The addendum will be posted on the EBRD website following Board approval of the country strategy. The policy also specifies that draft sectoral policies will be posted on the bank's website for public comment for at least 45 days after pre-Board discussion by Directors.

14. The 2003 policy also calls for translation, on a pilot basis, of future approved country strategies into local languages. In addition, it states that the Bank will translate three major bank policies (on disclosure, inspection, and the environment).

15. EBRD is the only MDB that posts an annual report on the implementation of its disclosure policy on its website.

3. European Investment Bank

16. In October 2002, the European Investment Bank (EIB) issued a brief Information Policy Statement, accompanied by a brochure describing key information disclosed (*How EIB Communicates – An Overview*), and the *Rules on Public Access to Documents*, composed primarily of a preamble, definition of scope and terminology, and exceptions to disclosure.

17. Although EIB has not adopted a “presumption of disclosure” clause, the *Rules* state that it “is committed to applying an active information policy and will continue and strengthen its efforts to provide the public with information on its strategy, policies, activities and practices.” They also specify that EIB, “will also, where and to the extent appropriate, continue to release basic information on concluded individual operations, in agreement with its cocontracting parties.” The *Information Policy Statement* adds that, as the European Union’s (EU) financing institution, EIB bases its information policy on “relevant EU policies on transparency and public disclosure of information and other legislation.”

18. The *Information Policy Statement* indicates that statutory documents are available in all official EU languages, while availability of publications in EU languages and/or non-EU languages is determined by the bank’s operational objectives. The website appears in English, French, and German.

19. Regarding historical documentation, the *Rules* specify that confidentiality of documents generally ends after 30 years.

20. The *Information Policy Statement* explicitly recognizes that the public can issue complaints about information disclosure with the European Ombudsman in accordance with the Treaty on European Union.

21. In June 2004, the EIB Board approved several specific changes to the institution’s disclosure practices, without formally revising the *Information Policy Statement*. For example, codes of conduct applicable to sensitive positions are now made publicly available, as are the remuneration of the Board of Directors and the Audit Committee, and a new report on corporate responsibility.

4. Inter-American Development Bank

22. In October 1994, the IDB approved its first disclosure policy and incorporated it into IDB’s Operational Policy Manual (OP-102) in November 1994. It was amended in February 1998 and again in April 2001 to reflect documents that were being added to those made publicly available. In 2002, IDB launched a review of the policy, culminating in a revised and updated document in November 2003.

23. The new policy introduces a more systematic and quicker approach to accessing bank archives. Historical information is made publicly available 20 years after issuance. Historical

information that was not publicly available at the time of issuance, but would be publicly available under the policy, is publicly available after issuance when the project/program has been completed and when the government has given its consent.

24. In addition, the Board's annual and 3-month work programs are now made publicly available. Reports to the Board by the chairs of the Board committees on committee discussions of operational and sector policies, sector strategies, IDB country strategies, documents on heavily indebted poor countries, poverty reduction strategy papers and interim poverty reduction strategy papers are also made publicly available. The policy makes IDB the first MDB to commit to releasing minutes of Board meetings (within 60 days of their approval).

25. Although not included in its policy, the IDB generally makes documents submitted to the Board available in both English and Spanish. Documents submitted to the Board of Governors must be available in each of the four official languages of IDB, English, French, Portuguese, and Spanish.

5. The World Bank Group

a. International Finance Corporation

26. The International Finance Corporation (IFC) adopted its first disclosure policy in July 1994. A revised policy became effective in January 1996, and the Board approved further clarifications and revisions in a revised disclosure policy in July 1998. Like policies at other international finance institutions, it is founded on "a presumption in favor of disclosure," and contains similar caveats.

27. Profiles of private sector projects (summary project information documents) are made publicly available at least 30 days before Board consideration, and kept up-to-date on the website until Board approval. Environmental and social information on project impacts is made publicly available a minimum of 30 or 60 days before Board approval, depending on the project's environmental and social risk category.

28. IFC publishes numerous evaluation documents on its private sector operations, including lessons learned from past IFC investments (grouped by sector, subject, and country). The IFC also makes publicly available special evaluation studies, abstracts of special studies, and annual reviews.

29. In 2004, IFC began a review of its disclosure policy and, following an initial round of web-based consultations and a client survey, is now soliciting input on a consultation paper made publicly available on 16 August 2004, and a revised draft policy framework made publicly available in November 2004.

30. The draft policy framework proposes that IFC clients disclose environmental and social impacts to project-affected people as early as possible and that they monitor and publicly report on action plans on mitigating social and environmental impacts of projects. IFC would also make these plans available through its disclosure channels. The draft also proposes that IFC publicly report on expected development impacts of proposed projects, and, on an ex-post aggregate basis, the annual development impacts of IFC investments in a systematic, comprehensive, and comparable manner.

31. The draft policy framework also proposes that minutes of Board meetings be made publicly available following the redaction of information deemed too sensitive for public disclosure.

32. A new policy is expected to be submitted to IFC's Board for approval during the third quarter of 2005.

b. Multilateral Investment Guarantee Agency

33. The Multilateral Investment Guarantee Agency (MIGA) maintains a disclosure policy which, among other things, requires the publishing of quarterly reports that provide a summary of insured projects, including details such as name and country of the investor, identity of the host country, amount of the investment, and amount of guarantee and coverage.

34. MIGA's standard contracts of guarantee, which are used as the basis for drafting a project-specific contract, are available to applicants and the public at large. Also, MIGA's basic premium rates are published in order to assist potential applicants to estimate the premium cost for a proposed investment.

35. MIGA is closely monitoring the review of the disclosure policy of the IFC, and intends to begin a review of its own policy once the IFC has completed its process (in 2005).

c. World Bank

36. The World Bank continues to increase public access to information about its operations: it has initiated a pilot program to expand the range of documents available in selected countries, budgeted substantial amounts to build up a global network of public information centers, adopted a framework supporting increased translation, and begun discussion on setting up a mechanism to address public complaints about information disclosure.

37. The World Bank became the first MDB to adopt a policy on information disclosure in August 1993. Following staff reviews in 1995 and 1997, and in subsequent years, additional documents were added to the list of those made publicly available. A comprehensive review conducted during 2000 and 2001 led to the approval of an expanded disclosure policy in September 2001. The World Bank's disclosure policy became effective in 2002.

38. Among other things, the new policy introduced disclosure of documents related to adjustment lending operations and the chairman's concluding remarks on Board discussions of country assistance strategies and sector strategy papers. The new policy also put in place a more systematic and quicker approach to accessing bank archives. Although not stated in its policy, the World Bank makes public the names of blacklisted firms.

39. The World Bank requires that environmental assessments, indigenous peoples plans and frameworks, and resettlement plans be made available to affected people in a form, manner and language understandable to them. The project information document, prepared for all lending operations, requires listing of factual technical documents that underpin project preparation.

40. In approving the policy in 2001, the World Bank Board also endorsed further work to investigate options for increasing translation of documents to ensure outreach to affected people, to strengthen the public information center, and to involve communications experts

more effectively in the dissemination and outreach elements of the new policy. Since 2001, the World Bank has increased the number and capacity of its public information centers, and launched a pilot program with interested member countries to explore ways of providing additional information on the preparation and implementation of country assistance strategies, poverty reduction strategy papers, and projects.

41. In July 2003, the Board endorsed a program to strengthen public information centers, and is budgeting millions of dollars for that purpose. The World Bank is now training country office public information center staff to serve as in-house experts on disclosure, foster the production of documents in local languages, advise staff on translation matters, raise awareness of operational activities, and facilitate dissemination partnerships within and outside the institution.

42. Also in July 2003, the World Bank adopted a document translation framework. Responsibility for translation decisions is vested with those responsible for the document ("business sponsor"). Depending on business needs, they would adopt a language approach that would allow them to reach the widest relevant audience.

43. The World Bank's public information center unit is mandated to create a recourse mechanism for users who have been denied access to information. The public information center unit intends to bring together World Bank departments and NGOs to explore this issue in the near future.

44. In 2004, the extractive industries evaluation and review identified the importance of reporting on government contracts and revenue paid to governments for major extractive industries projects in promoting governance, reducing corruption, and facilitating the appropriate use of such revenues. The World Bank Management response to this review calls for transparency for payments to governments for large projects, and the disclosure of the relevant terms of key agreements whenever these contracts are of public concern.²

45. The Management and Board of the World Bank continue to discuss the possible expansion of disclosure. In March 2005, the Board of Directors approved a paper entitled *World Bank Disclosure Policy: Additional Issues, Follow-Up Consolidated Report (Revised)*, in which 16 new disclosure items were approved. These included the routine disclosure of country assistance strategies for IBRD countries; releasing, on a pilot basis, draft operational policies when they are circulated to the Board for an informal Board meeting; and disclosing the Board minutes, budget document, staff compensation paper, and staff manual.

² World Bank. 2004, 17 September. *World Bank Group Management Response to the Extractive Industries Review*. Available: http://www-wds.worldbank.org/servlet/WDS_IBank_Servlet?pcont=details&eid=000160016_20040921111523

APPENDIX 2

PERFORMANCE ASSESSMENT FRAMEWORK

Design Summary	Indicators/Targets	Monitoring Mechanism	Monitoring Focal Points
Impact			
<ul style="list-style-type: none"> Improved development effectiveness 	<i>Monitored by Reform Agenda progress reports</i>		
Outcome			
<ul style="list-style-type: none"> Stakeholders' trust in, and ability to engage with, ADB greatly enhanced 	<ul style="list-style-type: none"> Improvements in stakeholders' perception of ADB and their assessment of ADB openness, accountability, and partnering 	<ul style="list-style-type: none"> Comprehensive review of the Policy after 5 years Perception surveys of opinion leaders (every 3 years) Client and partnership surveys, and other stakeholder assessments 	<ul style="list-style-type: none"> OER OER SPD
Outputs			
1. Proactive external relations of ADB	<ul style="list-style-type: none"> Increased number of outreach missions to donor countries by Management 5% annual increase in Management media interviews and outreach activities Consistent presence in top-tier print media (i.e., at least six Op-eds published in <i>Asian Wall Street Journal</i>, <i>Financial Times</i>, and <i>International Herald Tribune</i>) 	<ul style="list-style-type: none"> Public communications policy annual report (drawing on media unit inputs) Media monitoring 	<ul style="list-style-type: none"> OER
2. Improved access to information about ADB operations	<ul style="list-style-type: none"> Annual increase in the number of communications plans developed by operations departments for CSPs, RCSPs, and projects Starting in year 2, 10% annual decrease in complaints that the Policy's disclosure requirements have not been properly implemented PIDs created for 50% of projects by end of year 1 and 100% by end of year 2 	<ul style="list-style-type: none"> InfoUnit records and public communications policy annual report PDAC records and public communications policy annual report InfoUnit records and public communications policy annual report 	<ul style="list-style-type: none"> OER OER OER
	<ul style="list-style-type: none"> Improvement in public satisfaction as stated in comment cards submitted to resident missions and representative offices Percentage of requests for information fulfilled within 30 calendar days 100% compliance with disclosure requirements 	<ul style="list-style-type: none"> Comment card survey InfoUnit records and public communications policy annual report Sampling by InfoUnit and public communications policy annual report 	<ul style="list-style-type: none"> RMs, ROs and OER

Design Summary	Indicators/Targets	Monitoring Mechanism	Monitoring Focal Points
Activities			
1.1 Prepare an action plan for the Policy's strategy for external relations	<ul style="list-style-type: none"> • Within 3 months of the Policy's approval 	<ul style="list-style-type: none"> • Action plan and its progress report 	<ul style="list-style-type: none"> • OER
1.2 Realign organizational structure and start aligning skills mix to support new strategic directions on external relations	<ul style="list-style-type: none"> • Within 3 months of the Policy's approval 	<ul style="list-style-type: none"> • Management's approval of the refined arrangements 	<ul style="list-style-type: none"> • BPMSD, OER
1.3 Update media guidelines	<ul style="list-style-type: none"> • Circulation to staff within 4 months of the Policy's approval 	<ul style="list-style-type: none"> • Issuance of the guidelines 	<ul style="list-style-type: none"> • OER
2.1 Establish and put into operation the InfoUnit	<ul style="list-style-type: none"> • Within 3 months of the Policy's approval 	<ul style="list-style-type: none"> • Public communications policy annual report 	<ul style="list-style-type: none"> • OER
2.2 Establish PDAC	<ul style="list-style-type: none"> • By the Policy's effective date 	<ul style="list-style-type: none"> • Public communications policy annual report 	<ul style="list-style-type: none"> • OER
2.3 Prepare and disseminate staff handbook on the Policy	<ul style="list-style-type: none"> • Circulation to staff by the Policy's effective date 	<ul style="list-style-type: none"> • Issuance of the handbook 	<ul style="list-style-type: none"> • OER
2.4 Prepare and disseminate borrower and sponsor handbook on the Policy	<ul style="list-style-type: none"> • Within 6 months of the Policy's effective date 	<ul style="list-style-type: none"> • Issuance of the handbook 	<ul style="list-style-type: none"> • OER
2.5 Conduct training on disclosure requirements	<ul style="list-style-type: none"> • All mission leaders and project analysts within 1 year of the Policy's effective date 	<ul style="list-style-type: none"> • InfoUnit's monitoring records • Public communications policy annual report 	<ul style="list-style-type: none"> • OER
2.6 Review the depository library program and develop strategy for upgrading public information centers in member countries	<ul style="list-style-type: none"> • Within 1 year of the Policy's effective date 	<ul style="list-style-type: none"> • Review paper • Public communications policy annual report 	<ul style="list-style-type: none"> • OER
2.7 Expand and/or upgrade public information centers in member countries based on the above review	<ul style="list-style-type: none"> • Within 2 years of the Policy's effective date 	<ul style="list-style-type: none"> • Public communications policy annual report 	<ul style="list-style-type: none"> • OER

BPMSD = Budget, Personnel, and Management Systems Department, CSP = country strategy and program, OER = Office of External Relations, PID = project/program information document, PDAC = Public Disclosure Advisory Committee, RCSP = regional cooperation strategy and program, RM = resident mission, RO = representative office, SPD = Strategy and Policy Department