

2009 Annual Report





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EXECUTIVE SUMMARY

The Bank Information Center (BIC) is an independent, non-profit organization that advocates for the protection of rights, participation, transparency, and public accountability in the governance and operations of the World Bank, International Finance Corporation (IFC), and other international financial institutions (IFIs).

During 2009, BIC initiated four campaigns on IFI reform. We conducted a full campaign on advocating for a strengthened World Bank disclosure policy framework. We initiated a campaign to strengthen IFC's human rights, disclosure, and accountability practices as contained in its Sustainability Policy/Performance Standards. BIC launched its campaign to encourage the World Bank to adopt a progressive Energy Strategy that promotes the development of clean, safe, and renewable energy access to the poor, and reduces the Bank's contribution to greenhouse gas emissions. As the elected official NGO Observer, BIC advocated for stronger environmental and social safeguards in the design of the World Bank Forest Carbon Partnership Facility.

The main outcomes achieved during the grant period include:

- 1) The World Bank **revised its information disclosure policy that significantly expands civil society access** to development information and Bank decision-making. More materials in advance of Board meetings will be disseminated; summaries of Board meetings will be released; most project implementation documents will now be available; and a system for processing requests for information and an independent appeals body will be established.
- 2) The International Finance Corporation (IFC) – the World Bank's private sector arm – committed to conduct a **broader consultation** on its **Performance Standards and Sustainability Policy review** with civil society and affected communities. We are also garnering support from some IFC staff and U.S. government on our position to **increase transparency and strengthen development outcome reporting** in order to increase accountability in IFC extractives projects. A coalition of like-minded civil society groups around the world has been built (more than 100 member organizations) to engage the IFC. The IFC environmental/social sustainability policy has ramifications in global lending standards.
- 3) **Ensured broad civil society input** into the U.S. Treasury guidance for IFIs on coal, by convening two CSO consultations with U.S. Treasury staff. The Treasury guidance takes a step in the right direction, as it **encourages IFIs to develop local institutional capacity** in developing countries to evaluate “no or low-carbon” potentials. It also specifies a step-by-step procedure that IFIs should adopt to fully examine “no or low-carbon” options before making a deal on coal.
- 4) As the official NGO Observer to the **World Bank Forest Carbon Partnership Facility (FCPF)** since February 2009, BIC played an active role in flagging the concerns of civil society to the World Bank FCPF, facilitating dialogues between decision-makers and

civil society, and contributing to the improvement of the design and operation of the FCPF. In 2009, BIC a) successfully persuaded the World Bank to allow civil society to input on the draft FCPF Strategic Environmental and Social Assessment (SESA) guidelines, b) strengthened the standards for the review of country readiness proposals, c) ensured increased participation by civil society actors in World Bank trainings and official FCPF discussions, and d) ensured NGOs and local civil society organizations receive timely information/documents on REDD country proposals and other important materials.

- 5) In Asia, Africa, Middle East/North Africa, and Latin America, BIC continued to build local capacity in civil society groups to better **understand and access the World Bank Group accountability mechanisms** in order to seek social justice.
- 6) A steering committee was formed to guide the formation of an **African-led network** that will monitor and advocate for pro-people policies at the **African Development Bank**.

I. Transparency: Strengthening Disclosure Frameworks

In 2009, BIC in collaboration with key members of the Global Transparency Initiative (GTI) and other civil society organizations, conducted the following activities: a) prepared an analysis of the World Bank's draft disclosure policy, b) developed a Model Disclosure Policy that was presented to the Bank and endorsed widely, c) organized preparatory workshops in 15 countries across the globe to prepare CSO actors for Bank official consultations, and d) engaged the key World Bank management/Executive Directors (EDs), U.S. Treasury and the U.S. Congress to advocate our positions.

The latest revised policy incorporates some of the GTI principles that we advocated, including commitments to:

- disseminate more materials in advance of Board meetings;
- release the summaries of Board meetings;
- launch a proper system for processing requests for information; and
- establish an independent appeals body.

However, significant policy weaknesses remain. Governments and third parties, such as Bank contractors, would be able to veto the release of almost any information they provide to the Bank. The draft policy provides nearly absolute protection to internal information through a "deliberative process" exception, viewed as so central that it is posited as an independent principle in the policy, instead of being included as an ordinary exception.

Also troubling is the proposal's assertion that the Bank's disclosure policy trumps national right to information laws. Among other things, this would restrict access to the statements made by country representatives such as the Executive Directors in official World Bank meetings. The proposed policy also withholds draft information that would undermine more participatory decision-making processes.

A. Analyses of draft disclosure policy

At the beginning of April 2009, the World Bank posted an Approach Paper – “[Toward Greater Transparency: Rethinking the World Bank’s Disclosure Policy](#)” as a basis for public consultations. The paper reflected early advocacy by BIC, GTI, and other civil society groups to move the Bank toward acknowledging a public right to information (though without using the term “rights”). The paper proposed to structure the Bank’s policy on four core areas – (1) maximum access, (2) limited exceptions, (3) request procedures, and (4) appeals – that are commonly found in national freedom of information systems and are contained in the GTI’s [Transparency Charter for International Financial Institutions](#). BIC is a core member of the Global Transparency Initiative.

In late May BIC produced a [comprehensive analysis](#) of the Bank’s proposals. While the significant steps reflected in the Bank’s paper were welcomed, we found a number of important gaps and weaknesses, including:

- The lack of a clear vision on the links between openness, poverty reduction and the Bank’s overarching “empowerment” mandate.
- An overly broad regime of exceptions that grants third parties a veto over disclosure and which are not harm-based.
- The absence of a proper test for disclosure in the overall public interest.
- The failure to provide for an independent appeals body.
- The lack of clear progress on timely access to information for participation in decision-making, in particular for project-affected peoples.

BIC and GTI submitted its analysis to the Bank as part of the official comment period and shared it widely with civil society groups, Bank managers, US Treasury and congressional staff, and other Bank shareholders. Key points of BIC/GTI’s analysis were reflected in remarks and submissions by other civil society groups during the Bank’s consultation period.

In addition to analyzing the Bank’s policy proposals, BIC with GTI developed its own [Model World Bank Policy on the Disclosure of Information](#) as an affirmative statement on how the Bank’s policy should be structured to give effect to the right to information from public bodies, including:

- A commitment to the automatic disclosure of a wide range of information, including facilitating participation in decision-making.
- Clear and progressive rules on the processing of requests.
- A narrow regime of exceptions (constraints) based on a clear risk of harm to protected interests and a public interest override.
- A broad right to appeal refusals to disclose information to the Inspection Panel, an oversight body that is independent of Bank management.
- A strong and yet practical set of promotional measures to ensure fulsome implementation of the policy.

BIC through GTI presented its Model Policy as an official submission to the Bank and was endorsed by a number of other organizations, including Amnesty International and Publish What You Fund.

In October 2009, the Bank released a revised, post-consultation draft of its [proposed policy](#). The revised draft included significant additions when compared to the Approach Paper, many of which were contained in the earlier BIC/GTI analysis, such as explicit linkages with the Bank's poverty reduction mission, expanded routine disclosure and acknowledgement of need for active dissemination, increased (though still limited) disclosures by the Bank's Board, and – critically – a second-stage independent appeals body for denied information requests (a principal recommendation from BIC/GTI and other CSOs). At the same time, many limitations remained, including:

- a vastly overbroad deliberative process exception
- limited or no access to draft information
- third party vetoes
- closed Board meetings and withholding of Executive Director statements
- long declassification timelines
- lack of specificity

BIC/GTI submitted a new analysis to the Bank for consideration in final deliberations on the policy, as well as to civil society groups and the US Treasury and congressional staff.

B. Campaign materials

BIC produced a number of updates ([GTI Update 1](#), [GTI Update 2](#), [GTI Update 3](#)) to inform civil society groups about the key problems with the Bank's disclosure policy, main elements of the Bank's policy proposals, and possible actions to engage in the campaign to strengthen final outcomes. The updates were translated into Arabic, French, Russian, Spanish, and Bahasa Indonesian (not all were translated into each language). The updates, as well as the analyses, were circulated on a number of distribution lists, including GTI's English and language-specific lists as well as the general lists of BIC, Article 19, and freedominfo.org.

C. Outreach and consultations

BIC led an extensive effort to support a wide range of civil society organizations to engage in the consultations on the Bank's disclosure policy proposal. In certain regions, other GTI organizations undertook significant outreach efforts.

BIC worked with World Bank staff on thinking through locations of potential consultations as well as potential participants. In the end, the Bank conducted over 30 consultations, all but three in countries which borrow from the Bank. BIC and GTI organizations organized a range of preparatory workshops for CSOs in advance of consultations, including in Beirut, Moscow, Nairobi, Mexico City, Washington, DC, Lima, Buenos Aires, Brazil, Vietnam, Dakar, London, Dhaka, Almaty, Jakarta, and Bangkok.

In addition, BIC was instrumental in encouraging the Bank to host a consultation in Lima, Peru at the same time The Carter Center was convening an international conference for experts on access to information. In order to strengthen civil society representation in the Bank's Washington, DC consultation during its yearly spring meeting, BIC hosted 17 representatives from CSO organizations based in developing and transition countries.

D. Media advocacy

In 2009, BIC produced 13 media articles/press releases, as part of our efforts to increase pressure on the Bank to adopt a progressive disclosure policy. We published an op-ed piece at the *Foreign Policy* regarding the World Bank's translation framework ([The Bank of Babel: Why the World Bank should stop \(only\) speaking English](#), June 30), which was picked up by NYU economist William Easterly and mentioned this issue in his blog. BIC published three articles at the Huffington Post that highlight arguments for higher standards of access to information at the World Bank ([Voices Struggling to Be Heard: Access to Information and the World Bank](#), April 20; [Civil Society to the World Bank: Adopt Transparency 2.0](#), May 5; [Obama's Schooling the Bank on Transparency](#), June 23).

E. Constructive engagement

BIC and GTI organizations organized a number of meetings with various Executive Directors at the World Bank. In April and May, meetings were held with the Canadian, Italian, Liberian, United States, Swiss, and other offices. BIC/GTI conducted a briefing for a group of European Executive Directors and senior advisors. In October, advocacy meetings were conducted with the Japanese and Indian offices.

BIC organized several strategy meetings of Washington-based NGOs, as well as meetings between US Treasury and CSOs to discuss the Bank's disclosure review.

BIC strongly supported the organizational efforts of the Chairman of the House Financial Services Committee, Barney Frank, to conduct a [hearing](#) on World Bank transparency on September 10. Timed to exert influence on the Bank's policy drafting process, the hearing included testimony from Nobel Prize-winner Joseph Stiglitz (former Chief Economist at the Bank) and other experts. Richard Bissell, a member of BIC's Board of Directors, testified on behalf of BIC, The Carter Center, Center for International Environmental Law, Oxfam America, Revenue Watch Institute, and World Wildlife Fund. Mr. Bissell's testimony included a number of BIC/GTI's recommendations. See <http://www.bicusa.org/en/Article.11480.aspx> for more information about this hearing.

BIC coordinated advocacy efforts to push the World Bank Board of Directors to make final improvements to the final draft policy. GTI partners FUNDAR (Mexico), CEDHA (Argentina), and IDASA (South Africa) sent letters to their Executive Directors. Our partners from Bangladesh (VOICE), India (Mysore Grahakara Parishat), Japan (JACSES), and Indonesia (Institute for Essential Services Reform) also sent letters to their respective EDs.

F. Outcomes

The World Bank approved its new information disclosure policy on December 23, 2009. See our press release at <http://www.bicusa.org/en/Article.11700.aspx>. Below is summary of which of BIC/GTI's suggestions were adopted by the Bank in its final policy:

- 1) WB adopts a modern disclosure system that incorporates principles of GTI Transparency Charter: a true presumption of disclosure with narrowly drawn constraints, expanded routine disclosure, a clear request system, an appeals process, public interest override, active promotion of access
 - True presumption of disclosure adopted.
 - Constraints: some narrowly drawn, however the Bank has insisted on an overly broad exemption for information related to deliberative processes as well as third-party information.
 - Clear request system included.
 - Appeals process included, with a first-of-its-kind independent appeals body among international financial institutions.
 - Public interest override included.
 - Bank committed to expand active dissemination (including expanded translations), but specifics need to be spelled out.
- 2) New policy provides expanded, earlier access to draft country/ project information, implementation data, information on Board decisions, and covers all Bank product lines
 - Information will be released earlier in the project cycle (after Project Concept Review)
 - Bank strategies and policies will be publicly disclosed at same time they are sent to the Board for approval (allowing CSOs time to review and intervene).
 - Country strategies, appraisal documents, and policy reform documents will also be released at same time they are sent to the Board, provided the pertinent country agrees.
 - Summaries of Board discussions, minutes of Board committee meetings, and all papers reviewed by Board not classified as confidential will be released.
 - All analytical and advisory work is covered. Fee-for-services performed by the Bank disclosed only if contracting country agrees.
- 3) Bank strengthens guidelines and budget for promotion of access to information in borrowing countries through information centers and access to translated documents
 - Draft policy includes organizational plan for implementing new policy including estimated budget. Bank committed to strengthening information centers where needed.

II. Reforming IFI Practices in Extractive Industries

In mid-2009, BIC started its campaign to strengthen IFC's human rights, disclosure, and accountability practices by advocating three main principles in its Sustainability Policy/Performance Standards:

- 1) free, prior, informed *consent* of local affected communities and indigenous peoples,
- 2) *full disclosure* of extractives project *revenue payments to governments and accompanying contracts*, and
- 3) more rigorous *development impact reporting*, to assist in the accountability of individual IFC projects.

BIC is also aiming to ensure that IFC conducts a *robust, face-to-face global consultation process* where project-affected communities will have an opportunity to share their experiences and influence policy revisions.

In 2009, BIC and a coalition of development, environment, human rights, faith-based, gender, and economic justice organizations banded together and have begun to engage the IFC on both its report and ongoing review. For its part, BIC:

- 1) contributed to CSO comments on IFC's three-year assessment of its Sustainability Policy,
- 2) helped push for broad face-to-face consultations during the IFC policy review,
- 3) convened meetings with U.S. Treasury and Congress to convey our key concerns,
- 4) convened a strategy session in Istanbul with partners across all five regions,
- 5) organized a panel discussion on the importance of contract disclosure,
- 6) participated in the first policy review consultations in Istanbul and Washington DC,
- 7) contributed to first round of recommendations to IFC on revenue & contract disclosure and development outcomes reporting,
- 8) started advocacy around contract transparency with the World Bank Board,
- 9) conducted a survey on the quality of WBG's engagement with civil society, regarding EITI/revenue disclosure, and
- 10) assessed IFC clients' reporting on payments made to governments, both on IFC website and in each company's individual websites.

We expect our campaign to reform IFC's sustainability policy to continue throughout 2010.

1) Commented on IFC 3-year assessment of safeguard policies. In July 2009, BIC obtained a draft of IFC's 3-year assessment of its Policy and Performance Standards on Social and Environmental Sustainability. The report highlighted the "effectiveness" of the IFC safeguard policies, but also acknowledged a number of issues as observed by the IFC as well as by other stakeholders, which would be proposed for review and revision. The list of issues include increasing calls for project level disclosure, sector and topic specific guidance, such as on water and gender, weak supervision framework, lack of clarity of the policies and a range of other topics.

BIC and our partners submitted [initial comments](#) on the IFC's assessment and identified a list of issues that we think needs to be critically reviewed/addressed. These include: (i) project categorization principles, (ii) contract disclosure requirement, (iii) lack of human rights framework, (iv) resettlement guidance and compensation rates, (v) disclosure of project implementation documentation, (vi) disclosure of determination of free, prior, informed consultation and broad community support from affected communities, and (vii) lack of in-country consultations with project communities on the report.

2) Pushing for broad face-to-face consultations. BIC, as part of a civil society coalition, helped draft a letter to IFC CEO Mr. Lars Thunell urging him to commit to broad, inclusive consultations with the affected communities in all regions as part of its policy review process. BIC helped distribute the letter to our various civil society groups for endorsement. More than 150 organizations endorsed the [letter](#). IFC agreed to these demands, and has since produced a methodology of the types of project-affected communities it intends to consult with in mid-2010.

IFC responded with a tentative list of countries where IFC plans to hold public consultations on proposed changes to its Sustainability Framework. To date, the list includes Moscow, Jakarta, Delhi, Belgrade, Johannesburg, Dakar, Sao Paulo and Lima, and does not specify how IFC will consult affected communities (often outside of capitals), indigenous peoples or consider feedback from other countries. Through meetings, outreach and letters, BIC is working to ensure that IFC extends public discussion to Middle East and Southeast Asia regions and consider additional consultations in Africa. BIC and our partners also worked to ensure that selection of participants will be fair and transparent and that affected communities have the opportunity to voice their concerns and recommendations.

Additionally, Bank Information Center, together with Oxfam America, Catholic Relief Services, Revenue Watch Institute, International Accountability Project and a number of regionally-based organizations, is mapping partner presence across countries where IFC will organize consultations. By World Bank Spring Meetings in late April 2010, BIC and its partner will have agreed and prepared key policy recommendations that will be raised with IFC across five continents.

3) Engaged U.S. government regarding CSO views on IFC policy review. Based on the joint analysis of IFC's three-year assessment report, BIC convened a meeting between the US Treasury and several DC-based organizations to convey to the Treasury our findings. We also took the opportunity to solicit feedback from the US Treasury to map which topic areas CSOs can expect support from. The Treasury's feedback on BIC's three objectives was mixed:

- a) US Treasury voiced support for promoting mandatory contract and revenue transparency – in line with BIC's core objective;
- b) On our objective to ensure public reporting on how IFC assures itself of broad community support for projects – the Treasury was generally supportive, but did not readily support a more stringent requirement that IFC adopts the FPIC principle (free, prior, informed consent, currently recognized as a right of indigenous peoples by the UN), which most groups are pushing for.

- c) US Treasury also strongly supported BIC's recommendation that IFC adopts rigorous indicators of development outcomes and publicly report on them for each project.

The Bank Information Center also worked with Congressman Barney Frank's office to request an improvement in transparency and development effectiveness of IFC as a condition of the United States government's recapitalization of the World Bank Group. Mr. Frank is the chair of the House Committee on Financial Services. Taking the opportunity of a Congressional hearing on IFC scheduled for late February 2010, BIC and our partners suggested that recapitalization be contingent on inclusions of a human rights framework, strengthened accountability and development effectiveness of IFC investments.

4) Convened a strategy session in Istanbul (World Bank Annual Meetings). In October, BIC presented its plan of engagement for the IFC policy review process to more than 30 partners across the globe, and together strategized how to engage other partners from each five geographical regions. BIC proposed to organize collections of case studies from regional partners, each highlighting a specific problem area of an IFC-funded project and offering constructive suggestions on how to address them in the new Sustainability Framework.

Partners from the Russian Federation, Kazakhstan, Philippines, Uganda, and Peru agreed to draft case studies which reflect the quality of IFC's engagement with affected communities, shortcomings of the due diligence process, and evidence (or lack thereof) of IFC clients' (private companies) contributions to sustainable development. Meanwhile, regional networks such as Third World Network Africa, PWYP Africa, and Soros Foundations of Kyrgyzstan and Kazakhstan agreed in principle to join World Bank Board-level advocacy efforts to introduce revenue and contract disclosure requirement for extractive industry projects.

During the Istanbul strategy session, BIC and its partners also suggested to:

- 1) engage governments and parliaments as advocacy targets, where possible;
- 2) strengthen local CSO capacity to understand the role of IFIs in general, and ways to influence their policies (as previous generation of activists have been replaced by individuals who are motivated but lack the historical or institutional memory about IFI policy work);
- 3) attempt to raise human and financial resources dedicated to policy work.

Furthermore, it was agreed that:

- 1) BIC or issue-experts would take responsibility for the overall coordination,
- 2) BIC would develop a campaign plan tailored for partners (the involvement of partners and BIC may be at different stages and levels) and identify action items for partners,
- 3) BIC should find ways to foster in our partners a sense of ownership for campaign work and subsequently a feeling of accomplishment and responsibility for policy successes,
- 4) BIC would keep partners updated on key issues, and help connect groups with similar interest within the framework of the IFC policy review.

5) First public consultations on IFC policy review. On October 4, during the World Bank Civil Society Forum in Istanbul, BIC organized a preparatory session for civil society groups to

help them to take part in the IFC public consultations effectively. IFC held the first Public Consultations on the IFC Sustainability Framework on October 5 where BIC, its regional partners and a number of other organizations communicated their comments to IFC staff. More than fifty civil society actors across the globe participated in the consultations. See http://www.huffingtonpost.com/chad-dobson/civil-society-sounds-off_b_335208.html for BIC's blog on the IFC Istanbul consultations.

BIC attended a post-consultations strategy session, where it took responsibility to co-organize a joint written submission of key problems and recommendations. During October and November, BIC and its key allies facilitated the formation of a set of thematic working groups, each tasked to produce a brief recommendation on a specific aspect of IFC's Sustainability Framework.

BIC is currently managing the new IFC-Global Rights, Rules and Responsibilities (IFC-GRRR) list-serve. The IFC-GRRR is dedicated to the IFC Policy Review Process and will be the primary communication medium for civil society groups from around the world interested in the review process. More than 100 organizations are part of this list-serve.

6) Contributing to first round of substantive recommendations. BIC as part of the coalition contributed two briefs to the joint submission of comments as a first round of public input on IFC policies. The joint submission combines inputs from more than 10 core organizations working on the IFC campaign. BIC will assist in the translation of comments to Russian and help distribute to its regional partners for endorsement. BIC produced brief submissions on extractive industries revenue and contract transparency as well as a vision of how IFC should report on its development results on a project-level basis. Also, as part of the Publish What You Pay coalition, BIC has prepared a longer position paper on revenue and contract disclosure.

7) Advocacy outreach to the World Bank Board and senior management. During 2009, BIC met with several World Bank Board members, mostly responsible for Central Asia, Caucasus (resource rich countries) and Latin America to map each Executive Director Office's position on revenue and contract transparency. With greater partner involvement, BIC intends to meet other Board members and IFC senior management to identify obstacles that currently prevent the inclusion of disclosure requirements.

One partner from Kazakhstan directed a letter to Mr. Konstantin Huber, an Austrian who represents Kazakhstan in the World Bank Board, requesting that the Director strongly uphold contract disclosure as an explicit requirement in IFC's new Sustainability Policy. In early 2009, BIC met with Mr. Michel Mordasini, who represents countries in Central Asia and Azerbaijan. A number of other meetings with the Russian, Dutch and Nordic Executive Directors did not result in the Directors expressing clear support for greater transparency requirement in the extractive industry.

8) Completed a survey on quality of WBG's engagement with CSOs on revenue disclosure. In 2009, BIC conducted a survey on World Bank's engagement with civil society and found that World Bank's support for the implementation of the Extractive Industry Transparency Initiative has generally led to greater inclusions of civil society in extractive industry related decision

making. The survey also finds a gentle trend toward treating CSOs groups as equal partners and considering their opinions early on, allowing them to influence EITI related mechanisms that strengthen public accountability in the extractive industry.

The survey identified several areas where civil society inclusions could be further strengthened. Respondents claimed that World Bank could ensure that stakeholders interact on the basis of free will and in good faith and publicly protect EITI stakeholders from intimidations. The World Bank could also ensure that recommendations from the multi-stakeholder group overseeing the EITI implementation are carried through and that access to Bank-provided finance for CSO capacity building activities should be distributed by governments. Finally, respondents almost unanimously agreed that the World Bank should monitor and ensure governments' compliance with all EITI requirements, and that EITI should be expanded to transparency beyond revenues.

Drawing from the civil society survey, Bank Information Center will suggest that the World Bank further empower civil society within the tripartite multi-stakeholder group consisting of the government, private sector and the civil society by ensuring equal standing in funding allocation, access to information and representation. The World Bank should also work to make other information, such as extractive industry agreements or benefits to communities, a part of the multi-stakeholder discussions. Finally, as the principal supporter and funder of EITI implementation, the World Bank must ensure compliance with EITI provisions. BIC plans to present the findings of the survey and convey its recommendations to the World Bank as part of its advocacy activities in 2010. The survey results will be translated into Russian, French and Spanish and distributed widely among PWYP coalition members. See <http://www.bicusa.org/en/Article.11792.aspx> for the full text of the survey results.

9) Conducted project-level monitoring of revenue disclosure of IFC extractives projects.

In 2009, BIC conducted a review of the extent of revenue disclosure of IFC extractives projects, and found that IFC's reporting on payments to governments by its clients since 2007, when the requirement came into effect, have improved considerably. Much of this improvement can be attributed to civil society demands that IFC should take the responsibility to oversee and report on the revenue transparency requirements. In 2009, IFC launched a dedicated [webpage](#) featuring government revenues earned from IFC-financed extractive industry projects and the development results of select projects. The reorganization of information and addition of EI case studies of interest to the public is a positive step towards better accountability.

However, BIC found that current reporting still has a number of weaknesses. Many websites are only reporting their payments in English or one local language. Some reported in two languages, such as the case with Peru LNG S.R.L. (English and Spanish), Sichuan Jiuda Salt Manufacturing Co., Ltd (English and Chinese), Africo Resources Limited (English and French). Some of the revenue data posted on the IFC website requires updating. In select cases, information posted by IFC on their website is not accessible if you try to follow the links provided by IFC.

The quality and consistency of reporting also remains inadequate since previous assessments. Currently there is no standard on how companies should report, and what types of payments the data represents. IFC and its clients also report only on fiscal payments such as state and local taxes and royalties. Direct payments/capital investments or payments to communities are not

listed. IFC has agreed to work with clients to ensure standardization of payments and proposed a [template](#) for future reporting.

Since effective monitoring is possible only after August of each year when IFC clients post their payments to governments, BIC can assess progress by comparing reporting quality over at least two reporting cycles. In August 2010, BIC plans to assess whether recommendations to adopt a disaggregated, project –level disclosure of revenues based on a common standard (a proposed template) has been implemented for FY 2009. The result of the findings will be used to corroborate BIC and our partner observations and recommendations regarding the adequacy of the current policy and implementation practice.

III. Combating Climate Change

BIC is employing a number of strategies to persuade the World Bank to adopt a progressive energy strategy where fossil fuel lending (especially coal) is significantly reduced, and renewable energy/energy efficiency & clean energy access for the poor is aggressively promoted. In 2008, the World Bank Group financed fossil fuel projects that will emit more than 2 billion metric tons of CO₂ over the project lifetime, equivalent to about *7% of the world's total annual CO₂ emissions* from the energy sector, or more than twice as much as all of Africa's annual energy sector emissions.

In 2009, BIC:

- 1) analyzed draft Bank energy concept note to key partners,
- 2) convened a group of NGOs to strategize on the energy concept note,
- 3) convened a meeting between NGOs and U.S. Treasury to convey key concerns,
- 4) conducted a strategy session in Istanbul together with partners across all five regions,
- 5) started facilitating the writing of a model energy policy,
- 6) exploring alliance with green business councils,
- 7) began engaging with key World Bank staff and select Executive Board members, and
- 8) began an aggressive media advocacy to name/shame the Bank for its coal lending.

Analyzed draft Bank Energy concept note to partners. In June, BIC analyzed the Bank's concept note for the revision of its Energy Sector Strategy. The concept note is alarming – it proposes a business-as-usual approach that calls for continued financing of fossil fuel-based power, *including coal*. Although new coal plants financed by the Bank will likely employ supercritical technology, those plants will generate significantly more CO₂ emissions than renewables. Moreover, since new coal plants have an operating life of up to half a century and rehabilitated coal plants will last roughly 20 years, the construction of new coal plants and rehabilitation of old plants commits the world to an enormous source of greenhouse gas (GHG) emissions for many years to come.

In addition, the concept note calls for continued financing of large hydroelectric projects, despite the numerous adverse impacts of large hydro projects on habitat and livelihoods, and some evidence that large dam reservoirs are also a significant source of greenhouse gas emissions.

Convened planning meeting with NGOs, audience with U.S. Treasury. Shortly after, BIC convened a group of Washington DC-based environmental NGOs interested in advocating for a progressive World Bank Energy Strategy. These include the World Resources Institute, Conservation International, Environmental Defense Fund, National Wildlife Federation, Friends of the Earth US, Sierra Club, Rainforest Action Network, Institute of Policy Studies, and Natural Resources Defense Council. The group discussed key concerns in the Energy concept note, and put together a 3-page document highlighting five advocacy points: 1) phase out coal and large hydro lending, 2) strengthen commitments on energy sector governance, 3) stronger commitments to renewable energy technology, 4) account for GHG emissions associated with the Bank's energy investments, and 5) ensure meaningful, global public consultations.

In the same month, we organized a meeting between representatives of these organizations and the U.S. Treasury to convey key CSO comments on the Bank Energy Strategy, and to hear Treasury's opinion regarding our concerns. We submitted the 3-page recommendations document to U.S. Treasury before the meeting.

The Treasury was supportive of the Bank investing in supply-side and end-use efficiency, and greenhouse gas accounting. It would like to see the Bank adopt stronger incentives for its staff to support small-scale renewable energy and energy-efficiency projects. However, Treasury was not convinced of a stronger approach against coal lending and considers such engagement appropriate if no other cleaner alternative exists. Finally, the Treasury proposed a formal stock-taking and full Board discussion of the draft Energy Strategy shortly after Copenhagen. In mid-July, the U.S. Treasury released a statement describing its position on the World Bank Energy Concept Note (<http://www.bicusa.org/en/Article.11333.aspx>).

In December 2009, BIC assisted the U.S. Treasury to convene two CSO consultations for an official U.S. Treasury guidance for IFIs on coal, which was also released in that month. CSOs were able to share their written comments and relay these to Treasury staff verbally. The Treasury guidance takes a step in the right direction, as it encourages IFIs to develop local institutional capacity in developing countries to evaluate "no or low-carbon" potentials. It also specifies a step-by-step procedure that IFIs should adopt to fully examine "no or low-carbon" options before making a deal on coal. However, the guidance contains several loopholes for continued (albeit less intensive) fossil fuel lending, and GHG accounting was not fully endorsed. BIC plans to continue engaging the U.S. government to strengthen its stance. (See <http://www.bicusa.org/en/Article.11715.aspx> for more info).

Conducted strategy session in Istanbul with NGOs across regions. In October, BIC convened a strategy meeting on the World Bank's Energy Strategy, participated by about 40 civil society actors from Africa, Asia, Latin America, Central Asia, Europe, Middle East, and the United States. Michael Totten, our consultant working on the model policy, presented some ideas on renewable energy/energy efficiency, before groups broke out to brainstorm strategies. Suggestions included 1) getting buy-in/feedback from national groups early in the writing of the model policy, 2) developing a strong media strategy pre-Copenhagen, 3) providing partners updated information on World Bank statistics on fossil fuel lending, and 4) convening groups during CoP15.

Facilitating the writing of Model Energy Policy. BIC has contracted energy expert Michael Totten to lead the research and writing of the alternative strategy. Totten has over twenty years of experience in renewable energy and sustainable enterprise, ranging from legislative experience to direct engagement with major corporations such as Wal-Mart and Ford Motor Company. Totten will receive support from Steve Herz who has extensive experience with international financial institutions. BIC piloted this successful model policy approach with the Bank's Disclosure Policy review.

BIC is expecting to vet the first drafts to energy experts/key partners in early 2010, and disseminate it widely to partners for feedback in March 2010. BIC will also convene its key climate campaign partners in March 2010 at the Pocantico Conference Center in New York, where participants will work together to refine the draft model policy and focus advocacy plans on alternative low-carbon energy options that can be supported by the Bank.

BIC is also commissioning 5 country/regional studies that will either showcase successful renewable energy investments or suggest potential renewable energy options for the country. This will also be discussed during the Pocantico meeting.

Exploring alliance with green business. In November, BIC met with the Business Council for Sustainable Energy (BCSE) to explore common ground on the World Bank Energy Strategy review. BCSE's members are comprised of renewable energy, energy efficiency, and natural gas companies based in the United States, but also do business abroad and would potentially stand to benefit from a greener World Bank energy portfolio. BIC offered to invite them in the next NGO-U.S. Treasury meeting, and encouraged them to interface with the U.S. Treasury to advocate for increased focus on renewables/energy efficiency.

Constructive engagement with World Bank staff and Board. BIC has begun its engagement with relevant Bank staff, including Jamal Saghir, who is the Chair of the World Bank Energy and Mining Sector Board and is the author of the draft Energy Sector Strategy concept note; and Kathy Sierra, Vice President for Sustainable Development at the World Bank, to whom Jamal reports to. In addition, we have begun engagement with the U.S. and U.K. Executive Directors, as well as the vice-presidents of the Bank environment and board-management departments. We are also engaging the Communications Advisor of the Sustainable Development Network with regard to the consultation locations and process.

Conducting aggressive media advocacy. In 2009, BIC wrote and published three articles in key news outlets, including the Washington Post ([Hard Data on Climate Change](#), July 27, 2009) and the International Herald Tribune/New York Times ([World Bank: A Carbon Bigfoot](#), August 3, 2009). The articles spotlighted the World Bank's exacerbating role in climate change through continued financing of fossil fuel projects, including coal.

BIC also coordinated with civil society representatives from Africa, Asia and the Pacific, Latin America, and Europe, in writing their own op-eds to build pressure on the World Bank.

We expect to step up our climate campaign in 2010 as the World Bank conducts its official consultations on its Energy Sector Strategy.

IV. REDD and the World Bank's Forest Carbon Partnership Facility

In 2009, BIC assumed the role of official NGO observer to the FCPF Participants Committee meetings, and has been working to strengthen the safeguards framework around the facility. BIC has also been sharing timely information to national civil society groups regarding respective country “readiness plans,” and conveying CSO concerns to the Participants Committee.

The World Bank REDD facility. The World Bank's Forest Carbon Partnership Facility (FCPF) was launched in December 2007 to assist developing countries to prepare to bring forest carbon stocks into an international carbon market. The Participants Committee is the governing body of the FCPF and is made up of both donor and developing country representatives. The FCPF was created as a mechanism to support country readiness for “reducing greenhouse gas emissions from deforestation and forest degradation” (REDD), a topic currently under negotiation at the United Nations Framework Climate Change Convention (UNFCCC). If REDD schemes are approved at the climate change negotiations in Copenhagen in December of this year, REDD countries would theoretically be eligible for payments from the industrialized countries to support forest conservation.

“REDD readiness”, in World Bank lingo, entails developing a reference scenario of the country's historical and projected deforestation patterns, a strategy to reduce deforestation and conserve standing natural forest (a “REDD strategy”); and developing a system for monitoring, reporting and verification (MRV) of emissions reductions, all of which will need to be in compliance with evolving international standards to make the country eligible for REDD payments.

BIC as official NGO observer. In February 2009, BIC was democratically selected by a group of twenty-eight civil society groups around the world, to represent them as the official NGO observer to the FCPF Participants Committee meetings. During the March Participants Committee meeting in Panama, BIC and a number of donor countries managed to: (i) obtain verbal commitments for greater transparency in the FCPF process, and (ii) strengthen the guidelines for “Readiness Plan” funding by including indigenous land rights and land tenure issues as part of the criteria, among other improvements.

Readiness Plans of Guyana, Panama and Indonesia move forward. In June, the FCPF Participants Committee (PC) held its third meeting (Montreaux Switzerland) to discuss the readiness plans (R-Plans) from three countries (Guyana, Panama and Indonesia). Before the meetings, BIC shared relevant documents to interested CSOs who wanted to provide input on their country's readiness plans. During the meeting, BIC conveyed key concerns of civil society, mostly around the significant gap in analysis (& consequent plans) of the R-Plans regarding the real drivers of deforestation—mining, oil and gas projects, road construction, infrastructure and tourism development, expansion of agriculture and cattle ranching and the like.

With regard to the three countries, while there was significant debate within the PC around weaknesses in all three R-plans, the political pressure to move the process forward won the day. The Guyana and Panama plans will be approved subject to due diligence of the World Bank

FCPF safeguards panel (Technical Advisory Panel), while Indonesia needs to address some of the PC members concerns before approval will be given. R-Plan grants amount to a maximum of US\$3.6 million.

Both donor and REDD country representatives on the PC expressed concern that if the PC didn't approve the plans now, there would be little progress to show in Copenhagen in December, undercutting the ability of nations advocating UNFCCC adoption of REDD to point to real on the ground advances. The Bank has strong institutional pressures to move the FCPF process forward and demonstrate capacity and achievements in piloting REDD, and is now essentially competing with other institutions which could play a similar role, such as the UNREDD and the Amazon Fund in Brazil.

Role of World Bank Technical Advisory Panel. In order to help the PC make a decision on whether to approve a R-Plan, the World Bank has assembled a Technical Advisory Panel (or TAP) of experts on forest issues, the recipient country, and at least one expert on indigenous issues, for each R-Plan. The TAP members for each produce an analysis of the strengths and weaknesses of the country's R-Plan, and then develop a synthesis TAP report which is then sent to the country, and later to the PC. Although the FMT has demonstrated that they are receptive to hearing from civil society in-country, BIC is encouraging groups to communicate their concerns directly to TAP members.

Safeguards review of R-Plans will be a critical area for civil society to remain engaged. Many lingering concerns remain, ranging from adverse effects on forests and biodiversity due to conversion of natural forests to plantations or continuance of large scale industrial logging under the guise of sustainable forest management and social impacts due to land grabs, dislocation of indigenous peoples and other forest dwelling communities with unclear land tenure and the channeling of benefits to those who have been deforesting rather than those who have been conserving the forest. Perhaps these difficulties can be avoided with careful planning and analysis by participatory multi-stakeholder processes feeding into national REDD strategies.

Weak governance of forests in REDD countries. Another big issue is the weak governance of forests in the majority of REDD countries, Guyana and Panama being among those with relatively strong institutional frameworks. Achieving sustained reductions in deforestation entails changing the economic incentives for a wide range of actors, creating an enabling policy framework, and significant improvements in law enforcement in areas where states often have little or no real presence. It also requires clarity of ownership of land and natural resources (including, but not limited to, carbon).

Because many of the last remaining areas of forest in the world are home to indigenous peoples who are, in many cases, responsible for their preservation, states must finally recognize the land and natural resource rights of their indigenous peoples. Such recognition must be accompanied by demarcation, land titling and effective protections against encroachment by miners, loggers and settlers. This requires political will at the top level of government, and entails some degree of confrontation with powerful economic interests who are currently profiting from deforestation.

Use of Strategic Environmental Assessments. Given that the readiness processes being supported involve mostly planning and consultation, the FMT made a proposal in the Montreaux PC meeting to incorporate the use of strategic environmental and social assessments into the readiness processes, essentially carrying out SEA's of the forest sector as a way of generating the information necessary to identify potential direct, indirect and cumulative social and environmental impacts down the road. This proposal was met with opposition from developing country representatives on the PC, who complained of additional burdensome procedures and the delays they would cause, and who also criticized the Bank for changing the procedures mid-stream. The Bank responded by reminding members that everyone had committed to and was aware of the need to conduct safeguard review established in the FCPF Charter, and that this being a new process, the Bank has had to come up with a proposal on how exactly, safeguards could be effectively and efficiently applied to FCPF projects.

Implications of R-Plan approvals. The approval of the R-Plans also places the spotlight on the governments of Guyana, Panama and Indonesia, who, as the first countries to formally begin REDD readiness under the auspices of the World Bank, will be carefully scrutinized. The experiences of these pilot countries will be used to assess whether the FCPF process is capable of facilitating sustained and effective engagement with civil society and indigenous peoples, and of producing high quality plans for reducing deforestation that are credible both nationally and internationally. There is clearly also widespread international interest in determining whether the FCPF process will be able to support country generation of plausible reference scenarios and monitoring, reporting and verification systems that can meet international standards which may emerge after a global climate deal.

In 2010, the Participants Committee will discuss several readiness plans from countries in Asia, Latin America, and Africa. BIC will continue to work to ensure that civil society groups and indigenous people's voices are heard with regard to these REDD plans.

BIC's coordination role between other REDD mechanisms. BIC's work extends beyond participation in the Participants Committee (PC) meetings. Behind the scenes, BIC has convened contact group meetings with the NGO community to share information, coordinate interests, and develop a strategy aimed at creating a thoughtful FCPF process that involves stakeholders, develops capacity to participate in REDD, and channels REDD resources to forest-dependent communities. In addition, we have capitalized on our strong working relationship the World Bank's Carbon Finance Unit and have met with staff to relay concerns and suggest improvements to the FCPF process. We have been particularly effective in facilitating communication between World Bank staff and civil society.

V. BICECA

Building Informed Civic Engagement for Conservation in the Andes-Amazon (BICECA) is a BIC-led project that aims to promote alternatives to unsustainable development in the Andes-Amazon and to help protect the biological and cultural diversity of the region. BIC along with its partners provide support to civil society organizations (CSOs) to analyze and influence economic integration projects and policies in the Andean-Amazon region. The BICECA Project is part of the IIRSA Articulation, an informal international network of organizations and communities working to promote alternatives to the unsustainable development models promoted by the Initiative for the Integration of the Regional Infrastructure of South America (IIRSA), a development plan slated to link South America's economies through transportation, energy, and telecommunications projects.

The BICECA project had the following key achievements in 2009:

- Obtained approval of a \$12 million Inter-American development Bank (IDB) impact mitigation and sustainable development program for the Pasto Mocoa highway in Southern Colombia. This program is an important precedent for the IDB.
- Began analysis of the Andean Development Corporation (CAF) Interoceanica Highway (INRENA) project in Peru. Analysis is set to be complete in conjunction with a proposal for the follow-up program to be funded in 2010 by CAF through the Peruvian Ministry of the Environment (MINAM). The revised CAF and MINAM proposal includes planning and consultation criteria that would prevent the imposition of the 2000 MW Inambari hydroelectric dam simply by Presidential fiat.
- Advocated for a legal injunction challenging the legality of the Brazilian Development Bank's (BNDES) use of public funding for the Jirau and San Antonio hydroelectric dams that is under review by the Brazil Public Ministry. The case complements a larger study on the illegal licensing of the two dams funded by the two largest loans in BNDES history.
- In Ecuador, BICECA helped position the Citizen Observatory on Manta Manaus Corridor as the primary reference for the Inter-American Development Bank and the Ecuadorian government during the preparation and implementation of a Strategic Environmental Assessment of the Rio Napo from 2009 to 2010. BICECA will be building capacity to shape the bi-national Rio Napo SEA as a condition for any possible funding for the Manta Manaus Corridor in the future.
- In Bolivia, BICECA partner CEADESC participated in eight workshops or conferences and conducted two separate trainings in their work with indigenous and small farmer organizations in Santa Cruz and the Northern Amazon region to demand greater transparency and accountability regarding environmental audits of the Santa Cruz-Puerto Suarez Highway and the Northern Corridor Highway.
- Published seven monthly bulletins on a wide range of governance issues and a number of special reports on IFIs, IIRSA, and emerging trends in Amazon sustainable development.

In 2009, BICECA expanded and strengthened its partnerships with national and regional advocacy networks. BIC signed five new multi-year contracts with local CSOs and designed a first year work plan for each country and region. The new partnerships and fresh perspectives

provide the project with greater analytical capacity, increased representation in key national and regional networks, and an enhanced political capacity in terms of access and influence. For example, the participation of Amigos da Terra-Amazonia provides the project with a solid analytical and advocacy base in Brazil, which BICECA had previously lacked. The partnership of Rights, Environment, and Natural Resources (DAR) in Peru provides increased access to Peruvian institutions and better leverage in the country's policymaking arena. BIC partnered with the Center of Applied Studies for Economic, Social, and Cultural Rights (CEADESC) in Bolivia to enable a more flexible approach to coalition building and to strengthen the project's support for the country's indigenous organizations.

V. Regional Capacity Building

Africa. *Impact:* In 2009, a steering committee was formed to guide the formation of an African-led network that will monitor and advocate for pro-people policies at the African Development Bank (AfDB). *BIC's contribution:* In May, BIC facilitated the first meeting of a new CSO working group on the AfDB by convening 50 civil society representatives for a three-day seminar prior to the AfDB's annual meetings in Dakar, Senegal. The working group was envisioned as an African-led network that would be the primary force for advocacy around the institution. The Dakar meetings included presentations from researchers on the activities of the AfDB in each of the five subregions of Africa, as well as an "intro to the AfDB" session that helped set the context and cited advocacy opportunities. The meetings culminated in an agreement to form the working group, headed by a volunteer steering committee comprised of six African organizations.

Impact: Meaningful participation of African partners around the proposed revisions to the World Bank access to information policy. *BIC's contribution:* In spring, BIC facilitated the involvement of African civil society in the World Bank's disclosure policy review by developing training materials that were shared with African colleagues, and by co-hosting with Idasa and ActionAid-Kenya a strategy seminar in April in Nairobi to coordinate CSO participation in the review. Several participants from Nairobi took the lead in organizing sessions for civil society ahead of their national consultations in Ghana, Senegal, Uganda and Kenya, in addition to individual participation during the seven consultations in Africa. This was instrumental in ensuring clear demands were communicated to the Bank during the face-to-face consultations.

Impact: Face-to-face communication of African partners with key Bank decision makers, resulting in increased political access. *BIC's contribution:* During the Bank's spring and annual meetings, BIC facilitated direct meetings between representatives from La Lumiere in Senegal and GRAMP-TC in Chad and their Executive Director at the Bank. Four African groups that BIC sponsored met with the AfDB President and shared their views about the need for CSO consultation in the upcoming recapitalization process.

Asia. *Impact:* The Vietnam Rivers Network's central and southern Vietnam chapters were formed to work on collective IFI advocacy. A working group was created to lead the monitoring of the World Bank's first hydropower project in the country, with potentially high environmental and social risks. *BIC's contribution:* We organized a five-day workshop on IFI advocacy for

Vietnamese NGOs from various provinces. Co-hosted by Vietnam Rivers Network and Institute of Tropical Biology, more than 40 Vietnamese NGO leaders exchanged inputs and learned how to explore the governance of the IFIs as well as advocacy opportunities. BIC brought the World Bank's country team (Country Director, Safeguards Specialist, and Disclosure Lead) to offer their understanding of the Bank's role in Vietnam's development road map.

Impact: In India, urban poor activists and think tanks in Calcutta, Gujarat, New Delhi, and Karnataka are better equipped in their urban development campaigns through publication of relevant analysis on the governance reform measures and IFI investment lending on urban infrastructure in India. *BIC's contribution:* BIC commissioned the study and helped organize a launch in Mumbai in August covered by major English dailies in India. We also organized a panel discussion between the study authors and the Regional Urban Sector Managers for South Asia Departments of the World Bank and Asian Development Bank (ADB).

Impact: Civil society in Mekong and Indonesia are more equipped in using the World Bank Group accountability mechanisms to seek redress. Citizens have been concerned about IFI problem projects, including the Cambodia Airport project, which would displace over 300 families from their farmland, and IFC investment in a palm oil plantation in Indonesia, which would destroy forests and livelihoods. *BIC's contribution:* We organized outreach sessions of World Bank Inspection Panel and Compliance Advisor/Ombudsman (IFC) in Jakarta and Ho Chi Minh with CSOs from the Philippines, Indonesia, Thailand, Burma, Laos, and Cambodia.

Latin America. *Impact:* Meaningful participation of civil society partners in the World Bank review of its access to information policy. *BIC's contribution:* In April, BIC co-sponsored an advocacy workshop in Mexico City with FUNDAR, which convened some twenty CSOs from Mexico, Nicaragua and Guatemala. Advocacy proposals were discussed and refined, and preparations made to attend the Bank's formal consultation in Mexico. BIC also successfully pushed the Bank to hold an additional unplanned consultation for the Andean region in Lima, Peru in May. This consultation was a great success, with BIC providing some opening critiques of the existing policy and proposal for reform, followed by many high level comments and suggestions from the gathered experts. In May, BIC provided strategic advice and assistance to Center for Human Rights and Environment (CEDHA) in Argentina, Third World Institute (ITeM), in Paraguay and Rede Brasil in that country to prepare civil society for World Bank consultations. Formal written submissions to the Bank were prepared by both CEDHA and ITeM, which strengthened many of the CSO advocacy positions.

Impact: Civil society presented model policy alternative to World Bank access to information policy, resulting in Bank adoption of several civil society asks. *BIC's contribution:* In tandem with the face-to-face advocacy during the consultations, BIC partners in the region, particularly CEDHA and FUNDAR helped develop a model policy proposal to the Bank which laid out the specific access to information principles and policy language civil society would like to see adapted. As the revised disclosure policy goes to the WB Board of Executive Directors in November, we have concluded that we won about 75-80% of what we were asking for, including proactive disclosure of a wide variety of new information, access (for the first time) to more information about projects being implemented (including annual financial statements and Bank supervision reports), access to more detailed minutes of the Board meetings, a system for

requesting information with clear procedures and timelines, and importantly, two levels of appeals in the case of denied requests.

Impact: Heightened awareness of problematic environment projects in LAC region as a result of civil society analytical reporting, information gathering and mapping of regional climate financing. *BIC's contribution:* BIC initiated a mapping of World Bank climate financing in the region, including energy, carbon finance and environmental projects and a description of the bank's main strategies with respect to adaption and mitigation. BIC produced two detailed analytical briefs on emblematic environment projects in Brazil and Mexico, both of which are development policy operations with more limited safeguards and lower transparency standards. This has been accompanied by extensive information gathering meetings with Bank loan managers, sector leaders, and the regional Vice President.

Impact: Strategic environmental assessments (SEAs) will be incorporated as a requirement in the World Bank's forest carbon financing for Guyana. *BIC's contribution:* BIC worked with Guyanese civil society and indigenous organizations in raising their issues and concerns with the Participants Committee of the Forest Carbon Partnership Facility (FCPF) during meetings in March and June. Concerns include ensuring that SEAs incorporate key issues, such as indigenous land tenure and governance reforms in the forest sector.

Middle East and North Africa. *Impact:* In April, a Yemeni organization submitted the first complaint ever from the Middle East and North Africa (MENA) region to the World Bank's Inspection Panel challenging its government and the World Bank and questioning the World Bank's translation policy. The complaint submitted by the Yemen Observatory for Human Rights (YOHR) charged that the Bank and the Yemeni government refused to provide an Arabic translation of a Development Policy Loan (DPL) that has repercussions on practically all aspects of socio-economic life in Yemen. The translation was eventually turned over to YOHR while the Inspection Panel investigation continues. *BIC's contribution:* BIC assisted YOHR in preparing a request for translation of the loan document to the World Bank and provided support in the filing of their complaint.

Impact: In 2009, the World Bank MENA management was persuaded to create an enhanced action plan on disclosure to be followed by staff in the region. The World Bank had never prioritized disclosing information related to project safeguards in the MENA region despite the mandates of its disclosure and safeguard policies. *BIC's contribution:* BIC has been monitoring the Bank's document disclosures and has been contacting the Bank's InfoShop whenever a document was missing. BIC also called upon its regional partners to conduct similar forms of monitoring. BIC raised the issue in an earlier letter to World Bank President Zoellick.

VI. Core Services

During 2009, BIC provided its core information services to key partners in the world.

Multilingual website. BIC continued to actively utilize its Google Grant for non-profit organizations, which provides roughly \$10,000/month (\$330/day) worth of free advertising using Google's Adwords program. In 2009, BIC's website saw a steady increase in traffic averaging 35,000 absolute unique visitors per month, up from 30,000 in 2008. BIC uses Google advertising to draw attention to its website, particularly its campaign pages. This feature is especially important during the World Bank and IMF Annual/Spring meetings when BIC creates and maintains a summary of events and calendar webpage for partners and other interested parties.

BIC continued to fully transition its entire website into a multilingual format, a process that began in November 2008. BIC's website now supports content in English, Spanish, Arabic, Russian and French languages and possesses a simplified and more intuitive Content Management System (CMS).

IF-Eye Newsletter. BIC continued to produce its flagship bimonthly electronic newsletter, the IF-Eye, which strives to provide information and analysis related to current IFI discourse. Newsletter components include: IFI Updates, Civil Society Highlights, Issue Spotlights, and Announcements and Resources. In 2009, BIC distributed 7 issues of the IF-EYE to over 8,250 subscribers worldwide. The circulation of IF-EYE increased by about 250 subscribers.

Access to IFI accountability mechanisms. In Africa, BIC assisted expatriate Ethiopian groups to submit a complaint to the African Development Bank (AfDB)'s inspection mechanism on the Gibe III Dam, in recognition of the inability of local groups to complain publicly due to fear of retaliation. The request was accepted by the AfDB's mechanism, and the initial investigation is ongoing. BIC along with other NGOs helped complainants navigate the AfDB requirements for an acceptable inspection.

In Cambodia, through BIC's assistance, residents facing the largest forced displacement since the Khmer Rouge era have filed a complaint to the World Bank Inspection Panel. The complaint, submitted by the Centre on Housing Rights and Evictions (COHRE), alleges that the Bank breached its operational policies by failing to adequately supervise the Land Management and Administration Project (LMAP), which denied urban poor protection against widespread tenure insecurity and forced evictions in Cambodia.

BIC convened meetings between local and international NGOs in Cambodia to understand the opportunities for filing an Inspection Panel claim. BIC arranged meetings between the local groups and the World Bank's Vice President for East Asia and Pacific, Regional and Cambodia Directors and Project Team Leader to share findings of their report and explore a solution plan. BIC helped the complainants frame their inspection request to ensure clarity and strength of their complaint. We provided tactical advice to ensure a clear message is articulated to the public and the Bank Management.

In Asia, BIC organized outreach sessions together with the World Bank Inspection Panel and Compliance Advisor/Ombudsman (IFC), in order to increase the understanding of groups regarding the compliant process, and to discuss specific ongoing/brewing problem projects. BIC held workshops in Jakarta and Ho Chi Minh and invited participants from the Philippines, Indonesia, Thailand, Burma, Laos, and Cambodia. Specific problem projects presented in substance and in process are:

- 1) Cambodia Airport II project – an IFC support to a French company to expand an airport runway but now has displaced over three hundred families from their farmland and threatens to move them from their homestead – presented by NGO Forum on Cambodia
- 2) Land Management Administration Project – presented by Community Legal Education Center
- 3) MIGA partial guarantee for Sinohydro that invests in the construction of large hydropower in Laos – presented by M-POWER research fellow
- 4) IFC PT Wilmar – an investment on palm oil plantation in Indonesia (a successful campaign/complaint that compelled the Bank to have moratorium on palm sector investment)
- 5) Nam Theun II – a syndicated loan with WB and ADBs’ equity and guarantee investment to the most controversial energy project to date in Laos and in Mekong – presented by two Lao women trained by BIC
- 6) WB’s technical assistance and engagement with Burmese government on post-Nargis disaster efforts – presented by a Mekong School alumnus/Burmese environmental activist

BIC conducted similar outreach efforts in the Middle East/North Africa region. In March, BIC held a regional workshop in Beirut, Lebanon, co-sponsored by the World Bank’s Inspection Panel and the Lebanese Transparency Association. Around 25 civil society leaders from Lebanon, Egypt, Yemen and Morocco interested in access to information rights attended the workshop. In July, BIC held another regional workshop in Marrakech, Morocco with World Bank Inspection Panel and IFC’s Compliance Advisor/Ombudsman staff. CSO participants included those from Algeria, Tunisia, Libya, Mauritania and Morocco. After the workshop, many of the Moroccan participants decided to form a network and develop a more concrete program with a specific action plan to monitor the World Bank’s involvement in Morocco and to raise awareness among citizens about the Bank’s activities in the country.

VII. BIC's Gender Work

In 2008, BIC underwent a gender audit conducted by Gender Action and was presented the following findings:

- ❖ The audit found that, by and large, BIC is operating in a fairly gender balanced way, but does not explicitly and systematically integrate gender concerns into either its organizational structure or its operational output.
- ❖ Internally, BIC identified the need to increase the knowledge level on gender issues, formalize gender considerations into all its internal procedures and promote a working culture within the office that is sensitive to gender issues.
- ❖ With regard to our written products, BIC recognizes that it must improve upon integrating gender considerations in our analysis of the impact of Bank investments on local communities and in our critique on the implementation of Bank policies.

In early 2009, BIC staff members with the help of an outside facilitator produced a set of recommendations and an action plan to mainstream gender considerations into our internal and programmatic outputs. The following lays out some of the significant strides BIC has taken during 2009 to mainstream gender in its work.

OPERATIONAL WORK

- 1) **BIC Gender Policy:** In mid-2009, BIC's Board of Directors approved the organization's Gender Policy. This harmonized policy represents the first step in taking a cohesive and coordinated approach to the organization's commitment to gender equality. The policy defines BIC's explicit commitment to guide staff in its efforts to incorporate and promote gender equality within its organizational culture and programmatic operations. The concept recognizes that power relations between men and women are unequal, and that such inequalities should be addressed. One of the ways BIC is addressing these issues is through gender mainstreaming, which is a globally recognized method for achieving gender equality. For BIC, mainstreaming gender means applying gender analysis to all aspects of our work, including advocacy and communications with the International Financial Institutions (IFIs) on related issues such as transparency, access to information, climate change and extractive industries. This also means working with others to maximize the impact of our programs, and build alliances and partnerships with those who offer complementary approaches.
- 2) **BIC Website and Publications:** One of the public faces of BIC is our website and publications. In the past, we tended to use gender blind references such as local communities, the poor and affected persons; which did not explicitly account for inequalities within the communities. Within our new policy, we will strive to apply a gender lens to all our publications, electronic and print, which we believe will increase awareness and understanding of the complexity of the differentiated impacts of IFI policies and projects on each gender. BIC has also followed Gender Action's

recommendations of removing pictures in our website that reinforce stereotypes, and instead added pictures that portray women as active agents.

- 3) **BIC Decision Making Framework:** To address some of the concerns that arose in the gender audit regarding transparency and decision making at BIC, we have created a Decision Making Framework that strives to make decisions in a timely and well-considered manner, recognizing the functionality of top-down structures as well as the importance of prior input and participation. The key principles of the decision making framework are: openness, stakeholder inclusivity, circle of competency, accountability, timeliness and information sharing. This will ensure all staff will be informed and aware of who is making decisions in a transparent and participatory manner.
- 4) **Added Staff Capacity:** To ensure that we have properly mainstreamed gender into our internal and programmatic outputs, BIC appointed a gender point person within the organization who will ensure that gender competencies are built into the organization's capacities and all staff understand the gender policy and have appropriate tools to implement it in their sphere of work, including inviting gender experts in DC and in our focus regions to train staff. As we strive to ensure an equitable gender balance within all levels of the organization, BIC has added staff capacity with gender expertise such as our new Southeast Asia Regional Coordinator, and a new BIC Board member with gender expertise. We have also been more pro-active in our outreach to women networking organizations as we seek to fill available positions, including umbrella women's organizations such as WEDO and AWID.

PROGRAMMATIC WORK

As we worked to harmonize our gender work within our programmatic work, we strived to embed gender into all of the BIC's strategic campaigns.

- 1) **BIC's World Bank Model Disclosure Policy.** In 2009, BIC's resources were largely devoted to our World Bank transparency campaign. BIC produced a gender sensitive World Bank Model Disclosure Policy that most of our partners felt should be the standard the Bank should strive for. In its model disclosure policy, BIC advocated that the Bank utilize a wide range of dissemination mechanisms to disclose information to the public in an accessible form, including in gender and culturally sensitive forms. Though the Bank did not accept the model policy in its entirety, we were happy to have them incorporate a great deal of the work within their new policy approved in December 2009.
- 2) **Understanding the World Bank's gender work.** BIC attended meetings and civil society consultations at the World Bank, including a working group on the Independent Evaluation Group's report on their findings on how the World Bank is mainstreaming their gender work. There are great funding ambitions with regard to the Bank's gender work, with several millions pledged to date. Since the World Bank Gender Action Plan was launched, they have instituted 135 activities, including 89 gender-related studies, assessments and statistical efforts.

According to “Key Elements of the Bank’s Gender Policy” – one of the three specified points was to “mainstream gender considerations into the identified selected sectors and projects.” Gender is not considered for every project and is, thus, not mainstreamed. Application of the gender policy to Bank-financed operations is not mandatory; rather it is left to the discretion of Country Directors and Task Team leaders. They justified this in saying that as far as the Bank is concerned, it considers gender equality important due to its linkages with poverty reduction. “For the Bank, gender is an instrument for poverty reduction and economic growth, not a goal by itself.”

The report indicated that although the WB gender policy looks good on paper, implementation has been problematic. In 12 key countries, country staff noted that there was existing commitment but were “under staffed, under resourced and powerless.”

- 3) **Staff gender workshops.** In spring 2009, BIC participated with our IFI partners at a half day workshop organized by Gender Action to identify key decision makers and opportunities to influence the World Bank process and policy to promote culturally and gender sensitive language, along with participation of a wide range of stakeholders in impoverished and marginalized communities, especially women, in their new access to information policy. The training enabled staff with tools and resources to build capacity with our partner CSO, as well as build new alliances.

Our follow up workshop was on the subject of mainstreaming gender within the IFIs. This workshop provided a tool kit to address the negative impacts of gender imbalance by providing civil society organizations such as BIC, the tools they need to address gender justice issues in our work. The toolkit contains sections on: 1) Gender Concepts (terms, frameworks and key debates); 2) Gender Tools (checklists, indicators and methodologies for gender analysis in specific sectors); and 3) Gender Data (links to sex-disaggregated databases). This is a resource that BIC is still utilizing and sharing with our partners.

- 4) **Outreach to gender, women and development organizations.** BIC has developed a relationship with a number of gender, women and development organizations outside the U.S. on the issue of transparency, including the Sisters Arab Forum in Yemen, the Centre for Egyptian Women’s Legal Assistance in Egypt, and the Collective for Research and Training on Development – Action in Lebanon. BIC continues to search for gender/women’s organizations in Asia, Africa, Latin America, Middle East who we can work with on our campaigns or provide assistance.
- 5) **Asia Program.** Adopting some of the practices from the Gender Action toolkit, BIC’s Asia Program incorporated gender impact analysis to better analyze the positive and negative impacts of the IFI investments in the region, and thus leverage points for CSOs to hold IFIs accountable. The analysis also helps identify gender discrimination cases that civil society and affected communities should take to IFI accountability mechanisms, such as the World Bank Inspection Panel, the ADB Accountability Mechanism and the IFC Compliance Advisor/ Ombudsman. In a problem project in Indonesia ([Citarum Water Resources Management Program](#)), our partner group conducted a gender strategy

assessment of the project's resettlement plan. We were explicit in terms of selecting gender representation during our Focus Group Discussions in Vietnam.

- 6) **LAC Program.** In 2009, BIC's Latin America program produced an article on gender and the Inter-American Development Bank, which was published in *IDB Watch* in Medellin (2,500 editions). This article encouraged the IDB to update its archaic and obsolete 'Women in Development' (WID) policy established over two decades ago in 1987. The LAC Program also made suggestions to the IDB concerning the role of the Gender and Development Unit (GDU). BIC believed that despite the formation of a new Gender and Diversity Unit, the IDB still has not provided any public information outlining the Unit's purpose, objectives, capacities, funds, staff or projects – the GDU remains invisible and entirely non-transparent. BIC argued that if the IDB wanted to follow through on its public – and well publicized – commitment to gender equality, the Bank must stop stalling on internal gender reforms and start allocating long overdue time and resources to incorporate gender in all its policies and activities. By taking this position, we made it clear that BIC would like to see a better integrated gender mainstreaming policy.

As we developed a partnership with the IDB and through the monitoring of their work, BIC was asked by the Inter-American Development Bank to participate in the creation of their new Gender Policy. BIC submitted some policy language that would promote women's rights and better account for gender relations between women and men; release public information on the Gender and Diversity Unit; integrate a gender equality perspective into all operational policies; raise awareness and create incentives for non-gender staff to implement gender policies; disaggregate spending on gender-specific project components; and increase investments in gender equality initiatives.

In summary, within our first year of embarking upon mainstreaming gender in our work, BIC has achieved some wonderful milestones. In the upcoming year, BIC is looking forward to enhancing our gender mainstreaming efforts within our subsequent campaigns. BIC plans on developing gender indicators for development impact reporting in BIC's IFC Performance Standards campaign, as well as incorporating some gender analysis in the IFC Performance Standards case studies.

BIC will work with our partners and gender experts at the World Bank to include gender language in our model WB Energy Strategy. BIC will continue our outreach to new women's rights and gender groups in the global south, as well as in Washington, DC, to ensure women's/gender groups are included as key stakeholders during consultations on IFC Performance Standards and the World Bank Energy Strategy. We are also working to build long term partnerships with the World Bank Gender and Development Unit and collaborating on mutual goals. BIC will also continue to be conscious about gender equity within the organization through our management of human resources and organizational culture.

VIII. Financials

Below is a summary of the organization's expenses from January 1 to December 31, 2009. Our 2009 audited financial statements can be accessed through our website.

Expense Item	Amount
Salaries	\$ 969,403
Benefits	\$ 210,335
Program Services	\$ 248,018
Professional Fees	\$ 236,596
Sub-grants	\$ 36,936
Travel	\$ 355,116
Operational Expenses	\$ 226,224
TOTAL EXPENSES	\$ 2,282,627