

13th MOF · NGO Regular Consultation

14:00-15:00, October 20, 2000

Discussion with Najima SIDDIQI,  
NGO and Civil Society Unit,  
Social Development Department, WB

\*\*\*\*What follows is a transcript of the English-language discussion which took place during the 13th MoF-NGO Regular Consultation (Oct. 20, 2000), between regular participants and Ms. Najima SIDDIQI, Senior Social Development and Learning Specialist, NGO and Civil Society Unit, Social Development Department, World Bank. Ms. Siddiqi was visiting Japan to meet with Japanese civil society and government representatives with an interest in WB activities.

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Participants:

Ministry of Finance

Development Institutions Section -- Maruyama (Director), Kamiishi, Komori, Maki, Matsunaga, Saisu, Waki, Yamashita

Development Policy Section -- Shibano

Development Planning Section -- Kihara, Kobayashi

Development Finance Section -- Maekawa

World Bank (special guests)

NGO and Civil Society Unit, Social Development Department:

Najima Siddiqi (Senior Social Development and Learning Specialist)

Yumi SERA (Task Manager, "Learning Across Borders: Capacity Building of NGO/CSOs in Asia-Pacific")

Japanese NGOs

Africa-Japan Forum -- Takase

AM Net -- Kawakami

A SEED Japan -- Ishiguchi

Friends of the Earth Japan -- Matsumoto, Okazaki

JACSES -- Adachi, Ishida, Kurato, McIntosh, Saito

Jubilee 2000 Japan -- Kitazawa

Mekong Watch Japan -- Fukuda, Matsumoto, Ohashi

ODA Network -- Kanda

Pacific and Asian Resource Center -- Takahashi

World Vision Japan -- Katayama

Independent Participants

Nakano -- (Kyushu International University)

Igusa -- (Yamanashi Eiwa Women's College)

Siddiqi (WB):

Our group has been here for five days, to meet as many NGOs and civil society groups as possible, to hear what they are doing. I come from the NGO and Civil Society Unit of the Social Development Department of the World Bank (WB). We try to make our partnerships with civil society more meaningful, productive and creative. The WB is a large organization that has been around for a long time and it is not easy to bring about change. But we are interested in many of the issues you will be discussing here. We are interested in development effectiveness, just as you are. The question we have for ourselves is, what can we learn from other actors in civil society, donors and relevant agencies around the world, and how can we bring that information back into the WB, to our own professional staff, and how can we influence policies, open up space for more dialogue between different sectors and institutions like the WB and international financial institutions? This is our challenge.

I joined the WB about 4 years ago, coming from a background of heading the largest NGO in my own country (Pakistan), a training institution for development workers. I would like to discuss with you any issues you may want to raise and information you may wish to share.

Matsumoto (Friends of the Earth Japan):

The Japanese government has recently established a new development funding institution called the Japan Bank for International Cooperation (JBIC). JBIC is currently in the process to establishing social and environment guidelines for its lending activities. I hope you will have a chance to share WB expertise in this area with JBIC while you are here.

Siddiqi (WB):

This is our wish also. A lot of interaction has been taking place in recent years with organizations such as UN agencies, the Asian Development Bank (ADB), the IDB and most certainly JBIC. Mutual learning would be very useful.

Saito (JACSES):

I understand that the WB established a Compliance Unit within the last year or two. Can you tell us something about it, how it works, its structure and so on?

Siddiqi (WB):

We are still working on its structure of the Compliance Unit so that it will be able to meet the demands on the Unit. As you may know, the demands of compliance have changed over time. It is a new unit also in the sense that a lot of groups which are working in the different regions and sectors are being brought together. But it's not a new unit in terms of its functions, because we were supposed to have some kind of watch over compliance from before. What was being debated among

the management and regions just as I left (for this trip) was the question of whether the function of compliance should be brought together as a central unit, which would take responsibility for every project in every sector and region, or should compliance be more the responsibility of the regions? At the last board meeting I attended, some of us were very clear that this should not be an either-or question. It has to happen at both levels, especially at the regional level. It is more important to monitor the process of compliance so that we are not just checking literal compliance, but meaningful compliance. Our concern was that if we centralize it, the tendency is to simply check boxes (on a check list). Some were very clear that we want to go beyond that.

Maruyama (MoF):

Is there any difference in the degree of independence of the Compliance Unit? Will it become more independent?

Siddiqi (WB):

We hope it will. If your question is, "Will it be autonomous?," it is not an inspection panel so, unlike the Independent Inspection Panel, it will not be autonomous.

Maruyama (MoF):

So it is internal, but slightly more independent?

Siddiqi (WB):

Yes. We do not want it to be a policing body, because people react to a policing body, but a very close monitoring body, which is accountable for the process and the results.

Matsumoto (Mekong Watch Japan):

I wish to raise issues concerning the World Commission on Dams (WCD). I believe the WCD is the product of a partnership between IUCM and WB. I think, where it concerns social development issues, it is generally easier, or more realistic for the WB to establish practical partnerships with NGOs, but where it concerns advocacy concerning very sensitive issues, such as hydroelectric projects and debt relief, it is more difficult for the WB to establish partnerships with NGOs. Does your unit have any mandate to establish practical relationships with such advocacy-oriented NGOs, or NGOs which are critical of WB policy?

Siddiqi (WB):

Let me begin with the WCD, because I joined the WB 4 years ago, just as it was starting. Our unit tried to advise our colleagues that this should be an NGO initiative, that they should be taking the decisions about how to structure it and what its functions would be and that our role should be facilitative - a learning role, rather than a doing role. That's how we started off.

Regarding your second question, the NGO Unit has several functions. One of these is related to the operations of the WB, and the other is related to policy dialogue. We do help to facilitate dialogue.

However, having personally worked with governments and NGOs, I feel that this line between "advocacy" and "operational" NGOs is rather artificial. When we use these divisions, we are actually dividing up the community, which may or may not be appropriate. Operational NGOs cannot function without advocacy, for effectiveness.

We are responsible, when they (NGOs and Bank staff) are interested -not every department of the Bank or network within the WB Group is bound to go through us. What we provide is services, guidance and support when we are approached, by Bank staff, by NGOs or by governments. We can advise on how to hold a dialogue that would be open to all key stake holders, rather than simply offer opinions. We have facilitated several dialogues at the policy level. I am also part of the core group for PRSP programs, and there are major challenges there, also. We try to bring learning from outside the Bank into the Bank so we can ...(voice inaudible).

Matsumoto (Mekong):

The WB has two often conflicting roles, as facilitators (of stake holder dialogue) and as the funders of some problematic projects or programs, I think. When we look at the advocacy of specific WB programs, is it possible for your Unit to facilitate the process as one of the Units inside of the WB, or can you stand behind this kind of conflict between civil society and the WB?

Siddiqi (WB):

It's true that, as staff of the WB, we have those limitations. We have a color already, and it's not easy to change that color. The question is, can you change it from the inside? Let me go back to my own personal experience. Four years ago, when I was asking this question, it was obvious that many people in the staff and management of the Bank were very keen to change the face of the Bank. So the question was whether to join hands to do it together? We had to make a choice, just like everyone makes their own choice. There was a lot of possibility and space within the bank. You are right that there is only so much that the Unit can do. We will try to improve the WB from the inside, and you will try to improve it from the outside.

Kitazawa (Jubilee 2000 Japan):

I just returned from Prague. I would like to know how the WB assesses the merits of holding such a large meetings outside of Washington. Will you continue this practice? Mr. Wolfensohn said in a speech something like this; that the youth in the streets have the same objectives as the WB, which is to reduce poverty, and that it would be best to hold calm discussion rather than violent confrontation. However, I don't think the global financial leadership agrees with this idea. Judging from an editorial in the next day's Financial Times -there was a vehement criticism against Mr. Wolfensohn- apparently the transnationals and big corporations are not happy about what the WB has done for the poverty reduction strategy, as well as in dealing with NGOs. I wonder if you can tell us what your assessment is of the fora that took place in Prague.

The second point is that I was rather surprised that although the AGM was set for September 26-28th, when I attended the press conference of Chancellor Brown, on the 24th, almost all of the

statements and resolutions of the leadership had been finished. I wonder what is the purpose of having such a large meeting, with 182 governments. As for the WTO, the Green Room is hidden and they never clearly say the WTO is controlled by the Green Room. It is so clear that the IMF and WB are controlled by the G7 finance meeting and the joint meeting of the IFC and the Development Committee, are done already far before the official meetings takes place. This is a reality that we must remedy, the fact that IMF/WB are dominated and controlled by the G7.

Also, although we were permitted to attend, why through the WB and screened by our own government, and why were NGO tagged as "Visitor"s while business people were "Special Guest"s. I understand that in the UN NGOs are observers while governments are the representatives. But we were just visitors and could not attend anything except the opening session, as far as I know. Also the WB prepared a 3 or 4 day symposium for public discussions, but I couldn't understand how these were prepared because the Chair was an NGO, apparently chosen by the WB/IMF, and it sounded like a PR campaign for you and the IMF. There was a series of questions and clarifications but no real dialogue at all between the Banks and civil society. I think we have to also criticize ourselves because NGOs, before Mr. Wofensohn, we were united and we had a strategy meeting and were dialoguing with the EDs. But this time there was no NGO focus or NGO statement. I was in the room , but the room was empty all the time and very few people attended, I think. I was told that 350 NGOs attended, but at the WB symposium only a few NGOs ever attended. I think something needs to change. I would like to discuss with you and with an official representative of the WB the future of the WB's relations with NGO, as well as the issue of the domination of the WB/IMF by G7. I think further democratization of the WB should be considered.

Siddiqi (WB):

I appreciate your comments, because these are a huge set of questions you have raised. Some of us within the Bank have raised some of these questions, too. Like I said, this is about building relationships that can be meaningful, not just PR exercises. Of course I do not represent the Bank's senior management, and when I speak I am speaking from our own mandate to bring about change and to make partnerships more effective. Let me come back to a couple of very specific items you raised.

After Prague, which was attended by two of my colleagues, we ahead a meeting/debriefing. One of the questions was, how many people were there at the dialogues which were planned for NGOs. What were the questions raised, what were the answers given and where do we go from here? We were happy, in one sense, in that we have moved beyond where we were before, but they're not where they should be. So I absolutely agree with you, that the dialogues have to be much more meaningful. The question is, who will make it more meaningful? Are we depending on the WB, or we looking to NGOs and civil society organizations, people on the other side of the table -though we should be on the same side. Are we looking for different groups to all come together to make the dialogue more meaningful? The meeting are of the IMF and WB, right? The NGOs are coming to

these meetings. I believe the dialogue was organized in consultation with some NGOs. The NGOs need to take this into their own hands. How can that be done, is the question we all have to ask, because the WB should not be organizing this. The seminars were being organized around the Annual meeting. We were trying to facilitate dialogue, but if dialogue does not happen, then we're not facilitating anything -if there are only two people. I was at the spring meetings, and I shared the same concerns in (Washington) DC. There were seminars there, some of which I attended, and there were a few NGOs there. Those that were there -I'm talking about only the ones I attended- did not really come together to raise issues and get answers from the group of us who were from the Bank. It is a mutual education process. We have to find out how to work with each other, and we have to find out how far we can take this dialogue. I agree that if there is no dialogue, then it's not meaningful or worth the effort to organize a seminar. We would be very happy to receive suggestions from you on how to organize more meaningful dialogue, which could be held during Annual Meetings, Spring Meetings or some other dialogue. And if you have suggestions about how to address some of the issues you have raised, one of which is NGO participation during Annual Meetings or Spring Meetings.

Being tagged as "Visitor"s and limited to a set of seminars, this is something that we are already discussing with our External Affairs Department. We have said that this is really not the way it should be, so we have to find ways around it. But we don't take all the decisions, so I can't make any statement that things will change, just that we are trying to bring about change. It would be very helpful if you have some specific concrete suggestions about how this can be accomplished.

Kitazawa (Jubilee 2000 Japan):

Can you respond on the question of G7 dominance?

Siddiqi (WB):

About G7 dominance, it's a matter of perspective - and I think it's a very fair perspective that some people have. The question is how to change that and what can be done, if there is dominance. And who changes it? Let's move the dialogue beyond one side saying "This is wrong" and the other saying "no, this isn't there."

Kitazawa (Jubilee 2000 Japan):

I would like to say some suggestions. There WAS a dialogue, but not in the PCC in the convention hall. We had two chances. One was organized by President Havel, which involved the big shots of NGOs/civil society and the WB and IMF, even Mr. Soros. This kind of dialogue is one possibility for the future. President Havel made a good selection and I think it was quite satisfactory from the civil society point of view. However, it was not a dialogue, but just a parallel expression of opinions. The differences were so deep and the time was too short to reach a conclusion, but we should continue such a dialogue. The other chance was at the Public Forum, outside of the meeting, which was organized by Jubilee 2000, Friends of the Earth and Bank Watch. The last session invited as

participants the vice presidents of the WB and IMF. This was a kind of dialogue, and many NGOs put forth substantial questions and proposals. So, I think it is better for civil society to take the initiative in dialogue. I attended both, and the discussions outside of the meeting was more lively and, of course, more confrontational. It is not best to invite only selected participants, mostly from the North - there were very few participants from the South. I heard that NGOs which made application to the Banks had to do so through their own governments, and it is much more difficult for Southern NGOs to get approval from their own governments, compared with Northern countries where NGOs are widely accepted.

I would like to return to the question of G7 dominance. Whenever we talk with Mr. Wolfensohn, he says the bank is bound by the decision of all of its membership. This isn't true. There are 182 members, but they just rubber stamp what the G7 and committee of 24 decide before the meetings. That procedure has to change. The G7 dominates everywhere, including the UN, but it is not so obvious. This is too much. It should be democratized.

Siddiqi (WB):

The clearance of NGOs is an issue that we have discussed, and we feel that some new way needs to be found. You realize that the Bank is international, and that the Board is sat on by different governments, so we are obliged to follow the system that is established by the Board, but we do feel very strongly that the system is problematic. Sometimes out of a lack of information, people are obliged to say "No" to certain NGOs, not because they don't want them there, but because they don't know about them. I think that this is not very productive. So we are trying to figure out what to do about it, to either have access to information for EDs so that they can feel more comfortable about it, because there really is no need to restrict participation the way it is now. But it is opening up, if you look at it over the past 3 or 4 years. it is improved, but there is still a long way to go.

I agree that civil society should take the initiative to organize public fora, and we would welcome that. Those who want to organize such dialogues may wish to invite the Bank, or not invite the bank to discuss issues. But this does not mean that, if the Bank wants to organize a dialogue, it should not also. I think you'll agree with that because sometimes we need to take the initiative ourselves. But it would certainly be more useful if civil society groups do more.

You came back to the G7. Let me step to the side a little. You mentioned how Bank members only rubber stamp, but doesn't that happen at any other meeting in any other institution? Those who are articulate, those who can push their agenda and present something before others take the floor. I'm not saying that this is, or shouldn't happen, but it's just a natural situation. One way of dealing with it is to encourage the voices from the South to take more of an initiative. At the Annual and Spring meetings I looked at the list of NGO and said, "What is this? How many of these are from the South? And why are there so few from the South?" We need to get other world voices into the discussion. This has to be facilitated, and I wish we could do it with you. This is a major concern, and there are people in senior management of the Bank who are very keen to introduce their voice. That's what keeps us going.

Kitazawa (Jubilee 2000 Japan):

The simplest solution is to have meetings in the South at a continental junction, like Bangkok, where many NGOs can participate.

Takase (Africa-Japan Forum):

I have been working with NGOs just a short time, but I see that the WB is always involved in many new things; at this time it is the CDF and PRSP. These are very important and it presents the view, like Jubilee, that their (HIPC's) borrowing should be canceled. However, I have heard that only one or two countries have been able to draw up these papers by themselves. Of course, it is important to respect the sovereignty of these countries and to encourage ownership by each country, but after one year or more, only two countries have been able to prepare them. Myself, I studied the format or document, but it is very general about how to write it. Is there much difference between one country's PRSP and another's. Are you going to help these countries to prepare their papers more, otherwise nothing will happen. Everything will come to a stop. I am concerned by the slow progress of this good sense program of the WB.

Siddiqi (WB):

This has been another major challenge. I have heard that country PRSP should be produced and that this should be linked to debt relief, and we have also said that we hope there will be at least 20 countries by the end of the year. The process has been extremely complex for several reasons. Let be honest and frank here. The bank staff is used to writing papers, not encouraging others to write papers. While our staff are experts on many things, they don't necessarily know everything there is to know. The ownership of the borrower is very important, but this takes time, effort and money. So borrowers are not necessarily very keen to immediately take ownership. While working with a timeframe, we have been struggling with the question of what is an acceptable level of ownership. Optimum ownership takes more time and work. The priority is to quickly prepare the papers so that the governments can look at them, add their perspectives and improve them, and then to move on to debt relief. However, people like us, and others and civil society have also been criticizing that there is not enough participation, that this should not be just a government document but a country-owned document. A country is more than just government. We're trying to define country ownership and to work with country ownership. Government leadership, but country ownership. The solution we are grappling with is preparation of an interim paper. The interim paper sets out how the other sectors in the country will be involved; in diagnosing poverty, developing strategies for poverty reduction and monitoring the strategy once the plan is in place. The interim paper is not the complete paper, but, on the basis of the interim paper, let us go ahead with debt relief. That is a sort of compromise, and we are hoping to meet the timelines we have set out. I just received two interim proposal document this morning from Georgia and Armenia and we have at least fifteen already. So, it's moving. But we also have to move beyond debt relief. It is important for us and our partners in civil society to see that the participatory approach and civic engagement is absolutely critical for poverty reduction, better governance, equitable distribution and costs. These must come

soon after debt relief.

Maruyama (MoF):

I'm afraid we have taken up much more of Ms. Siddiqi's time than we anticipated. I know she has another meeting to go to now, so let us conclude this exchange and move on to the Regular Consultation topics. Thank you Ms. Siddiqi. (Applause from participants.)

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(Transcribed by David McIntosh, JACSES)