

The Bretton Woods Project

I would say that you have made a very good start on the guidelines, honing in on key questions and processes that are most relevant.

My overall view is that the Guidelines are a positive start but could do with some refinement. I have a list of notes which I have copied below, which follow the order of issues in the draft Guidance.

My high-level points would be:

1) The role of the Guidance as sensitizing and educating staff is important and should be given more prominence, e.g. in establishing the legitimacy & necessity of CSO engagement for staff. The Guidance should avoid conflating message management with CSO engagement - it does succeed at this in places but at times it does appear to focus on how IMF staff should seek consensus or common ground. This distinction should be explored fully in the Guidelines.

2) The principles set out for consultation are very welcome, however the more detail the better. The role of targeted consultation should be very narrowly defined, and justified as to why a less public route is being used, as this raises direct & indirect concerns (see below).

In addition:

- We need clear, detailed best-practice on consultation – containing principles. What is here is welcome but needs more force, as either required steps or best practice which – if staff wish to depart from it – would need to be justified. Principles of consultation are welcome but should have more force than something staff can choose to adopt (including timeliness, advance warning, realistic prospect and timeframe for changes to be made, etc.) are a pre-requisite. This would also have to address confidentiality...
- The clear timelines are sufficient for meaningful CSO input – but why this is needed also needs to be understood, so IMF staff should be reminded of the huge disparity in resources of the IMF, governments and other official institutions relative to CSOs. Therefore, consultations should be (i) flagged in advance, repeatedly announced, (ii) provide sufficient time for input and ample explanation and supporting information, (iii) transparency over inputs into consultations. One concern is that there may not always be a sufficiently well-resourced or involved CSO community for all of the steps outlined, and this ‘assessment of level of CSO concern’ should also be part of consultation planning.
- Follow-up to consultation which sets out how concerns were addressed, or the basis to not take on board recommendations or CSO calls should be made explicit and public. The suggestion of targeted consultations raises concerns over which CSOs are contacted/consulted, on what basis, as well as the presumption of reduced transparency. Such consultations should be considered as

a less-good option that should be invoked only when very specific limitations are in place that should be nevertheless made clear.

- IMF's confidentiality concerns have been used problematically and without apparent justification at times. Hence need for much greater clarity about when a country/member state confidentiality concern is invoked (trusted advisor role), versus an IMF institutional requirement of confidentiality.
- A framework is required for engagement with local CSOs, as is transparent record-keeping & documentation of ALL IMF missions' and resident representatives' outreach to both CSOs and other non-governmental actors, especially including local private sector and commercial interests such as chambers of commerce or leaders of significant private sector companies or investor representatives (including foreign investors).
- Aspect of guidelines which are sensitizing IMF staff to the role, nature (including heterogeneity) and legitimate basis for CSO-Fund interaction, which is welcome and necessary, are problematic when this appears to be guidance on managing criticism and focusing on areas of consensus. It should be fundamentally clear that CSOs have legitimate basis to make criticisms, and that this is different to an assessment of the validity of the criticism itself if made honestly and in good faith – much like the nature of national political debate. CSOs can be wrong too but that is separate to the principle of engagement.
- Nobody – least of all other CSOs – can ultimately choose to exclude an organization if it is acting within the normally boundaries of legitimate civil society advocacy, in good faith and honestly. It is also legitimate for the IMF to refer misplaced criticism that may occur through such dialogues back to the national government, where it may be more appropriately targeted and addressed, which in itself would act to improve CSO understanding of the Fund's roles and responsibilities.
- On engagement, taking on board CSO views at earlier stages is welcome - a key point that should not be lost is that even where CSO criticisms are not accepted or agreed with, providing a response or addressing these concerns directly and explicitly rather than simply discounting or neglecting them is a valid and necessary step in deepening engagement.
- There is a concern over language throughout the document about IMF staff 'defending', 'explaining' or 'finding consensus' over policies, however it would be helpful to also include more prominently than in one place the option of staff simply listening to and taking on board concerns, e.g. when on missions, without having to defend member-states governments or justify policy decisions where they are not able to, empowered to do so or simply not actually responsible for the issue/policy in question.
- Annual and Spring meetings focus on Fellowship program is problematic, as is the fact that it appears to be used by the Fund (and to a greater degree by the Bank) to sponsor events which may be on subjects which the IMF wishes to put itself in a good light or address areas in which the IMF has been criticized. These types of events have a legitimate basis but should be strictly

limited especially when there is limited space within the forum and ideally be jointly-sponsored with a CSO which has engaged on the topic in question.

- The meetings also should be understood as a chance for informal and direct engagement by staff whose work has a public dimension to meet with CSOs where it is requested, as it is rare to be in DC for many CSOs, even regular summit attendees.
- A much greater focus and visibility of forum seminars is also necessary to ensure the forum does not fall into disrepute amongst CSO community, as a cynical mechanism by which to manage and bury criticism, while high-profile & glitzy events also occur and overshadow the CSO forum.

WWF

The 2015 Guidelines have many good tips to help IMF staff organize consultations with CSOs, but they also have some glaring omissions that we think have hampered previous IMF attempts to engage with Civil society, including the attempt to elicit reactions to these guidelines. Here are some of these shortcomings.

- Is the engagement with CSOs optional? The guidelines present any IMF engagement with CSOs as depending on the will or lack thereof of the IMF staff. Nowhere there is a list of IMF activities that require consultations with CSOs. Suggestions: (a) include a list, even if it is an indicative list, of activities that should trigger CSOs consultations; (b) If such a list exist in other IMF resolutions, make an explicit reference to it in these guidelines
- Online consultations are not enough: An online option to send feedbacks to the IMF is surely needed because it allows receiving inputs from around the world. But if it is the only option in place – as in the case of the consultation on these guidelines-- it depicts the whole consultation as a halfhearted attempt by the Fund. Suggestions to be credible the IMF needs to invest more staff time on engaging with CSOs, including webinars, phone conference and face to face consultations
- The IMF may need to do preparatory work to make IMF activities amenable to a dialogue with CSOs. The guideline states “dialogue with CSOs offers important opportunities to gather broader perspectives about the impact of fund work” (p. 2). But many times it is very difficult for CSOs to grasp what can be the impacts of IMF operations. Suggestions: In advance of the CSOs consultation, the IMF should try to “translate” the IMF work to be consulted, into dimensions that are relevant to a CSOs discussion (for example what are the expected short, medium and long term impacts on jobs, salaries, public services etc.)
- Sending the CSOs to the government may not always be a good idea The guideline states “...staff should always encourage CSOs to take their views and proposals to their relevant national authorities”. This recommendation may make sense where national authorities are democratic and

open to a dialogue with CSOs in their dealing with the IMF. That is not always the case. Suggestion: temper this guideline to acknowledge that in many cases CSOs may feel more secure and be more candid without the presence of government authorities.

IBC, Inc.,

Ladies and Gentlemen: I am submitting comments on the revision of the 2015 Guidelines for the IMF Staff Engagement with Civil Society Organizations (CSOs), pursuant to the IMF's recent invitation to comment.

Background

IBC, Inc., is an international government relations consulting firm founded in Washington, D.C. in 1972. IBC's clients are mainly multinational corporations based in the U.S., Europe, and Asia for whom we monitor and analyze international policies and developments that impact their global business activities. Many of our client companies have a keen interest in the Fund's programs, particularly its engagement with its borrowing countries, which affect the economic and financial climate in which these corporations operate. Some of our clients, who are affected more than others, would welcome an enhanced dialogue with the IMF on issues of mutual concern.

Comments on the Draft Guidelines

The guidelines are generally good. The key issue may be how they will be "operationalized". Perhaps the IMF's Communications Department (COM) could establish a mechanism for accountability. The points below may be relevant in that regard.

- General Coordination of IMF Relations with CSOs (Paragraph 9): The Guidelines say: "Contacts with CSOs concerning IMF policy would normally be handled through the relevant functional departments".

Suggestion: CSOs would benefit from having more information on which departments would be involved and who the specific IMF staff are.

- The Staff's Strategic and Diverse Selection of CSOs With Which to Engage (Paragraph 10)

Suggestion: Perhaps the IMF could clarify the composition of, and inputs to, the IMF's "CSO database". It would also be useful to know whether the data collection takes place at the national, regional, and/or global levels. It would be useful to know as well how a CSO can be added to the database and whether, from a corporate perspective, CSOs in the database could be individual companies, or business forums and associations only. There are likely many companies and associations from various sectors, that would welcome the opportunity to be included in the database.

- Early and Ongoing Development of Relations with CSOs: (Paragraph 11)

Suggestion: This Guidelines would be strengthened if the IMF would formalize and always undertake business sector outreach at the global level by including business representatives and their interests in the IMF-World Bank spring meetings or the annual meetings each fall. The IMF's outreach might include

the scheduling of panels on topics such as “The Impact of IMF Policies on the International Business Environment”. CEOs, CFOs, and leaders of global industry organizations would likely be willing to appear on such panels which could be moderated, as past panels have been at the two annual meetings, by IMF staff or by prominent representatives of the media and academia.

- Consulting CSOs in the Earlier Phases of Policy Formulations for programs and Article IVs (Paragraph 18)

Suggestion: The points in the Guidelines would be strengthened if consultations with CSOs were made an integral and standard part of the country-level Article IV Consultation process. The IMF could designate responsible and appropriate business forums with whom IMF staff could meet before, or as, the Article IV consultations take place. This suggestion is based on the view that the companies, which must make daily business decisions based on the economic realities of any given country or market in which they operate, have a unique view of any given country’s economy. These views, in the aggregate, could add another valuable dimension to the Article IV consultation process.

Thank you for the opportunity to comment on the Guidelines. Please contact me if you need more information or have questions.

Sincerely – Jim Regan

James D. Regan
Senior Vice President
IBC, Inc.

Oxfam

- In general, I find these guidelines good and I think they include most of what is needed.
- I would add some concrete examples of good practices/ country examples to illustrate better what you are saying/make it more concrete and less theoretical. As I said, Ghana would for example be great to illustrate what a constructive engagement with CSO can be. When you talk about consultation with a small group of NGOs on sensitive issues, you could use the example of the discussions around the IMF debt relief for Ebola affected countries.
- I am also wondering if you should not add concrete example of what could be won by engaging with CSOs, why it can be strategic. E.g. getting CSOs to have more buy in of IMF programs when you have engaged closely with them.
- I see you are trying to give this message but I would insist even more that country representatives should aim to have a regular/frequent relationship with local CSOs. They should not wait for missions on programme/article IV/or public consultation to do that. That is how they can build trust and expect local CSO to provide good inputs. Otherwise, too often CSOs ends up being invited to consultations on things they do not have time to develop their expertise. The advantage of a discussion outside of programs/art IV is that the political context

will probably be less sensitive/ staff won't have to worry about making a mistake and disclosing confidential information/they can be more open.

- p.5: "With this in mind, IMF staff should (not just is encourage) engage with CSO in all member countries..." Encourage is too weak, sounds like it is not important.
- p.8: top of the page and p 10 paragraph before last. "it is important that staff explain the depth and complexity of many economic issues.... without sounding like you are lecturing CSOs". I have seen some IMF staff does that and it really turns off NGO/make it hard to build a relationship when people feel like the person they are talking too feels he knows more than everyone else.
- p.8: "when planning for missions, arrangements to meet with CSO should be as much as possible incorporated into mission...". Could be is too weak. The message needs to be given to missions that they should really do it (it is not just if they have time or feel like it...) except when circumstances (e.g. with the governments) do not allow it.
- p.12: You should add something at the end of the first paragraph to encourage staff to attend the CSO policy forum. Too often it is still only IMF staff speaking at an event or the COMM staff that attend but no one else
- p.15 "a box summarizing the main views of CSOs AND WHAT WAS TAKEN INTO ACCOUNT should be included in the report".

New Rules for Global Finance

- I could not find this consultation by going to the IMF Home Page; nor by inserting the title of the paper; only by going back to the email we received from IMF COM could I find this document and a description of the process
- Footnote 2: excellent to define clearly what is included and what is excluded in IMF definition of CSO
- Para 2 is a very important addition; the need for feedback is a core element of communication.
 - Para 7, second line delete "great" before "length"
 - Para 9: 2 typos: 3rd line: space within CO M 4th line from bottom, 2 "cc"s in ccontacts
 - Para 9: First acknowledgement in writing of IMF list of CSOs--obviously you have a list; and communicate with the same; and I am sure you welcome all groups to sign up

- Footnote 8: I would hope the Capacity Development Institute would also benefit from the document and from regular consultations with CSOs
- Footnote 9: Excellent!
- Footnote 11: sounds like an obvious "no-brainer"
- Para 17, second sentence: delete "seen"---an alternative would be to insert "as" after "seen" but stronger if the word seen is deleted
- Para 31, 4th bullet on p. 15: CSO consultations should also be publicized via emails to that above mentioned list of CSOs (in Para 9); as well as emailing CSOs on World Bank lists;
- What languages will/are available for consultation in addition to English?! Res Rep offices could/should be able to translate relatively easily
- Make sure consultations are EASILY "visible" from IMF home page
- last 2 bullets (p.16) are both Excellent! --again not just hidden on some hard-to-access in-English-only IMF website
- Especially when conducting Targeted Consultations, it is important to invite "difficult" NGOs--the ones who are not "nice" but articulate, hard-hitting, awkward--but possibly also smart, who may be raising some serious unwelcome but important issues--If you want to organize separate consultation with the "harsh critics" that is fine, but they often merit listening to, even though uncomfortable. Targeted Consultations are especially appropriate for a first round of technical consultations; there should ordinarily be another round(s) where issues are set out more simply, i.e., not requiring a technical background.

Hoping this report is well received and implemented--tracking implementation is critical. Maybe engage the IEO for help on how best to track implementation and design IMPACT assessments from the beginning.

Jo Marie Griesgraber, Ph.D.

Executive Director

New Rules for Global Finance

ITUC

Comments on the IMF Guidelines for the IMF Staff Engagement with Civil Society Organizations

Carolyn Vollmann, **International Trade Union Confederation**, 16 September 2015

The gap between ordinary citizen and policy makers has widened. Demonstrations and social unrest has emerged in various countries across income levels and regions over the last decade and is further on the rise. Ordinary citizen and trade unions feel that governments and those influencing and shaping their policies - such as the IMF - are not taking their interests and views into account. The Economic Intelligence Unit reported in 2009/2010 that out of 165 countries 95 were classified as having a high or very high risk of social unrest. This number had increased considerably since 2007 ¹ and might be even higher today. Many of those countries have or had IMF involvement since 2009.

Consequently, one would expect the IMF to have a high interest in engaging not just with government officials but with broader society to understand the issues. One would further expect the IMF to have an interest in improving its public relations since their reputation got badly battered through their handling of the European crisis. The IMF helped push through harmful reforms while ignoring the voice of millions. Particularly in Greece, the disregard of fundamental democratic principles has taken absurd forms.

Unfortunately, the guidelines fall short of the hoped improvements and remain what they were before - window dressing with no intention to increase the IMF's accountability.

The consultation process itself is halfhearted to say the least. Only online based comments are accepted, excluding already most of citizens in IMF client countries. Further there is no outreach and one gets the impression that the whole consultation will pass mostly unnoticed.

The paper emphasized in paragraph 1 the benefits of broader consultation as improving IMF policy advice and analysis and recognizes that the IMF "as a public institution...is committed to being transparent about its work." At the same time, it underlines that "the IMF remains accountable to its member governments" and advises staff "to encourage CSOs to take their views and proposals to their relevant national authorities".

This is a highly problematic approach and neglects reality in many of IMF client countries. Particularly where governments act opaque and repress public opinion and opposition, CSO consultations are of upmost importance to enhance democratic processes and IMF policy. It is precisely in those countries where there are difficult relations between trade unions and other civil society organizations and the government that the IMF has to make a special effort to get their views. It is further contradictory to paragraph 10 which encourages staff to "aim at making a strategic and diverse selection of CSOs", which in many countries is only feasible if the IMF act independent of government's authorization.

¹ The Economist (2009) "Aux barricades!", March 25, available at: <http://www.economist.com/node/13349331>

The result of the interviews with staff reflects the low profile of IMF consultations with civil society. Most indicated that they “did not know that the 2003 policy on IMF staff engagement existed”, “expressed their desire for a clearer protocol on how to engage with CSOs ...noting that they wanted incentives for engagement to be better institutionalized within the Fund” and although they “stated that they would like to share more information with CSOs on discussions with country officials, they are prevented from doing so by Fund mandates and the Executive Board.” (Appendix I)

The Guidelines do not address any of the mentioned concerns that emerged in the last 12 years and raised by IMF staff and CSOs. Paragraph 2 mentions that 59% of CSOs raised concerns about consultations being too rushed or too technical, have poor follow up and felt that the engagement was often “window-dressing rather than substantive input into policy strategy, analysis, and decisions.” Trade unions had very similar experiences in some cases where invitations, the agenda and documents were shared very late or not at all making good preparation difficult. Similar to the experience of other CSOs, follow-up was often rather poor leaving the impression of a box-ticking/window –dressing exercise. Also “staff called for a more systematic interaction with local CSOs” (paragraph 4). The updated guidelines do not address these concerns and have little systematic approach on who and when to invite and who invites, where to meet, what to share in advance and how to formulate a concrete outcome and a constructive follow-up. The majority of the guidelines has an anecdotal format referring to past events.

As for future consultations the paper again lacks any specific procedure as to ensure consistent quality across countries and continues to leave the success of consultation to individuals on both sides and their relationship. This is damaging to IMF’s reputation as a public institution.

Paragraph 19 warns staff from raising issues “that could put the government in an awkward position” and to “use their relations with CSOs to put direct or indirect pressure on governments.” This gives priority to diplomacy over best policy choice – one reason the IMF’s policy recommendations are considered low quality by many government officials as a survey by the Independent Evaluation Office revealed² as they are obviously bent toward political power not to economic truth.

In the guidance note the IMF laments the imbalance of representation of CSO from the northern and southern hemisphere at the annual and spring meetings (paragraph 24). However, they fail to seize the opportunity to level the playing field through a systematic institutionalization of consultations during IMF missions in those countries.

Unlike the IMF, the Bretton Woods twin institution, the World Bank, has understood the importance of accountability and civil society consultations to achieve a reduction of poverty and inequality. While not perfect in its process, the World Bank has committed itself to more transparency and better accessibility for those that are directly affected by its policies and made considerable progress in these areas in the last decade.

² IEO (2014) Recurring Issues from a Decade of Evaluation Lessons for the IMF, available at: <http://www.ieo-imf.org/ieo/files/completedevaluations/full%20text.pdf> In there the IEO states that “The 2011 TSR observed that evenhandedness was a continuing source of concern (IMF, 2011w). Nearly a quarter of the officials surveyed for the TSR, including a majority of the G20 respondents, thought that the IMF was not evenhanded in its policy advice. Some interviewees for the TSR linked the willingness to accept candid advice with greater evenhandedness on the part of the IMF, perceiving the IMF as insufficiently critical of the policies of its major shareholders.”

The IMF is lacking far behind and has not arrived in a democratic 21st century. The updating of the consultation guidelines is therefore urgent and welcome and could have been a chance to catch up but unfortunately the IMF seem to have decided to let this opportunity pass.

ADD International

Dear IMF

Thank you for asking for feedback on your guidelines for consultation with civil society. I hope I'm not too late to make one brief submission:

Given the importance of persons with disabilities as a target group for achieving sustainable economic growth, * ADD International recommends that the guidelines cover how to make civil society consultations accessible to persons with disabilities, including by:

- Reaching out to local organizations of persons with disabilities. NGOs such as ADD can advise on the leading DPOs in a given locality, to ensure you reach those that are most representative and have most legitimacy (e.g. ensuring the views of women with disabilities are represented).
- Ensuring that meetings and information are designed to be accessible to persons with disabilities, for example by providing information in alternative formats, and by ensuring venues are physically accessible. A good three-page guidance note on how to do this is here.

* For example, it has been estimated that some low- and middle- income countries may lose up to 7% of their GDP through the exclusion of persons with disabilities from the labor force (Buckup, The Price of Exclusion, 2009)

Thank you again for asking for comments. Please let me know if it would be helpful to have any further information.

Best wishes,

Polly Meeks

ADD International