



## The World Bank (IBRD)

## Accountability Assessment 2011/2012 Results

### Summary briefing

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**Global Climate Governance Research Briefing 3**

One World Trust Briefing Paper Series ISSN 2043-7943

# Introduction

This summary brief captures headline findings of the 2011/12 assessment of the UK Department for International Development's (DfID) accountability capability using the *Pathways to Accountability II* framework<sup>1</sup>. The assessment was carried out by the One World Trust as part of the One World Trust's and London School of Hygiene's joint ESRC funded project to research accountability of key global actors involved in global climate governance. Further detailed analysis will be released as part of the project's research publications. For more information about the project see the last page of this briefing.

The *Pathways to Accountability II* framework measures organisations' *capability to be accountable* to their stakeholders, including their ability to align their day to day practice with their commitments as expressed in organisational policy and strategy. It does so through assessing organisations' global policies and management systems (those that are valid and applied across the organisation) with respect to the four dimensions of accountability which formed the core of the 2005 framework – Transparency, Participation, Evaluation, and Complaints and Response – and also reviews a fifth dimension, Accountability Strategy. This dimension was added to give greater weight to the importance of a conscious overarching approach to accountability. Further, the revised version of the framework contains a number of indicators that focus on quality assurance, effectively testing whether an organisation has mechanisms in place that allow it to keep track of its own performance in practice, and translate these findings into an organisational learning and improvement process.

Figure 1: The key dimensions of the revised *Pathways to Accountability II* Framework



## The International Bank for Reconstruction and Development (IBRD)

The International Bank for Reconstruction and Development (IBRD) was founded in 1944 to support reconstruction after World War II. Since that time the World Bank has grown from one single organisation to a group of five closely linked development institutions – the IBRD, the International Development Association (IDA), the International Finance Corporation (IFC), the Multilateral Guarantee Agency (MIGA), and the International Centre for

### Box 1: Basic facts about the organisation

**Organisational structure:** Intergovernmental Organisation (IGO)

**Headquarters:** Washington, D.C., USA

**Members:** 187 countries

**Countries of operation:** 79 countries are eligible for IBRD funds

**Annual turnover:** US \$2.7413 billion (FY2011)

**Lending:** In 2011, the IBRD lent US \$26.737 billion

**Number of employees:** Over 10,000 across the World Bank Group

**Website:** [www.worldbank.org](http://www.worldbank.org)

the Settlement of Investment Disputes (ICSID) – collectively known as the World Bank Group. The organisation's mission has expanded so that its focus is now on reducing global poverty by providing financial services, technical assistance and strategy and knowledge services. The IBRD is the part of the World Bank Group that works with middle-income and creditworthy poorer countries to promote sustainable, equitable and job-creating growth, reduce poverty and address issues of regional and global importance.

<sup>1</sup> Hammer, M.; Lloyd, R.; et al. (2011): *Pathways to Accountability II: The revised Global Accountability Framework*, London, One World

At the headquarter level, the IBRD is divided into various general management units, four of which have responsibilities relevant to this assessment:

**External Affairs (EXT):** EXT is in charge of institutional outreach, media relations, publications, and operational communications. The Civil Society Team (CST) within EXT has a particular responsibility for CSO outreach at the global level.

**Independent Evaluation Group (IEG):** The IEG is responsible for the assessment of the relevance, efficacy, and efficiency of World Bank Group's operational programs and activities, and their contribution to development effectiveness.

**Integrity Vice Presidency (INT):** INT's mandate is to investigate allegations of fraud and corruption in Bank-financed projects, as well as allegations of possible staff misconduct.

**Inspection Panel (IPN):** The Panel serves as an independent forum to provide accountability and recourse for communities affected by IBRD/IDA-financed project, to address harms resulting from policy noncompliance, and to help improve development effectiveness of the Bank's operations.

## Summary of findings

Overall, the IBRD meets many principles of good practice as set out in the framework in relation to the transparency, evaluation and complaints and response dimensions, and performs more poorly in relation to the accountability strategy and participation dimensions. In general, more of the IBRD's policies meet the standards of best practice than its quality management systems.

Table 1 summarises the headline scores achieved by the IBRD in the assessment conducted in 2011/12.

The narrative findings are outlined below.

**Table 1: The IBRD's aggregate scores in each dimension**

Ref.	Dimension	Weighted score (%)
1	Accountability strategy	4.4
2	Transparency	16
3	Participation	6.1
4a	Evaluation	14
5	Complaints and Response	13.2
<b>Total</b>		<b>53.7</b>

### Accountability Strategy

Accountability strategy is a new dimension in the revised framework. Accountability strategies demonstrate organisations' understanding of and commitment to their accountability relationships with their stakeholders and support their abilities to exercise leadership on accountability and related reforms.

The IBRD does not have an overarching accountability strategy. The IBRD has stated that the process of stakeholder mapping and prioritisation is very decentralised, with each department undertaking their own processes in this regard. However, this means that the IBRD does not have a global perspective of its stakeholders and the mechanisms that are in place to deliver accountability to each stakeholder group. Nevertheless, documents such as the *Guidance Note on Multi-Stakeholder Engagement*, the *Code of Conduct* and the *Operations Manual* indicate that the World Bank Group (WBG) does have an understanding of who its stakeholders are.

### Transparency

Transparency is the provision of accessible and timely information to stakeholders and the opening up of organisational procedures, structures and processes to their assessment. An organisation that is transparent enables its stakeholders to monitor its activities and hold it to account for its commitments, decisions and actions. Being transparent helps organisations build trust among their stakeholders and avoid challenges of secrecy.

The World Bank's Policy on Access to Information (AI policy) is broadly in line with best practice principles, and many of the management systems supporting the policy are also exemplary. However, there are key weaknesses. In particular, the responsibilities of key staff members tasked with implementing the AI policy are not formalised in their job descriptions, and there is a lack of incentives to encourage staff to behave in an open and transparent manner.

## **Participation**

Participation is the active engagement by an organisation of both internal and external stakeholders in the decisions and activities that affect them. Best practice in this dimension means that stakeholders should have opportunities to influence decision making, and not just possibilities for

approval or acceptance of a decision or activity. Participation strengthens ownership and buy-in for what organisations do by those they affect.

### *External Stakeholder participation*

The IBRD meets fewer best practice principles with regards to external stakeholder participation, with a key weakness being the lack of an overarching external stakeholder engagement policy. The IBRD does have Operational Policies (OPs) related to engagement with indigenous peoples, which meet many principles of best practice, but policies of this type need to be extended to all priority external stakeholder groups. There are guidelines for engaging with civil society, but these have not been formalised as Bank policy.

### *Internal Member Control*

Internal member control at the IBRD does not meet the best practice principles set out in the framework. Whilst all members are represented on the Board of Governors, due to the current share of the vote it holds exceeding 15%, the United States of America has the power to unilaterally block changes to the IBRD's governing articles. Furthermore, while it is accepted that as a bank, the IBRD's largest shareholders have greater representation on the Board of Executive Directors, the IBRD has not implemented any measures sufficient to counteract the imbalances of power this creates.

## **Evaluation**

Evaluation is the process through which an organisation monitors and reviews its progress against goals and objectives, reports on results, and feeds learning from this into future planning and practice. Evaluation ensures that an organisation learns from and is accountable for its performance.

The IBRD's evaluation policy and quality management systems meet many best practice principles, although there is some room for improvement, particularly in terms of incentivising staff to reflect on and learn from evaluations. The IBRD's evaluation activities are carried out through staff monitoring and self-evaluations, and through the Independent Evaluation Group (IEG), which is an independent evaluation oversight body reporting directly to the Board of Executive Directors.

## **Complaints and Response**

Complaint and response mechanisms are channels developed by an organisation that enable internal and external stakeholders to file complaints on issues of non-compliance with the organisation's own policy frameworks or

against its substantive decisions and actions, and which ensure that such complaints are properly reviewed and acted upon. Complaint and response mechanisms are accountability processes of last resort, but are an important way for organisations to demonstrate that they are serious about being accountable and interested in learning from their mistakes.

### *External complaints handling*

There are two channels through which external stakeholders can lodge complaints with the IBRD. The Inspection Panel (IPN) handles complaints (referred to as ‘requests for inspection’) from any person who believes that they may have been negatively impacted by IBRD or IDA activities. The Integrity Vice Presidency (INT) investigates allegations of fraud and corruption made by any stakeholder. The IBRD’s policy in this dimension exhibits many elements of best practice, although the lack of stakeholder consultation on the policy is a key weakness. Similarly, some of the management systems in place, such as the quality management systems, are exemplary, whilst others, such as those relating to roles, responsibilities and leadership and building staff capacity, are weaker.

### *Internal complaints handling*

The “Protections and Procedures for Reporting Misconduct (Whistleblowing)” set out in the staff manual constitute the IBRD’s policy on whistleblowing. The policy meets most best practice principles, and extends strong protections to whistle-blowers. However, the management systems supporting the policy are weaker, particularly with regards to training and guidance to staff on handling complaints from internal stakeholders.

## Current reform processes underway in the organisation

Not yet integrated in the assessment are review results of a [Competencies Exercise](#) and a [Guidance Note on Consultations](#) which, according to the IBRD, are currently underway or in preparation within the organisation, and which may shape its accountability capability once concluded and put into practice.

## Key policies and external standards the organisation commits to

The following table shows the key accountability policies and external standards that the IBRD commits to. This list is not exhaustive.

**Table 2: Key external standards the IBRD commits to**

Dimension	Policies
Accountability strategy	N/A
Transparency	World Bank Policy on Access to Information
Participation	OP 4.10 – Indigenous Peoples IBRD Articles of Agreement
Evaluation	OP 13.60 – Self-Evaluation OP 13.55 – Implementation Completion Reports Mandate: Director-General, Evaluation
Complaints and response	Inspection Panel Resolution Staff Rules
External standards/codes	Agreement for Mutual Enforcement of Debarment Decisions International Aid Transparency Initiative



## About the project

On a planet in which all countries and sectors are increasingly interconnected, climate change affects people and societies around the world and at all levels. Responding to the long term and complex impacts of climate change has emerged not only as an economic and technical problem, but also as a governance challenge at global level. Without equitable and accountable structures and processes of policy and decision making it will neither be possible to shape the consensus around key principles required for a joint global response to climate change, but the world will also fail in developing a long term vision for ensuring the sustainability of development.

For the years 2010 to 2012 a research team from the London School of Hygiene and Tropical Medicine and the One World Trust have come together for an ESRC-DfID funded project: *“Challenging the Development Paradigm: assessing accountability and equity of global institutions in climate-change governance responses to the poor”*.

In this three year research programme the team explores how global and national organisations who play an important role in responding to climate change-induced threats to poverty-alleviation and public health, are preparing themselves institutionally to meet these challenges. Specifically, it asks how these actors remain responsive and accountable to their key stakeholders, especially those poorest and most vulnerable to the impact of climate change, and seek to develop a conceptual framework in which the role and dimensions of accountability can be understood in the context of the governance and provision of global public goods and sustainable development.

The programme studies and engages with several of the key institutions that shape global policy and influence national response to climate change-induced threats to poverty-alleviation and public health, and connects these findings with national level realities through a country reference study. The specific organisations the research focuses on include the World Bank (IBRD), the World Health Organisation (WHO), the World Trade Organisation (WTO), and the UK's Department for International Development (DfID) as a bilateral development agency with considerable global funding and policy reach. The project works in Ghana as the country case study.

## Objectives

In broad terms the project works to the following objectives and phases:

1. Assessing accountability of global organisations
2. Exploring institutional preparedness and responsiveness
3. National responsiveness reference-study
4. Building concepts and theory for future research and policy

## The partnership

This research brings together two specialist institutions: The **London School of Hygiene & Tropical Medicine**, with Dr Susannah Mayhew leading as Principal Investigator, contributes its expertise on policy analysis; poverty, vulnerability and climate change assessments; and methodological developments. The LSHTM has conducted climate change research for many years, and staff members sit on the IPCC. The **One World Trust**, led by its Executive Director Michael Hammer as chief collaborating partner, is one of the leading non-academic institutions working on accountability of global, state and non-state institutions, and accountability in policy oriented research and advocacy. Its work on measuring accountability provides the conceptual lynchpin for this research.