

PROJECT NAME: *Scrutinising European Governance of the World Bank and IMF*

1. Better communication- the ‘Wednesday Group’ bulletin

The ‘Wednesday group’ is a monthly bulletin, compiled by the Bretton Woods Project with information received from NGOs in the European network, of World Bank and IMF-related activities undertaken by officials, NGOs and parliamentarians in Western Europe. It is distributed to NGOs which work on IFI issues, primarily in Europe but also with readers in other regions. The bulletin helps ensure that groups are aware of each others’ activities and able to collaborate and support each other on an ongoing basis. TFN support covered part of the staff time dedicated to compiling the bulletins, as well as a portion of the development costs of the IFIwatchnet shared area where these bulletins will be archived. Sample bulletin and shared area outline are appendixes to this report.

Results achieved

- Better coordination of activities and synergy through joint planning and collaboration on activities - for example on advocacy on Bank and IMF governance and transparency issues (including the IMF leadership selection process);
- The bulletin is now organised by country, topic/issue and activities;
- The establishment of the IFIwatchnet shared area will allow past Wednesday group mailings to be archived and searchable. A database of sensitive documents searchable by issue/organisation/region is being developed. (Due to technical delays, this work has not been finalised, but much of the necessary groundwork was finished during the funding period. Note that the Bretton Woods Project hosts IFIwatchnet.);
- Recruitment of 5 additional contributors and over 20 new recipients.

2. Convening strategy sessions for European IFI network

Two coordination and strategy sessions have taken place in the course of the reporting period. The first one in February 2004 was held in Tragliata, Italy; the second in Oxfordshire, UK in September 2004. The Bretton Woods Project played a key support role in the former, and was the host for the latter. TFN support covered part of the staff time needed to coordinate these events.

Results achieved

From Tragliata

One part of the meeting was reserved for discussing the theme of human rights and the World Bank. The rest of the meeting included reporting back from various NGO coordination meetings over the preceding months, activity planning and means of improving networking and identifying campaigning opportunities over 2004. Of significance were discussions on strategies for the first-ever European NGO meeting with European Executive Directors to the World Bank preceding the spring meetings of the Bank and Fund in April 2004. The meeting was held to increase civil society input into a growing number of mechanisms for European coordination in the Bank and Fund and the network’s interest to push pragmatically for more coordination between EU Executive Directors.

From Oxfordshire

Thematic discussions centred on IFI conditionality and the International Finance Corporation’s safeguard review process. In terms of follow-up work, network members explored lessons learned from the work around the campaign on the Extractive Industries Review and had some follow-up discussion on the human rights debates initiated in Italy in February. There was discussion of network coordination and issues around broadening and deepening of the network, it’s thematic focus, relationship to the global IFI-watching community and how it can strengthen its communication and political positioning. There was some exploratory discussion on how to engage the European Commission and the European

Parliament as a way to bridge between these institutions and the IFIs. The meeting agreed strategies for the second meeting of European NGOs with European Executive Directors which successfully took place at the annual meetings of the Bank and Fund in Washington DC in early October.

Detailed reports of these meetings are available upon request.

3. Improved governance of the institutions and parliamentary scrutiny of IFIs- the European survey and the International Parliamentarians' Petition

The Project has continued to work on mechanisms to improve the process of parliamentary scrutiny of government interventions in agreements with the Bank and Fund. The survey looked at the roles of European Union governments within the IFIs. The parliamentary petition is an international campaign calling for parliamentarians to have a greater role in scrutinising the operations of International Financial Institutions (IFIs) within their nations as a way to reassert the sovereignty of legislatures in parliamentary democracy. TFN support went towards staff time, and printing/ mailing costs of the parliamentarian's petition.

Results achieved

- In France the survey report has been translated and is being used by the French NGO Agir Ici, in their engagement with Parliamentarians, including towards the creation of a delegation in charge of international institutions within the French Parliament.
- An assessment of the state of parliamentary and civil society IFI accountability work across Europe on the back of the survey has offered lessons from across countries.
- The Project has shared the report within the IFI networks list serves as well as through the various network contacts.
- A survey recently completed by the Halifax Initiative in Canada builds on the original, examining the accountability of the IFIs to national legislatures in 16 industrialised countries. Collaboration on dissemination is planned, as is a third stage which will look at parliamentary scrutiny in the south.
- The International Parliamentarians' Petition campaign has received support from over 300 MPs worldwide. In the UK alone, over 140 MPs have signed on. The MPs have highlighted such issues as the need for voting records of the UK representative to the Bank and Fund to be made available to Parliament. A briefing at the Palace of Westminster in September was attended by 40 MPs and Peers. Speakers included Dutch MP Bert Koenders and international development select committee chair, Tony Worthington. Subsequent to this, Ann McKechnie MP and co-chair of the all party group on HIPC sponsored a private members' debate on 'oversight of IMF and World Bank policies'. See full Hansard transcript of debate from this link.

http://www.publications.parliament.uk/pa/cm200304/cmhansrd/cm040914/halltext/40914h04.htm#40914h04_head0

Press coverage and media mentions during the reporting period?

The nature of the first two of the activities covered by this grant is not amenable to active media outreach. Both the 'Wednesday group' bulletin and the European IFI watchers network strategy meetings are internal processes for the network geared at improving ways of working rather than making public outreach. Public outreach on the International Parliamentarians' Petition is included in the appendices.

Expenses

	Amount
Staff time – Wed group, strategy meetings, IPP	2000
Staff travel, meeting and hotel rooms – Tragliata and Oxfordshire	1000
Web development of IFIwn shared area, IPP printing	2000
TOTAL	5000

Appendices:

Wednesday group bulletin

Screen grab of IFIwn shared area

Notes from Oxfordshire (brief version)- available upon request

Parliamentary work – Fawltly Powers, IPP flyer, Hansard text

Contact

Jeff Powell, Coordinator, 020 7561 7546, jpowell@brettonwoodsproject.org

Appendixes

Appendix 1: February 2004 Wednesday group bulletin

'Wednesday Group' round-up of European activities on the International Financial Institutions

February 2004

What is the Wednesday Group?

A means to gather and distribute information about official, ministerial, NGO and parliamentary activity on the IFIs in Europe. On the first Monday of each month e-mails are sent to NGOs working on IFI issues across Europe. Information received is then collated (with minimal organising or editing) and distributed to contributors plus other interested NGOs in Europe and beyond. This virtual 'Wednesday Group' (named after the long-standing US 'Tuesday Group') is in a test phase. To help it improve and continue send your reactions and suggestions to wedsgroup@brettonwoodsproject.org.

Please forward this to colleagues who might like either to receive this or contribute to it in future and ask them to send us their details to get on the list(s). People submitting information have requested that it be for civil society groups only, so please respect that when circulating.

Europe-wide Meetings and Activities

European IFI strategy meeting 28th and 29th February, near Rome, Italy. Will discuss priority campaign themes for 2004, and in particular the issue of the World Bank and human rights. Also a chance to discuss how we can organise ourselves better at a European level. Full details mkoehler@crbm.org

Around 50 IMF/WB campaigners met in Penang, Malaysia to share views and strategise. Notes of the last day of the meeting on concrete action plans including a calendar of planned activities in this 60th anniversary year are available. The full report is currently being drafted.

Contact flefrancois@brettonwoodsproject.org

Extractive Industries Review

Emil Salim European tour. The Eminent Person appointed by World Bank President James Wolfensohn will tour selected European capitals in late February/early March. Meetings are currently planned in Rome (27th February), Brussels (2nd March), London (TBD) and Paris.

Contact: Susanne Breitkopf s.breitkopf@amisdelaterre.org

Many other activities are under way on the EIR, including participation in a lobby tour of EDs in Washington between 18 and 20 Feb, French NGOs meeting their ED on 18th Feb., UK groups picketing Wolfensohn's arrival at a conference in London on 16th Feb., media work, tailored statements to national officials and parliamentarians, etc etc. Contact: Jaroslava Colacomo jaro@crbm.org

- **IFI Governance**

France

On 15 and 16 February there will be a meeting of the Parliamentarians Network on the World Bank in Paris. Speakers include Wolfensohn and IMF Deputy Managing Director Carstens. Some NGO staff will be there as speakers and observers, including Sebastien Fourmy, Susanne Breitkopf and Alex Wilks.

UK

The government's annual report on "The UK and the IMF" will be available later than expected – the previous optimistic timeline did not take into account ministerial clearance. Staff at the Treasury remain confident that it will be published "soon". [Treasury IMF webpage](#)
awilks@brettonwoodsproject.org

The International Development Committee of the House of Commons has published full evidence (including transcript of sessions with Gordon Brown and Hilary Benn and around 15 civil society submissions from the UK and elsewhere) of its November session on the IMF and the World Bank

Sweden

Several Swedish NGOs will arrange a full day seminar in the end of April together with SIDA to examine the opportunities and problems with PRS and the bilateral support to PRS, for example budget support. Partners from different countries in the south are invited to speak about their experiences. More information: erik.lysen@svenskakyrkan.se

Structural Adjustment

UK

In their network meeting on the 12th of Feb UK NGOs discussed the endgame of the update of the Bank structural adjustment policy. The October 2003 draft was disappointing in many respects, though it contained some interesting language on social and environmental impact assessments and stakeholder consultations. Opportunities to influence this process now limited. October 2003 draft and BIC analysis, contact Bruce Jenkins bjenkins@bicusa.org Fuller notes of UK BWI NGO network meeting: jpowell@brettonwoodsproject.org

On 2 February a range of UK NGOs met the DFID team which works on Poverty and Social Impact Analysis. Main discussions were on the status of the World Bank's PSIA process, the planned new sourcebook on political and institutional aspects of PSIA, and the Fund's new department on PSIA. Notes available from awilks@brettonwoodsproject.org

- **Finance and Debt**

Belgium

Financing for Development follow up meetings, Brussels, 3-4 March. Organised by the CONCORD FfD Working Group. On 3 March there will be a discussion meeting with Ariel Buira of the G24 Secretariat and a senior Italian finance ministry official. On the 4th there will be a strategy meeting for NGOs only.

Norway

Illegitimate debt

In Norway the issue of illegitim debt was brought to parliament this autumn. The minister for development cooperation was asked about the issue and answered that the complexity of the concept makes it hard to operationalize but that the government will come back to that issue in the forthcoming Norwegian debt-cancellation-plan that are expected in the beginning of the year. More information: changemaker@nca.no

- **Private Sector**

Sweden

Water privatisation

Swedish Society for Nature Conservation and the WWF will have a full day seminar 5 March where different actors give their views on World Commission on Dams. Himanshu Thakkar from Save the Narmada Movement and the Swedish minister of Environment are two of them. More information: goran.ek@snf.se

Forum Syd together with the Swedish Society for Nature Conservation will have a half day seminar on the role of the multilateral development banks in water privatisation in the south on World Water Day, 22 March. Joan Carling from Cordillera Peoples' Alliance on the Philippines and David Boys or David Hall from PSI/PSIRU will come as guest speakers. We are hoping to also have a representative from the government. More information: asa.romson@forumsyd.se

UK

28 Feb 2004 to 5 Feb 2004 1:00pm-5:00pm

Privatisation, Power & Poverty

Grass roots groups from developing countries square up to the World Bank's leading economist

A day of debate and seminars, with grass roots groups from developing countries squaring up to the World Bank's leading economist. Speakers Include: Susan George (Author and Associate Director of the Transnational Institute in Amsterdam) Junaid Ahmad (Lead Economist, The World Bank) Hans Engelberts (General Secretary, Public Services International) Trevor Ngwane (Anti-Privatisation Forum, South Africa) Sean Langan (Filmmaker) Kamil Mahdi (University of Exeter) Berenice Celeyta (Sintraemcali, Colombia) Governments in the third world are implementing highly unpopular privatisation programmes in order to qualify for development assistance and debt relief. The conference will bring to London speakers with direct experience of fighting these programmes in the South and examine the role and rhetoric of powerful countries and institutions in forcing inappropriate and anti-democratic service reforms.

<http://www.waronwant.org/?lid=6697>

- **Environment**

UK

Rainforest Foundation has issued a briefing and press release based on a statement by Congolese NGOs condemning the World Bank's role in promoting the rapid development (ie logging) of Congo's forests. <http://www.rainforestfoundationuk.org/s-Stop%20the%20carve%20up%20of%20the%20Congo%20forests>

Netherlands

25 Feb 2004 17.30pm-19.00pm

Meeting on World Bank forestry policy versus MIGA guarantee for pulp mill on South Kalimantan, Indonesia

Both ENDS, NOVIB and the Netherlands Committee for IUCN invite you to take part in our debating series "In the Bank we Trust". Theme: Safeguard forest policies for financial and insurance institutions and the right to take measures against illegal logging. The World Bank forestry strategy versus illegal deforestation in Indonesia. Debate in response of a possible World Bank guarantee for the construction of a paper/pulp mill on South Kalimantan, Indonesia.

<http://www.bothends.org/mfi/mfi.php?page=ho>

- **Future of the IFIs (Debates about roles/reform/abolition)**

UK

On 16th February two "eminent thinkers" (according to the invitation) Gordon Brown and James Wolfensohn will open one day conference on 'Making globalisation work for all' hosted by UK Treasury.

NGOs working on conflict/human security met for the second time to discuss linkages between IMF/WB operations and conflict, and their work in post conflict. Discussions focused mostly on how to make the institutions more conflict sensitive (through systematic human rights, conflict risk assessments) without fuelling hegemony/mission creep. Group will also monitor DFID/WB joint programme on embedding conflict sensitivity in PRSPs.

Notes from the meeting and more info: lefrancois@brettonwoodsproject.org (till 20th Feb)

Café Diplo: Public meeting on “Why do World Bank and IMF staff members push policies that will cause a famine?” with ex Bank consultant Peter Griffiths who has written a book on the subject (http://books.reviewindex.co.uk/reviews_uk/184277185X.html)
More info: <http://www.monde-diplo-friends.org.uk/calendar.html>

IMF in Low-Income Countries

A meeting was held on 4th February to discuss the IMF's roles in low-income countries. The meeting was co-organised by Oxfam GB and EURODAD and a number of other groups participated. EURODAD is preparing a paper on the subject in time for the Spring Meetings.

Soren Kirk-Jensen: soren@eurodad.org

IEO meeting on PRSP review

A meeting was held on 5th February in London with David Goldsborough, Deputy Head of the IMF's Independent Evaluation Office. Goldsborough provided a run-through of some of the key themes in the forthcoming IEO/OED joint evaluation of PRSPs which will come out in April or so. Notes will be available from EURODAD. soren@eurodad.org

- **Social issues**

UK

WB children and youth strategy

The World Bank is currently consulting on its Children and Youth Strategy. On 23 January a meeting was held in Paris with representatives of various European governments and NGOs, and UN agencies seeking feedback on this draft. Save the Children (UK) attended this meeting and is submitting detailed comments.

Contacts (World Bank) Viviana Mangiaterra - vmangiaterra@worldbank.org, Juan Felipe Sanchez - jsanchez@worldbank.org; Robert Holzmann - rholzmann@worldbank.org

Rachel Marcus, Save the Children: r.marcus@scfuk.org.uk

International

BothENDS, Bretton Woods Project and the Berne Declaration have initiated a letter to be sent from a range of groups to Mary Robinson, before she hosts a conference in New York on 1 March which World Bank Group top brass including Wolfensohn and Woicke will attend to discuss their role on human rights. The meeting will be attended by a few NGO representatives including Fergus MacKay of Forest Peoples Programme.

Contact: Henneke Brink: hb@bothends.org

Mark your diaries: information for the next Weds. Group e-m round-up must be submitted

by 3 March to wedsgroup@brettonwoodsproject.org

*Remember: you can post notices of events and documents to IFWatchnet at any time.
This information will appear on the IFWatchnet site and a number of other websites simultaneously.*

Appendix 2: IFIwn screen grab



Appendix 3: International Parliamentarians' Petition

International Parliamentarians' Petition for Democratic Oversight of IMF and World Bank Policies

We the undersigned Parliamentarians;

Noting this is the 60th anniversary year of the creation of the International Monetary Fund (IMF) and World Bank – the Bretton Woods Institutions (BWIs).

Recognising that the IMF and World Bank have voiced a commitment to ensuring individual countries determine their own economic policies.

Noting that key economic policies continue to be imposed by both the World Bank and IMF as conditions for receiving debt relief and new loans, with the Boards of the BWIs retaining the power of veto over all measures including those in Poverty Reduction Strategy Papers.

We therefore call on the BWIs and their principal shareholders to ensure that the democratically elected representatives of recipient nations are the final arbiters of all economic policies in their countries.

It is vital that national parliaments in recipient nations have the right and obligation to be fully involved in the development and scrutiny of all measures associated with BWI activities within their borders, and hold the final power of ratification.

Ensuring the primacy of sovereign national parliaments in this way will improve implementation of measures to reduce poverty, enhance good governance, and foster democracy.

Signature of Parliamentarian:
Constituency (where appropriate):
Committee membership (if applicable)
Party Affiliation:

Fawly Powers: Sixty years of the World Bank and IMF

A typically British farce

In 1944 the World Bank and the International Monetary Fund (IMF) were created to end poverty and ensure economic stability. Sixty years on, we are witness to crippling debts, financial crises and environmental destruction. Some like to blame the Yanks for this mess. But hold on! Gordon Brown leads the highest body of the Fund; the UK is the fourth largest shareholder in the institutions; the government swaps staff around with the Bank and Fund like a game of musical chairs; and in 2005, the UK will head the G8 group of rich countries and the European Union.

If we can't fix the Bank and the Fund, who will?

Shoddy service

The Bank and Fund continue to force reforms on countries according to their tried - and failed - menu of liberalisation, privatisation and budget cutbacks.

Throw out the menu!

Head in the sand

Bank support for oil, mining and gas projects has increased poverty and destroyed the environment. When a bank-commissioned report came to these conclusions, the Bank chose to ignore it.

Implement the report!

Rude to the guests

It's pretty rich browbeating others about their democratic credentials when the selection of your president is a stitch-up and power is based on one-dollar, one-vote.

Give poor countries a greater say!

Overcharged

Never ones to ask questions when lending money to all sorts of dubious dictators and damaging dams, the Bank and Fund make sure they are paid in full whatever the cost.

Cancel unfair debts!

Fawly Powers: all twelve episodes! Don't miss them!

- **Tues 7 Sept** 8 pm: Indymedia film night on the Fawly Powers, Upstairs at The Ritzy in Brixton.
- **Wed 8 Sept** 6 pm: Parliamentary briefing calling for MPs in borrowing countries to have a say in negotiations with the Bank and Fund, Westminster. www.brettonwoodsproject.org/ipp
- **Wed 15 Sept** 12.30 pm: "Privatisation – Who Can Afford It?" Trade union speakers from Colombia, Canada, the UK - and the World Bank. Seasons Room, Belgrave Hotel, Brighton. <http://www.waronwant.org/?lid=8683>
- **Tues 21 Sept** 5.30 pm: Argentina's debt – the case for justice, Mario Cafiero Argentine MP, Conway Hall, Red Lion Square, WC1 info@economicjustice.net
- **Sun 26 Sept:** The Trade Justice Movement will call on the UK government to use its influence at the World Bank and IMF to put an end to trade conditionality. Labour Party conference, Brighton. www.tjm.org.uk
- **Wed 29 Sept** 6.00 pm: "Does the Third World need the Third Way?" Speakers include Hilary Benn, MP The Grand Hotel, Brighton.
- **2-3 Oct:** World Bank – IMF Annual Meetings, Washington D.C.
- **Mon 4 Oct** 6.30 pm: Book launch – I.O.U.: The debt threat and why we must defuse it, by Noreena Hertz. Kings College, The Franklin-Wilkins Building, SE1 www.4thestate.co.uk
- **Wed 6 Oct** 6.30 pm: Film night on the World Bank, IMF and Globalisation, The Other Cinema, Soho. Films: Yes Men, Suits & Savages and Capital's Ill. www.dochohouse.org
- **Thurs 7 Oct** 6.30 pm: Film night II, The Ritzy, Brixton. Films: Money, Washes Whiter and Choropampa: The Price of Gold
- **Fri 15 Oct:** Launch of web archive of videos on the Bank and Fund, Forum on Communication Rights, Camden Centre, www.esf2004.net
- **14-17 Oct:** European Social Forum: workshops on privatisation, energy, conditionality, debt and the decline of democracy. Alexandra Palace <http://www.fse-esf.org>
- **Tues 19 Oct** 6.30pm: After sixty years, what have we learned? Debate at the London School of Economics, New School Theatre
- **20, 27 Oct:** Parliamentary hearing on debt, Westminster www.jubileedebtcampaign.org.uk

For more details on all events, see the calendar on www.if-watchnet.org ... **and don't mention the poor!**

Appendix 5: Screen grab of Hansard text



The screenshot shows a web browser window displaying the website of The United Kingdom Parliament. The page title is "The UNITED KINGDOM PARLIAMENT". The navigation menu includes "Home", "Glossary", "Index", "Contact Us", and "Parliament Live". A search bar is visible with the text "section.." and a "Go" button. The main content area displays the date and column information: "14 Sept 2004 : Column 423WH—continued". The section title is "Oversight of IMF and World Bank Policies". The time is "3.30 pm". The speaker is "Ann McKechin (Glasgow, Maryhill) (Lab)". The text discusses the 60th anniversary of the International Monetary Fund and the World Bank, their original aims, and the current criticisms of their policies. It mentions that Ministers will attend the annual general meeting of the World Bank and the IMF, but there has been no opportunity for a debate in the main Chamber of the House or in the other place on how this country's representatives propose to conduct negotiations, or on their voting patterns during the last year. It also notes that the United Kingdom is not unique in its lack of parliamentary scrutiny and argues that this is one of the fundamental reasons why multilateral institutions have failed to address the true needs of the people whom they were ultimately designed to serve.

The UNITED KINGDOM PARLIAMENT

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14 Sept 2004 : Column 423WH—continued

Oversight of IMF and World Bank Policies

3.30 pm

Ann McKechin (Glasgow, Maryhill) (Lab): This year marks an important anniversary for our multilateral organisations, as it is 60 years since the International Monetary Fund and the World Bank were created at the Bretton Woods conference. They were set up with the noble and worthwhile aims of providing global financial stability and growth to avoid the economic disasters that had scarred the first half of the 20th century and had, at least in part, led to world war two. Our world has, of course, changed a great deal during those 60 years and the role and influence of those bodies has altered significantly from the original ideals. Gradually, both organisations have adopted objectives based on an unwavering belief in the benefits of capital market liberalisation, which has certainly benefited the financial markets but has, in many cases, failed to secure the original aims of world stability and growth.

Today, IMF and World Bank activities directly affect the lives and livelihoods of billions of people throughout the developing world. Over the years there have been many criticisms of their policies, and of their policies' consequences, from a wide variety of sources. Despite the talk in western nations of the need for democracy and good governance, however, in many ways those institutions still appear remote and unaccountable to any form of democratic mandate.

At the end of the month, Ministers will attend the annual general meeting of the World Bank and the IMF, but despite the huge power of both those institutions, there has been no opportunity for a debate in the main Chamber of this House or in the other place on how this country's representatives propose to conduct negotiations, or on their voting patterns during the last year. That is the norm, for there has been remarkably little debate or scrutiny of the Government's record in either institution, despite the fact that we hold a permanent directorship on the boards of both and are viewed as a key world player.

Sadly, the United Kingdom is not unique in its lack of parliamentary scrutiny and I argue that that is one of the fundamental reasons why multilateral institutions have failed to address the true needs of the people whom they were ultimately designed to serve. Although they are public institutions, there is no direct accountability to the public. That is understandable, given their global nature' however, that lack could be balanced by ensuring that the operations of the organisations are open and transparent. In reality, they fail to be transparent, with a culture of secrecy ingrained in the institutional framework, and key economic and loan decisions still being taken in closed-door discussions. Some—the IMF and World Bank among them, no doubt—will argue that that provides flexibility, but it also precludes timely debate and criticism in national Parliaments and allows special interests full sway. Probably just as importantly, it creates suspicions that, even when groundless, can feed the forces that can undermine the political sustainability of such policies.