



# ANNEX 3: Stocktaking of Citizen, Stakeholder, and CSO Engagement in Investment Financing Projects Funded by the World Bank

## A. Citizen (CE), Stakeholder (SE), and CSO Engagement Policies in the World Bank Group

- 1. Four decades of engagement.** The Bank started its engagement with CSOs in 1981 when the World Bank board approved an operational policy note on relations with CSOs. As part of the 1997 Strategic Compact,<sup>1</sup> it set out to steadily increase its frontline staffing to involve civil society in its policies and programs and has come to regard multistakeholder approaches as an essential aspect of good development. In 2012, the Bank’s update recognized the importance of CSOs’ role in strengthening the demand-side aspects of accountability.<sup>2</sup> It notes that continuous, constructive engagement of civil society with governments to “express its legitimate needs and hold the state to account” (p. 17) contributes to better development outcomes. It committed the WB to “support processes that strengthen citizenship and enable citizen participation in policy decision-making and budgeting, as well as institutions and mechanisms that strengthen oversight and monitoring of the executive’s actions” (p. 8). In 2012, the [Global Partnership for Social Accountability](#) (GPSA) was launched to help build CSO capacity for such roles and affirmed that “social accountability—enables beneficiaries and civil society groups to engage with policymakers and service providers to bring about greater accountability and responsiveness to beneficiary needs.”<sup>3</sup>
- 2. Current engagement policies.** Building on these initiatives, as well as in recognition of the generally positive evidence (annex 1) of civil society (citizens, civil society organizations, and other stakeholders) engagement improving development effectiveness, the World Bank adopted a [Strategic Framework for Mainstreaming Citizen Engagement \(CE\) in World Bank Group Operations](#) in 2014. The Bank made a strong corporate commitment to

1 International Bank for Reconstruction and Development et al., [Assessment of the Strategic Compact](#), para. 3.38.

2 The World Bank’s 2012 update undertook to “support initiatives that enable greater openness in governments and closer interaction among citizens, the private sector and the state.” World Bank, [Strengthening Governance](#), box 1, para. 75–78.

3 [2013- Board paper on establishing GPSA](#) (p. iii).

“incorporating CE in 100 percent of projects that have clearly identified beneficiaries”<sup>4</sup> and committed to gathering beneficiary feedback in all lending operations and including reporting progress in the Corporate Scorecard (Tier 3) Indicators. In 2018, the [Economic and Social Framework](#) approved by the Bank’s board mandated that [stakeholder engagement plans](#) (SEP) be included in all investment projects approved by it.<sup>5</sup> Currently, the Bank does not have any policy statement in its [Operations Manual](#) dedicated to collaboration with CSOs. This contrasts with the Asian Development Bank and the Inter-American Development Bank, both of which have explicit policies for collaboration with CSOs.<sup>6</sup>

## B. Current Levels of CE, SE, and CSE: Knowns and Unknowns

- 3. Methodology and sources for stocktaking.** Based upon a desk review of publicly available information as listed below, a stocktaking of knowns and unknowns (information gaps) about CE/CSE/SE in World Bank–funded (including IDA/IBRD) operations was carried out (see annex 1 for details). Other relevant studies at the regional and/or country level may exist but have not been published. A search of the Bank’s [Open Knowledge Depository](#) did not reveal any recent reports on the implementation of CE.

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<sup>4</sup> World Bank, *Strategic Framework*

<sup>5</sup> World Bank, *Environmental and Social Framework*

<sup>6</sup> Asian Development Bank, “Promotion of Engagement with Civil Society Organizations”; Asian Development Bank, *A Sourcebook for Engaging with Civil Society Organizations*; and IADB <https://www.iadb.org/en/how-we-can-work-together/civil-society>.

**Box 1: Citizen and Stakeholder Engagement Mechanisms in Investment Project Financing (IPF) by the World Bank**

1. Meaningful consultations with stakeholders to receive inputs and respond to them during all stages of the project cycle. (Mandatory under ESS10)
2. Grievance redress mechanism (GRM) to receive and facilitate the resolution of project-affected parties' concerns and grievances related to the environmental and social performance of the project. (Mandatory under ESS10)
3. Beneficiary feedback collection on various dimensions of projects, such as effectiveness, quality, delivery time, transaction costs, targeting, resource utilization, and engagement processes. (Required by the IDA when beneficiaries can be identified)
4. Collaboration with citizens in decision-making processes and events to make the project more responsive to community needs and increase ownership by citizens. (Optional as agreed upon by the IDA recipient)
5. Citizen-led monitoring of service delivery, revenues, budget execution, procurement, contract awards, and budget execution to improve efficiency and reduce opportunities for corruption. (Optional)
6. Empowering citizens/communities with resources and decision-making powers on investments that meet their needs (e.g., CDD). (Optional)
7. Capacity building for CSOs, governments, communities, and national accountability institutions to engage and participate. (Optional)

Information Disclosure is mandatory under the Bank's [ESF ESS10](#) and [Access to Information Policy](#). It is considered an essential but not sufficient condition for effective CE. According to CE strategy, it is not a CE mechanism.

- a. A [2018 independent evaluation](#)<sup>7</sup> of the effectiveness of the [Strategic Framework for Mainstreaming Citizen Engagement in the World Bank Group Operations](#) (CE strategy)
- b. [Monitoring World Bank Citizen Engagement](#) research by the Accountability Research Center of the American University<sup>8</sup> (referred to hereafter as the ARC report)
- c. [Using Evaluative Evidence to Deliver Development Outcomes: A World Bank Group Management Report on Implementation of IEG Recommendations FY17-21](#), September 2021

7 Independent Evaluation Group, [Engaging Citizens](#).

8 Since 2017, the ARC has combined research and facilitated dialogue and capacity building to support civil society stakeholders in the global south to hold their governments and the World Bank accountable for citizen engagement. For details, see: "[Monitoring Civic Engagement in Development Aid](#)" (Washington, DC: Accountability Research Center, 2021).

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- d. Draft 2021 Citizen Engagement Annual Report by the Citizen Engagement and Social Accountability Global Solutions Group of the World Bank (not yet published)

**4. Key findings of the stocktaking are presented in table 1 below.**

**Table 1: Stocktaking of Citizen (CE), Stakeholder (SE), and CSO (CSE) Engagement in Investment Project Financing**

Knowns	Unknowns (Information Gaps)
<p><b>1. Stakeholder Engagement and Information Disclosure.</b> Mandated by <a href="#">ESF-ESS10</a> and <a href="#">AOI</a> Policies. IPF borrowers are required to prepare a Stakeholder Engagement Plan (SEP) and to maintain and disclose a record of consultation, feedback received, and how it was taken into account (para. 9, ESS10).</p>	
<p>The SEP describes plans for information disclosure, consultations, and grievance redress. According to the <a href="#">Implementation Update on ESF</a> (para. 11, annex 1), as of June 30, 2020, SEPs have been embedded in 540 projects involving \$63.4B of IBRD/IDA lending since the launch of ESF in 2018. Borrower staff are responsible for implementing SEPs but can supplement their capacity with external expertise, including CSOs.</p>	<p>* What % of IPFs have identifiable budget allocations and/or procurement plans for activities described in their SEPs?</p> <p>*Whether, where, and how much CSE in implementation of SEPs is planned at implementation, and how much of planned CSE is actually contracted?</p>
<p>An M&amp;E approach for ESF is yet to be developed and will include indicators. It will build on the Environment and Social Management System (ESMS). Progress reporting will be done annually, and a five-year review of ESF is planned for 2024 (para. 54 of the update).</p>	<p>* Arrangements for tracking and reporting of SEP implementation, good practices, lessons, and guidance notes.</p>



**2. Status of CE in IPFs (Findings from IEG and ARC studies and Draft 2021 Annual Progress Report)**

Mainstreaming of CE in IPFs was achieved by FY18 due to strong corporate commitment and monitoring. Progress is measured by three process indicators tracked by the Global Lead for CE (reporting to the director in SSI global practice):

(i) % of IPFs having a “citizen-centric design” defined as having at least one CE mechanism among the project activities at project approval (actual= 99% or 100% from FY18 to FY21)

(ii) % of IPF, at approval, that had “at least one beneficiary feedback indicator in their results framework” (actual= 95% in FY16 and 98% in FY21)

(iii) % of IPFs that report in Implementation Support and Results Report (ISR) on a beneficiary indicator (BFI) during the first three years of implementation (actual= 69% of IPFs approved in FY18 reported on BFI in FY21 ISRs)

Only the second indicator is included in the Corporate Scorecard and IDA Results Measurement System.

The Bank is “not sufficiently monitoring key elements identified in the [CE] as essential to ensure successful integration of CE in projects.” “Little investment has been made in generating robust evidence of what works, where, and why” (IEG, xvi). The WBG knew “very little about the implementation of CE engagement mechanisms, let alone about the results” (IEG, 19).

The CE team carries out annual reviews to assess the % of ISRs that report on beneficiary feedback indicators during the first three years of implementation but not for any other aspect of CE implementation. Its review of FY21 ISRs found compliance rates of 69% for the FY18 portfolio, 74% for the FY17 portfolio, and 92% for the FY16 portfolio.

\*Extent and quality of implementation of all the CE mechanisms planned in IPF + PforR approved during FY16-21.

\* Data on % of project cost allocated to CE? How, and how much, implementation of CE and/or TPM in IPFs is being financed? Adequacy of funding?

\*No analysis is available of the reporting on actual CE engagement in Implementation Completion and Results Reports (ICRs) and Implementation Summary of Results (ISRs). Such a review would be useful for preparing the proposed guidance note on CE in ICRs.

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According to the 2020 CE Annual Report, the types of mechanisms are distributed as follows. The top three are mandatory and present in almost every IPF.

		FY15	FY21
1	Consultations	34%	24%
2	Grievance redress	33%	29%
3	Beneficiary feedback (surveys)	11%	17%
4	Capacity building/ others/info	6%	13%
5	Collaboration	6%	2%
6	Citizen M&E and oversight (TPM)	5%	4%
7	Empowerment/ participatory planning	5%	10%

Note: Some of the FY15 and FY21 data may not be comparable. FY21 data includes FGD, info sharing, and membership in decision-making bodies that are not in the typology used in the CE framework and not used in FY15 data. The pie charts also show % share of each type of CE among all CE chosen (100% of projects). The IEG used a different approach with the projects as units for calculating what % of projects chose a particular type of CE mechanism. It found that 86% of 141 FY14-16 IPFs chose consultations; 67% grievance redress; 37% beneficiary feedback; 23% capacity building; 20% collaboration; 20% citizen M&E and oversight (TPM); and 9% citizen empowerment (figure 2.1, p. 14, IEG report).

Thick CE has steadily increased, and over 70% of IPFs used three or more mechanisms and 43% used five CE mechanisms or more (figure 3-1, draft 2021 CE report). This is good news but needs to be put in context of the fact that SE mandates two CE mechanisms in each IPF (see figure 1).

The FY21 Annual Report draws a valid conclusion that the diversity of CE mechanisms and the use of “thick” CE has increased. On the other hand, visualizing data using IEG methodology will tell us whether the use of nonmandatory CE mechanisms has increased or decreased at project level.

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<p>“Citizen monitoring, evaluation and oversight” is rarely included at design and even more rarely implemented. It was planned in 50 out of 256 projects covered by the IPF portfolio review (IEG, box B.5, p. 89). However, implementation happened in only one out of three completed projects (IEG, box B.8, p. 92).</p>	<p>*What are the reasons for the relatively low selection of citizen-led monitoring and/or TPM among CE activities chosen in IPFs?</p>
<p>Financing planned CE and SE activities in the IDA is to come from IDA credit/grant proceeds. Procurement for CE/SE activities is governed by the <a href="#">Procurement Regulations for IPFs</a>. CSOs are eligible to participate along with commercial entities. Occasionally external funding from trust funds may be arranged in parallel.</p>	
<p>The main constraints to the implementation of the CE agenda, according to Bank staff, are (i) internal-limited budget, time, expertise, and evidence that CE works; and (ii) external reluctance of client governments for CE and for funding it, worry about adding to project complexity, and limited CSO/government capacity (IEG, para. 2.35, figure 2.4).</p>	<p>* It is not known whether the main constraints to CE implementation, identified by the staff survey by the IEG, have been alleviated or aggravated in the five years since the survey. Anecdotal evidence and conversations with some of the frontline staff suggest that they have been aggravated due to the emergence and priority of SEPs, lack of implementation monitoring and evaluation, limited government and CSO/citizen capacity, and pandemic-related disruptions.</p>
<p>The ARC report examined CE in 57 projects in Mozambique, Myanmar, Nigeria, and Pakistan approved during FY15-17 to assess which projects went beyond minimalist approaches and demonstrated both depth and specificity in their CE commitments. It found that most projects planned on using multiple CE mechanisms throughout the project life cycle, but few explained how the CE commitments were to be implemented. Projects rarely included specifically dedicated funding for CE.</p>	



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<p>WBG management, in response to the 2018 IEG evaluation, committed to deepening CE depending on context; ensuring that indicators are more results oriented and reflect how the feedback loop was closed and how diverse stakeholders are included; and cultivating synergies between ESF and CE agendas while recognizing their differences.</p>	<p>* An update and relaunch of the 2014 CE strategy is warranted after seven years of implementation. It should take into account changes in context: the 2018 IEG evaluation, adoption of the Environment and Social Framework, and IDA20 commitments for CE. This update would provide a basis for expanded citizen/CSO engagement in service delivery and strengthened feedback loops, as well as strengthened roles for CSOs and citizens in monitoring and oversight of the implementation of IDA20-funded operations. Such a review would include consideration of how engagement can be adequately financed.</p>
<p>In September 2021, WBG management reported the following (as part of a broader report) to the board regarding CE: “In response to IEG’s recommendations, the Bank and IFC have taken steps to build more impactful and efficient approaches to engaging with citizens and clients, including through enhanced diagnostics, training, systems, and digital platforms.” The following are noteworthy:</p> <ol style="list-style-type: none"> <li>1. Three knowledge products highlighted, including CE in development policy loans</li> <li>2. Multistakeholder platforms established in more than 50 countries</li> <li>3. Only 62% of projects approved in FY17 reported on beneficiary feedback indicators within three years of approval</li> <li>4. The Bank will review lessons from social accountability impact evaluations to map the most effective instruments for impact evaluation and apply them to Bank operations as appropriate</li> <li>5. There is no mention of any review of the actual implementation of CE, even though nearly seven years have passed since the CE strategy adoption</li> </ol>	



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#### 3. CSO Engagement in the Design, Implementation, and Monitoring of CE and SE

The Bank is a pioneer in engaging with CSOs in its own work as well as enabling CSE in its lending operations. The CE and SE framework provide entry points for CSOs as they can represent “citizens”<sup>9</sup> and participate in their own right as “stakeholders”<sup>10</sup> along with other groups. However, the Bank’s [Operations Manual](#) does not contain any policy and/or procedures for collaboration with CSOs, and the Bank stopped producing [annual reports on CSO collaboration](#) in 2012. The Annual CSO Policy Forums are a dialogue rather than an operational collaboration platform. A review of documents on the Bank’s [website for CSOs](#) lists the 2009 [Guidance Note on Bank Multistakeholder Engagement](#).

The Asian Development Bank (ADB) has a 2021 policy on [“Promotion of Engagement with Civil Society Organizations” \(ADB Operations Manual\)](#), has recently issued a staff guidance note, and has published in 2021 a [Sourcebook for Engaging with CSOs in ADB Operations](#). The Inter-American Development Bank has updated its [Civil Society Engagement Strategy and Action Plan](#). It is currently [consulting on progress](#) under the 2019–2021 Action Plan and a proposed 2022–2024 Action Plan.

9 [The CE framework, introduced in 2014](#) (para. 11, p. 7), defines citizens as “the ultimate client of government, development institutions’ and private sector interventions in a country. Citizens can act as individuals or organize themselves in associations and groups such as community-based groups, women’s groups, or indigenous peoples’ groups. Civil society organizations (CSOs) can represent citizens and can include organizations outside the public or for-profit sector, such as nongovernmental organizations (NGOs), charitable organizations, faith-based organizations, foundations, academia, associations, policy development and research institutes, trade unions, and social movements. In this context, the term citizen is not used in a legal sense but is understood in the broad sense of referring to all people in a society or country in an inclusive and nondiscriminatory way.”

10 “Stakeholder” refers to individuals or groups who (a) are affected or likely to be affected by the project (project-affected people) and (b) may have an interest in the projects (other interested parties). CSOs/NGOs could be among stakeholders in either or both categories. [Guidance Note for Borrowers: Environmental & Social Framework for IPF Operations: ESS10: Stakeholder Engagement and Information Disclosure](#) (World Bank Group, 2018), 2, 6.

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<p>Contracting with CSOs is not required but practiced by IPF implementing agencies as well as by the Bank and trust fund executing agencies. IDA implementing agencies reported that about 1% of the total amount of contracts (\$811 million) and 2% of the total number of contracts (over 2,700) during FY16-21 went to CSOs.<sup>11</sup> This is consistent with the findings of the <a href="#">2012 report by the Bank's civil society team</a>, who found that 27 Bank mechanisms provided \$842 million in funding to CSOs during FY08-10. This information was gathered by a review of appraisal and procurement documents under more than 1,000 projects (as reported in the <a href="#">board paper for establishing GPSA</a>, p. 2).</p>	<p>* CSE in operations funded by the IDA/Bank is <a href="#">encouraged</a>, but no analysis of the extent of CSE in IDA operations in the past 10 years is available from the Bank.</p> <p>* It would be very useful for understanding and promoting CSE if the data on awards to CSOs (furnished by implementing agencies as part of STEP) is identifiable and aggregable in the contract awards database. Disclosure of contracts awarded to CSOs would enable interested parties in and outside the Bank to do deep dives in the data on country, sector, regional, and institutional levels and CSO and activity types.</p>
<p>The World Bank maintains several procurement databases that enter a lot of data on each contract award and enable sorting of data by filters such as sector, supplier name, contract amounts, project name, contract description, etc. However, these databases do not include a filter on the type of supplier (i.e., commercial or not-for-profit). Examples of databases and filters available in them include <a href="#">major contract awards</a>, <a href="#">corporate procurement contract awards</a>, <a href="#">procurement notices</a>, and <a href="#">procurement announcements</a>.</p>	

## C. Conclusions and Areas for Action

5. IDA/IBRD [citizen engagement](#) (CE) and [stakeholder engagement](#) (SE) policies and related IDA commitments are commendable. They aim to enhance development effectiveness and have succeeded in embedding in the design of almost all investment projects approved in recent years. Notable achievements include:
  - a. 100% of projects approved in recent years are “citizen centric” (defined as having one or more CE mechanisms shown in box 1); 70% of investment projects approved in FY21 had three or more
  - b. 50 IDA countries set up enhanced GRM and/or beneficiary feedback systems
  - c. 38% of IDA-eligible countries (74) had multistakeholder engagement platforms (FY21)

<sup>11</sup> This data is preliminary and is not publicly disclosed. It was made available to the PTF in response to a request. Our understanding is that implementing agencies report this data to the Bank's Systematic Tracking of Exchanges in Procurement (STEP) system. It, however, is not publicly disclosed.

- d. 26 countries supported by the IDA to operationalize Open Government Partnership (OGP) reforms
  - e. The 2018 IEG evaluation confirms that CE enhances development effectiveness
  - f. The IDA and World Bank have reaffirmed their commitment to continue citizen engagement in addition to stakeholder engagement
6. **It is timely to commission a comprehensive review of CE/SE/CSE implementation to assess past performance and identify good practices and lessons going forward.** The Bank has not published any comprehensive report on how CE activities in citizen-centric projects have been implemented during the past five to seven years.<sup>12</sup> This issue was previously flagged in the [2018 IEG evaluation](#), which observed that WBG knew “*very little about the implementation of CE engagement mechanisms, let alone about the results*” (p. 19). With the availability of hundreds of Implementation Completion and Results Reports (ICRs) for IPFs with citizen-centric design, together with thousands of Implementation Status and Results Reports (ISRs), the Bank can utilize a unique and extensive database for analyzing CE implementation progress and outcomes and lessons learned, which will not only benefit future IDA projects but have broader applicability for the global development community as well. The [IDA19 Implementation Status report](#) (para. 37–39) contains no performance indicators and/or discussion of the implementation progress on IDA19 commitments to help citizens hold the state accountable and scope and quality multistakeholder platforms engagement in decision-making and implementation of public policies.
7. **Corporate monitoring and reporting of CE/SE needs to broaden beyond project design to cover implementation and outcomes.** The current monitoring indicators (para. 2) mainly focus on CE in project design. The [2018 IEG evaluation](#) also noted that “*little investment has been made in generating robust evidence of what works, where, and why.*” Additional indicators are needed to provide insights on the extent, quality, and modalities (including financing) of the actual implementation of CE/SE, implementation modalities (including funding), and outcomes. A monitoring and evaluation approach for ESF/SEPs is yet to be developed ([Implementation Update on ESF](#) para. 11, annex 1).
8. **Distinctions and overlaps between CE and SE agendas need to be clarified and communicated more effectively to staff and clients.** A clarification matters as the two agendas overlap (box 1) and compete for staff and client attention, and over time, the optional CE work encompassing the whole project may be crowded out by the mandatory SE work narrowly focused on environmental and social risks. The 2018 IEG evaluation recommended that the Bank “*improve synergies [of CE] with other relevant agendas*” such as social inclusion, social sustainability, gender, SE under the ESF, digital civic space, virtual

<sup>12</sup> It is possible that there are implementation progress reports at country and/or regional levels, but a search of the Bank’s [Open Knowledge Depository](#) did not reveal any institution-wide reports on the implementation of citizen engagement. Similarly, there are no recent IDA reports on the subject; the [IDA19 Implementation Status report](#) (para. 37–39) contains no performance indicators and/or discussion of implementation progress on IDA19 commitments to help citizens hold the state accountable and scope and quality multistakeholder platforms engagement in decision-making and implementation of public policies.

means for service delivery (particularly for human development), crisis preparedness, and fragile and violent situations.

**9. The operational framework for CSO engagement needs clarification and relaunch.**

CSO engagement (CSE) for effective CE/SE during the IDA/IBRD project life cycle does not get explicit attention. The Bank started encouraging [CSE in operations](#) almost three decades ago but has lost focus in recent years. The 1997 [Strategic Compact](#) strengthened the NGO/Civil Society Unit, and the number of Bank operations involving local CSOs increased from 50% in FY97 to 70% in FY00. The CSE in projects continued to expand and reached 82% during FY10-12, according to the World Bank Civil Society Engagement Report.

However, at present, there is no policy or guidance available for staff in the Operations Manual. The scope and volume of recent CSE are also difficult to ascertain since information on contract awards to CSOs is not disclosed in the [contract awards database](#) published by the Bank and since the Bank stopped producing [annual reports on collaboration with CSOs](#) after 2012.

However, information made available by the Bank in response to an Access to Information request by the PTF suggests that the level of current CSE is low and may have declined from past levels. According to the Bank, during FY16-21, about 1% of the total amount of contracts (\$811 million) and 2% of the total number of contracts (over 2,700) were awarded to CSOs.<sup>13</sup> This level would be lower in both nominal and real terms from a 2012 Bank estimate of \$842 million during FY8-10.<sup>14</sup> Currently, the Bank (unlike ADB and IADB) has no policy/staff guidance for collaboration with CSOs in its Operations Manual. The focus of CSE now seems to have been narrowed to public relations with CSOs as part of country and corporate relations.

**10. The Bank's internal organizational arrangements, resources, and incentives for more effective CE/SE implementation, monitoring, and reporting need improvement.**

According to the staff survey done as part of the IEG evaluation, an overwhelming majority (87%) agreed or strongly agreed that “*there is strong evidence that engaging citizens can contribute to achieving development outcomes*” (figure F.1, p. 145) and it makes “*projects more responsive to beneficiaries.*” This augurs well for CE/SE/CSE agendas, provided constraints faced by staff are addressed. The main constraints, according to the IEG survey of Bank staff, are (i) internal-limited budget, time, expertise, and evidence that CE works; and (ii) external reluctance of client governments for CE and for funding it, worry about adding to project complexity, and limited CSO/government capacity (para. 2.35, figure 2.4).

SE work is mandatory while CE is optional. SE has received a special allocation of resources under ESF while CE does not. Different vice presidencies (and secretariats)

<sup>13</sup> This information is extracted from the Bank's Systematic Tracking of Exchanges in Procurement ([STEP](#)) system.

<sup>14</sup> World Bank, “[Civil Society](#)”; World Bank, [Global Partnership for Social Accountability](#), 2. The report found that 27 Bank mechanisms provided \$842 million in funding to CSOs during FY08-10. This information was gathered by a review of appraisal and procurement documents under more than 1,000 projects.

have responsibility for SE and CE implementation and monitoring. The CE secretariat is managed by a staff on a part-time basis. IDA commitments for CE are part of the governance cross-cutting theme, but CE is no longer the responsibility of the Global Governance Practice.

11. **An update and relaunch of the 2014 citizen engagement strategic framework is needed.** The upgrade would integrate lessons from seven years of implementation, address the issues of synergy with the stakeholder engagement standard of ESF, and include specific actions to support the IDA20 commitment to “*strengthening platforms for greater social accountability and citizen engagement.*”
12. **Commission a comprehensive review of the implementation of citizen-centric projects and IDA commitments.** Suggested issues and questions for the review are as follows:
  - a. **Implementation rate and quality.** To what extent are the CE/SE mechanisms planned in IPF and PforR—approved during FY16–22 (seven years of CE and four years of SE)—being implemented, and what is the quality of implementation? Implementation rates for different CE/SE mechanisms and associated lessons?
  - b. **Cost and financing.** To what extent are costs of CE/SE activities explicitly included in project cost estimates at project approval? How is the implementation of CE/SE in IPFs being financed? Under what budget category (e.g., M&E)? What proportion of project costs are being spent on CE/SE?
  - c. **Organizational arrangements for the implementation of CE/SE activities.** To what extent are these arrangements made explicit at project approval? What types of arrangements are used for the implementation of different CE mechanisms? To what extent is the use of CSOs envisaged at approval and/or contracted by project authorities during implementation? What are the constraints and good practices in using different implementation modalities (implementing agencies, consultants, and CSOs) to facilitate CE/SE? What amount and number of contracts are awarded to CSOs for CE/SE during design and/or implementation?
  - d. **Progress tracking and reporting.** What is the extent and quality of monitoring, evaluation, and learning (MEL) of CE/SE implementation by project implementing authorities and Bank task teams? What can be done to improve CE/SE-related MEL (including outcomes) at regional, sectoral, and country levels?
  - e. **CE/SE in the IDA portfolio.** How are the citizen and CSO engagement commitments under IDA18–19 implemented, and what are the outcomes and lessons learned? IDA19 committed to (a) establishing and using multistakeholder platforms for citizen participation and (b) ensuring that “*citizen engagement in IDA operations is broadened and deepened with concrete steps, including building capacity, strengthening monitoring and reporting, and regular outreach*” (IDA19 report, para. 118–119).

- f. *Thicker CE and synergy between CE and SE.* What are the experiences and good practices in progress on these goals? To what extent are CE/SE agendas competing for resources and attention at both project and Bank task team levels?
  - g. *Completion reporting.* What percentage of the ICRs of citizen-centric projects present at least some evidence on implementation, analyze the scope and challenges of implementation, and discuss the outcome/results of CE? What is the extent of ICR reporting on implementation and CE indicators in results frameworks by type of CE mechanisms? Is staff guidance for reporting on CE implementation and results in ICRs adequate?
  - h. *Documentation of good practices, lessons, and guidance notes.* Organize a stocktaking and develop actions to assess needs, organizational arrangements, and funding arrangements.
13. **Update of corporate monitoring, evaluation, and learning (MEL) system for CE/SE/CSE.**
- a. Update and disclose the metrics and schedule for reporting on implementation progress and outcomes of CE/SE/CSE in IDA-funded projects.
  - b. Resume production and publication of the annual report on CSO engagement in IDA (and IBRD) operations.
  - c. Enable contract award notices to disclose whether the award is to a CSO (nonprofit entity) and add a filter in the [contract awards database](#) to enable sorting of contracts awarded to CSOs.
14. **Issue a guidance note for staff on CSOs' engagement in project life cycles.** CSOs can play crucial roles as social intermediaries facilitating the interaction between individuals and communities as well as acting as “citizens” and “stakeholders” in their own capacity in projects funded by the IDA/IBRD. Starting in the 1980s, the Bank proactively promoted collaboration with CSOs in project life cycles, leading to CSE as “citizens,” “stakeholders,” and social intermediaries. However, this explicit focus was lost since CSOs were included in the definition of “citizen” and “stakeholder,” and the Bank stopped promoting, monitoring, and reporting on CSO engagement in operations. Explicit attention to promoting CSO engagement in CE/SE agendas in the life cycle of IDA/IBRD-funded projects would help more effective implementation of the IDA20 commitment for greater social accountability, citizen engagement, inclusive development, and faster delivery of funds and results in all IDA thematic areas than governments acting alone. CSE can be promoted through several actions:
- a. Issue a guidance note for the Bank's borrowers and staff on using CSOs for effective implementation of CE/SE in IDA/Bank-funded projects. The guidance can be based on the Bank's experience with operational collaboration with CSOs as well as the

- recent work by the Asian Development Bank and the Inter-American Development Bank.<sup>15</sup>
- b. Raise awareness among clients and staff about procurement provisions relating to CSOs and enable an NGO filter in the [contract awards database](#). The Bank’s [Procurement Regulations for IPFs Borrowers \(November 2020\)](#) provide that CSOs may be “uniquely qualified” to assist in specific project activities for nonconsulting (para. 6.52, p. 41) or consulting services, and in such cases, the short list may be made up entirely of CSOs (para. 7.29, p. 50) and CSOs should not normally be included in the short list with private sector firms (para. 7.18, p. 48).
  - c. Contract award notices should disclose whether the contract award is to a CSO (nonprofit entity), and a filter in the [contract awards database](#) should be added to enable sorting of contracts awarded to CSOs. These provisions would enable interested parties in and outside the Bank to do deep dives in the data on CSE at country, sector, regional, and institutional levels. This can be transformational in promoting a learning cycle to identify good practices for improving CSE in development work.
  - d. Resume production and publication of the annual report on CSO engagement in IDA (and IBRD) operations. The last such report was produced in 2012. Reasons for discontinuation are not apparent. However, the report is a valuable tool to allow an informed dialogue on progress and issues relating to the Bank’s goal of collaboration with CSOs as development partners in the full spectrum of Bank activities, including CE/SE in projects. ADB and IADB already publish such reports.
- 15. Update the 2014 citizen engagement strategic framework.** An update is needed to integrate lessons from implementation, exploit the synergy with the stakeholder engagement standard of ESF, and support the IDA20 commitment to “*strengthening platforms for greater social accountability and citizen engagement.*” Suggested issues and questions for consideration in the update are as follows:
- a. *Distinctions and overlaps between citizen (CE), stakeholder (SE), and civil society organization (CSO) engagement agendas in IDA/Bank-funded operations need to be clarified and communicated more effectively to staff and clients.* The three agendas overlap but differ.<sup>16</sup> The objective of CE in projects is to give citizens a stake in decision-making to improve development outcomes (IEG, p. ix) through various CE mechanisms. The objective of SE is to hear their views (through meaningful consultations), provide them with information on risks and impacts (disclosure), and be responsive (grievance redress) to them during the management of environmental

15 In 2021, ADB updated its policy on “[Promotion of Engagement with Civil Society Organizations](#)” ([ADB Operations Manual](#)), issued a staff guidance note, and a [Sourcebook for Engaging with CSOs in ADB Operations](#). The Inter-American Development Bank has an updated Civil Society Engagement Strategy and Action Plan. These can be accessed on IDB civil society webpage [here](#).

16 “Stakeholder engagement as addressed in the [ESF](#) is a specific aspect of the broader citizen engagement. The ESF uses two main avenues of stakeholder engagement (consultations and grievance redress), while the strategic framework (for CE) has a broader menu with seven approaches (see Box 1). The ESF obligates the borrower, while citizen engagement is developed through a dialogue with the borrower.” World Bank Management Response to Independent Evaluation Group, [Engaging Citizens](#), 21.

- and social risks affecting them (ESF-ESS10). The objectives of CSE are not spelled out in any Bank policies or procedures in the Bank's Operations Manual. However, the 2009 [Guidance Note on Bank Multistakeholder Engagement](#) provides legal and policy considerations and good practices for CSE in Bank-funded activities. Widely recognized objectives of CSE in Bank-funded operations include amplifying citizen/community voices through participation/advocacy, providing a wide variety of development services under contract to the implementing agencies and/or the Bank and other donors, and holding the state and the Bank/other donors accountable.
- b. *The update should address the IEG's recommendation that the Bank "improve synergies [of CE] with other relevant agendas."* The list of such agendas includes social inclusion, social sustainability, gender, ESF, digital civic space, virtual means for service delivery (particularly for human development), crisis preparedness, and fragile and violent situations (FCS).
  - c. *The Bank's internal organizational arrangements, resources, and incentives need to be improved for effective CE/SE implementation and MEL.* According to the staff survey done as part of the IEG evaluation, an overwhelming majority (87%) agreed or strongly agreed that "there is strong evidence that engaging citizens can contribute to achieving development outcomes" (figure F.1, p. 145) and it makes "projects more responsive to beneficiaries." This augurs well for CE/SE/CSE agendas, provided constraints faced by staff are addressed. The main constraints, according to the IEG survey of Bank staff, are (i) internal-limited budget, time, expertise, and evidence that CE works; and (ii) external reluctance of client governments for CE and for funding it, worry about adding to project complexity, and limited CSO/government capacity (para. 2.35, figure 2.4).

The current organizational arrangements add further constraints. SE work is mandatory while CE is optional. SE has priority allocation of resources under ESF while CE does not. CSE has no proactive policy, business practices, and funding mechanisms even though the Bank has engaged in it since as far back as 1981. Different vice presidencies (and secretariats) have responsibility for SE and CE implementation and monitoring, while CSE is part of the External and Corporate Relations Vice Presidency. CE secretariat is managed by a staff on a part-time basis. IDA commitments for CE are part of the governance cross-cutting theme, but CE is no longer the responsibility of the Global Governance Practice. The update should examine these issues with a view to streamline them.

- d. *The update should outline how the CE framework would support the IDA20 commitment to "strengthening platforms for greater social accountability and citizen engagement" and "mainstream gender-responsive budgeting and social inclusion into the management of public finance."*
- e. *The update should discuss how the investment in CE/SE evidence generation and capacity building can be increased.* The evidence base on outcomes of CE/SE in devel-



### ANNEX 3: Stocktaking of Citizen, Stakeholder, and CSO Engagement in Investment Financing Projects Funded by the World Bank

opment programs was found to be sufficiently strong for the Bank to adopt these policies. It can be enriched by research on the outcomes and long-term impacts of CE in thousands of Bank-funded projects around the world. The need for and importance of capacity building of citizens (including CSOs), governments, and Bank staff was fully recognized in the CE strategic framework. However, experience during FY15-21 indicates that capacity building was one of the least selected CE mechanisms. It is also arguable whether the government is best placed to build the capacity of citizens for social accountability mechanisms. The GPSA is meant to be a dedicated partnership platform for supporting CSO capacity building, but its funding and business processes have not risen to the scale needed. The CE strategy update should examine options and mechanisms for supporting citizen/CSO capacity building for effective CE/SE.