

**Bank Information Center**  
**Minutes of the Meeting of the Board of Directors**  
**May 14, 2009**

**Present:**

Athena Ballesteros  
Robin Broad  
Alvin Carlos (development/finance)  
Chad Dobson (ex-officio)  
Jonathan Fox  
Mamadou Goita  
David Hunter (chair and acting treasurer)  
Bruce Jenkins (secretary)  
Atila Roque

**Regrets:**

Richard Bissell  
Juliette Majot

- 1. Call to order:** David Hunter convened the meeting at 9:50 AM.
- 2. Welcome and Farewells:** The Directors welcomed Athena Ballesteros to BIC's Board of Directors. Athena is a Senior Associate at World Resources Institute and previously led Greenpeace International's climate and energy program in Asia Pacific. Board members also expressed heartfelt appreciation for the longtime service of two BIC Board members, Robin Broad and Jonathan Fox, whose terms will expire June 30, 2009.
- 3. Remembrance:** The Directors conveyed their deep sadness at the sudden passing of BIC Board member Smitu Kothari on March 23. Smitu was an ardent activist-intellectual who supported – and led – numerous grassroots social justice movements, always with an eye on linkages between local impacts and global actors and processes. Smitu had been involved with BIC since its founding and served on BIC's Board since 2006. The Directors extended their condolences to Smitu's family and loved ones. BIC will organize a remembrance/celebration service for Smitu's many close friends in the greater Washington, DC area.
- 4. Minutes:** The minutes of the January 19, 2009, Directors meeting were approved. They will be posted on BIC's website.
- 5. Executive Director Update:** Chad provided updates on staffing changes and programmatic activities. BIC has experienced significant staff turnover with the recent departure of several program managers. Given budget limitations, BIC will look to promote internal candidates or delay hiring for these positions where possible. At the same time, BIC has raised dedicated funds and has been able to hire a new climate finance coordinator to support the implementation of BIC's strategic plan.

Chad reported that BIC was on track with its first campaign on strengthening the World Bank's information disclosure policy. BIC and the Global Transparency Initiative have helped to frame the debate and BIC has supported a wide range of civil society groups to communicate their concerns to the Bank. (A Director noted that the GTI IFI transparency scorecard had been appended to the World Bank's policy review paper and congratulated staff for clearly setting standards in this area.) BIC's other campaigns – on the World Bank's energy strategy and extractive industries issues – were in the preparatory phases, but would need to be accelerated as the Bank has moved up its energy strategy review process. BIC's proposed initiative to support civil society groups that monitor national budget processes has not progressed given funding constraints.

The Directors addressed a number of strategic issues. With the expansion of new sources of finance, many civil society groups were no longer focused on the World Bank. In addition, the World Bank continues to shift lending away from projects and is more influential in governance issues and models of development. It is important for BIC to reflect on these changing dynamics, while recognizing that the Bank and IMF have recently strengthened their roles in response to the current global economic crisis. BIC may need to consider differentiated approaches given that the World Bank's role in the BRIC countries, for example, is significantly different from that in the poorer IDA countries. Directors observed that other civil society networks on trade, debt, and finance were reorienting their work in this way. It was suggested that BIC consider convening a meeting across networks to discuss changing context, actors, and work programs. Attention to the Bank's expanded development policy lending could also help form a bridge across CSO networks.

Re-examination of the assumptions under-girding BIC's strategic plan could be useful given these shifts. Chad noted that BIC was still in the early implementation phase of its plan and that BIC should assess progress toward the end of the first campaign on World Bank transparency.

The question was raised whether BIC needed to consider building a more structured network on the World Bank to strengthen and clarify its partner base and to develop more widely shared objectives. Experiences with other network building initiatives show that it requires a development strategy, comprehensive resources, and a long gestation period.

Directors also inquired about civil society capacity to put forward a strategic agenda with new US government representatives in charge of US policy toward the IFIs. Chad noted that BIC would be engaging Treasury directly on our campaign issues, strengthening the Tuesday Group process, and supporting attention to IFI issues in the US Congress.

**6. Finances:** Alvin outlined the results of the organization's 2008 audited financial statements. BIC's 2008 revenue increased slightly from the previous year, totaling \$2.2 million. Expenses came to \$2.1 million for the year. BIC's year-end net assets equaled \$2.04 million, a small increase from 2007. The auditors made very few adjustments to BIC's statements and issued a management letter with several recommendations, all of

which were already being implemented. The auditors concluded that BIC's financial statements "present fairly, in all material respects, the financial position of the Bank Information Center as of December 31, 2008, and its change in net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America." The Board approved the 2008 audited statements and congratulated BIC staff for its strong financial management. The audit will be posted on BIC's website.

Alvin noted that in 2008 BIC had expended a portion of its cash reserves, which would now fund one month of operations compared to BIC's target of three months of reserve coverage. BIC will rebuild its cash reserves over the next several years.

**7. Development:** Chad previewed BIC's fundraising projections over the next four-year period. BIC anticipates that the current financial crisis will impact foundation giving, most likely with a lag time. BIC estimates that the organization will maintain a rough annual operating level around \$2million over the next several years. For 2009 BIC was on track with its revenue targets. While some foundations have not responded as anticipated, others have provided funding for a number of BIC's program areas.

The Directors thanked staff for the clear projections. They discussed potential changes in BIC's funding profile and the need to actively cultivate donors that have not traditionally funded BIC. It was suggested that BIC should begin to identify potential private individuals as a modest complement to BIC's current fundraising. A question was raised concerning BIC's policies regarding receiving funds from governments. At a previous Directors' meeting (March 22, 2005), the Board had developed a draft policy statement on sources of BIC funding which stipulated that BIC would not seek or accept funds from the MDBs or the US government, but would consider soliciting other governmental or quasi-governmental funding sources on a case-by-case basis.

Directors requested that staff present current year revenue/expense statements for each Board meeting.

**8. Latin America Program Update:** BIC's Latin America Program provided an update on its recent activities. Below are some highlights and points of discussion:

- a number of regional partners have responded positively to the World Bank transparency campaign. BIC has re-established relations with Mexican CSOs, particularly with FUNDAR (a GTI group), through a preparatory workshop and the Bank's in-country consultation.
- BIC had encouraged the Bank to host a disclosure policy consultation in Lima, Peru during the Carter Center's right to information conference there (April). There was a strong show of support from Argentinean and Brazilian groups, among others.
- Regarding the climate change campaign, the LAC program is reviewing the Bank's regional portfolio and is closely examining environment-focused development policy loans in Brasil and Mexico. BIC is also an official CSO observer at the Bank's Forest Carbon Partnership Facility; the LAC program has

- been working with groups in Panama and Guyana as their country's proposals are under consideration by the facility.
- On the extractives campaign, LAC is currently mapping Bank projects.
  - The BICECA project continues, which identifies emerging threats to sustainable development through infrastructure projects in the Andes/Amazon region. BIC is partnering with a number of organizations in this initiative, and core groups include Labor Lima in Peru, ILSA in Columbia, ECOLEX in Ecuador; FOE-Amazon in Brazil; and CEADES in Bolivia. Multiple donors and private banks fund many of the BICECA-monitored projects.
  - The LAC program continues to support CSOs to organize around the IDB, particularly in light of its 50<sup>th</sup> year anniversary and proposed capital increase. LAC will step back as more groups take a lead with the IDB.
  - LAC has been examining Strategic Environmental Assessments (SEAs) as a tool for upstream identification of environmental and social risks from proposed government policies and infrastructure projects. BIC convened an event in Brasil to highlight the strengths and weaknesses of this important tool.
  - LAC has experimented with a long distance training course on IIRSA. One hundred people have participated. It is generating lessons on how best to help build capacity among CSOs.
  - Challenges: The LAC team identified a number of challenges in pursuing BIC's agenda in the region: (1) as BIC shifts more from partner support around projects to policy campaigns, it is increasingly difficult to connect with local organizations. While there is wide interest in the issue areas, it is difficult to form strong working relations; (2) the World Bank is not the primary financier in LAC, and not the focus of many other CSOs; (3) advocacy with the regional representatives on the Bank's Board remains difficult. There is a need to strengthen links between the Executive Directors and local/regional CSOs; and (4) internal capacity issues given staff turnover and the need to pursue BIC's campaigns simultaneously rather than sequentially as initially anticipated.

The Board elaborated on a number of issues raised by the LAC team. Not only is the Bank shifting its mode of operations in the region, but some LAC countries (such as Brasil) are increasingly seeking to influence the Bank to further their regional economic and political interests. This raises questions about how best to influence developments (that is, which target?) as well as choice of civil society partners. BIC's traditional project lens does not address these dynamics. In response, the LAC team noted that the Bank's recent development policy loan (DPL) to Brasil clearly demonstrates these shifts and that a focus on DPLs could provide a bridge for broadening our work. Regarding the climate change campaign, Directors noted strong alignment between BIC's strategic plan and interests of CSOs in the region. In addition, the transparency campaign showed that BIC was working with a broader range of organizations than is typical, some more closely resembling think tanks, providing a potential model for the other campaigns. Chad noted that BIC needed to clearly define its objectives and seek collaborative partners, and that partnerships change over time.

**9. Board Development:** The Board's Development Committee (David Hunter, Richard Bissell) has identified a potential new BIC Board member and forwarded her candidacy to the full Board. The Board unanimously approved the recommendation to invite Korinna Horta to join BIC's Board, effective July 1, 2009. Korinna has focused on IFI-related issues for many years as a staff member at the Environmental Defense Fund.

**10. BIC Policies:**

A. Gender and Grievance Policies: Binta Ceesay presented BIC's draft Gender Policy and Grievance Policy to the Directors. Binta noted that the Gender Policy arose from the gender audit that Gender Action had conducted as part of BIC's strategic planning. Chad noted that there was strong staff support for the policies. The Directors welcomed the initiative and the draft policy, but requested several clarifications. David Hunter requested that the goals of the Gender Policy be further elaborated. Regarding the Grievance Policy, the Board requested to ensure alignment with BIC's sexual harassment policy. David will provide comments on both policies in the coming weeks. Redlined versions of the policies would be forwarded to Directors for approval by email.

In the discussion Directors noted that implementing the gender policy would require BIC staff members to contextualize their approach in working with partners in different regions. The anticipated BIC gender point person could play a pivotal role in focusing BIC's programmatic work on gender issues, although it was acknowledged that current responsibilities would be a constraint.

B. Investment Policy: Alvin presented a draft Investment Policy that outlines Board responsibilities, use of cash reserves, risk tolerance, and asset allocation. The Directors welcomed the initiative. Chad, Alvin, and David will continue to work on the Investment Policy and present it to the Board at a later date.

**11. Executive Director Evaluation:** A Board Committee comprised of Jonathan Fox, Richard Bissell, and David Hunter reported that they were nearly finished with the Executive Director's performance evaluation. They have interviewed close to 20 people (both inside and outside BIC), and will complete the evaluation in the coming week. David thanked Richard and Jonathan for their efforts.

**12. Executive Session:** The Directors met in Executive Session.

**13. Next meeting:** October 22, 2009.

**14. Adjournment:** The meeting adjourned at 2:15pm.

Prepared by Bruce Jenkins, Secretary