

Seeing Eye to Eye?



InterAction Member Agencies and World Bank Staff
Assess their Operational Collaboration and Policy Engagement
for Poverty Reduction and Sustainable Development

Darcy Ashman, Just Associates

Produced under contract to the World Bank and InterAction
Co-managed by
John Garrison, World Bank
Elena McCollim, InterAction

InterAction is the largest alliance of U.S.-based international development and humanitarian nongovernmental organizations. With more than 160 members operating in every developing country, we work to overcome poverty, exclusion and suffering by advancing social justice and basic dignity for all. InterAction is greater than the sum of its parts, a force multiplier that gives each member the collective power of all members to speak and act on issues of common concern. InterAction convenes and coordinates its members so in unison, they can influence policy and debate on issues affecting tens of millions of people worldwide and improve their own practices. Formed in 1984, and based in Washington, D.C. with a staff of 35, InterAction includes members headquartered in twenty-five states within the U.S. Both faith-based and secular, these organizations foster economic and social development; provide relief to those affected by disaster and war; assist refugees and internally displaced persons; advance human rights; support gender equality; protect the environment; address population concerns; and press for more equitable, just, and effective public policies. Reflecting both the generosity of the American people and their strong support for international development and humanitarian assistance, our members receive more than \$3 billion in annual contributions from private donors. Neither InterAction nor its members bear lightly the responsibility of the trust the American people place in us. As such, members ascribe to InterAction's Private Voluntary Organization Standards that help assure accountability in the critical areas of financial management, fundraising, governance, and program performance.

The World Bank was established in 1944 by western governments to rebuild war-torn Europe and promote economic development in the developing world. Today it is owned by 184 member countries and works in more than 100 developing countries. The Bank's mission and principal activities have evolved over time and today are geared primarily to a dual goal of promoting economic growth and reducing poverty worldwide. It undertakes poverty reduction through a combination of activities, which includes undertaking research, providing technical assistance, developing policies, and funding development projects. In fiscal year 2002, the Bank lent \$19.5 billion dollars in such areas as transportation, education, structural reform, health, energy, environment, and water. The Bank's primary partners have traditionally been governments and thus it directs the great majority of its funding and non-lending activities to this sector. In recent years, however, the Bank has been reaching out to other stakeholders such as the private sector, other donor agencies, and civil society in order to explore institutional synergies and leverage additional resources for poverty reduction.

The World Bank is increasingly engaging with a wide array of civil society organizations (CSOs) such as community-based organizations, indigenous peoples' organizations, non-governmental organizations (NGOs), labor unions, faith-based groups, and foundations throughout the world. The World Bank has learned through two decades of interaction that civil society plays an important role in helping to amplify the voices of the poorest people in the decisions that affect their lives, improve development effectiveness and sustainability, and hold governments and policymakers publicly accountable. The Bank interacts with CSOs by dialoguing and consulting on important policy issues, funding CSO programs, and encouraging civil society involvement in Bank-funded projects. The Bank provides grants to CSOs either directly through several global funding mechanisms in such areas as environment, post-conflict, and innovative practices, or indirectly through government-run social funds at the country level.

Table of Contents

	Page
Acknowledgements	i
Abbreviations Used in this Report	ii
Note to the Reader on the Organization of the Report	iii
Recommendations and Findings	iv
Executive Summary	I
Full Report	1
<i>Introduction</i>	1
2. Objectives and Methodology	1
2.1 Definitions	1
2.2 Data-gathering and analysis procedures	2
2.3 Interpretation of the rate of responses	3
3. Findings	4
3.1 Overview	4
3.2 Levels of Operational and Policy Relations	
3.2.1 Overview	5
3.2.2 Levels of Operational Relations	5
3.2.3 Levels of Policy Relations	9
3.3 Quality of Operational and Policy Relations	9
3.3.1 Overview	9
3.3.1.1 Overall satisfaction	10
3.3.2 Quality of Operational Relations	10
3.3.2.1 Constraints in start-up and implementation	11
3.3.3 Focus group perspectives from African civil society organization	16

3.3.4	Quality of Policy Relations	17
4.	<i>Recommendations</i>	24
4.1	Strengthening Operational Collaboration	24
4.2	Strengthening Policy Engagement	26
4.3	Institutional Development for Strengthening civil society-World Bank relations	27
Tables		
Table 1	InterAction-World Bank Relations	4
Table 2	Levels of Operational Relations	6
Table 3	Involvement of Civil Society Organizations in Decision-making in the Project Cycle	7
Table 4	Level of Policy Relations	8
Table 5	Quality of Operational Relations Between InterAction Members and the World Bank	10
References		29
Appendix 2	Regression Analysis of Satisfaction with Operational Relations and Funding Level	30
Endnotes		31

Acknowledgements

The many contributors to the study must be acknowledged. First, the willingness of so many InterAction members and World Bank staff to participate in the study is greatly appreciated. Everyone took time out of very busy schedules to share their views through the survey, qualitative discussions, or both. The utmost care has been taken to represent comments accurately and maintain confidentiality.

John Garrison managed the study for the World Bank, while Elena McCollim did so for InterAction. They established the objectives for the study and were actively involved in all phases of implementation. Cynthia Gears in the World Bank and Sarah Jane Hise in InterAction, provided research assistance with study design, survey distribution and data coding. Institutional supervision was provided by Carolyn Reynolds and an advisory group within the World Bank and by John Zarafonetis in InterAction along with an advisory group composed of several representatives of InterAction member agencies. Sarah Gammage, Just Associates, provided technical assistance with the design and preliminary analysis of the quantitative elements of the study. She also conducted and analyzed some of the follow-up interviews.

Darcy Ashman is an independent researcher and consultant who works with Just Associates and other agencies to strengthen understanding and practice of international development relations. She has published articles on effective collaboration in academic and professional journals, including *World Development*, *Nonprofit and Voluntary Sector Quarterly*, *Institution Development* and *Discourse*. Her clients have included Save the Children US, the United Nations Development Programme (UNDP), and the Institute for Development Studies, University of Sussex, UK. Dr. Ashman received a D.B.A. in Organizational Behavior from Boston University and a M.A.L.D. in International Development from the Fletcher School of Law and Diplomacy at Tufts University. Comments on the study are welcome, and may be sent to djash3@aol.com.

Abbreviations Used in this Report

CAS	Country Assistance Strategy
CDF	Comprehensive Development Framework
CBO	community-based organization
CGAP	Consultative Group to Assist the Poorest
CSO	civil society organization
GEF	Global Environment Facility
GGIAR	Consultative Group on International Agricultural Research
GO	government
GP	Good Practices (World Bank policy statement)
HIPC	Highly Indebted Poor Countries
IFC	International Finance Corporation
IMCI	Integrated Management of Childhood Illnesses
INFID	International Forum on Indonesian Development
InfoDev	Information for Development Program
INGO	international non-governmental organization
NGO	non-governmental organization
OED	Operations Evaluation Department (World Bank)
PRSP	Poverty Reduction Strategy Paper(s)
PSD	Private Sector Development
PVO	Private Voluntary Organization
SAPRI	Structural Adjustment Participatory Review Initiative
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development
WB	World Bank
WSSD	World Summit on Sustainable Development

Note to the Reader on the Organization of the Report

This report is intended to reach a range of audiences among InterAction members, the World Bank and other interested groups. It has three main sections, geared primarily to the amount of time available to the reader to review the study and consider its recommendations.

The *Recommendations and Findings* are addressed to those who require a brief and tightly focused summary of the study's recommendations for action and the findings on which they are based. For the purposes of the summary, the findings about the assessments of their relations by InterAction members and World Bank staff are presented as a series of first-person messages from one group to the other. The data itself is presented in the main body of the report.

The *Executive Summary* is addressed to those who have a bit more time to review the highlights of the entire study, from the objectives and methodology to findings and recommendations. Again, the findings about the quality of the relations between InterAction members and the World Bank are presented as a series of first-person messages that have been interpreted from the survey and interview data. The intent is to give a human perspective to the picture of inter-institutional relations.

The *Full Report* presents the complete study according to widely accepted professional conventions of research reporting. From the full report, the reader will gain a greater appreciation for the context in which the study was carried out, and the data, including the statistical findings and direct quotations.

Recommendations and Findings

Interested departments within InterAction and the World Bank undertook a joint study to assess the level and quality of the operational and policy relations between InterAction member organizations and the Bank. They aimed to improve shared understanding about the experiences of InterAction members and World Bank staff with the relations and to provide recommendations to strengthen their mutual effectiveness in poverty reduction and sustainable development.

Recommendations to Strengthen the Relations

1. Streamline and simplify World Bank institutional procedures and practices for entering into and managing operational relations with civil society organizations. Specifically, take measures to reduce procurement regulations to fit civil society project realities, update contract formats, increase allowable rates for administrative costs, encourage flexible project management to achieve results, etc.

2. Continue to improve World Bank policy consultation practices so that they are perceived to be legitimate processes even when civil society organizations do not agree with the policy outcomes. Specifically, give participants adequate time to prepare input, increase transparency of consultation practices and their link to decision-making, and follow-up with participants to inform them of how their input has been used. Engage in more open dialogues on alternative economic policies.

3. Demonstrate a more decisive and systematic level of institutional development within the World Bank to engage with civil society. Specifically, revise and strengthen official World Bank policy and practical guidelines for relating with civil society. Revise World Bank human resource policies to foster effective engagement with civil society through incentives and sanctions, such as in performance evaluations.

4. Increase opportunities of InterAction members to engage with the World Bank by expanding the members' involvement in national forums where policy issues and development programs are debated and discussed.

5. Leverage the professional and technical exchanges as opportunities to increase cross-institutional understanding, as for example through memos, reports, and workshops, as well as through staff secondments.


Findings about the Quality of the Relations

InterAction member messages to the World Bank

Efficient and effective operational collaboration is hindered by procedural and related institutional constraints within the Bank's financial, legal, and administrative systems and culture.

Those of us who have been engaged in policy dialogue with the World Bank over the last few years acknowledge the responsive policy changes that the Bank has made.

The key issue for us, however, is the slow and *ad hoc* pace of institutional change within the Bank to implement new policies and collaborate with civil society organizations.



Our concerns can be addressed by more decisive and systematic institutional development within the Bank to engage with civil society. We have different ideas about the kinds of strategies that the Bank might use to advance the processes of positive institutional change.

World Bank staff messages to InterAction members

We are relatively satisfied with our relations with InterAction members and other civil society organizations.

We are most satisfied with InterAction members in operational collaboration when they are intermediaries with national governments and civil society organizations to strengthen institutional capacity and exit when appropriate.

We are neutral about whether we have sufficient internal funds to engage in operational relations with InterAction members. Some of us would like to more internal funds available for direct relations with civil society organizations.

We are most satisfied with InterAction member organizations in policy dialogues and formulation when they (a) facilitate engagement of their national civil society partners, (b) maintain a constructive attitude and (c) base their arguments on sound analysis and data.

We have very different opinions about both whether – and how – the Bank should strengthen its institutional commitment and capacity to relate to civil society.

Executive Summary

Objectives and Methodology

This report presents the findings of a joint study undertaken by InterAction and the World Bank to assess the level and quality of their operational and policy relations. The motivation for the study was sparked by a post-9/11 invitation from James Wolfensohn, President of the World Bank, to senior executives of InterAction member agencies to suggest advice and proposals for dialogue and cooperation on issues related to poverty reduction.

Carried out primarily between April and October 2002 with the assistance of an external researcher, the study investigates the effectiveness of existing policy dialogue and operational collaboration, based on the experiences of InterAction members and World Bank staff. The report identifies several constraints and under-explored opportunities in the relations to date. It suggests recommendations to improve the effectiveness of the relations by strengthening various internal institutional policies and practices of the World Bank and InterAction member agencies.

The primary instrument used in the study was a survey about the level and quality of relations that was sent to 128 selected staff of the World Bank and all 160 InterAction member agencies. A richer understanding of the quantitative trends and themes produced by the survey was pursued through additional qualitative methods such as interviews and separate focus group discussions with selected InterAction members, World Bank staff, and African civil society organizations (CSOs).

InterAction and the World Bank worked closely with the external researchers in managing the study. InterAction and World Bank staff determined the objectives and methods of the study, distributed the survey to members or staff and collated the completed surveys. They also solicited internal feedback from their respective institutions and commented several times on interim data reports produced by the external researcher. Their views were included in subsequent analysis and drafting of the report.

Findings about the Level and Quality of Operational and Policy Relations

Overview of the Level of Operational and Policy Relations

As institutions, InterAction members and the World Bank participate in both operational and policy relations, but as individuals, staff tend to be involved in either operational or policy relations. Among InterAction members who responded to the survey, 60 percent (27) had experienced relations with the World Bank; 40 percent had experienced operational relations, 33 percent had experienced policy relations, and only 22 percent had experienced both. Among World Bank respondents, higher percentages indicated they had experienced relations with InterAction members, e.g. 84 percent (59) total; 41 percent each operational or policy relations, and 39 percent had experienced both.

Both InterAction members and World Bank staff report that their operational and policy relations with

each other also often involve governments and/or country civil society organizations. Upwards of an average of 60 percent of their relations include these other actors. Operational relations tend to encourage cross-institutional sector partnering (InterAction members are more likely to report government involvement, as compared to World Bank respondents who are more likely to report country CSO involvement), while policy relations seem to encourage same-institutional sector partnering. Future efforts to understand and improve relations among InterAction members and the World Bank should also include the perspectives of governments and country civil society organizations.

Many within InterAction member agencies and the World Bank reported that they engage in a third type of relations, professional and technical exchange. Professional and technical staff tend to find these relations quite satisfying, although senior executives of InterAction agencies as well as Bank staff are concerned when these exchanges do not lead to formal collaboration in programs and projects.

Level of Operational Relations

InterAction members and World Bank staff convey slightly different pictures of the levels and types of operational relations:

- Most InterAction respondents receive indirect funds of up to \$500,000 from the World Bank through governments to provide services and training/technical assistance in the areas of health, social development and education. A slightly smaller group receives direct funds for the same kinds of activities. Relations take place at national and local levels slightly more often than at global and regional levels.
- Most World Bank respondents award direct funds to InterAction members (and other civil society organizations) to provide services and research in the areas of social development and HIV/AIDS, primarily at national and local levels. A smaller group is involved in indirect funding to InterAction members through governments.

As in previous studies, civil society organizations (InterAction members and country CSOs) are involved in decision-making primarily during the implementation phase of the World Bank project cycle. The lowest participation rates are in evaluation, indicating that country CSOs are not very involved in formal learning about project results. World Bank staff report that CSOs are generally more involved than InterAction members, whereas InterAction members report that their own involvement is higher than CSOs'. This finding affirms those who believe that World Bank staff is more oriented towards country CSOs than international NGOs, and that InterAction members usually engage country CSOs as subcontractors in their contracts and grants to implement development projects.

Level of Policy Relations

The information reported about policy relations reveals few surprises: the most common areas for policy engagement include dialogue about World Bank-financed operations, strategy formulation, and information about World Bank policies (upwards of 67 percent in each category from both groups).

Quality of Operational and Policy Relations

In general, World Bank survey respondents are relatively more satisfied with their operational and policy relations with InterAction members than are InterAction members with the World Bank. Those who associate conflict with policy relations may be surprised to learn that, on average, InterAction members are more satisfied with their policy relations than they are with operational collaboration. The constraints they encounter in operational relations may well be hidden from many of their counterparts within the Bank.

For the purposes of the executive summary, the findings about the quality of relations are summarized in a series of first-person messages from one group to another. Readers should keep in mind that the messages reflect the statistical trends and qualitative follow-up information, even as some liberties have been taken to articulate them from a more human perspective.

InterAction messages to the World Bank: Many of us are sizeable and experienced agencies, well positioned to collaborate with the Bank in carrying out programs and projects that reach poor communities and other marginalized groups. Many of us also are global actors with expertise and rights to advocate for Bank policies to promote poverty reduction, social development, and sustainable development.

Efficient and effective operational collaboration is hindered by procedural and related institutional constraints within the Bank's financial, legal, and administrative systems and culture. These problems can be compounded when governments execute World Bank projects. We are less likely to expect to continue collaborating in operational relations than in policy relations. Although most of us will continue our efforts to collaborate with the Bank and governments to deliver services, some are interested now only in small grants and/or training consultancies. Due to overly bureaucratic practices that are costly and frustrating for civil society organizations, the World Bank and country governments may be in danger of losing some of their most capable potential partners in service delivery.

Those of us who have been engaged in policy dialogue with the World Bank over the last few years acknowledge the responsive policy changes that the Bank has made. However, the Bank must continue to improve its policy consultation and formulation practices. In particular, we would like to see direct and productive engagement on issues of economic policy. Some of us have found our experiences even in the Bank's newer efforts to consult civil society still problematic. Most of us expect to continue policy engagement with the Bank, but it is because of the Bank's power and institutional position, rather than because we are satisfied with the relations.

The key issue for us, however, is the slow and ad hoc pace of institutional change within the Bank to implement new policies and collaborate with civil society organizations. We worry that the changes to appear more engaged with civil society are only rhetorical and that InterAction members, like other civil society groups, are being used to create a public face of cooperation even as "business as usual" continues within the primary policy-making and operational functions of the Bank.

Our concerns can be addressed by more decisive and systematic institutional development within the Bank to engage with civil society. We have different ideas about the kinds of strategies that the Bank might use to advance the processes of positive institutional change to be more effective in relating to civil society. Many of us believe in the power of positive examples. We cite experiences with the Bank that have been productive and satisfying and would like to encourage more such behavior. A smaller but quite vocal group is highly critical of Bank policies and behavior; we see the way to institutional change as resulting from

critique, conflict, and pressure. A third group would like to see a greater use of internal authority within the Bank to prescribe desired changes in policies and practices.

World Bank staff messages to InterAction members: Most of us who participated in the study are primarily civil society staff based at the country level, although other managerial and technical staff based at headquarters also responded. Thus most of the Bank staff that participated in the study have had largely positive experiences working with civil society.

We are relatively satisfied with our relations with InterAction members and other civil society organizations. In some cases, we do not relate to InterAction members because they are not active in countries where we have offices. In general, we are oriented towards engagement with national civil society organizations, especially at the country level.

We are most satisfied with InterAction members in operational collaboration when they are intermediaries with national governments and civil society organizations to strengthen institutional capacity and exit when appropriate. They often have the administrative systems needed to collaborate with the Bank and governments. We benefit from their experience and knowledge about working with grassroots communities.

We are neutral about whether we have sufficient internal funds to engage in operational relations with InterAction members. Since we primarily relate to governments, there would be a lot more funds available if InterAction members and governments could collaborate more extensively. Some of us would like to have more internal funds available for direct relations with civil society organizations.

We are most satisfied with InterAction member organizations in policy dialogues and formulation when they (a) facilitate engagement of their national civil society partners, (b) maintain a constructive attitude and (c) base their arguments on sound analysis and data. Some of us do not see much value in greater dialogue on economic policy and loan strategies with civil society groups.

Specific examples of improved policies and value-added by InterAction members:

- IFC Disclosure Policies and World Bank Transitional Support Strategies; South Asia Region External Relations, in Nepal; improved consultations practices in Croatia and Bangladesh.
- Contributed global knowledge and experience, new factual input, better understanding of country context, synergies and complementarities; links to grassroots communities.
- Coordinated civil engagement in the Structural Adjustment Participatory Review Initiative (SAPRI), HIV/AIDS in Zimbabwe, facilitated other NGOs in Ethiopia, often leading World Bank capacity-building programs.

We have very different opinions about both whether – and how – the Bank should strengthen its institutional commitment and capacity to relate to civil society. Some of us think that civil society criticisms of the Bank are due to misinformation, since the Bank already does so much to reduce poverty and engage with civil society and communities. In general, civil society organizations do not appreciate the extent to which Bank policy and practice is influenced by its multilateral governance structure and primary mission to relate to governments. At the same time, we operate in an institutional environment in which there is a lot of autonomy, especially for Country Directors and Task Managers. Many decisions have been decentralized

to the country level through official or *de facto* processes, leading to different types of practices and varying levels of quality. Thus some of us feel there should be greater consolidation and coordination of civil society engagement approaches based on “best practices.”

Recommendations to Strengthen the Relations

1. Streamline and simplify World Bank institutional procedures and practices for entering into and managing operational relations with civil society organizations. Specifically, take measures to reduce procurement regulations to fit CSO project realities, update contract formats, increase allowable rates for administrative costs, encourage flexible project management to achieve results, etc. At the policy level, clarify World Bank objectives and provide guidance for operational collaboration with civil society. Include country CSOs and representation from both headquarters and country offices in efforts to streamline and simplify these administrative constraints.

2. Continue to improve World Bank policy consultation practices so that they are perceived to be legitimate processes even when civil society organizations do not agree with the policy outcomes. Specifically, give participants adequate time to prepare input; increase transparency of consultation practices and their link to decision-making; and follow-up with participants to inform them of how their input has been used. Engage in more open dialogues on economic policies. The Bank can consult InterAction members and other CSOs about how to design and implement effective consultations.

3. Demonstrate a more decisive and systematic level of institutional development within the World Bank to engage with civil society. Specifically, revise and strengthen official World Bank policy and practical guidelines for relating with civil society. Revise World Bank Human Resource policies to foster effective engagement with civil society through incentives and performance evaluations. Recruit and promote individuals with partnership skills.

4. InterAction members can increase their opportunities to engage with the World Bank by expanding their involvement in national forums where policy issues and development programs are debated and discussed. Although their strengths lie in their orientation to development work at the community level, many InterAction members appear to be missing opportunities to interact with World Bank staff, government officials and country CSOs active in national policy forums.

5. Leverage the professional and technical exchanges as opportunities to increase cross-institutional understanding. One idea is to increase the use of staff secondments across institutions. Another is to encourage those involved to contribute to internal organizational learning through means such as memoranda, reports, brown-bag lunch sessions, workshops, etc.

Seeing Eye to Eye?

InterAction Member Agencies and World Bank Staff Assess their Operational Collaboration and Policy Engagement for Poverty Reduction and Sustainable Development

1. Introduction

In late November 2001, in the aftermath of the September 11th attacks on the World Trade Center and the Pentagon, senior executives of InterAction member agencies and the World Bank met to discuss the repercussions of the attacks and identify ways that the World Bank and non-governmental organizations (NGOs) could enhance their levels of cooperation. James Wolfensohn, President of the World Bank, reported a “*renewed commitment within the Bank to focusing on issues of poverty.*” He invited InterAction members to give concrete advice and proposals for “*constructive...goal-oriented dialogue...and [timely] cooperation on issues of common concern.*”¹ Following the meeting, a number of actions to strengthen relations between InterAction members and the World Bank were initiated jointly by staff members from each institution, e.g. Civil Society Team members of the World Bank’s External Relations Unit and InterAction’s Committee on Development Policy and Practice.

This report is one outcome of the joint effort envisioned. It is the outcome of a study to assess the levels and quality of existing relations between InterAction members and the World Bank worldwide. It updates and considerably expands the framework of a previous study by InterAction completed in 1997.² InterAction and the Bank sought to understand how InterAction members and World Bank staff experienced their relations with each other, especially in the years since the Bank had increased its efforts to engage civil society through the Poverty Reduction Strategy Papers (PRSPs), the Comprehensive Development Framework (CDF), and other programs. A recent study with French NGOs on their operational relations (2000 – 2001) had proved useful to the Bank. InterAction and the

Bank contracted an external researcher to assist them in carrying out the study, which was conducted between April and October 2002.

2. Objectives and Methodology

The managers designated by InterAction and the World Bank to oversee the study determined the objectives and methodology. Broadly, the three objectives were:

1. Determine the current level and quality of operational and policy relations between InterAction membership and the World Bank at global, regional, and national levels;
2. Analyze the constraints that may be limiting the potential for greater development effectiveness; and
3. Explore opportunities for greater synergy and linkages among these actors.

2.1 Definitions

The following definitions were used in this study. They were developed from the understanding of the study managers from InterAction and the World Bank as well as organizational science and development literature (Abugre 1999; Edwards and Hulme 1996; Ashman 2001; InterAction 2001).

Relations include all kinds of interchange between InterAction members and the World Bank, ranging from simply seeking information to entering into large-scale contracts to engaging in dialogue on policy issues.

Operational relations include those relationships through which various kinds of development

programs and projects are implemented, usually formalized in contracts or grants. Programs and projects may range from research to training and technical assistance to building schools or roads.

Direct relations include agreements between InterAction members and the Bank, whereas *indirect relations* include programs and projects funded by the World Bank and executed by government agencies, typically at the country level.

Policy relations include all kinds of policy dialogue and formulation activities involving InterAction members and the World Bank. The study focused primarily on relations in areas where the Bank has sought to involve civil society organizations in policy dialogue and formulation, such as the Poverty Reduction Strategy Papers (PRSPs).

Development effectiveness is a very broad concept, open to multiple interpretations. For the purposes of this study, the definition was adapted from literature on organizational effectiveness (Herman and Renz 1999) to the subject of inter-organizational relations. InterAction and the World Bank were interested in the quality of the relations, not simply as ends in themselves, but as vehicles for addressing shared goals of sustainable development. Therefore, relations were determined to be “development effective” to the extent to which (a) each party agreed that the relations had achieved the development objectives for which they were formed and (b) each party was satisfied with key aspects of the process of the relationships. These key aspects are further defined in the section below that discusses the quality of the relations.

2.2 Data-gathering and analysis procedures

The research methodology combined quantitative and qualitative tools. The primary instrument was a survey questionnaire sent to InterAction members and World Bank staff to obtain quantitative data about the levels (e.g. numbers, types) and qualities of their relations. The benefit of sending a survey to large numbers of respondents is that it can produce

statistically meaningful information about targeted issues. Additional qualitative methods, including focus group discussions and post-survey interviews, were used to enhance understanding about the major themes that emerged from the quantitative analysis of the survey.

The survey questionnaires included questions and statements pertaining to the level and quality of operational and policy relations.³ Respondents were asked to mark categories or rating scales that best described their experiences of the relations. In addition to rating the quality of given aspects of their relations, respondents were asked to explain their ratings or provide additional comments.

The surveys were sent to 128 staff in the World Bank who were selected by the study manager from the World Bank, and to all 160 InterAction Members.⁴ The surveys were accompanied by cover letters requesting participation by senior management of each institution, including the vice president of external relations in the World Bank and the CEO of InterAction. Respondents were assured that their responses would be kept confidential.

The surveys were distributed and received by internal staff on the research team in each of the institutions. They coded the data using spreadsheets prepared by an external quantitative methodologist. The external researcher using the descriptive statistics, regression analysis and coding of the qualitative themes produced the survey findings.

While the surveys were being completed, focus group discussions with InterAction members and World Bank staff were held just prior to InterAction’s Annual Forum in June 2002.⁵ The Forum was used as an opportunity to further discuss the emerging themes. A third focus group to solicit the views of national civil society organizations (CSOs) about their involvement in relations with InterAction and the World Bank was held with a group of leaders of African CSOs and networks from Tanzania, Ghana, Benin, and Nigeria attending the Forum.

Based on the major trends and issues resulting from the survey and focus group analysis, semi-structured interviews with selected InterAction members and World Bank staff in Washington and selected countries were held during August and September 2002.⁶ The interview transcripts were analyzed and coded to provide additional insight to the survey findings. Finally, the external researcher drafted several interim data reports and discussed them with InterAction and the World Bank. The managers of the study provided their input and solicited comments from others within their institutional advisory groups. Their institutional feedback was incorporated into subsequent analysis and drafts of the report.

2.3 Interpretation of the rate of responses

The response rates within InterAction and the Bank were good for a lengthy survey like this: 28 percent of InterAction members (45) and 55 percent of World Bank staff (70) returned completed surveys. Part of the motivation to complete the surveys may have been the expectation that the relations will continue or even grow in the future, as an average 87 percent of InterAction and 97 percent of World Bank respondents agreed that they expected the relations to continue. When contacted, the main reasons why prospective respondents said they did not return the surveys were either extremely busy schedules or a lack of relations with the other group.

Some InterAction members said they do not seek out relationships with the World Bank, due to their small size or to their missions that would not fit well with the Bank. A few InterAction members who did not respond to the survey, but who were known to be actively engaged with the Bank on policy issues were selected for follow-up interviews. The large majority of InterAction member agencies who are known by InterAction to interact with the Bank did complete the survey, so while their responses do not represent InterAction membership as a whole, they likely do represent those who have had experience with the World Bank and expect to continue some form of relationship.

Within the World Bank, the survey may have engendered a disproportionate response from staff members who are positive about civil society engagement, as about 50 percent of the respondents were civil society specialists. Few criticisms of InterAction members were forthcoming from the Bank respondents. Future studies should use a larger survey sample and other qualitative methodologies in order to learn more about the views of those within the Bank who remain critical of engagement with civil society.

The respondents within the Bank reflect predominantly national and local perspectives, since a large number were based at country level (72 percent). Conversely, the respondents from InterAction members probably reflect a more global perspective, since almost 100 percent were based at US headquarters or in Washington, D.C., although some of the larger InterAction members consulted with country level staff to complete the survey.

As with most studies, a number of challenges were encountered during implementation. The scope of the study was quite broad, yet only limited time and resources were available. The hope was to gain a greater level of insight into the relations, even as the study was acknowledged to be preliminary. Two main limitations should be noted. First, some respondents did not understand their relations with each other in the categories, “operational and policy”, used by the study managers and external researcher. Some of the data had to be re-categorized during analysis.⁷ Qualitative methods confirmed the validity of the changes and a new category of relations was suggested to capture an important set of relations seen as neither operational nor policy: professional and technical exchange.

Second, surveys are generally not useful for obtaining definitive data about numbers and types of relations. No institutional databases existed that could be mined for this information. For the purposes of this study, the survey data provides a window into these relations that yields greater insight, even as it may not represent the actual numbers and dimensions of the entire set of relations between

InterAction members and the World Bank.

3. Findings: The Level and Quality of Operational and Policy Relations

The findings of the study, including the major themes emerging from the survey, focus groups, and interviews, are discussed in three parts: (A) an overview of the distribution of responses across the types of relations; (B) a discussion of the findings about the level of relations, both in operations and policy; and (C) a discussion of the findings about the quality of relations, again both in operations and policy.

“We engage with the [World Bank] informally at a sectoral level, exchanging expertise. There is no corporate-wide strategy to do this. We have a network of about 125 expat staff and between 200 and 350 local staff. All advocacy work is done informally in a variety of conferences and regional meetings...”

3.1 Overview

As institutions, InterAction members and the World Bank participate in both operational and policy relations, but as individuals, staff members tend to be involved in either operational or policy relations.

Most of the respondents (60 percent of InterAction respondents and 84 percent of World Bank respondents) have experienced relations with the other group, as shown in Table 1, below. Slightly higher numbers of InterAction respondents have been involved in operational (40 percent) than policy relations (33 percent), while percentages of World Bank respondents are the same (59 percent). Much

smaller groups within each institution reported involvement in both operational and policy relations.

In addition, a number of respondents from InterAction member agencies and the World Bank said they are involved in a third type of relation which can be considered “professional or technical exchange”. These exchanges primarily involve

networking to share information and coordinate among professional and technical staff of InterAction member agencies and the World Bank. Such relations are both formal (officially organized) and informal (spontaneous, based on personal relations). They take place in Washington and in countries in which the

organizations and the Bank work. Most respondents expressed satisfaction with these relations. The only concern was expressed by senior level managers of InterAction members who find that such exchanges can take up a lot of staff time without necessarily leading to higher levels of program collaboration.

Examples of formally organized exchanges include the Human Development Network (HDN), Integrated Management of Childhood Illnesses (IMCI), the Consultative Group on International Agricultural Research (CGIAR), the Consultative Group to Assist the Poorest (CGAP), and the village-immersion programs that have been hosted by InterAction members for World Bank staff.

Table 1: InterAction — World Bank Relations

Relations in the Last 3 Years	InterAction Member Relations with World Bank (N = 45 Respondents)	World Bank Relations with InterAction Members (N = 70 Respondents)
Total relations	60% (27)	84% (59)
Operational relations	40% (18)	59% (41)
Policy relations	33% (15)	59% (41)
Both operational and policy relations	22% (10)	39% (27)

“We are not interested in project funding, but rather the opportunity to interact with [World Bank] staff, which improves technical learning of both [the World Bank] and our staff, and which increases our influence with the government.” (InterAction member, country office)

“In Washington... the World Bank’s doors are not closed to proven professionals from [our organization].” (InterAction member, Washington, D.C.)

“We engage with the [World Bank] informally at a sectoral level, exchanging expertise. There is no corporate-wide strategy to do this. We have a network of about 125 expat (sic) staff and between 200 and 350 local staff. All advocacy work is done informally in a variety of conferences and regional meetings either through InterAction, [World Summit on Sustainable Development] (Rio plus 10), or conferences like the G7 or G8. Our staff participates as technical experts.” (InterAction member, Washington)

“CGAP is really a donor consortium ... we do standard-setting, information-sharing, and disseminating [of] best practices.” (World Bank, Washington)

3.2 Levels of Operational and Policy Relations between InterAction members and the World Bank

The findings about the level of operational and policy relations are discussed in three sub-sections: (1) an overview; (2) the level of operational relations; and (3) the level of policy relations.

3.2.1 Overview

A slightly higher percentage of InterAction respondents reported involvement in operational relations (40 percent) than in policy relations (33 percent), whereas an equal number of World Bank respondents (59 percent) reported involvement in each. This may reflect a pattern among InterAction

member agencies to be more involved in operational programs than in policy influence.

Both InterAction members and World Bank staff report that high percentages of their operational and policy relations also involve country governments or country CSOs (average range is 60 percent – 65 percent). This suggests that these relations cannot be fully understood only from the perspective of InterAction members and World Bank staff. Future studies should systematically examine the perspectives of governments and country-based civil society organizations on their relations with InterAction members and the World Bank.

Sub-categories of level of operational and policy relations. Survey respondents were asked to describe their operational and policy relations according to a number of sub-categories. Tables 2 – 4 below show the categories and major trends for InterAction and the Bank.

- Operational relations were further categorized into sector, type of activity, geographic level, the other actors involved, the types of World Bank funding mechanisms and the amount of World Bank funds received by InterAction members.
- Policy relations were further categorized by type of engagement and the other actors involved.

Finally, respondents also were asked to describe their operational relations by indicating which phases of the project cycle involved InterAction members and country CSOs in decision making.

3.2.2 Levels of Operational Relations

InterAction members and the World Bank describe their operational relations in similar categories, but in different proportions, as illustrated in Table 2 below. Given the size and complexity of the entire set of operational relations globally between these two parties, the divergence is not too surprising. The numbers are an indication of the kinds of relations that exist, rather than a representation of them. It is

important, however, to keep the overall patterns in mind when reviewing the two groups' perceptions of the quality of these relations in the major section below.

InterAction members and the World Bank describe their operational relations in similar categories, but in different proportions

InterAction and World Bank descriptions of their operational relations are like the proverbial blind people describing an elephant by the feel of different parts:

- Most InterAction respondents say they receive indirect funds of up to \$500,000 from the World Bank through governments to provide services and training/technical assistance in the areas of health, social development, and education. A slightly smaller group receives direct funds for the same kinds of activities. Relations take place at national and local levels slightly more often than at global and regional levels.
- Most World Bank respondents say they award direct funds to InterAction members (and

other civil society organizations) to provide services and research in the areas of social development and HIV/AIDS, primarily at national and local levels. A smaller group is involved in indirect funding to InterAction members through governments.

Type and amount of World Bank funding to InterAction members. Most of the InterAction member agency respondents report that they receive indirect funding from the World Bank (69 percent), usually in government programs or Social Funds. They may or may not have direct contact with World Bank staff in these types of operational relations. A smaller percentage of InterAction respondents (62 percent) is involved in operational relations where they receive direct funding from the Bank through a variety of grant windows and specialized funds such as the Information for Development Program (InfoDev), the Consultative Group to Assist the Poorest (CGAP), the Global Environment Facility (GEF), and the Post-Conflict Fund.

Table 2: Levels of Operational Relations

Category of Level	InterAction (n=18)		World Bank (n=41)	
Type of WB funding mechanism	Direct ⁸	62%	Direct	44%
	Indirect ⁹	69%	Indirect	34%
Amount of WB funding received	\$ 0 - \$ 249 ¹⁰	5	N/A	
	\$250 - \$ 499	3		
	\$500 - \$1000+	5		
Sector (top three responses)	Health	39%	Soc. Dev't.	61%
	Soc. Dev't.	28%	HIV/AIDS	44%
	Education	28%	Education	28%
Type of activities (top three responses)	Training & TA	31%	Services	35%
	Services	27%	Research	30%
	Research	24%	Training & TA	20%
Geographic levels	Global	22%	Global	11%
	Regional	22%	Regional	8%
	National	33%	National	38%
	Local	23%	Local	42%
Other actors in InterAction- World Bank relations	Government	64%	Government	60%
	Country CSOs	59%	Country CSOs	65%
	Both	22%	Both	25%

In contrast, most of the World Bank staff report involvement with InterAction members through direct funding relations (44 percent) such as the grant windows and specialized funds. A smaller group relate to InterAction members through indirect funding relations (34 percent) where governments are the executing agencies.

InterAction members report receiving a wide range of dollar amounts from the World Bank through these funding mechanisms, from less than \$250,000 to over \$1 million. The majority receive less than \$500,000. (Bank staff members were not asked to cite the amount of funds they provided to InterAction members.)

Sector and type of activity. InterAction members and World Bank staff report involvement in similar sectors and types of activities, albeit in different proportions. The sectors with the highest levels are health, HIV/AIDS, social development, and education. The most common activities include

services, training and technical assistance, and research.

Geographic level and involvement of other actors. Worldwide, InterAction respondents report that their operational relations take place mostly at the national level (33 percent) and in roughly equal proportions at global, regional, and local levels (22 – 23 percent). A majority of these relations also include government (64 percent) or country CSOs (59 percent), while a small percent involve both (22 percent).

In contrast, the World Bank respondents say that their relations with InterAction members take place at local and national levels (42 percent and 38 percent respectively), while only 11 percent take place at the global level and 8 percent take place regionally. It is likely that this pattern reflects the distribution of surveys within the Bank rather than the actual relations, but again it is useful to keep in mind when considering their responses below about

Table 3: Involvement of Civil Society Organizations in Decision-Making in the Project Cycle

Responses	Design	Planning	Implementation	Monitoring	Evaluation
InterAction report of own involvement (n=9)	56%	78%	89%	66%	33%
InterAction report of country CSO involvement (n=9)	23%	23%	67%	56%	22%
World Bank report of InterAction involvement (n=29)	55%	55%	79%	48%	31%
World Bank report of country CSO involvement (n=29)	69%	59%	79%	55%	34%

the quality of operational relations.

Finally, it is striking that upwards of about 60 percent to 65 percent of these relations also involve country CSOs and governments. In their operational relations, InterAction members are more likely to report the involvement of government (64 percent), while World Bank respondents are more likely to report the involvement of country CSOs (65 percent). Relatively small percentages of both groups say that both government and country CSOs are involved in their relations with each other (22 percent - 25 percent).

Civil society involvement in decision making in the project cycle. Similar to a previous InterAction study (1997), the pattern of civil society involvement in decision making indicates that civil society organizations like InterAction members and country CSOs do not fully participate in all stages of the project cycle. As indicated in Table 3, InterAction members and World Bank staff alike report the highest level of involvement by InterAction members and country CSOs in the implementation stage, ranging from 67 to 79 percent.

World Bank respondents are more likely to report the involvement of country CSOs as compared to InterAction members in every phase other than implementation, confirming the trend towards greater involvement with country CSOs reported on the Bank’s website.

InterAction members report a much lower

Similar to a previous InterAction study (1997), the pattern of civil society involvement in decision making indicates that civil society organizations like InterAction members and country CSOs do not fully participate in all stages of the project cycle.

percentage of country CSO involvement across the entire project cycle as compared to their own (e.g. 23 percent country CSOs involved in planning vs. 78 percent InterAction members; 67 percent country CSOs involved in implementation vs. 89 percent InterAction

members). This probably reflects the common practice of sub-contracting or sub-granting relationships with country CSOs, in which InterAction members arrange project agreements with governments and donors prior to seeking country civil society actors to carry out certain components.

The evaluation phase appears to garner the lowest levels of involvement by civil society, which suggests a worrisome exclusion of civil society organizations from project learning processes. While upwards of 56 percent of InterAction members report involvement in decision making during design, planning, and monitoring phases, only 33 percent report involvement in evaluation.

Table 4: Level of Policy Relations

Category of level (number of respondents with policy relations)	InterAction (n=15)	World Bank (n=41)
Type of policy relation		
1. Dialogue about WB-financed operations	1. 73%	1. 90%
2. Strategy formulation (PRSP, CAS)	2. 67%	2. 83%
3. Information about WB policies	3. 80%	3. 80%
Other actors involved in InterAction-World Bank policy relations	Government 40% Country CSOs 79% Both 19%	Government 68% Country CSOs 62% Both 30%

3.2.3 Levels of Policy Relations

The trends in the level of policy relations described by the respondents from InterAction and the World Bank contain few surprises, as illustrated in Table 4. Three main policy topics garnered the highest percentage of responses, again in different proportions: World Bank-financed operations, strategy formulation, and information about World Bank policies.

An interesting twist is apparent in the patterns of government and country CSOs' involvement in policy relations as compared to the patterns of involvement in operational relations. In their policy engagement, InterAction members relate almost twice as often to country CSOs than to governments. World Bank staff members relate more often with governments, although they also involve a high percentage of civil society organizations. It may be that InterAction members have more in common with country CSOs on issues related to poverty reduction and sustainable development than they do with government agencies.

3.3 The Quality of Operational and Policy Relations among InterAction Members and the World Bank

The findings about the quality of operational and policy relations are discussed in three sub-sections: (1) an overview; (2) the quality of operational relations; and (3) the quality of policy relations.

3.3.1. Overview

InterAction and the World Bank sought to understand the quality of operational and policy relations in terms of their development effectiveness, as defined earlier in this report, e.g. the parties to the relations are satisfied with the processes of the relations and with the development outcomes or results. Indicators of development

effectiveness were selected to target key aspects of these relations that are associated with development effectiveness. These key aspects were identified through the input of the study managers from InterAction and the World Bank and by drawing on relevant literature (Ashman 2001; McGee, Levene, and Hughes 2002; Fox and Brown 1998).

Operational relations are divided into three main phases. The first two are the processes of *start-up* and *implementation*, while the third consists of *development results*. A common critical issue in the start-up phase of operational relations is the *access to information* about the other party, such as information about World Bank priorities for InterAction members or about the organizational capacity of InterAction members for the World Bank. For InterAction members, a second critical issue is the extent to which *institutional procedures* facilitate or constrain the start-up process.

During the implementation process, two issues for both InterAction members and the World Bank include the *adequacy of financial resources* and the *management of the project* by the other party. From the World Bank's perspective, it is also important to know whether working with InterAction members *improves the implementation* process. Finally, important features of the development results of operational relations include the *development outcomes* and the influence of the relation on each party's *relations with country CSOs*.

On average, InterAction members are less satisfied with their operational and policy relations with the World Bank than are World Bank staff members regarding their relations with InterAction members.

Policy relations are less structured and do not fall so neatly into sequential phases associated with project implementation. The primary focus of the survey is on the results of the parties' involvement in these relations. Two of the most important results included *improvements in World Bank policies* and the *implementation of these new policies within the Bank*. A third result concerns the *influence of policy relations with each*

other on the parties' own relations with country CSOs. The fourth indicator targeted an issue troubling many civil society organizations at the time of the study, e.g. *whether the benefits of involvement are worth the costs* to the organization.

3.3.1.1 Overall satisfaction.

Numerous respondents from InterAction and the Bank said that their experiences of their relations with each other vary in quality from very good to very poor, depending on the individuals, the countries, or other factors. The survey responses from InterAction, in particular, confirm a broad distribution of views, from satisfaction to dissatisfaction to neutrality. Nevertheless, some general trends do emerge in the statistical analysis.

On average, InterAction members are less satisfied with their operational and policy relations with the World Bank than are World Bank staff members regarding their relations with InterAction members. Less than 40 percent of InterAction members (about 38 percent) agree with positive statements about key

aspects of operational and policy relations, while more than half (53 percent) of World Bank respondents agree. InterAction members are relatively more dissatisfied with their operational relations (only 33 percent agree) than with their policy relations (42 percent agree).¹¹

3.3.2 Quality of Operational Relations

Again, the typical operational relations reported above (see page 16) should be kept in mind when reviewing the following findings, since they represent the specific kinds of relations to which the responses refer. InterAction members, in particular, may refer mostly to indirect relations with the World Bank that involve governments as executing agencies.

On average, InterAction members appear ambivalent or quite mixed about the quality of their operational relations with the World Bank, as about a third each agree, disagree, and are neutral about the various aspects. In contrast, World Bank respondents are generally satisfied with their relations, as more than

Table 5: Quality of Operational Relations among InterAction Members and the World Bank

Quality of the relations (Indicators of effectiveness)	InterAction	World Bank
Start – Up Phase		
Access to adequate information	23% agree ¹² (23% disagree ¹³)	57% agree (15% disagree)
No procedural constraints (IA)	28% agree (48% disagree)	N/A
Implementation Phase		
Collaboration has improved implementation (WB)	N/A	52% agree (0% disagree)
Received adequate financial resources	33% agree (40% disagree)	26% agree (18% disagree)
Satisfaction with other's management	25% agree (25% disagree)	59% agree (6% disagree)
Results Phase		
Satisfaction with development outcomes	47% agree (18% disagree)	64% agree (3% disagree)
Relationships with CSOs strengthened	40% agree (27% disagree)	56% agree (5% disagree)
Expect to continue relations	81% agree	97% agree

half agree and less than 10 percent disagree. Although most respondents from each group say they expect to continue collaborating with each other, InterAction members express greater hesitation and concern than the World Bank staff. Table 5 summarizes the patterns of responses by InterAction members and World Bank staff to the indicators of development effectiveness.

3.3.2.1 Constraints in start-up and implementation.

InterAction members' concerns are concentrated in the start-up and implementation phases. An average of only 27 percent is satisfied with the key indicators of quality in these phases, and fully 48 percent disagree that there are no major procedural constraints in the start-up phase. As the following discussion shows in more depth, InterAction members incur costly managerial inefficiencies when establishing operational relations with the World Bank, particularly in indirect relations where governments are the executing agencies.

InterAction members' concerns are concentrated in the start-up and implementation phases...InterAction members incur costly managerial inefficiencies when establishing operational relations with the World Bank, particularly in indirect relations where governments are the executing agencies.

In contrast, the only indicator about which Bank respondents are ambivalent or mixed is located in the Bank's internal institutional environment, rather than with the InterAction member. Only 26 percent agree and 37 percent are neutral about whether they have adequate funds for operational collaboration with InterAction members. As the following discussion illustrates, the reasons can be attributed to the Bank's primary orientation to government, rather than civil society, as operational partners.

The procedural and related institutional constraints experienced by InterAction members in the start-up and implementation phases of operational relations with the World Bank can be summarized

in four issues:

1. *Barriers to access* to information about the Bank, and to the Bank itself, especially at the country level;
2. *Costly and time-consuming contracting procedures*;
3. *Rigid bureaucratic management style*; and
4. *Added complexity and risks* inherent in the World Bank's relations with governments.

As a result, InterAction members often find it inefficient, frustrating, and sometimes even risky to engage in operational relations with the Bank. Each

of these four issues is discussed in detail below, based on comments from both InterAction members and World Bank staff. Relevant input from African CSOs is also included. These constraints are as problematic for InterAction members in large-scale projects (\$1 million or more) as in the smaller ones. Regression analysis showed no

association between financial size of project and the level of satisfaction with operational relations (see Appendix 2).

Barriers to access, especially at the country level.

Less than 25 percent of InterAction respondents said they had adequate access to information and more than 50 percent were neutral. One particular barrier to access for many InterAction members is the large scale of the Bank's website, printed materials, and personnel, which make it time-consuming and challenging to access the information or appointment needed to pursue specific interests. A second barrier lies in the attitude of many Bank staff, especially at the country level, which InterAction members can experience as distancing. Fully a third of the survey comments explaining why InterAction members had no relationship with the Bank

explain the reason as “*discouragement from the Bank.*”

World Bank staff members said that their time for interacting with civil society organizations is limited, due to busy schedules. Many see government as their primary partner at the country level. They tend to select civil society partners based on information from sources such as printed brochures or proposals received from NGOs, the Bank’s database, the CSOs’ reputations, or knowledge Bank staff members have gained from interactions in conferences.

Several InterAction members note that their good relations with the Bank in Washington, D.C., did not translate into open doors at the country level: “[*Decision-making procedures*] within the Bank... are not transparent to most PVOs and NGOs. [*We had a difficult experience*] with a dialogue on girls’ education.... [*We had good relations*] at senior levels with other [*international*] NGOs and the Bank. Countries were identified; the INGOs developed papers ...[and] went into Bank Offices [at country level]. [*Since*] everything is funded by [*its*] link to the CAS and loan program, [*we were not able to collaborate*].”

Others note that the Bank’s orientation to government excludes civil society: “*This organization has found it difficult to collaborate with the World Bank, as it perceives [it]... to be focused on working directly with host governments. The institution does not seem to fund or collaborate with international NGOs on a significant scale.*”

Efforts of country director and senior managers in opening up to NGOs are key

A counter-example of positive access to the World Bank was cited by several InterAction members based in an Asian country. They said that the attitudes of the international NGO community had changed from suspicion to greater satisfaction largely because of efforts by the Country Director and other senior

managers to engage in meaningful activities with respectful attitudes. Examples included being asked to carry out consultations with communities on poverty reduction strategies and regular lunchtime discussions at the Bank Country Director’s home. A senior staff member in the Bank’s Country Office affirmed that “partnership skills” were important qualities for the Bank to engage in effective relations with NGOs.

The individual said that important institutional changes had taken place within the Country Office and the government. At the time of the interviews, however, the NGOs were concerned that the imminent departure of the senior leadership would lead to the end of the World Bank’s collaborative institutional behavior.

Costly and time-consuming contracting procedures. Fully 48 percent of InterAction member respondents disagree that there are no procedural constraints in the start-up phase, and only 33 percent agreed that there were adequate financial resources to carry out the activities. Contracting procedures designed for public sector organizations and for-profit firms are often not suited for InterAction members and other civil society organizations, especially in the context of the kinds of projects with communities in which they are engaged. Three main types of costs are incurred, including the need for hiring lawyers to navigate the process, the time delays encountered throughout the process, and the lack of sufficient funds to cover administrative overhead and advances for start-up costs. Following are specific examples of these costs:

- Lawyers must be hired to meet Bank requirements such as providing a guarantee, obtaining a Bank letter of credit, and negotiating payment schedules.
- Lawyers are necessary to protect organizational interests, since legal terms and conditions in contracts tend to place an undue share of the risks on InterAction members.
- It is time-consuming to negotiate the contracts and follow the procedures.

- The contracts are overly detailed and outdated. They seek to manage by specifying the processes to be followed rather than by results-based approaches that focus on objectives and targets.
- Bank procurement procedures are burdensome when InterAction members sub-contract to country-based firms and CSOs, including the requirement to obtain three written bids for purchases over \$50, and the limitation to partner only with country CSOs who are registered with the government and possess income tax certificates.

Responses included the following:

“[Their] procedures are impossible, even for [our organization], which is big and institutionalized. We have to use lawyers every time with the Bank. [The] financial deal the Bank offers is not viable – they do not provide the full cost of activities. [They] don’t pay adequate overhead. [Ours is] only 16.98 percent, and they can’t do that. [It seems like they] nickel and dime the whole thing.”

“[Consider our] experience with [country project]: [we already had a program in a sectoral area]. The Bank came to us and said [they’d] like to fund [us] to do more of the same. Then ensued 18 months – [involving] lawyers, staff – how to design a procurement agreement that we could live with... We had to advance funds. We were not paid full indirect costs. The language from the government, which came originally from the Bank, was that we wouldn’t get paid if houses [were] not built due to acts of God! We ended up with 5 separate contractual agreements. Each limits our liability to \$300K, which was the limit of what we could afford.”

“The [formal agreements we make with other donors] are more consistent with general practice: they focus on goals, budgets, and timetables. The Bank contracts, by comparison, are very detailed about what we are going to deliver – they are process documents.” (InterAction Member Agency)

“The [formal agreements we make with other donors] are more consistent with general practice: they focus on goals, budgets, and timetables. The Bank contracts, by comparison, are very detailed about what we are going to deliver – they are process documents.”

“Contracts are among the key obstacles that prevent civil society organizations from engaging more in operations with the Bank. The Bank requires a guarantee of 30 percent of the contract [that] must be put in escrow. This is virtually impossible for small NGOs, even though they can put up assets as part of the value of the contract. There is also a pre-financing requirement of 4 – 6 months (if the process goes smoothly) before disbursement... In some ways the rules can be read as being constructed so that the NGOs could not participate – it is harder to work with NGOs than a subservient contractor.”

Rigid bureaucratic management style. Only 25 percent of InterAction members agree that the World Bank has managed its side of project implementation well. As compared to other donors with whom they collaborate, InterAction members described the

Bank’s management style as slow, rigid and overly concerned with financial and administrative details. This is not only frustrating and costly, but also hinders the ability of InterAction members to achieve the desired development results.

“The ongoing constraints of rigid procurement policies are problematic in implementation, as are some of the rigid restrictions in program design. For example, it was decided that the project would only work with ex-combatants, excluding any other members of communities of return. When attempting to successfully rehabilitate and reintegrate ex-combatants it would be beneficial

to also be working with other members of the community – one does not reintegrate into a vacuum. This also creates tension and resentment in the community which adds to the challenges of training ex-combatants to deal effectively and non-violently with conflict.”

“The negotiated budget was adequate, but the restriction that it could only be a 12-month project is problematic. [It is] difficult to achieve the project outcomes in this time frame and the process did not allow any resources for the design/start up phase.”

“World Bank designed projects are very slow to be developed and nearly obsolete when finally implemented. Once [they are] being implemented it is nearly impossible or very cumbersome to improve on the design of the project implementation. Such inflexible design leads to great inefficiencies.”

Added complexity and risks inherent in World Bank relations with governments. As noted above, InterAction members may experience these kinds of constraints primarily when engaged in indirect relations with the Bank through government-executed programs and projects. Many of the constraints are located in World Bank procedures and regulations, even as governments are the immediate partners. InterAction members suggest that the involvement of governments can bring additional bureaucratic complexity and unfortunately, ethical risks associated with corruption.

When country government agencies execute contracts, delays can be increased in a number of areas, especially in receiving payments to cover services that have been rendered. Moreover, government counterparts may not understand World Bank requirements and may rely on InterAction members for instruction, which increases the

administrative burden.

“In both of our last two (large) [World Bank]-funded host country contracts we have had major problems getting paid. In case of smaller projects that are managed by local government units these problems are larger but the dollar amounts smaller.”

“We ran into obstacles with a procurement element, roofing. We had to follow Bank rules. In the end, we couldn’t run it though our books... We managed, but we found corruption, [which was] exceedingly ugly. We couldn’t get the Bank to help take up [the problem] with the government... even behind the scene.”

“In general ... [we have had] positive outcomes [doing] skills training... [The] difficulty [has been] in the requirement that [the government] distribute training allowances... [they are] usually late...[and] families substitute [project] income for family use.”

“Increasingly funds are at the national level... To get a host-country contract an NGO has to have contacts with the Ministries. They also need a Bank letter of credit... They need surety against any advance of funds or disbursement – a bond, for example. This kills cash flow from a finance perspective. Invoices must be remitted to government agencies. This process is very cumbersome.... It is all very burdensome for technical staff and takes time away from projects. There is a need for training local clients on contracting. But the WB, [like other multilaterals] doesn’t do this training.”

Perhaps the frustrations of InterAction members

“World Bank designed projects are very slow to be developed and nearly obsolete when finally implemented. Once [they are] being implemented it is nearly impossible or very cumbersome to improve on the design of the project implementation. Such inflexible design leads to great inefficiencies.” (InterAction Member Agency)

are best summed up by the following comment from the InterAction focus group: *‘You have to be desperate for funds to want to work with the World Bank!’*

InterAction members agree that procedures are important for NGO accountability.

InterAction members do not reject the need for procedures. They share the commitment to ensure accountability for the public funds that they receive. Several constructive suggestions are offered to revise Bank practices: *“Clearly there is a need for regulation and contracting procedures. Accountability is very important to avoid charges of malfeasance. Graduated lending for different groups may be helpful, [as might] fixed price contracts with agreed upon performance indicators and deliverables.”* *“Training needs to be offered to local NGOs in accounting and invoicing. Capacity building should occur.”* *“The World Bank may need to explore other donor strategies to promote civil society engagement, provide small grants and develop mechanisms for community group and NGO involvement. In particular, they may wish to examine USAID’s diverse mechanisms for contracting NGOs and supporting projects that engage civil society in development programs, service delivery, policy design and appraisal.”*

World Bank views of related issues in the start – up and implementation phases.

Many World Bank staff may be surprised to learn of these constraints on their civil society partners. As several agreed in the focus group discussion, *“[There are]... no problems in operational relationships. The large INGOs understand procurement and have the necessary systems.”* It is common in such donor-recipient relations for these kinds of tensions to be experienced by the implementing agencies, but not discussed directly with donor agencies that provide the funds.

However, some Bank staff members are aware of

Some Bank staff members are aware of the constraints to collaboration with civil society organizations in its procedures and practices.

the constraints to collaboration with civil society organizations in its procedures and practices. A recent report by the Operations Evaluation Department confirms problems with access and implementation. It reads, *“NGOs/CBOs have been underutilized in Bank work”*, and *“working relationships among partners are often ineffective.”* The report also recommends numerous measures by which the Bank could address them (Lessons and Practices No. 18, September 13, 2002).

Several World Bank staff members interviewed concur that the Bank’s procedures are not suited to civil society partners. Some argue that the procedures should be linked to new comprehensive policy guidance within the Bank regarding involvement of civil society in what have been traditionally government roles and functions:

“The World Bank website provides extensive information about contracting, with manuals of operations and a list of criteria about how to select NGOs, details about procurement policies. These rules are very enterprise or firm focused. I have many procurement concerns.... If we want to involve NGOs in the general procurement process we must change this process...”

“I would like to implement projects with NGOs and particularly local NGOs. But I don’t necessarily have good counterparts because of a demonstrable lack of organization and ‘depth’ of CSOs in outlying areas where there is extreme poverty. To procure services from NGOs directly... we must have at least 3 similar institutions in the area – often there is only 1. We must make a public announcement in national and local newspapers.

Any groups offering to bid on the contracts must be financially qualified: they must have audits going back 3-5 years. Less than 10 percent of contracts are direct contracts. Largely, NGO involvement in operations or services must come through the

government at their behest.”

“Collusion and corruption remain the most significant problem that besets contracting [in this country]. Shifting the culture of contracting is key. Tendering and bidding should be done through an awards committee for all loan funded programs.”

“I disagree that we should establish quotas and funding targets for direct funding of CSOs... It depends on the country and the CSOs. The context should determine the role. The government is willing to engage [here] ... but the engagement is limited. Large contracts are passed on to service delivery [INGOs]... from other agencies...”

“What we need are guidelines and an analytical framework that helps us evaluate the strengths and weaknesses of CSOs as service delivery agencies. What is the comparative advantage of using CSOs... When and how should they be engaged? What if there is a crisis and we need to maintain service delivery? Where government capacity is low; in situations of crisis and civil unrest; or where vulnerable groups face deliberate exclusion and persecution, we should consider direct contracting. Direct contracting should not come at the expense of developing and strengthening the ability of government agencies to provide services. Governments should respond to the needs of their citizens and deliver services in an accountable and transparent manner. Where it’s appropriate efforts should be made to foster private-public partnerships that build capacity in state institutions. But we also need to support the public sector to develop long-term social policies and strengthen the effectiveness and accountability of government... Clearly if governments are corrupt we may need to bypass

African CSOs attending the InterAction Forum...highlighted their dissatisfaction with behavior by both InterAction members and the Bank that [they] perceived as hierarchical and directive, e.g. “like a big sister.”

InterAction members and World Bank staff alike are relatively more satisfied with the quality of their policy relations than with that of their operational relations.

them and give grants.”

3.3.3 Focus group perspectives from African civil society organizations

Finally, the perspectives of African CSOs attending the InterAction Forum about their experiences in operational relations with InterAction members and the World Bank must be considered. They highlighted their dissatisfaction with behavior by both InterAction members and the Bank that is perceived as hierarchical and directive, e.g. “like a big sister.” CSOs are usually involved

in sub-contracting or sub-granting roles with InterAction members, which preclude them from influencing the goals, objectives, and terms of cooperation. Where CSOs engage directly with the Bank, they can find its style to be dominating.

“InterAction members call us their partners, but they come to us and ask us to ‘sign here’ on their contracts.”

“The World Bank did not give us enough time to consult among ourselves about whether we would participate in their program. When we decided not to, they put a lot of pressure on our members.”

Intersectoral institutional differences are at the root of many constraints for civil society organizations in their operational collaboration with the World Bank.

In brief, the procedures and practices that the Bank has developed as a public sector institution that has related primarily to governments and private sector firms for operational programs and projects are not suited to its more recent efforts to collaborate with civil society organizations. As *non-profit*

organizations, they need to cover reasonable administrative costs of implementation and tend not to have the financial resources that would permit them to start up major projects. As *civil society* organizations, they tend to be involved in programs and projects intended to reach poor and marginalized communities, which often involve smaller amounts of funding and require flexible and responsive management to achieve their best results. Finally, the weight on country CSOs of the combined procedures and management practices in their relations with the World Bank and InterAction members can be inordinately heavy and feed widespread cynicism about stated goals of “partnership and capacity-building” in the international aid industry (Abugre 1999).

3.3.4. Quality of Policy Relations among InterAction Members and the World Bank

As noted above, InterAction members and World Bank staff alike are relatively more satisfied with the quality of their policy relations than with that of their operational relations. InterAction members are noticeably more satisfied (10 percent higher), whereas the average satisfaction for World Bank respondents is almost the same (2 percent higher). Nearly all of both groups expect their relations to continue.

As shown in Table 6, below, 50 percent or more of InterAction respondents agree with three out of four indicators of development effectiveness, e.g. that World Bank policies had improved, that the benefits were worth the costs, and that their relations with country CSOs had been strengthened. The striking anomaly in their responses concerns the implementation of new policies by the World Bank. No InterAction members were satisfied with policy implementation within the Bank, almost 70 percent were neutral and over 20 percent were dissatisfied.

For their part, World Bank staff members are somewhat less satisfied with policy implementation in the Bank than with any other aspect of policy relations surveyed (only 48 percent agree as compared to 53 percent to 60 percent agreement on other indicators). The following discussion briefly examines the reasons for relative satisfaction with policy relations and explores the issues concerning InterAction members about policy implementation by the Bank in more depth.

Improvements in World Bank policies. InterAction members’ views about the progress of policy change within the Bank can best be summed up by a comment made in the focus group, “*we should give credit where credit is due*”. Examples of policy

Table 6: Quality of Policy Relations among InterAction Members and the World Bank

Quality of Policy Relations (Indicators of effectiveness)	InterAction (n=15)	World Bank (n=41)
Involvement resulted in improved World Bank policies	59% agree (7% disagree)	55% agree (3% disagree)
Satisfied with implementation of new policies	0% agree (23% disagree)	48% agree (3% disagree)
Benefits of involvement are worth the costs	57% agree (14% disagree)	60% agree (5% disagree)
Relationships with CSOs strengthened	50% agree (21% disagree)	53% agree (8% disagree)
Percent expect to continue	93%	97%
Average satisfaction	42% agree	54% agree

improvements include the issue of debt relief (the Heavily Indebted Poor Countries Initiative, HIPC) and the introduction of the PRSP processes. Several InterAction members said they engage with the Bank on policy development in sectoral programs in a very collaborative fashion. Although most InterAction members express overall satisfaction, many suggest that the Bank can do better: more than half of the write-in survey comments point out limitations in progress toward policy change or said it was hard to tell whether improvements had been made.

“[We are] not an activist organization, partly because we are realistic. Some of our funding comes from the sources we might wish to influence. We want to be seen as constructively shaping the agenda as constructive players... Most of what [we] advocate for is not that controversial... As an institution we focus on those fora where there is substantive debate about programs.”

“Dialogue on policy papers has raised awareness of gaps (e.g. development effectiveness paper needs more focus on Africa and gender).”

“Recently it’s hard to tell... in the past [we] succeeded in encouraging the Bank to be more active in family planning.”

“[We participated] in the worldwide Jubilee movement for debt cancellation. One result was the PRSP process and another was the enhanced HIPC initiative. [The] PRSP process has galvanized important civil society participation and cross-fertilization in a number of countries... The partnership mandate and the country-ownership requirement remain problematic [in that those goals remain unfulfilled].”

“We’ve made policy recommendations, and wish the Bank would follow them! So far, it has been only so-so.”

From the perspective of World Bank staff members, the involvement of InterAction Members and other civil society organizations has improved World Bank policies, including the IFC Disclosure Policy, a Transitional Support Strategy in one country, and participation policy.

“Although indirectly, we worked with [InterAction Member] in capacity building for NGOs in the PRSP process. The PRSP debate greatly improved due to the work of [InterAction Member]... demand for government transparency greatly improved.”

“Consultation with NGOs provides a ‘reality check’ of our perceptions.”

Benefits are worth the costs. Although *ad hoc* comments heard prior to the survey suggested that both InterAction Members and World Bank staff were concerned with the costs of policy engagement,

the findings suggest otherwise: the majority of respondents in both groups agreed that the benefits are worth the costs. *There appear to be two main kinds of reasons: (1) the potential for substantive impacts on poverty*

reduction and (2) the relative power of the other group. World Bank staff value the knowledge and expertise about grassroots community development brought by InterAction members and other CSOs. Whereas InterAction members see the Bank as a key player with significant influence on development policies and programs globally, World Bank staff members acknowledge the public credibility that engagement with CSOs can bring. Responses from InterAction members include the following:

“Dialogue and advocacy with the World Bank and our national government have shown the possibility of changing policies, which although not dramatic in nature, over time have tremendous potential to improve the impact of policies and program (sic) especially on impoverished communities and on the environment.”

From the perspective of World Bank staff members, the involvement of InterAction Members and other civil society organizations has improved World Bank policies

“It is often very difficult to see if policy input has any impact on the Bank. We are VERY reluctant to recommend that Southern partners engage in policy discussions.”

“While [we] have devoted staff time to policy dialogue [we have] ... insufficient resources to continue to do this without the benefit of some operational partnerships.”

Impact on relations with country CSOs. InterAction members and World Bank staff say that policy interactions have strengthened their relations with country CSOs. As in their operational relations, both groups assert that their relations with country CSOs are independent of their relations with each other. Policy engagement with the Bank has led some InterAction members to expand their relations with country CSOs.

“The need to gather information and analysis on PRSP and HIPC implementation led to our developing relationships with civil society organizations that are engaged in PRSP and/or debt issues, in Zambia and Nicaragua (formally) and Bolivia, Honduras, Malawi, Mozambique, and elsewhere.”

Some InterAction members also bring country CSOs to participate in dialogues in Washington DC: *“We should recognize that I[n]ternational] NGOs offer a very privileged position because of our location. We have regular opportunities to interact with Bank staff and do so above the country mission level with policy folks. We share a language and culture, we understand the political levers and as a result have more leverage.... We should be sensitive to our position and coordinate with other CSOs to channel their voice into these meetings. We have done this with some of our research projects, bringing CSOs to [the] US and to D.C. to engage with Bank staff on strategy in energy sector work.”*

African CSOs reported that these kinds of joint efforts with InterAction members to influence policy are satisfying when they share the same views and work together on joint campaigns, e.g. when ‘we speak with one voice.’

For their part, the African CSOs reported that these kinds of joint efforts with InterAction members to influence policy are satisfying when they share the same views and work together on joint campaigns, e.g. when *“we speak with one voice.”* They gave an example from Ghana in which the Bank had provided funds to Ghanaian NGOs and international counterparts to lobby the government about regulations governing NGOs in the country.

World Bank staff members also find the combined participation of InterAction members and country CSOs very useful. They cite the efforts of some InterAction members to coordinate and facilitate country CSOs’ participation in dialogues at country and global levels on issues including the Structural Adjustment Participatory Review Initiative (SAPRI), HIV/AIDS, and poverty analysis.

“I sit on the International Forum on Indonesian Development (INFID) in Indonesia... [which includes] CSOs, INGOs, and GOs. [Since its initiation]...15 years ago, INFID has ...[developed] a more sophisticated relationship with the World Bank and GOs...They have done a marvelous job structuring a constructive dialogue. INFID... could be an example of best practice. The Bank is also more sophisticated about its engagement with CSOs, increasingly using... political leverage with the government to make engagement more meaningful. The secretariat of INFID is Indonesian. Bank staff engage with INFID.”

At the same time, numerous World Bank staff members said that they have few relations with InterAction members in policy formulation and dialogue, as compared to country CSOs. Reasons may lie either with the Bank’s lack of outreach to InterAction members or with InterAction members’ decisions to not participate in certain kinds of policy

engagement.

“There are few advocacy oriented NGOs [here]... with links to InterAction organizations.”

“We have not done a lot of consultations with InterAction members and the international NGOs have not been explicitly targeted as a community. All consultations, where they have taken place, are dominated by national NGOs.”

“We invited country CSOs to the consultations, not the InterAction members.”

“One key event stands out, the renegotiation of the largest adjustment loan (about \$600 million) and the design of social safety nets. There was an early consultation that explored 6 key programs. Initially the INGOS came to the consultation, but when the consultation got specific, they dropped out, demonstrating relatively little interest.”

“There are some exceptions, [two InterAction members here]... are more active and support their partners in-country to allow them to engage in these types of fora.”

Expectation to continue policy engagement. More than 90 percent of both groups expect to continue their relations in the future, for reasons similar to those explaining why the benefits are worth the costs. Several InterAction Members commented that they are mandated to influence the World Bank, while one felt that there were increasing opportunities to be heard in their particular sector. World Bank staff again noted the resources InterAction members bring to policy engagement, such as co-financing and expertise. Examples of policy areas in which both groups expect to collaborate include the Country Assistance Strategy (CAS), Poverty Reduction Strategy Papers (PRSP), Country Gender Assessment, policy dialogues, and

project design.

Causes for concern: the implementation of new policies by the World Bank.

InterAction Member respondents see a gap between policy change and policy implementation in a variety of areas, including consultation practices and loan policies. They see a great deal of variation across the Bank by sector and by geographic location. Two cautioned that the implementation of PRSPs remains problematic, while another cited positive experience with Trust Funds and debt relief, but negative experience in attempting to open board meetings to the public. For another, *“correcting the disconnect between the PRSP process and the Bank’s lending process remains a key challenge.”*

In comparison, World Bank respondents also note variation in progress with policy implementation, but most say they are satisfied or neutral and point to specific positive experiences with implementation, e.g. IFC, the South Asia Regional External Affairs office in Nepal, consultations in Croatia and Bangladesh. *“New policies included emerging issues and were better suited to current realities,”* said one staff member about the Bangladesh experience.

Given these responses about progress in policy implementation, follow-up interviews were conducted with selected representatives of each group in Washington, D.C. and at country level. The following discussion summarizes the additional insights gained into the concerns of InterAction members with the pace of policy implementation within the Bank. Where possible, the views of World Bank staff members on these issues also are reported.

InterAction members voice three main concerns with the pace and depth of policy implementation in the Bank:

InterAction members are particularly concerned with poor management of consultation processes and lack of attention to analytic differences in poverty analysis and economic policy prescriptions.

1. PRSP and other policy consultation practices remain uneven and weak.
2. The Bank is not open to dialogue about economic policy, especially critiques of Bank-recommended policy frameworks.
3. Institutional change within the Bank has been slow and *ad hoc*, leading to doubts about the Bank's actual commitment to civil society engagement and poverty reduction. Many suspect that their involvement with the Bank is being used to create an appearance of engagement while "business as usual" continues at important levels of decision-making.

Unevenness of PRSP and other policy consultation practices. InterAction members are not as critical as some groups, such as Focus on the Global South, or the Participation Group of the Institute for Development Studies in Sussex, UK, but they point to serious problems with policy consultations to date. InterAction members are particularly concerned with poor management of consultation processes and lack of attention to analytic differences in poverty analysis and economic policy prescriptions.

Problems with the Bank's management of consultation processes include the uneven consultation practices across the institution, the lack of sufficient time to engage in substantive dialogue, and the lack of follow-up. InterAction members note that their input at times does not have much weight within Bank decision-making processes, and they seldom hear back from the Bank about the outcomes of further policy-making processes.

"We have been involved in the PSD [Private Sector Development] strategies as consultants to the energy sector. Overall I have been profoundly disappointed by these processes... they are often not professionally managed. For example, the Bank convened a technical advisory group for the forest

policy meeting in early January 2001. The strategy paper that was to be the subject of that meeting was emailed to us all at 8 pm on December 25th. Most people were on vacation and didn't get the paper in time to read it. Really these engagements are much less consultative than we had hoped. That is not to say they are all bad. Sometimes the OED is well used. But more significant is that the Bank tends to disregard input."

"There is a clear distinction between policy dialogue and project development. Consultations on the development of a project are quite different. The legal department never re-writes economic and sector pieces. But it is very different for project documents. There the legal department has a clear role."

"[We decided to participate] in PRSP consultations because the government appeared to be firmly in the driver's seat [rather than the Bank]. [Only] one time it felt risky... uncomfortable. The Bank refused to include comments from the [community] asking for increased subsidies for agriculture and credit [saying that] it went against internationally accepted best practice."

Several World Bank staff members warn that it is difficult for input from civil society organizations to influence the Bank when their analyses are not seen as credible: "A paper on trade policy was discarded by one of my colleagues because one part of the analysis was not accurate – it said the Bank had supported shrimp farming when in fact it had not. Because of this single inaccuracy, the entire paper was thrown out."

Several World Bank staff members warn that it is difficult for input from civil society organizations to influence the Bank when their analyses are not seen as credible.

Lack of World Bank openness to dialogue about economic policy, especially critiques of the policy frameworks it

recommends. This issue emerged in the InterAction focus group and several follow-up interviews. The perception of a lack of openness on the part of the Bank is created in several ways. One is the problem

of poor management of consultation practices, as highlighted in the last quote by an InterAction member above: in this instance, the Bank violated norms of consultation by deleting the input regarding the need for subsidies. Discomfort was amplified because of the reason given, e.g. it went against “best practice,” as if no alternative policy framework that would include the use of subsidies to promote poverty reduction exists.

At the same time, many InterAction members are quick to cite positive experiences that they have had with the Bank. They would like to see a dramatic increase in institutional efforts by the Bank to scale up and replicate these kinds of behaviors. InterAction members attribute positive experiences to date either to special windows in the Bank that have been set up explicitly to partner with others, or to the skills and attitudes of individuals in key leadership roles.

with the overall environment... There are moments of difficulty [with senior levels] when we have to lose control a bit, lose some quality, something the Bank has a hard time with... but what they need to understand is that it will lead to change.”

Ad hoc and voluntary nature of institutional changes within the World Bank. This has led InterAction members to question the Bank’s actual commitment to civil

Another issue is the observation by several InterAction members that the advances made in developing poverty reduction strategies have not yet influenced the Bank’s practices in making loans to country governments. These policies are seen as the major “business” of the World Bank, yet they are not seen to have been influenced by the rhetoric and dialogue on poverty reduction.

Some World Bank staff members acknowledge this gap in the dialogue: *“In the case of PRSP, the Bank has generally been diligent in encouraging and even facilitating deeper CSO participation. But universally there has been little movement in encouraging or facilitating CSO engagement in the setting of macroeconomic objectives. The Fund and the Bank are perceived to be ambivalent or even ‘closed’ on that issue.”*

However, another World Bank staff member reported that poverty analysis does influence sector staff, even if the sense of progress can seem slow: *“Increasingly, when we talk about what we’ve done [in] team meetings and retreats... we’re asked to talk about how we’ve worked in partnership with civil society and the government... It’s important not to overstate, but sector staff are more obliged to see the bigger picture. They think not just about their different projects, but how they might interact*

society engagement and poverty reduction. For some InterAction members, the constraints experienced in their operational collaboration with the Bank are an important indicator of the absence of a genuine commitment to engagement with civil society organizations. InterAction members would like to see more concrete and systematic evidence of the Bank’s “partnership mandate.”

“The lack of official policy for engaging civil society translates into management issues. No clear and accountable strategy exists... There are papers and staff, but they are not official, not accountable. They just absorb input by NGOs. The lack of a strategy of accountability is the largest issue.”

At the same time, many InterAction members are quick to cite positive experiences that they have had with the Bank. They would like to see a dramatic increase in institutional efforts by the Bank to scale up and replicate these kinds of behaviors. InterAction members attribute positive experiences to date either to special windows in the Bank that have been set up explicitly to partner with others, or to the skills and attitudes of individuals in key leadership roles.

Three such windows were named by InterAction members as representing **improvements** over normal

Bank practice:

- In **Business Partners for Development**, the Bank is cited as playing a genuine convening role.
- In the **Post-Conflict Fund** the procedures are seen to be more streamlined and less time-consuming than the normal ones.
- Relatively **recent leadership changes in CGAP** have also made it proceed with greater attention to its role as a convener of stakeholders in the area of microfinance, rather than merely to its donor role.

African CSO leaders agree that individual country directors can make a huge difference in their experience of relations with the World Bank at the country level.

Partnership-oriented individuals in more traditional roles as country directors and task managers can also create a more positive environment for InterAction member relations. Much of the credit for the positive experiences in the Asian country noted above in the section on operational relations (see page 23), was attributed by InterAction members and Bank staff to the attitudes and skills of the leadership team at the country level.

From an InterAction member:

“The country director has brought genuine commitment and has dedicated resources to consultations. ...All the Bank staff network. When you call you get an appointment. The country director regularly invites people for lunch at his home. I’ve been three times since arriving two years back... In general, I feel my input is taken seriously and influences the Bank ... Everyone [among NGOs] is worrying about what will happen [when the leadership team leaves at the end of the year]... Even those who are very critical of the Bank see the country director as a larger than life figure.”

From the World Bank staff member:

“I believe the individuals...will leave a legacy behind:...The presence of NGOs at joint meetings with the government. The government is willing to have them at the table[and has] opened permanent space for NGOs... NGOs need to carry on from their own side and be credible. This is what we’re supposed to be doing... what most World Bank staff know we’re supposed to be doing.”

African CSO leaders agree that individual country directors can make a huge difference in their experience of relations with the World Bank at the country level. They cited relatively positive experiences in Ghana and Tanzania that contrasted with very negative experiences in Nigeria and Benin.

In the final analysis, however, InterAction members would like to see the Bank adopt official authoritative policies that encourage partnership behavior by all staff members, rather than only by the visionary few. *“[The lack of official policy for civil society engagement] translates into uneven cooperation. Everything depends on individuals.”*

Suggestions by a World Bank staff member to institutionalize the progress made in one country highlighted the importance of both individual skills and structural position: *“It’s necessary to have a country director in-country with authority; [recruit] staff who can interact with different kinds of people and be respectful, staff who know how to work in partnership; staff who have analytical credibility... and can work cross-sectorally.”*

Another Bank staff member warns of the complexity of institutional pressures on and within the Bank: *“At the Bank, there is a variance in views of managers and the Board of Directors. The Bank moves with all of that international pressure, and it is a diverse organization internally. The World Bank is not the centralized France of Cardinal Richelieu but is more like the squabbling city-states of Renaissance Italy.”*

4. Recommendations to Strengthen the Relations:

Address Constraints and Explore Opportunities for Greater Synergy

Many InterAction members and World Bank staff share aspirations for poverty reduction and sustainable development, yet they bring different institutional identities and sets of resources, competencies, and constituencies to their operational collaboration and policy engagement. Given these differences, they may not always see eye to eye on the means and ends of poverty reduction, but according to the participants in this study from both InterAction and the Bank, their relations to date have led to some important gains.

InterAction members have seen World Bank policies improve in key areas like debt relief and poverty reduction strategies, even as dialogue continues on these and related issues. Many within the Bank have seen improvements in their operational programs and projects due to the knowledge of grassroots development and links to communities contributed by InterAction members and other CSOs. Professional and technical staff members from both InterAction and the Bank have enhanced their specialized knowledge and contacts through networking. According to the study respondents, these kinds of gains can and do translate into stronger development outcomes that reach poor and marginalized communities.

At the same time, for many InterAction members, and probably for some in the Bank whose views were not captured in the survey, their relations continue to be hindered by institutional differences that constrain the development effectiveness of policies and programs. Some of these differences may also lead InterAction members and the World Bank to miss opportunities for greater collaboration to achieve common goals for poverty reduction.

The following recommendations address five issues that were identified in the study as either constraints

or hidden opportunities. Most suggestions for action are addressed to the World Bank, since the balance of constraints reported were from InterAction members. However, some suggestions also are directed to InterAction member agencies. Recommendations target internal policies and practices within the Bank and InterAction member organizations that directly influence their institutional capacity to engage in effective external relations in three areas: operational collaboration, policy engagement, and general institutional relations.¹⁴

4.1. Strengthening Operational Collaboration

The single most important set of constraints to effective relations identified by the study is the procedural and related institutional barriers experienced by InterAction members in the start-up and implementation phases of operational relations with the World Bank and government counterparts. If these kinds of barriers, including difficult access to information, burdensome procedures, insufficient overhead, and rigid management, are experienced by InterAction members – among the largest civil society organizations globally, with high levels of administrative capacity – it is likely that they are experienced to an even greater degree by other smaller civil society organizations. Should the World Bank succeed in addressing the constraints reported by InterAction members, all kinds of civil society organizations should benefit, as should, ultimately, poor and marginalized people.

Issue 1: Costly and burdensome World Bank procedures and institutional practices encountered in the start-up and implementation phases of operational relations:

- Excessive procurement requirements, e.g. providing a guarantee of 10 percent - 30 percent, obtaining a Bank letter of credit, soliciting 3 bids for purchases over US \$50, etc.
- Undue legal risks and obligations embodied

- in formal contracts.
- Insufficient financial compensation, e.g. lack of advance payments to purchase supplies or provide necessary services, unrealistic allowable rates for administrative costs.
- Rigid management of contracts and schedules that constrain responsiveness to local realities.
- Lack of understanding of World Bank requirements by government agencies.
- Lack of user-friendly information about World Bank program priorities.
- Discouraging attitudes and messages from World Bank country office staff to civil society organizations.

Recommendation 1: Streamline and simplify institutional procedures and practices for entering into and managing operational relations with civil society organizations.

The benefits of streamlined procedures and practices within the Bank for operational collaboration with civil society should accrue to all committed to these relations. CSOs and the Bank would be able to enter into programs and projects more efficiently and flexibly. They should be easier for governments to implement and may encourage them to make similar reforms. CSOs would be able to manage projects more flexibly to respond to actual conditions. Other things being equal, they should be able to deliver higher quality services and extend them further through improvements in cost-effective use of staff time and administrative expenditures.

Other international donors have revised their internal procedures for operational collaboration with civil society organizations

Many multi- and bilateral development agencies have undertaken similar internal institutional reviews in order to collaborate with civil society organizations more effectively. InterAction members cite positive changes made by USAID.¹⁵ UNICEF is an exemplar

for multilateral institutions; its official policy was revised to provide guidance for staff at every stage of collaboration, from establishing the terms of civil society engagement in country programs with governments to guidelines for participatory project development, choices of legal agreements, to approaches to monitoring and evaluation of collaborative programs and projects (UNICEF Programme Division, July 2001). UNICEF, like other donors, has created tiered levels of funding with reduced reporting and accounting requirements for smaller amounts. This makes it more efficient for UNICEF and CSOs alike to engage in the kinds of programs and projects that reach grassroots communities, which usually involve less funding than government-executed programs.

Given only the findings of this study, it is difficult to recommend the best way to address these constraints. Multiple functions within the Bank are involved in establishing and overseeing these kinds of procedures, including programmatic, operational, financial, and legal functions. Changes would have to be made with the consent, if not commitment, of the highest-level management of these functions within the Bank. Resistance can be predicted from those less committed to civil society engagement, so high-level authority is necessary to ensure success. Authorizing a cross-functional committee to review procedures and identify specific changes is one approach. Regular meetings with an external committee of InterAction members and specialists could provide a mechanism for regular input and feedback that could both strengthen the work of the internal committee and build trust with the wider InterAction constituency that decisive and systematic change is underway.

Further work on these kinds of procedures and practices also should consider two related issues. First, as several World Bank staff pointed out, administrative, financial, and legal procedures are really tools that assist the Bank to implement its mission and policy objectives. Currently, the Bank's policy towards engagement with civil society is not sufficiently clear to provide effective guidance to country offices. Existing policy, *Good*

Practice 14.70, by definition is not binding, but only recommends good practices, according to civil society staff. It is also very general; it does not provide a framework that could assist country offices in making decisions about issues such as whether and how to include civil society in relations with country governments, or how to plan and manage project development processes that include authentic participation by the kinds of CSOs likely to bring success. The issues are too complex and dynamic to permit the use of tools like checklists, as some have proposed, but there is a need for better guidance at an institutional level to address the dilemmas and trade-offs of bringing civil society into the World Bank-government equation.

Second, joint efforts by the World Bank and InterAction members to address procedural and institutional constraints must also include serious efforts to include country-based CSOs. The focus group with African CSOs affirmed well-documented frustrations of Southern CSOs with operational roles in which InterAction members and the World Bank position themselves as “*big sisters*.” Heavy and rigid procedures from donors such as the Bank tend to be passed on and even tightened by intermediaries such as InterAction members. Given the good relations with country CSOs that both the Bank and InterAction member agencies report, any new committee to review and revise procedures should also include representatives of CSOs as well as headquarters and country- office level officials from the World Bank and the larger InterAction members.

4.2 Strengthening Policy Engagement

InterAction members have acknowledged the relatively recent efforts by the Bank to respond to civil society pressure for more effective policies to reduce poverty. Many appreciate the outreach by the Bank to consult civil society in some areas of policy formulation. Yet InterAction members are not alone in pointing out that the quality of the Bank’s consultation practices varies widely and often is very unsatisfactory.¹⁶

Issue 2: Uneven and weak policy consultation

practices by the World Bank:

- Lack of sufficient time to review documents, prepare input, consult with constituencies, etc.
- Lack of follow-up by the Bank to inform those consulted of the decisions taken as a result of the consultation.
- Lack of engagement on issues and critiques of Bank-recommended economic policy.
- Lack of internal consistency between poverty reduction strategies and loan policies.

Recommendation 2: The World Bank should continue to improve its policy consultation practices so that civil society participants perceive them to be legitimate (i.e., transparent and accountable) processes even when they do not agree with the policy outcomes.

Recent efforts by the World Bank to develop a set of institution-wide policies and practices for consultations with civil society are a positive step. The specific issues raised above need to be addressed, along with others noted by different civil society constituencies. Several InterAction members say they would like to be consulted about how to design and implement the consultation procedures themselves, which would assist the Bank to develop practices that are perceived as more legitimate by those whom they wish to consult.

Of course, there are serious challenges to developing a set of practices that can improve the Bank’s capacity to consult throughout its decentralized system and satisfy its diverse global civil society constituencies. While the practice of systematic consultation is still somewhat nascent in most bureaucracies like the World Bank, civil societies are so diverse that norms and counterparts considered legitimate in one context may be rejected in another.

Interested staff from the Bank and InterAction members, with other CSOs, could experiment with techniques for organizational development through

meta-dialogue, or dialogue about how to engage in effective dialogues. Such efforts could increase

mutual understanding and reduce the levels of tension and miscommunication that characterize much of their current experiences.

4.3 Institutional Development for Strengthening Civil Society–World Bank Relations

The last three recommendations address ways in which the World Bank and InterAction members can develop their internal institutional capacities for effective engagement. It is far beyond the scope of this study to chart the courses for successful institutional change, especially in organizations of the size and complexity of the World Bank and the larger InterAction members. In his speech to the InterAction Forum (June 2002), James Wolfensohn likened the governance of the Bank, a multilateral institution, to that of InterAction, a membership organization of development and relief NGOs. Neither one, he suggested, was easily moved by directives from the senior executive level. Several of the larger InterAction members are also quite complex since they are governed as part of international alliances and federations. Nevertheless, several directions for positive institutional change can be suggested that, other things being equal, would position the agencies to improve their relations with each other.

Issue 3: The slow and seemingly *ad hoc* pace of institutional change within the World Bank to engage effectively with civil society.

Several InterAction members express great frustration with the uneven cooperation from the Bank and have come to doubt the Bank's avowed commitment to civil society. They say their involvement has led them to feel used by the Bank as window dressing to create a public perception of cooperation with civil society even as "business as usual", immune to the rights and considerations of poor people, continues behind closed doors. To the extent that the World Bank genuinely seeks to build

effective relations with civil society, this is a serious warning signal.

Recommendation 3: Demonstrate a more decisive and systematic level of institutional development within the World Bank to engage with civil society.

Some within the World Bank believe that the criticism of the Bank's commitment to poverty reduction by civil society is a function of misunderstanding. With better information about the Bank's programs, they argue, CSOs will come to appreciate its role and contributions. To the contrary, this study reveals that many InterAction members are well informed about the World Bank's policies and programs through their direct experience. Solutions lie neither in better communications strategies nor in increasing the number or funding of special programs to engage civil society. Instead, many InterAction members are looking for strong and authoritative measures within the Bank that will bring greater consistency of civil society engagement by the Bank at all levels. Two directions for improvement are suggested here.

(3a) Revise and strengthen official World Bank policy and practical guidelines for relating with civil society.

As noted above, the Bank's primary policy statement, *Good Practices (GP) 14.70*, is non-binding and quite general. It does not address the practical dilemmas and issues faced by World Bank staff at the country level, such as the extent to which to encourage government officials to involve civil society in services or the criteria that should be used in selecting civil society partners.

Much debate exists within the Bank and among Bank observers concerning the best way to guide the behavior of World Bank staff to achieve institutional objectives. One group believes that authoritative official policies are needed; while the other argues that excessive internal policies and regulations hinder professional judgment and creativity. That said, to the extent that the Bank

wishes to communicate its commitment to civil society engagement, it is difficult to see how it can do so without an up-to-date official policy.

(3b) Update World Bank human resource policies for recruitment and promotion to include incentives and evaluations related to performance in civil society relations.

If civil society engagement is indeed central to the World Bank’s commitment to poverty reduction, partnership skills are as important as technical expertise in hiring and promotion decisions. Promotion and salary incentives for creating good relations with civil society that bring real impact to poverty reduction could be institutionalized along with disincentives for failure to do so.

Issue 4: InterAction members often have difficulty in gaining access to World Bank country offices, while World Bank staff members are primarily oriented to country-based civil society organizations and national institution building.

Although practices among InterAction members vary a great deal, their country programs typically focus on the community level. Staff members tend to be concerned with the practical and social issues of implementing programs and projects with communities. They can be less aware of and involved in national policy issues. At times, this is a strategic choice to ensure their legitimacy as independent humanitarian actors, but it can be simply a *de facto* artifact of their people-to-people values about development work.

World Bank offices, on the other hand, operate within comprehensive national policy frameworks that are increasingly debated and discussed with governments and increasingly with other

stakeholders, including civil society. World Bank staff seek to support programs and projects that build national institutional capacity. To the extent that InterAction members are absent from legitimate

roles in national policy-making arenas and fail to position themselves effectively vis-à-vis institutional capacity strengthening objectives of country-based CSOs and governments, they are missing opportunities to engage productively with the World Bank.

To the extent that InterAction members are absent from legitimate roles in national policy-making arenas and fail to position themselves effectively vis-à-vis institutional capacity strengthening objectives of country-based CSOs and governments, they are missing opportunities to engage productively with the World Bank.

Recommendation 4: InterAction members can increase their opportunities to engage with the World Bank by expanding their involvement in national issue-oriented forums.

Where political and institutional considerations permit, InterAction members can increase their exposure to Bank staff, country CSOs, and relevant government agencies through participating in various forums where poverty-oriented issues, policy and programs are discussed. Such exposure can build the social capital that fosters engagement, including knowledge and understanding, as well as interpersonal and professional relations.

Through such involvement, InterAction members also can expand their direct knowledge of country CSOs. The civil society associations and networks that participate in these kinds of activities usually represent broad constituencies, as compared to the smaller community-based groups with whom InterAction members often relate in operational programs and projects. Ideally, the additional exposure and information-sharing gained in national forums will foster the development of operational relations that better fit the respective institutional objectives and capacities of InterAction members, country level CSOs, governments, and the World Bank.

Issue 5: To some degree, there exists a lack of mutual understanding between InterAction members and World Bank staff, which can lead to unproductive engagement and missed opportunities to work together for poverty reduction.

Most of those involved in a range of inter-institutional relations between civil society organizations like InterAction members and the World Bank would acknowledge that these relations are often marred by unproductive conflict and miscommunication. Conflict can be productive when it leads to increased understanding and change. The last recommendation suggests relatively easy and low-cost steps that can be taken by both the World Bank and InterAction members to improve their capacities to communicate.

Recommendation 5: Leverage the professional and technical exchanges as opportunities to increase cross-institutional understanding.

Both InterAction and World Bank staff appear to appreciate their involvement in these kinds of exchanges. Interested managers and staff within InterAction member organizations and the World Bank may be able to increase the extent to which these linkages serve as bridges between different institutional contexts that build mutual understanding.

Of course, the value of these exchanges to the individuals involved is often associated with their informal nature. They are voluntary and often are best experienced as spontaneous and self-organized relations. Formal actions to encourage these exchanges should retain as much of these beneficial characteristics as possible. One idea is to increase the use of staff secondments across institutions. Another is to encourage those involved to contribute to internal organizational learning through means such as memos, reports, brown-bag lunch sessions, workshops, etc. These kinds of actions may seem small-scale, especially in comparison to the other recommendations suggested above, but they could be implemented fairly easily and would be satisfying

to those involved. Over the long term, a better quality of mutual understanding can only support the development of more effective relations to reach shared goals for poverty reduction and sustainable development.

References

- Abugre, C. (1999). *Partners, Collaborators, or Patron Clients: Defining Relationships in the aid industry. A Survey of the Issues*. Prepared for CIDA by ISODEC, Ghana.
- Ashman, D. (2001). *Strengthening North-South Partnerships for Sustainable Development*. *Nonprofit and Voluntary Sector Quarterly*. 30 (1) 74-98.
- Edwards, M. and Hulme, D., Eds. (1996). *Beyond the Magic Bullet*. Kumarian Press: Hartford, CT.
- Fox, J. and Brown, L.D., Eds. (1998). *The Struggle for Accountability*. MIT Press: Cambridge, MA.
- Herman, R.D. and Renz, D.O. (1999). *Theses on Nonprofit Organizational Effectiveness*. *Nonprofit and Voluntary Sector Quarterly*. 28(2) 107-126.
- InterAction (2000). *Mutual Accountability in African Development Relationships*. Africa Liaison Program Initiative. Washington, D.C.
- McGee, R., Levene, J. and Hughes, A. (2002). *Assessing Participation in Poverty Reduction Strategy Papers: A Desk-Based Synthesis of Experience in Sub-Saharan Africa*. Research Report 52. Institute for Development Studies, Sussex, UK.
- World Bank Operations Evaluation Department (2002). *Non-Governmental Organizations and Civil Society Engagement in World Bank Supported Projects: Lessons from OED Evaluations*. Lessons and Practices No. 18.

Appendix 2

Satisfaction with Operational Relations and Amount of Funds Received by InterAction Members

In order to explore the relationship between satisfaction with operational relationships with the Bank and the amount of funds received by InterAction members we developed a cumulative index of satisfaction. The five categories were assigned a numerical value: “strongly disagree” received a value of -2, “disagree” = -1, “neutral” = 0, “agree” = 1, “strongly agree” = 2. These were summed over five of the seven questions about operational relationships with the World Bank. InterAction members were asked to report the range of funds received in the following ranges (multiples of \$1,000): 0 – 59; 60 – 249; 350 – 499; 500 – 999; and greater than US\$1 million. In the absence of a discrete figure for the total sum of funds received, each InterAction member was assigned the mean of the range that they reported. The mean of the upper range was chosen arbitrarily to be \$1.5 million.

Figure 1 (next page) plots the distribution of the cumulative satisfaction index against the receipt of funds. Clearly, the distribution is disperse. The cumulative index for the 12 observations was regressed against the mean of the funds. A number of simple linear and log-linear specifications were chosen. The results indicate no clear relationship between cumulative satisfaction and the receipt of funds. The best fit was given by the following specification (t's in parentheses) and is graphed in Figure 1:

$$\text{Cumindex} = 0.092 + 0.004 * \text{funds} - 0.000002 * \text{funds}^2$$

(0.064) (0.645) (-0.584)

$$R^2 = 0.05$$

$$\text{Adj. } R^2 = -0.17$$

$$F(2,9) = 0.22$$

References

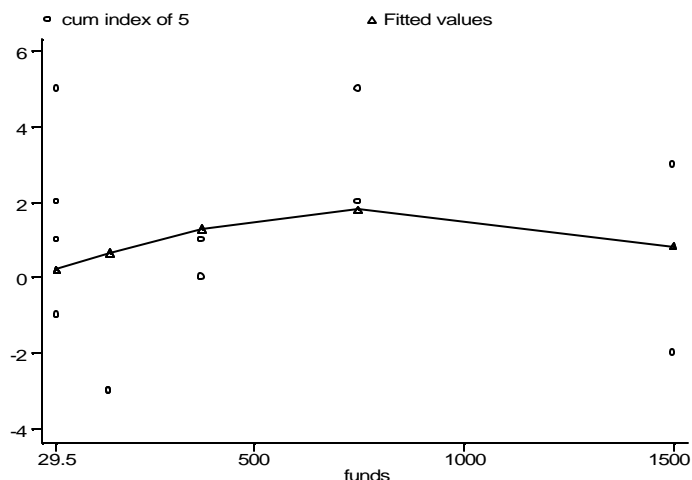
Hadi, A. S. (1992) “Identifying Multiple Outliers in Multivariate Data,” *Journal of the Royal Statistical Society, Series B*, No. 54, pages 761-771.

Endnotes

¹ These questions summarized the responses of the InterAction organizations to specific concerns about logistical and procedural constraints to fulfilling contracts: receiving adequate information, management of the project by World Bank staff, receipt of financial resources as well as the perceived development outcome.

² No observation was excluded using the Hadi outliers technique developed by Hadi (1992). Classical outlier tests based on the Mahalanobis distance and Wilks' tests are useful when the data contain only one outlier, but the power of these tests decreases rapidly with the number of outliers.

Cumulative Satisfaction with Operational Relationships



Endnotes

¹ Minutes of meeting of InterAction members with World Bank President Wolfensohn, 11/27/02.

² 'Survey Report on PVO-World Bank Relations'. (1997). InterAction's World Bank Project.

³ To see the two questionnaires, visit: www.interaction.org/development/wb/index.html.

⁴ The World Bank sought to reach a cross-section of geographic, sectoral, and divisional representatives, and especially civil society specialists who would have had experience with civil society relations.

⁵ The InterAction Annual Forum is an annual meeting of InterAction membership that includes plenary meetings and workshops on topics of interest and concern. President Wolfensohn has been featured speaker at plenaries, including in June 2002. Bank staff frequently participate in the workshop sessions. Participants in the focus group set up for this study were selected by the World Bank and InterAction to represent a cross-section of experience and opinion within their institution or membership.

⁶ Again, the World Bank and InterAction identified respondents as being well informed about the specific issue on which they were to be interviewed.

⁷ Due to institutional constraints, the survey was reviewed by several individuals in each institution, rather than administered to a sample in a pre-test. As the data was analyzed, it became clear that some responses needed to be re-categorized. Some respondents said they had "no relations" when in fact they answered several questions about level and quality. Follow-up calls revealed that they thought a "relation" had to be project-based. Since their interactions were informal, they marked "no". Yet in the study's conceptual model of relations, these kinds of interactions were included, so again the data was re-classified. Other respondents described a third kind of relation in which they exchange professional and technical information.

⁸ Grants and specialized funds (InfoDev, Trust Funds, Small Grants, GGAP, GEF, Post-Conflict Fund)

⁹ Government programs and Social Funds

¹⁰ Figures reported in thousands.

¹¹ Respondents were asked to indicate which category best described their opinion about given statements, given a range including strongly agree, agree, neutral, disagree, strongly disagree, or no opinion. Throughout the remainder of the report, the method of combining ratings is used to discuss the results, e.g. “agree” includes both “agree” and “strongly agree”, and “disagree” includes both “disagree” and “strongly disagree”. “Satisfaction” is suggested by high rates of agreement, whereas “dissatisfaction” is indicated by low rates of agreement and/or high rates of disagreement. Low rates of agreement accompanied by high rates of neutral responses and low rates of disagreement suggest ambivalence, neither satisfaction nor dissatisfaction.

¹² “agree” includes all agree + strongly agree responses

¹³ “disagree” includes all disagree + strongly disagree responses

¹⁴ Gathering definitive data about actual policies and practices of the Bank or InterAction members through methods such as observation and document review was beyond the scope of this study. Recommendations may need to be adapted to institutional realities. Moreover, recommendations are based on the assumption that improving these relations is a key goal of InterAction members and the World Bank. These institutions operate within complex and dynamic environments that include multiple stakeholders. The implications of decisions to improve relations with one stakeholder (or set of stakeholders) for other stakeholders must also be considered.

¹⁵ See “Partners or Hired Hands?” for an early discussion of similar issues. The author, Scott Overall is a lawyer who is said to have facilitated constructive interaction between USAID and InterAction members.

¹⁶ See various studies by the Participation Group at IDS as well as internal reviews by World Bank staff.

InterAction Members

Academy for Educational Development
 ACCION International
 ACDI/VOCA
 Action Against Hunger/USA
 Adventist Development and Relief Agency International (ADRA)
 The Advocacy Institute
 African Medical Research Foundation
 AME-SADA
 Africare
 Aga Khan Foundation USA
 Aid to Artisans
 Air Serv International
 Amazon Conservation Team
 American Friends Service Committee
 American Jewish Joint Distribution Committee
 American Jewish World Service
 American Near East Refugee Aid
 American ORT
 American Red Cross /Int'l
 American Refugee Committee
 AmeriCares
 America's Development Foundation
 Amigos de las Americas
 Ananda Marga Universal Relief Team
 Baptist World Alliance
 B'nai B'rith International
 Bread for the World
 Bread for the World Institute
 Brother's Brother Foundation
 Campaign for Tobacco-Free Kids
 CARE
 Catholic Medical Mission Board
 Catholic Relief Services
 Center for International Health and Cooperation (CIHC)
 Centre for Development and Population Activities (CEDPA)
 Childreach/Plan International
 Children International
 Christian Children's Fund (CCF)
 Christian Reformed World Relief Committee (CRWRC)
 Church World Service
 Citizens Democracy Corps
 Citizens Network for Foreign Affairs
 Concern America
 CONCERN Worldwide U.S., Inc.
 Congressional Hunger Center
 Counterpart International
 Cross-Cultural Solutions
 Direct Relief International
 Doctors of the World
 Doctors Without Borders (MSF)
 The End Hunger Network
 Enersol Associates
 Enterprise Development International
 Episcopal Relief & Development
 Ethiopian Community Development Council
 FINCA International
 Floresta
 Food For The Hungry, Inc.
 Freedom From Hunger
 Friends of Liberia
 Gifts In Kind International
 Global Health Council
 GOAL USA Fund
 Global Links
 Health Volunteers Overseas
 Heart to Heart International
 Hebrew Immigrant Aid Society
 Heifer Project International
 Helen Keller Worldwide
 Holt International Children's Services
 The Hunger Project
 Immigration and Refugee Service of America
 Institute for Sustainable Communities
 Institute of Cultural Affairs
 Interchurch Medical Assistance International Aid, Inc.
 International Catholic Migration Commission (ICMC)
 International Center for Research on Women (ICRW)
 International Executive Service Corps
 International Eye Foundation
 International Institute of Rural Reconstruction
 International Medical Corps
 INMED
 International Orthodox Christian Charities (IOCC)
 International Reading Association
 International Relief & Development
 International Relief Teams
 International Rescue Committee
 International Women's Health Coalition
 International Youth Foundation
 Islamic American Relief Agency USA
 Jesuit Refugee Services/USA
 Katalysis Partnership, Inc.
 Korean American Sharing Movement
 Latter-Day Saint Charities
 Laubach Literacy International
 Lutheran World Relief
 MAP International
 Margaret Sanger Center International
 Medical Care Development Mercy Corps
 Mercy USA for Aid and Development
 Minnesota International Health Volunteers
 Mobility International USA
 National Council of Negro Women
 National Peace Corps Association
 Near East Foundation
 Northwest Medical Teams
 OIC International
 Operation USA
 Opportunity International
 Oxfam America
 Pact
 Partners for Development
 Partners of the Americas
 Pathfinder International
 Physicians for Human Rights
 Physicians For Peace
 Planning Assistance
 Points of Light Foundation
 Population Action International
 Population Communication
 Population Connection
 Presbyterian Disaster Assistance and Hunger Program
 Project Concern International
 Project HOPE
 Quest for Peace/Quixote Center
 Refugees International
 Relief International
 RESULTS, Inc.
 Salvation Army World Service Office
 Save the Children
 SHARE Foundation
 Sierra Club
 Solar Cookers International
 Stop Hunger Now
 The Synergos Institute
 Trickle Up Program
 Unitarian Universalist Service Committee
 United Jewish Communities
 United Methodist Committee on Relief
 United Way International
 U.S. Association for UNHCR
 U.S. Committee for UNDP
 U.S. Fund for UNICEF
 Volunteers in Technical Assistance (VITA)
 Winrock International
 Women for Women International
 Women's EDGE
 Women's Environment and Development Organization
 World Concern
 World Education
 World Emergency Relief
 World Hope International
 World Learning
 World Relief
 World Rehabilitation Fund
 World Resources Institute (WRI)
 World Vision
 YMCA of the USA



1717 Massachusetts Ave., N.W.
Suite 701
Washington, D.C. 20036

E-mail: ia@interaction.org
Web: www.interaction.org
Phone: (202) 667-8227
Fax: (202) 667-8236