

IDA FORUMS:

Civil Society Engagement in the IDA21 Replenishment Process

Management Executive Summary



Engagement with civil society as part of the process to develop the IDA21 policy package has been unprecedented.¹ For the first time for an IDA replenishment, building on the Evolution engagement experience, IDA extensively reached out to regional, and country and local stakeholders in addition to those at global level, to listen to the voices of civil society, to promote mutual understanding of IDA21's areas of focus, and to exchange views on the effective implementation of reforms related to the Better Bank agenda. Over a 15-week period between April and July 2024, IDA held one global and eight regional IDA Forums² with more than 800 organizations globally, drawing more than 1,000 participants. Proceedings of these forums are all available at the Global and Regional IDA Forums website, complete with event recordings, readouts, and illustrations representing views expressed by civil society. IDA was also regularly featured in ongoing CSO engagements at the corporate level, notably the Civil Society Policy Forum (CSPF)-the largest platform for CSOs where over a thousand CSOs engage with the Bank on important topics of shared interest. Other engagements where IDA was prominently featured include the Bank hosted CSO monthly call, the CSO newsletter with over 12,000 subscribers, and the Country Civil Society Policy Forums in Mozambique and Tanzania.

1. Civil society in the replenishment process included Faith Based Organizations (FBOs), Think Tanks, Foundations, and Civil Society Organizations (CSOs)

2. April - AFE (Nairobi) & Global (Washington); May - EAP (Korea); June - LAC (virtual) and South Asia (virtual and Nepal); July - AFW (Benin), EAP (Bosnia and Herzegovina) & MENA (virtual)



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Another Global IDA Forum was held during the World Bank Group's Annual Meetings in October 2024 to share highlights of this engagement process and the draft IDA21 Replenishment Report. An update on the main elements of the policy framework was also shared before the Global IDA Forum, and there will be a week-long public consultation period afterwards in early November to enable civil society to comment before the report is concluded for the Final IDA21 Replenishment and Pledging Meeting in Korea on December 5-6, 2024.

Overall, views shared by civil society during these engagements showed broad alignment with the IDA21 strategic directions and policy framework, including the focus areas and lenses. Informed by realities on the ground at country and regional levels, participating CSOs raised a wide range of important issues that informed the drafting of the policy framework for IDA21. There was a high degree of convergence around issues including the importance of job creation, gender equality and inclusion more broadly, and the urgent need for climate action, in particular adaptation. The impact of recent compounding crises-to which IDA countries are disproportionately vulnerable-was a consistent theme. Some issues reflected regional challenges such as conflict.

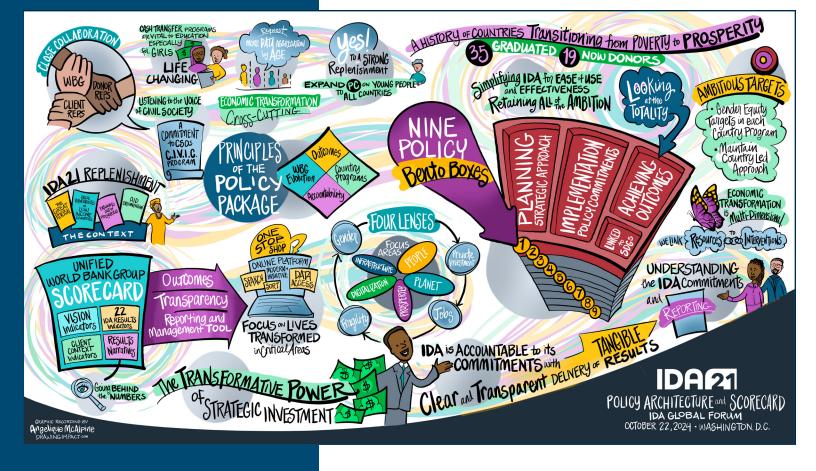
The importance of strengthening client implementation capacity was well noted in these consultations, a point shared also by clients, and other partners. This influenced the decision for IDA21 to scale up support to client implementation capacity in the policy package.



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There were other complex development challenges raised without straightforward solutions, like the global debt crisis. The rising global debt crisis is hindering governments in many low-income countries from providing essential services. IDA financing is structured with this issue in mind as it provides low-cost loans and a high volume of grants to highly indebted low-income countries. IDA helps borrower countries achieve and maintain sustainable debt and continues to provide net positive flows, a substantial \$17.5 billion for borrower countries in fiscal year 2024. Its Sustainable Development Finance Policy gives an incentive and support to countries facing moderate or high risk of debt distress to undertake concrete actions to enhance debt transparency, fiscal sustainability, and strengthen debt management.



Another complex challenge raised was the relationship between CSOs and IDA funding. Some CSOs spoke of shrinking space and funding for civil society in their countries and asked for consideration of direct financing. IDA's country-led model intentionally channels IDA funds through client governments, a long-term approach that is essential to build capacity for countries to chart their own path to sustainable growth and development. That said, governments can and do use IDA funding to enlist support from nongovernmental organizations (NGOs) or CSOs for various activities. Indirect IDA funding to NGOs through governments amounted to more than \$800 million in contracts between fiscal years 2019 and 2023.

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At the same time, the Bank Group is committed to working in partnership with key constituencies, including civil society organizations. One way is through plans to launch a new global program and multi-donor trust fund, CIVIC: The Civil Society and Social Innovation Alliance. CIVIC plans to establish thematic knowledge, convening, and funding platforms to reach a broader and more diverse network of CSOs, including smaller grassroots organizations, building on lessons from the Global Partnership on Social Accountability (GPSA) and a current GPSA pilot focused on climate. CIVIC funded activities are expected to help institutionalize participatory approaches and better integrate social-sector innovations and approaches into the Bank's support and lending to governments in key areas such as climate, gender, and youth.

Some participants advocated for a renewed approach to civic and citizen engagement, with the inclusion of a citizen engagement indicator in the World Bank Group Scorecard. These asks were well aligned with the Bank's recent strategic review of its 2014 corporate commitment on citizen engagement, drawing on extensive consultations with CSOs, which found the quality of citizen engagement during implementation to be highly variable. In line with the report recommendations, the Bank will draft a successor to the 2014 Citizen Engagement (CE) Strategic Framework and an operational plan to support regions in strengthening the implementation of portfolio-level approaches to strengthening country systems for civic and citizen engagement. An increased emphasis on stakeholder engagement is already among the 10 actions of the Streamlining and Strengthening Environmental and Social Framework (ESF) Implementation initiative. The systematic strengthening of the quality of stakeholder engagement plans and actions throughout the project cycle presents an opportunity for CSOs to play a more active role in supporting governments in assuring that stakeholder engagement takes place in a meaningful manner. CSOs could also play a role in monitoring implementation of these plans as well as the ESF commitments laid out in Environmental and Social Commitment Plans, both of which are publicly disclosed documents.



A Corporate Indicator for "quality of civic and citizen engagement" (CCE) which has since been added to the new Organizational Effectiveness and Efficiency Dashboard will help management make good practice more systematic. Unlike the previous CE indicator that operated only at the project level and had an insufficient focus on depth and quality, this indicator will evaluate how meaningfully citizens are engaged and to what extent their voices are reflected in development decisions. The indicator draws on components at the project/ portfolio level as well as at the country/systems level to produce an aggregate country-level Citizen Engagement and Social Accountability (CESA) score. This should help to identify good practices and highlight where more attention may be needed. The methodology is currently being piloted in several countries and will report in the next Scorecard cycle.

The Forum engagements also made frequent reference to the importance of transparency and accountability. This has also been an area of focus for the Bank Group in its Better Bank reforms. In line with the changes in measuring impact, the Scorecard, with its 22 indicators, was generally well-received by civil society across regions, and as applied to IDA21. It was appreciated that the scorecard results will be reported as IDA specific and will enable breakdowns of data based on select criteria such as regions, income groups, gender, and FCV, allowing for a more detailed analysis of results. Some CSOs, particularly at the global level, sought more ambition in a number of policy areas. Although these suggestions reflected important development issues, the new IDA21 policy package is ambitious while selective in policy commitments, especially as regards country-level actions, which had grown over previous replenishments, limiting the flexibility needed for countries to focus programming on fewer actions for greater impact. The policy architecture identifies key strategies and approaches for achieving outcomes in each policy area. It augments a strategically selected set of fewer country-level policy commitments with institutional-level policy commitments. Further, it includes the 22 indicators in the IDA Scorecard, and contributions to the select Bank Group corporate targets for 2030, like on electricity access and provision of improved healthcare services. Reporting will continue to be a priority as IDA has always reported on much more than its policy commitments. The approach was shared widely in a series of engagements with interested civil society organizations on particular topics of interest, including People and Planet.

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Civil society partners have been fully supportive of a robust and generous IDA21 replenishment as key to delivering on development at this time of exceptional need in the face of regional and other global challenges. IDA is encouraged and grateful for the advocacy and support from civil society and other organizations, both for sharing their perspectives and for speaking to the importance of funding to realize action.



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