

Memorandum on World Bank Board Transparency
Bank Information Center
April 2009

I. Introduction

Since 1993 the World Bank¹ (hereinafter “Bank”) has been responding to its stakeholder’s recommendations to increase its transparency and disclose more timely information about its projects and programs. The Bank revised and expanded its information disclosure policy in 1993 and 2002, and in 2005 it updated and expanded the list of documents that could be publicly released. In January 2009, the Bank again launched a review of its disclosure policy with a paper entitled “Toward Greater Transparency: Rethinking The World Bank’s Disclosure Policy, Approach Paper” (hereinafter “approach paper”). The review will include public consultations in member countries and a written comment period. In the current review the Bank has acknowledged that the 2002 World Bank Policy on Disclosure of Information (hereinafter 2002 Disclosure Policy) is cumbersome, restrictive and difficult for the public to understand.²

This Disclosure Policy review is occurring at a time of heightened public and legislative scrutiny of domestic and international financial institutions and financial flows. Increasingly, Bank stakeholders including civil society, shareholder governments and legislatures request more transparency and access to meetings and deliberations of Bank officials making decisions with the use of public monies. Increased transparency of the Bank Board would allow the public to learn more about the Bank’s activities and potentially increase public support in donor countries for the Bank’s projects and programs.

This memorandum discusses the release of Board documents and proposes open or televised webcasting of routine Bank Board meetings. Section II provides background on the current restrictions on Board meetings and documents. Section III outlines a proposal for disclosure of Board documents and webcast Board meetings, along with precedent for open Board meetings.

II. Context and Current Policies Governing Board Meetings

The underlying principle of the 2002 Disclosure Policy is a presumption in favor of disclosure. In this policy, the Bank underscores that as a development organization it wishes to stimulate debate, broaden understanding of development and facilitate

¹ The World Bank means the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA). The International Financial Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA) have their own information disclosure policy.

² The Approach Paper suggested that the positive list approach is restrictive, the policy on disclosure of historical information is restrictive, costly and cumbersome to implement, there are ambiguous and overlapping rules, complex implementation requirements and lack of an appeals process.

coordination with partners, as well as being accountable for the stewardship of public monies.³

Despite these principles, release of information around the proceedings and deliberations of the Bank's Board is an area that has changed little with each revision of the Bank's Disclosure Policy. Board meetings and deliberations are generally shrouded in secrecy except for release of skeletal minutes of meetings and the occasional Board Chairman's summary statements, leaving little opportunity for stakeholder engagement. Board meetings are not open to the public or stakeholders other than invited Bank management or staff (although the Board can make exceptions under its procedures).

Disclosure rules of the Board's documents and minutes are codified in the Rules of Procedure for Meetings of Executive Directors (hereinafter "Rules of Procedure") and the 2002 Disclosure Policy.⁴

In the Rules of Procedure, Section 7 states that the proceedings of the Board are confidential and should not be published except where the Board decides to authorize the Chairman to arrange "suitable publicity" in respect of particular decisions. Section 2d states that meetings shall be open only to Executive Directors, the President and staff that the President designates, representatives of members appointed under Article V, section 4h of the Articles of Agreement and *other such persons as the Board may invite*.

The 2002 Disclosure Policy provides that some documents sent for Board review or decisions are made available after Board deliberations. This includes routine Bank documents such as country assistance strategies, economic and sector work, project appraisals, sector strategy papers, program and evaluation documents.

For the 2009 disclosure review, the Board Committee on Governance and Executive Director's Administrative Matters (hereinafter COGAM) is setting up a task force to determine which categories of Board records should be kept confidential under the new policy. This Committee will be a key factor in determining the extent of future Board transparency.

However, the approach paper has already made suggestions that the new policy would include the following "for Official Use" Board documents to be released to the public:⁵

- ✓ ***Board Papers distributed for discussion or consideration (decision) by the Board.*** These papers would be automatically declassified as "public" at the end of the deliberative process.

³ The World Bank Policy on Disclosure of Information, June 2002, page 2.

⁴ International Bank for Reconstruction and Development, International Development Association, Rules of Procedures for Meetings of Executive Directors, World Bank Website. See also The World Bank Policy on Disclosure of Information, op. cit.

⁵ This does not include two other category documents:--"confidential" and "strictly confidential"-- that are routinely distributed to the Board which would not be released to the public ever, unless the Board specifically authorized it.

- ✓ **Board papers distributed for discussion by a Board Committee.** If there is not a full board discussion scheduled, these Board Committee Papers would be automatically declassified as “public” at the end of the deliberative process.
- ✓ **Board papers distributed to the Executive Directors for information.** These papers would automatically be declassified as “public” after they were distributed to the Board for information.

III. Proposal for Board Information Disclosure and Webcast Sessions

In BIC’s view, the approach paper does not go far enough in terms of Board document release, access to meetings or general transparency of the Board, especially in comparison to other international organizations. Stakeholders generally have no access to documents of broad public interest until after decisions have been finalized. Citizens of Bank member countries have virtually no way of knowing how their government—through the Executive Director—is representing the countries interest, thus not honoring the Bank’s stated commitments to stewardship, debate and transparency.⁶

Following are BICs recommendations on Board Transparency

A. Documents

- ✓ **Board Papers** regarding policy and procedures, projects and programs, and Inspection Panel claims should be released to the public *at the same time* they are sent to the Board for consideration.
- ✓ **Summaries of Board Discussions.** The Board should release “Summaries of Discussions” of Board meetings which provide information regarding key issues discussed and questions that were raised during Board consideration of financing operations, policy issues, Bank administrative matters, and Inspection Panel claims. Information that poses a risk of serious harm to a well-defined interest could be redacted prior to release.
- ✓ **Executive Director Statements:** Individual statements presented by the Executive Directors at Board meetings should be disclosed.
- ✓ **Board Meeting Transcripts:** Transcripts of Board meetings should be disclosed. This disclosure would be subject to possible redaction of information that poses a serious harm to a well-defined interest.

⁶ We note that other Bank entities already provide higher degrees of decision-making transparency than that of the Bank Board. For example, the decision-making bodies of the Sudan Multi-Donor Trust Fund, the Afghanistan Reconstruction Trust Fund, and the Global Environment Facility all produce and publish on their websites fully attributed meeting minutes, with a list of attendees, descriptions of discussions, presentations, proposals, and conclusions. In addition they often make supporting documents relevant to the meeting’s presentations or discussion available online as well.

- ✓ **Board Subcommittee Meetings:** minutes or summaries of subcommittee meetings should be disclosed.

B. Open or Webcast Board Meetings

As mentioned above, under its Rules of Procedure the Board can specifically approve disclosure of proceedings or invite attendees to Board meetings.⁷ BIC proposes that routine Bank Board meetings should be open to the public or webcast on a routine basis similar to other international organizations in the United Nations system. It should be noted that allowing observers to view or attend executive bodies is an increasingly established practice, even inside the World Bank. Currently, designated external stakeholders can attend meetings of the Bank's Clean Technology Fund, Strategic Climate Fund, Forest Investment Program, Forest Carbon Partnership Facility, Pilot Program on Climate Resilience and the Global Environment Facility.

Televised Board meetings-- which may be the most efficient method of permitting open Board meetings-- could be available through the Bank's website on a webcast. In cases where the Board holds Executive Sessions, confidential Board Committee meetings, or meetings that could legitimately disclose confidential member country information, the video camera would not be utilized. Consequently, any confidential deliberations would still be protected, and the integrity of the Board process preserved.

The advantage of this more open approach is that it would dramatically increase the transparency of the Board process; increase public and donor country support for the Bank, and stimulate public debate and interest. If key documents such as those suggested above are released to the public *at the same time* they are released to the Board this could also contribute to improving development effectiveness and project sustainability since it would encourage stakeholder engagement. A webcast could facilitate a more robust discussion and review of Bank policies and projects as a result of public exposure to Board members statements and views. Webcasting could be established in incremental stages and initially cover selected Board meetings that lend themselves to external stakeholder interest such as discussion about Inspection Panel claims or safeguard policy review or implementation.

Precedent: There is much precedent in international organizations and Bank member governments with regard to televised and webcasting international meetings and legislative sessions, including much of the United Nations (UN) system, as well as numerous Bank member country parliaments. Some of these bodies deal with far more sensitive information than the World Bank Board, but yet have managed to balance confidentiality needs with transparency and public accountability pressures.

International treaty based organizations that have webcasts meetings and deliberations include: the UN General Assembly, UN Security Council, Economic and Social Council (ECOSOC), International Labor Organization, UN Educational, Scientific, and Cultural

⁷ Rules of Procedure, Op. Cit. Section 7, "Publicity"

Organization (UNESCO), Organization of American States (OAS), and the UN Human Rights Council. The North Atlantic Treaty Organization has a TV station where it routinely releases public information and communications to the press.

The UN Security Council sets a precedent as an international body that has security and confidentiality concerns that nonetheless has managed to increase its transparency through webcasting and informal policies.⁸ Security Council formal meetings, press conferences, and member statements are routinely covered by video and webcast live on the UN website. In cases where members want to hold private consultations there are numerous other settings, subcommittees or informal working groups for such needs. The UN Security Council website provides archives of webcast meetings, press statements, and member statements dating back to 2003.

The Council maintains a web list of upcoming meetings, whether the meeting is open or closed to the public, the meeting topic, and the Security Council's action or vote on the topic. Also relevant, beginning in 1997, the permanent members of the Council began routinely holding NGO briefings with an NGO working group. Information about Council deliberations, member opinions, issues and discussions are also available in the UN Journal, Security Council's Report to the General Assembly, the "Tentative Forecast" of upcoming issues, and the Programme of Work.⁹

Televised deliberations and voting of Bank member country parliaments and some legislative committees include the U.S. Congress, Japanese Diet, and Parliaments of India, Brazil, Canada, Czech Republic, Croatia, Denmark, Belgium, Netherlands, United Kingdom, Germany, Greece, Italy, Mexico, Poland, Sri Lanka, Switzerland, Australia, Italy, Spain, Sweden, Norway, Indonesia, Argentina, and Chile.¹⁰ In the U.S., even the secretive Federal Reserve Board permits some public Board meetings and maintains a list of the meetings that are open to the public.

IV. Conclusion

In an era of scarce resources and public distrust of financial institutions, the Bank has a unique opportunity to improve its public image and generate support for its activities. Public release of Board documents and webcasting of selected World Bank Board meetings could provide a new era of transparency at the Bank and the Board. During the 2009 Disclosure Review, the open Board meeting and webcasting proposal should be central to discussions on increasing public accountability and support, development effectiveness and timely release of Bank documents.

⁸ United Nations Security Council, Rules of Procedure, Rule 48: "Unless it decides otherwise, The Security Council shall meet in Public."

⁹ Security Council, Efforts to Reform Council Working Methods, 1993-2007.

¹⁰ For a complete list of Parliaments that have webcasts see C-SPAN website: www.cspan.org