



Annual Report 2014

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1. 2014 YEAR IN REVIEW

The global economic picture remains far from rosy, as major industrialised countries continue to stagger towards growth, with knock-on consequences for developing nations, as evident in a raft of new IMF lending and precautionary programmes across a host of countries.

In July the BRICS nations (Brazil, Russia, India, China and South Africa) came good on their promise to establish a development bank, and a new emergency fund in case of financial crises, in Fortaleza, Brazil, albeit with more modest ambitions than the coverage claimed.

The World Bank's restructuring process, which began in 2013, continued its stuttering progress with considerable staff discontent accompanying the changes and questions being posed about the impact of the restructure on the Bank's operational capacity.

World Bank

A year on since the **World Bank's strategy** was formally approved, any progress was largely drowned out by increased **internal discontent** with the restructuring and cost cutting process emerging from the strategy. The year kicked off with a leaked 2013 internal [staff survey](#) which revealed that less than half of respondents agreed that the Bank "prioritises development results over the number and volume of transactions." Three months into the July implementation of the reforms and just a week before the start of the October annual meetings, rumours of [internal actions](#) at the Bank in protest at the restructuring process hit the headlines, forcing president [Jim Yong Kim](#) to respond. The findings of a report by the Bank's Independent Evaluation Group (IEG), raised additional concerns about the ["declining performance" at the Bank](#), pointing to the Bank's private sector arm, the International Finance Corporation (IFC), as particularly problematic.

The year started and ended with the US Congress passing the annual appropriations bill for [2014](#) and [2015](#) respectively, both of which included restrictions on the country's engagement with the international financial institutions (IFIs). The 2014 bill, passed in mid January, included instructions for the US representatives to ensure "just compensation or other appropriate redress to individuals and communities that suffer violations of human rights". This included specific measures for communities affected by the construction of the [Chixoy dam](#) in Guatemala in the 1980s, which led the Guatemalan government in October to finally agree to pay reparations. It also mandated the US representatives at IFIs to vote against almost all forestry and hydropower projects. However, the bill did not include language authoring IMF governance reforms agreed in 2010.

The 2015 bill, passed in mid December, included an instruction for the US "to vote against any loan, grant, policy or strategy if such institution has adopted and is implementing any social or environmental safeguard relevant to such loan, grant, policy or strategy that provides less protection than World Bank safeguards in effect on 30 September 2014". The bill was a welcome win for the many civil society groups that have grown increasingly disillusioned with the Bank's **safeguards review**. The new draft social and environmental standards, released to kick start the second phase of the review in late July, have been [heavily criticised](#) by civil society, as a [dilution of the existing safeguards](#), such as on indigenous peoples rights. The consultation process itself also came under fire, with CSOs delivering a letter outlining concerns to Bank president Jim Yong Kim and staging several [walk outs](#) and other forms of protests. Moreover, civil society organisations have raised concerns about the 'teeth' of the Bank's accountability mechanism, the [Inspection Panel](#), which has been criticised over a new [pilot approach](#) to cases brought by affected communities.

The Bank's focus on big **infrastructure** received increased attention with a new G20-linked initiative, the World Bank-hosted [Global Infrastructure Facility](#), launched during the annual meetings. With little public information available, civil society has raised concerns about possible social and environmental impacts of the initiative. The Bank's focus on scaling up [public-private partnerships](#) (PPPs) was challenged, including through a July evaluation by the [IEG](#), which revealed a lack of proven poverty reduction impact. 2014 also witnessed increased discussions about the role of the Bank on the world stage, including competition from the BRICS' [New Development Bank](#) which will focus primarily on infrastructure finance. Additional questions were raised by the almost simultaneous launch of several infrastructure related initiatives by [China](#), most significantly the Asian Infrastructure Investment Bank. Considerations of **climate change** were largely missing in this context and the extent to which the Bank's actions matched its [climate change rhetoric](#) was questioned.

Private sector and the IFC

The IFC's [controversial investment](#) in Honduran palm oil producer Dinant [made the headlines](#) at the start of the year as the IFC's accountability mechanism, the Compliance Advisor Ombudsman (CAO), released an [audit report](#) strongly criticising the IFC for failing to comply with its own performance standards. The audit pointed to systematic problems, such as the IFC's organisational culture, which it asserted, prioritises financial performance ahead of environmental, social and conflict risks. The IFC was meant to implement an action plan on the Dinant case but in September the CAO nonetheless began investigating two complaints against Dinant. Grassroots farmers groups have accused the company's security guards of committing [human rights abuses](#), including kidnapping, murder, forced disappearances and evictions. They also accused the company of polluting the environment.

2014 saw the IFC's lending to **financial intermediaries** (FIs) come under increasing scrutiny. In April the Bretton Woods Project published a [major report](#) on development lending to FIs which found that between July 2009 and June 2013 the IFC invested \$36 billion in FIs. This is three times as much as the rest of the World Bank Group invested directly into education and 50 per cent more than its direct investment in health care. In August the CAO [published an audit](#) that found that the IFC failed to address adequately environmental and social risks when it approved a \$70 million loan to Honduran bank Ficohsa, which has lent millions to Dinant.

In October the CAO released a follow on report to its 2012 audit of IFC investment in FIs [which revealed](#) that "important findings from the audit remain unaddressed", including that the IFC still cannot accurately track or demonstrate whether its investments in FIs, around \$10 billion in fiscal year 2014, do no harm and improve livelihoods. The IFC is yet to provide a comprehensive response to the report [despite pressure](#) from civil society organisations who demand an adequate [IFC action plan](#) to address structural failings. This led NGOs [to recommend](#) "that the IFC undertakes fewer investments in the financial market sector, and dedicates more resources to ensure their positive outcome" and that "the World Bank Group develop a new group-level strategy for investments in the financial sector to fundamentally rethink the nature, purpose, modalities and limits of these investments."

In September, a Bretton Woods Project [briefing](#) noted that while key multilateral development banks (MDBs), such as the IFC, European Investment Bank and Asian Development Bank, say urgent action is needed to tackle climate change they continue to invest billions of dollars in oil, gas and coal projects. The MDBs have \$12.8 billion invested in publicly listed companies that already have access to capital markets

and that could be at risk if the 'carbon bubble' bursts, placing public resources for achieving development objectives at risk.

Throughout the year the IFC continued to cause controversy through its support to [luxury hotels](#) and other projects with [questionable development impact](#).

IMF

The IMF started the year ramping up its focus on **inequality**, and garnering many positive headlines from remarks by its managing director at the February Davos World Economic Forum on the threat that inequality poses to economic growth. However, despite returning to this theme throughout the year, the prospect of IMF policies altering in such a way as to confront inequality seems [limited](#).

During the October annual meetings, the IMF Committee (IMFC, the direction-setting body of finance ministers for the IMF) [called](#) for bold action to address a global economy that seems to be faltering without ever having got back up to speed following years of anaemic growth. The IMFC's mantra of "bold, ambitious" measures included cautioning that macroeconomic policies be "appropriate" while advocating "critical, structural reforms". This pointed to concerns over **growing debt levels** across countries from the low- to high-income spectrum, exacerbated by stalling growth. At the annual meetings, a grouping of Francophone Sub-Saharan African states warned that "risks to debt sustainability" are growing; from external loans, domestic debt and public-private partnerships (PPPs). The latter is prioritised by most international institutions and the G20 as the main strategy to address high debt and low growth and investment. The year ended with a high-profile [debate](#) about the impact of the IMF's historic structural adjustment programmes in the Ebola-hit West African countries, with [calls](#) for the Fund to cancel debts of Guinea, Liberia and Sierra Leone.

Another long-running sore is the Fund's [failure](#) to implement **governance reforms** agreed in 2010 as part of its 14th review. These schedules are becoming increasingly meaningless; the 15th review cycle should have begun in January. Instead the Fund published a statement by the executive board demanding that the IMFC reiterate – presumably back to the board – that these reforms are crucial and that the on-going failure to implement them due to the US Congress's refusal to ratify the reforms, is unacceptable. This itself was a failure to fulfil the Fund's own promises to accelerate the reform process, as it had repeatedly stated that if the (already-shifted) January 2015 deadline was not met, staff would publish alternative approaches which would, in effect, bypass the US effective veto. No such proposals have been published to date and another discussion is not planned until the 2015 April meetings of the IMFC.

What this local difficulty masks is the frustration amongst developing countries and in particular the BRICS nations, at not just American obstruction but the failure of European states to take a lead. This is unsurprising given that all the measures of determining countries' share of quota and voting rights in the Fund indicate Europe is still hugely over-represented and rather happy with the status quo as a result. It is little wonder then that the BRICS nations have explicitly linked the need to develop their own alternatives to the Bank and Fund to the unwillingness of industrialised nations to reform governance of the IMF and World Bank in a meaningful fashion.

2. ADVOCACY

Climate finance

We have continued to work to ensure that international climate financing is democratically governed with a strong voice for developing countries, and supports clean and renewable energy.

The Project has amplified critical perspectives and has influenced the discussions on the World Bank-hosted Climate Investment Funds (CIFs) within international climate finance debates, including the United Nations Framework Convention on Climate Change's (UNFCCC) Green Climate Fund (GCF), with a particular focus on the role of the private sector and private finance.

We published two editions of the influential [CIFs Monitor](#) prior to the CIF sub-committee meetings in June and November, providing updates on the status, key issues and concerns arising from the CIFs' design and implementation process. Now in its fifth year, the *CIFs Monitor* remains the only regular independent briefing that covers the developments of all CIFs. *CIFs Monitor 9* (June 2014) included coverage of concerns raised by Indonesian civil society groups on the draft CIFs evaluation and on the Forest Investment Program, as well as questions raised about the poverty impacts of Clean Technology Fund projects in India, Indonesia and the Philippines. *CIFs Monitor 10* (November 2014) included a summary of key findings from the CIF evaluation, coverage of a drastic increase in pilot countries in the Scaling up Renewable Energy Program in Low Income Countries, and donor concerns about adaptation benefits of a Pilot Program for Climate Resilience project in Mozambique.

Besides being available on the Project's website and distributed to climate specific email lists, the *CIFs Monitor* is also sent directly to the CIFs' civil society and indigenous peoples observers, government and multilateral development bank (MDB) CIF representatives and the CIF administrative unit. During the reporting period we used feedback received from the readership to improve the *CIFs Monitor* by giving it a clearer structure when reporting on projects and increased focus on GCF links and developments.

We were invited to speak at the CIF Stakeholder Day which took place during the CIF Partnership Forum in Jamaica in June. The Project's presentation, which focused on the role of stakeholder participation in the CIFs was attended by over 150 people. We also used the opportunity of the forum, attended by over 500 people, to distribute 100 copies of the *CIFs Monitor*. During the meetings we built stronger relationships with civil society partners, including indigenous peoples groups, and gained further critical insights into the CIFs' operations and private sector partnerships.

An [October blog](#) for the Triple Crisis website discussed the [CIF evaluation](#) and the need to implement the CIFs' 'sunset clause', requiring the funds to close as soon as a new international climate finance architecture becomes effective. In November the blog was translated into Spanish and republished on the [Climate Finance](#) blog. In February, we commissioned legal research undertaken by Advocates for International Development, a UK-based charity which facilitates pro bono legal services for NGOs, on the World Bank's role as an interim trustee of the GCF, with a focus on potential conflict of interest issues. The report, researched and written by a London-based international law firm was delivered in October. The report will inform our work on the Bank in the GCF, and contribute to future outputs.

We maximised the impact of our critique of the likely future direction of climate finance initiatives through participation in civil society networks, such as the UK NGO coalition [Bond](#)'s Development and Environment

Group (DEG). We have continued to engage with the Department for International Development (DFID) and the Department of Environment and Climate Change (DECC), with a particular focus on the CIFs and relevant links to the GCF. During the reporting period we raised issues around the CIFs and the GCF, including funding priorities and lessons learned from the CIFs for the GCF. We also voiced concerns over the role of the private sector and private finance in climate finance and participated in five DEG meetings with the UK government.

In April we attended a consultation meeting to provide input to an [Independent Commission for Aid Impact](#) (ICAI) review of the UK government's International Climate Fund, which includes funding for the CIFs (to which the UK is the largest donor). Furthermore, in May we worked with DEG to provide input into a submission to ICAI. Our contribution focused on the CIFs and outlined some of the problems identified through our *CIFs Monitor* and in the CIF evaluation. Issues of concern highlighted by the Project included lack of transparency and accountability, the need to respect the CIF's 'sunset clause', lack of country ownership, the role of the private sector, and insufficient focus on women and girls.

We have covered the World Bank's climate change and energy policies and related issues, in several articles in the *Observer* and in the *Bulletin*, thus increasing our readers' understanding of key cases, developments and trends in this area. Articles in the *Observer* included coverage of criticism of the World Bank's involvement in the GCF in the [Winter](#) edition, an analysis of the dissonance between the World Bank's climate change rhetoric and practice in the [Spring issue](#), a comment piece on the India-based Tata Mundra coal power plant by Bharat Patel of Indian NGO Machimar Adhikar Sangharsh Sangathan, with Himanshu Damle of the Bank Information Center, in the [Summer edition](#), and an explanation of the World Bank's 'green bonds' in the [Autumn](#) edition. Articles in the *Bulletin* included a story on the World Bank's continued funding for fossil fuels in [December](#), a piece highlighting criticisms of the World Bank's push for 'climate-smart' agriculture in [February](#), and a piece focusing attention on the Bank's investment in fossil fuel extraction in [May](#).

Challenging the IMF on economic policy

The Project has continued to raise awareness about the high levels of conditionality attached to IMF lending and its negative impacts on social outcomes, and worked towards reducing/eliminating conditionality from IMF finance. It also strengthened the capacity of civil society in countries in the transition to democracy (with a particular focus on the Middle East and North Africa (MENA) region) to challenge IMF economic policy conditionality.

The Project provided input to the IMF's Independent Evaluation Office (IEO) in April as it discussed priorities for its analysis of IMF activity and policies. Our intervention influenced the terms of reference of the IEO analysis into the IMF's role in the global financial and economic crisis, published October and its forthcoming evaluation into the Euro area financial crisis. BWP also participated in a private seminar jointly held by the Bank of England and the UN Department of Economic and Social Affairs in April, to discuss the need to reform the international financial architecture's approach to debt default and resolution mechanisms. Participants in the seminar included IMF representatives and multiple UK and European government officials, with the Project as the only civil society actor present.

During the April spring meetings we co-hosted and spoke at a panel titled *financial tremors in developing countries: Is another earthquake on the way?* in which we contributed to discussions about the ongoing risks and proposals to remedy a failing and out of date international economic architecture that generates them. Other speakers on the panel included representatives from the G24 secretariat and NGO the Third World

Network. During the October annual meetings, we co-hosted and chaired a side event titled *Adapting IMF policy advice for today's world and countries' needs*. The event benefited from the participation of speakers from the IMF and provided a critical analysis on how the IMF monitors economic developments and provides policy advice.

We have had considerable success in supporting partners in MENA countries, where the IMF has initiated new programmes. In June, we met with partners in Egypt and Tunisia to discuss the role of the IMF and to explore how support from BWP and its network could strengthen their work. Partners sought our assistance in the development of strategies to better hold their governments to account and to scrutinise the IFIs' role in policy-making in their respective countries. Additionally, we met with trades unions, journalists, activists and other NGOs, as well as deputies from the National Assembly (Tunisian parliament) to discuss the role of the IMF in Tunisia, and to share other countries' experiences of holding the IMF to account for conditionalities and its indirect influence over borrower governments. As a result of these meetings we co-organised a seminar and public conference on the role of the IMF and other IFIs in Tunisia and across the MENA region in December. The events were an important milestone in the Project's ongoing efforts to develop the capacity of local actors to better hold the IMF to account as described above.

Furthermore, we have covered issues related to international finance in our flagship publications on a regular basis. The [Winter Observer](#) analysed discontent with IMF austerity policies, while the [Spring](#) cover article questioned the Fund's work on inequality, and a longer [June](#) article by Jesse Griffiths of Eurodad looked at the conditionalities attached to IMF loans. The [December Bulletin](#) analysed the IMF's dilemma over debt restructuring.

Private sector development

The Project has worked to change the structure and governance of the IFC so that it promotes the development of national, democratically controlled institutions, which support national and local enterprises that contribute to pro-poor sustainable development.

The Project and several partner organisations have continued to jointly coordinate advocacy towards the IFC, in particular on its support to financial intermediaries (FIs). The strategy has focused on highlighting the ineffective tracking of the environmental and social consequences of sub-projects funded by FIs. We have organised periodic conference calls with network partners to facilitate the development of concerted advocacy strategies. We have also continued to collaborate with the European Private Sector Group organised by Eurodad to ensure group members include public multilateral support to financial actors in their analysis of the areas on which they focus.

We have advised organisations in the North and South on cases related to violations of IFC performance standards and how to proceed with complaints and other mechanisms of redress. In addition, we have put the spotlight on particularly problematic cases. In March we co-organised and hosted a visit by Southern NGO colleagues to London, together with the Bank Information Center and Oxfam. The delegation included a representative from a farmers' movement in Honduras that has raised concerns about the human rights abuses associated with the IFC's investment in Honduran palm oil producer Dinant, which is subject to an investigation by the IFC's accountability mechanism, the Compliance Advisor Ombudsman (CAO). During the trip the group met with UK Members of Parliament and members of the House of Lords, as well as the World Bank team at DFID and a journalist from the *Guardian* newspaper. The meeting with the journalist resulted in an [article](#) covering the Honduras case. We hosted and chaired an event where the visiting partners spoke

to interested NGOs. We also accompanied the group to the EuroIFI meeting in Brussels, which included a meeting with the World Bank's European executive directors (EDs), where their cases were also raised.

In August we published a response to a blog by the IFC's vice president Jin-Yong Cai on the World Bank website, in which he argued that the IFC had learned its lessons from the Dinant case (see below) and that poverty eradication would require the World Bank Group generally and the IFC in particular, to continue to expand activities into complex settings or conflict-affected states. Our response emphasised the structural nature of the problems faced by the IFC and argued that the IFC's lending through FIs, which the Project considers problematic generally, is especially inappropriate in fragile and conflict-affected states.

During the reporting period the Project has continued to work with partners to advocate for changes within the World Bank through a variety of means. We have coordinated a June NGO [letter](#) to IFC vice-president Cai signed by 28 NGOs, including Indonesian Solidaritas Perempuan and Germany-based Urgewald. This was used to critically analyse and document concerns about the IFC's April technical briefing to the board on "environmental and social lessons learned".

During the spring meetings in April we co-hosted and spoke alongside other speakers such as NGO representatives from Cambodia at a civil society side event titled *Can development really be delivered by investing in private banks?* We also participated in several separate NGO meetings with the IFC in which we pushed our agenda for structural change and discussed ways forward. We used these opportunities to also launch a new BWP briefing, [Follow the money: The World Bank Group and the use of financial intermediaries](#). The briefing, which built on analysis of FI investments in collaboration with students from the London School of Economics, was designed as a research tool to stimulate debate about how civil society organisations can respond to the increasing support provided to the financial sector. The launch coincided with a BWP [blog post](#) on Oxfam's influential *From poverty to power* blog site. Significantly, the briefing was mentioned in a Q&A session with president Kim and received considerable attention amongst IFC officials and NGOs during the spring meetings. Furthermore, the report was circulated on climate finance email lists, increasing the understanding of this community about FIs as their use is increasingly advocated for climate change mitigation projects. The report has also been widely referenced, including by the [Organisation for Economic Cooperation and Development](#), and the data has been used by Eurodad.

During the October annual meetings we co-hosted an event titled *IFC Lending through financial intermediaries - A year on from the Action Plan, what have we learned?*, which included speakers from the IFC, CAO and NGO representatives from Cambodia, Guatemala and Honduras. We also contributed to other fora in which we questioned IFC's claims about the development impact of its activities and sought to focus attention on problems with the sequencing of IFC's approach to the capacity strengthening of local FIs.

In September we launched a new briefing, also building on our collaboration with students from the London School of Economics, titled *Multilateral development banks' unburnable carbon*, which mapped fossil fuels investments by five MDBs, accompanied by a targeted Twitter strategy. In addition, we collaborated with the European watchdog on the European Investment Bank (EIB), CounterBalance, on a [press release](#) to highlight the EIB's unburnable carbon investments.

During the reporting period BWP continued to cover a variety of issues relevant to its work on the private sector in our flagship publications. This included the cover article for the [Winter Observer](#) on human rights abuses associated with the IFC's investments in Honduran palm oil company Dinant, a [Spring](#) analysis of the problems with the IFC's investments in FIs, criticism of the IFC's institutional culture in the [Summer issue](#),

and problems with the IFC's expansion in fragile and conflict states in the [Autumn](#) edition. The *Bulletin* articles included mapping of IFC investments in luxury hotels and shopping malls in [February](#), criticism of the World Bank Group's investments in the financial sector rather than poverty reduction in [May](#), and coverage of a CAO audit of the IFC's investment in Honduran bank Ficohsa in [September](#).

Demanding meaningful changes to IFI governance

We have continued to set out a strong case for how IFI reform might be achieved, and exploited key opportunities to do so, including forums and meetings with officials, think tanks and opinion-formers and the media. The Project used these opportunities to call for reforms to World Bank and IMF governance, an end to conditionality and increased transparency. We have also engaged in debate and discussion around the changing geopolitical environment, particularly the launch of the BRICS Bank and reserve arrangement, which will lead to significant changes in the international financial architecture.

We have monitored the slow progress made on governance reform in the Bretton Woods institutions, including through a [May Bulletin](#) article documenting developing countries' frustration with lack of reform at the Fund. BWP facilitated a September civil society letter to EU foreign ministers on the need for radical reform of IMF governance.

During the April spring meetings we convened a seminar on the need for a global civil society discussion on development finance, to capitalise on the 70th anniversary of the Bretton Woods Institutions and the increased international awareness of relevant issues that resulted from the emergence of the new BRICS Bank. This followed a January survey of over 200 of the Project's partners and a conference call with over 50 participants (including representation from every continent), held in February. The April seminar allowed international civil society groups to strategise for opportunities in 2015, such as the UN summits on the Sustainable Development Goals. It also enabled participants to better coordinate responses to the shifting institutional roles at the global level between the IMF, the World Bank and new, emerging institutions.

A follow up seminar targeted at Southern groups was held in Brazil in July. This event provided over 20 Southern groups with the opportunity to explore the changing nature of the landscape of international financial institutions in the immediate aftermath of the BRICS announcement of the New Development Bank. This allowed participants to pose questions and raise issues about how civil society networks are functioning and how they need to evolve to become better adapted to the changing external geopolitical and institutional environment. Discussions emphasised the need for global civil society networks to remain rooted in civil society.

In July we were invited to speak on a panel at a parliamentary event titled *70 years on from Bretton Woods: Time for a new era of economic co-operation?* organised by the Labour Campaign for International Development. Other speakers included Chris Leslie MP, shadow chief secretary to the Treasury, and Alison McGovern MP, shadow Minister for international development. Our contributions to the discussions were aimed at ensuring that participants took into consideration prevalent critical arguments about the typology of economic co-operation as supported by the World Bank and IMF.

We have covered issues related to governance in our flagship publications on a regular basis. The cover article of the [September](#) annual meetings edition of the *Observer* noted the Bretton Woods institutions' 70th anniversary, critically questioned their developmental impact and analysed how their influence is evolving.

In the [February Bulletin](#) Sameer Dossani of ActionAid International analysed the emergence of the BRICS Bank and its significance for the future roles of the IMF and World Bank.

Infrastructure

The Project has continued to develop and implement its work programme to push for infrastructure funding to be guided by *ex ante* principles, including human rights due diligence and social and environmental accountability.

We have closely monitored the developments of the new World Bank-hosted Global Infrastructure Facility (GIF), which was initiated in 2013 and launched in October. We have raised questions on the GIF process and details in various meetings and in email correspondence with the World Bank, including with the UK ED, the World Bank chief of staff and with the head of GIF. We have forwarded relevant information and articles to civil society and World Bank or IFI related email-lists. During the reporting period we have seen an increased interest in and coverage of infrastructure related issues by NGOs.

For the World Bank spring meetings in April we initiated and co-organised two adjacent and well-attended infrastructure related civil society side events, for which we secured some of the headline speakers. The first session titled *Energy sector trends: What is the future for fossil fuels (king coal, queen gas), big dams, versus appropriate-scale renewables* included a speaker from India-based NGO Vasudha Foundation and the director of the World Bank's Sustainable Energy Department. The second session titled *Mega-project mania? What are the infrastructure trends in terms of new/existing institutions, scale and normative approaches* included speakers from Brazilian NGO Ibase and the World Bank's then manager for the Singapore Infrastructure Hub, who was subsequently appointed head of the GIF.

During the spring meetings we also participated in an NGO roundtable with the Australian chair of the G20 Development Working Group, where we raised infrastructure related concerns, including questioning the lack of progress on environmental safeguards.

During the October annual meetings we co-sponsored an event titled *Responsible infrastructure finance and governance*, which featured discussions on GIF, and included speakers from the Heinrich Boell Foundation and the Lowy Institute for International Policy. We also participated in an NGO infrastructure finance strategy meeting organised by Eurodad, which focused on planning for the 2015 annual meetings in Lima.

We have also monitored the renewed World Bank push for public-private partnerships (PPPs), including in the GIF. During the spring meetings we met with the lead researcher for the IEG review of the World Bank's use of PPPs, and we disseminated the final report widely on various NGO email-lists, prompting wide-ranging discussions. We also commissioned Eurodad to write an analysis of the report findings for our [Autumn Observer](#).

The Project has covered the infrastructure finance agenda extensively in its flagship publications, primarily focusing on the World Bank, such as problematic projects and GIF developments. BWP also covered infrastructure related developments, such as within the G20, as well as other new initiatives, such as the new Asian Infrastructure Investment Bank (AIIB) and the BRICS New Development Bank. This included the cover article of our [Summer Observer](#), which analysed the increasing competition over the infrastructure finance agenda in Asia, including China's AIIB. Other articles included coverage of problematic infrastructure projects and India's push for GIF in the [Winter](#) edition, a [Spring](#) comment piece on a power transmission project in Nepal by Shankar Limbu of the Lawyers' Association for Human Rights of Nepalese Indigenous

Peoples (LAHURNIP), with Komala Ramachandra of US-based NGO Accountability Counsel; and an overview of the risks with GIF in the [Autumn](#) edition. Articles in the *Bulletin* included coverage of controversial hydropower projects in [February](#), an update on GIF in [May](#), and a critique of Tajikistan's Rogun dam in [September](#). In the [November](#) *Bulletin* we covered the launch of GIF.

Gender

We have monitored the IFIs' gender work, including through an analysis for the [Winter Observer](#) by Elaine Zuckerman of Gender Action on the IMF and gender, which identified additional measures the IMF should take to promote gender equality, and an article in the [September Bulletin](#), which questioned progress made by the World Bank on gender. Additionally seven other articles have included gender issues, including on care work and family planning.

Our progress on increasing our coverage of gender issues in our publications against a number of indicators is recorded on page 17. We have also strengthened our gender work and intelligence through regular monthly information sharing meetings with ActionAid gender staff, and meetings with the women's rights offices in a number of partner UK NGOs. The meetings have served to increase the scope of our network's and our expertise on the consequences of World Bank and Fund policies and actions on issues of gender.

World Bank's safeguards review

The World Bank safeguards review has continued to engage our network, and we have provided support by coordinating meetings with the World Bank's UK ED, where the review has repeatedly featured on the agenda. As mentioned under the private sector development section above, in March we co-organised and hosted, together with the Bank Information Center and Oxfam, a visit by Southern colleagues to London, which also included representatives from NGOs in Cameroon and Argentina, both of whom raised concerns about the safeguard review in the various meetings. We also organised several meetings between UK civil society and the DFID World Bank team, including a December half-day meeting at DFID with NGOs and government policy leads, focusing on key safeguards themes, such as human rights.

Furthermore, the Project distributed information on the safeguards review through our flagship outputs, for example, through a comment piece by Mariana González Armijo of Mexican NGO Fundar for the [Autumn Observer](#), which raised concerns about the potential impact of the new draft safeguards framework. Moreover, we have monitored developments at the IFIs' accountability mechanisms, including linkages to the safeguards review. This included a comment piece in the [February Bulletin](#) by Andrea Rodriguez Osuna and Astrid Puentes of the Interamerican Association for Environmental Defense (AIDA) that looked at the lack of impact of the World Bank's accountability mechanisms. A guest analysis by Alessandra Masci of Amnesty International for the [Autumn Observer](#) questioned the impact of the World Bank's Inspection Panel's new pilot approach on cases, which prompted a response by the Inspection Panel.

We have also followed the implementation of the World Bank's strategy and associated restructuring. The Project published several articles in our flagship publications on the subject. This included an analysis of the strategy in the [Winter Observer](#) and another article highlighting issues and concerns about the progress on the restructuring process in the [Spring Observer](#). We also raised questions in London-based meetings on the World Bank's citizen engagement strategy in February and a meeting with the World Bank chief of staff in May.

3. NETWORK STRENGTHENING

UK networks

We have continued to work with our partners to strengthen UK civil society networks in key aspects of their IFI campaigning. We have continued to coordinate the BWI network, which includes 176 members from at least 72 civil society groups, through our email lists and meetings.

We have continued to provide opportunities for our members to raise their concerns on international finance, especially as they relate to the activities and policies of the World Bank and IMF, at the most senior levels. We have contributed to UK civil society forums by assisting partners to identify and understand the linkages between the work of the Bretton Woods institutions and the international issues on which they work, via various meetings and seminars.

The Project has convened regular meetings with the UK Treasury and DFID officials responsible for engagement with the World Bank and the IMF. During the reporting period we coordinated four meetings with the World Bank UK ED Gwen Hines, with notes shared on our website. The [January](#) meeting agenda included the IFC and human rights, the inclusion of disabled people in all facets of programme planning and implementation, climate and energy (including a climate safeguard), and International Development Association outcomes (including fragility and reproductive health indicators). The [April](#) meeting agenda included the World Bank Group strategy, the health sector (including public-private partnerships and nutrition indicators), resettlement, and the IFC's use of financial intermediaries. In [June](#) the agenda included the private sector, nutrition and safeguards. In [October](#) the agenda focused on safeguards, the prioritisation of spending on programmes aimed at decreasing under-nutrition rates and the Inspection Panel pilot.

On the IMF side, a January meeting with the UK ED Steve Field discussed inequality, tax and labour reforms and a July meeting discussed tax and debt reform. The Project facilitated the participation and engagement of a number of UK NGOs with the IMF on these topics for the first time. The Project also met with DFID staff to discuss ongoing debt concerns and sustainability questions in February. These meetings are not publicly minuted.

European networks

We have continued to participate actively in formal and informal networks for civil society cooperation and strategy for campaigns and advocacy, including human rights in finance and debt campaigns, focusing both on European and Southern countries. The Project has been able to connect disparate and often unrelated or even occasionally uncooperative groups, such as social movements and trades unions, in the European region, thus contributing to improved coherence within the network and the possibility for greater impact. It has maintained its longstanding leadership role within European civil society networks in providing analysis of and assisting to direct network discussions about the role and impact of IMF policies and programmes. This is perhaps most clear in the impact the Project has had in its continued engagement with the EuroIFI network and its close partnership with Eurodad, which facilitates the EuroIFI civil society network. At the twice yearly EuroIFI network meetings we have led sessions on infrastructure finance, the role of IFIs in the MENA and in the Central and Eastern European (CEE) regions, and on strategies for increased regional civil society cooperation. We took the lead in instigating the assignment of some of the network's joint resources for the establishment of a pilot programme in CEE intended to build capacity of and coordinate emerging

civil society groups in countries in the region. We assisted in developing the terms of reference for the pilot and have provided oversight and expert support to the consultant hired to implement it.

During the reporting period we supported the advocacy, campaigning and policy work of European civil society groups. On the World Bank side, the focus of our work included FIs and safeguards. We played a leading role in the EuroIFI civil society network, including through our support for the preparation and planning for and participation in the six-monthly meetings of European EDs to the World Bank and IMF. At the March meeting, which included Southern colleagues from Honduras, Cameroon and Argentina, discussions centred on safeguards and the IFC. The EDs meeting at the April World Bank spring meetings featured discussions on the IFC and the safeguards review. At the World Bank annual meetings, agenda items included safeguards, the IFC and the Kosovo coal power plant.

On the IMF side, for the April spring meetings the agenda items included tax and debt reforms. The agenda for the annual meetings included tax, debt limits policy, and the IMF's role in the MENA region, where we facilitated the presentation made by BWP's partner, the Arab NGO Network for Development. In all the discussions and meetings mentioned above, BWP used its expertise and knowledge to assist partners to provide a nuanced and well-founded critique of the work of the World Bank and IMF in specific areas of concern, thus helping to bring to prominence important views and experiences that may otherwise have been ignored.

The Project's goal of strengthening civil society capacity to hold the IMF to account has been facilitated by our work in European networks and consortia, including via our articles translated in other European states, regular *Observer* articles and by educating civil society through briefings and events focussing on the key role played by European institutions and individual European states in the decision making and policy formation processes of the IFIs. The Project has continued its work developing European civil society networks, including through the second year of a three-year European Commission-financed project with seven other European civil society partners, focusing on debt and accountability of IFIs.

International IFI networks

We continued to support joint strategy development on IFI issues and facilitated information exchange within our networks through regular meetings and virtual forums. We participated in the Bank and IMF spring and annual meeting in Washington in April and October, highlighting civil society concerns on key topics, such as energy, climate finance, the Bank's safeguards policies, infrastructure, private sector partnership and the review of the World Bank's influential *Doing Business Report*. Our analysis of official outcomes and tracking of the events at the meetings are a useful resource for those not able to attend the meetings in Washington. In April we published notes of 17 seminars and in October 14 seminars, on top of our pre-meetings analysis, and interpretation of meeting outcomes.

4. OUTPUTS

Timely information-sharing is crucial to the Project's objective of catalysing effective coalitions for change. Following our extensive 2012-13 communications review, we have implemented the changes as outlined in our previous report. These changes have predominantly consisted of: the redesign of our website and flagship publication, and launch of a new publication, the *Bretton Woods Bulletin*. We have also engaged more systematically with social media. As detailed below, these changes have resulted in an increase in subscribers and thus potential impact.

Publications, website and social media

Global readership of the *Bretton Woods Observer*, our new quarterly critical review of developments at the World Bank and IMF, stands at almost 13,400 subscribers, a four per cent increase on 2013 levels. The *Observer* provides readers with a digest of independent information and analysis on key World Bank and IMF initiatives and has been developed to build on the success of the previous *Update* publication. We produced four issues of the *Observer* in 2014 in a variety of multimedia formats: printed copy, email highlights, online PDF, plain text versions as well as a Spanish translation of all online content.

Our new *Bretton Woods Bulletin*, an electronic update of news and action on the World Bank and IMF contains shorter news-orientated articles and is designed to update our readers on key developments that concern the World Bank and IMF, in-between issues of the *Observer*. The *Bulletin* now has over 7,000 subscribers, and has a high readership level with an email open rate of between 17-19 per cent (1,260 readers), similar to that of the *Observer*. We published four editions of the *Bulletin* during the year, which were also translated into Spanish.

We provided a platform for Southern NGOs and civil society perspectives in both the *Observer* and *Bulletin*, where in 2014 we published seven *Comment* articles from Southern NGO colleagues, including a piece by Lehlohonolo Chefa of the Lesotho Consumer Protection Association on the damaging impact of a public private partnership on Lesotho's health service ([May](#)), and an article co-written by Shankar Limbu from the Lawyers' Association for Human Rights of Nepalese Indigenous Peoples (LAHURNIP), Nepal, and Komala Ramachandra, Accountability Counsel, USA, on violations of human rights associated with a Bank-funded power line project in Nepal ([March](#)).

Our 'At Issue' briefings, included in *Observers* and published as PDFs on our website, have provided external expert analysis on topical issues in order to support information sharing and increased knowledge and capacity on key issues. Briefings during 2014 included an article by Elaine Zuckerman from Gender Action on the IMF's performance on gender issues, and another by Sameer Dossani from ActionAid International, India, on the New Development Bank launched by the BRICS nations ([February](#)). The complete list of publications, including 'Comment' and 'At Issue' articles and briefings, is included on pages 15-16.

During 2014 we sent out 14 email alerts to over 2,700 people, highlighting key aspects of our work. We also disseminated a weekly newswire highlighting key media articles and civil society reports to more than 1,722 readers (a 15 per cent increase on 2013 levels), achieving an open rate of over 20 per cent.

Our website, updated almost daily, which includes a rich source of news, comment and research, is a critical source of information and analysis for our networks and followers. The website received over 180,000 visitors (more than 143,000 of which were unique visitors) during the reporting period. In October alone, our

website received almost 15,000 unique visits. Visitors spent a significant amount of time browsing our site - the second largest group of visitors (over 4,000 people) spent up to 10 minutes on our pages.

We have increased our Twitter followers by over a third to almost 3000 during the year by adopting a more proactive Twitter strategy during key events and publication launches. In addition, we published four blogs on external sites: an [April blog](#) on Oxfam's influential *From Poverty to Power* blog site focused on the negative developmental impact of the World Bank's use of FIs, a [July post](#) on the new BRICS Bank and reserve arrangement co-authored with Eurodad was posted on their site and an [October blog](#) discussed the future of climate finance on the Triple Crisis blog, which in November was translated into Spanish and republished on the [Climate Finance](#) blog. We also responded to a blog post on the World Bank's website [questioning the IFC's commitment to reform](#) in August.

'Comment' and 'Guest Analyses' pieces in 2014 by external authors

- [Dangers of dilution: World Bank's new weak environmental and social framework](#) by Mariana González Armijo, Fundar, Center for Analysis and Research, Mexico (Observer *Autumn 2014*)
- [Where is the public in PPPs? Analysing the World Bank's support for public-private partnerships](#) by María José Romero, Eurodad (Observer *Autumn 2014*)
- [Is Inspection Panel's new pilot weakening World Bank accountability?](#) by Alessandra Masci, Amnesty International (Observer *Autumn 2014*)
- [What is the social impact of the World Bank's support to regulatory reform? Don't ask the Bank](#) by Sarah Montgomery, CAFOD (Bulletin *November 2014*)
- [Tata Mundra: making a mockery of accountability](#) by Bharat Patel, Machimar Adhikar Sangharsh Sangathan, and Himanshu Damle, Bank Information Center, India, (Observer *Summer 2014*)
- [Reproductive health: What's the Bank's score? Holding the World Bank to account on its commitments to reproductive health](#) by Preethi Sundaram, International Planned Parenthood Federation (Observer *Summer 2014*)
- [Bad aid: World Bank private financing scheme bleeds Lesotho's health system dry](#) by Lehlohonolo Chefa, Lesotho Consumer Protection Association (*Bulletin* May 2014)
- [Disempowered development: Violating rights in Nepal for electricity transmission](#) by Shankar Limbu, Lawyers' Association for Human Rights of Nepalese Indigenous Peoples (LAHURNIP), Nepal, and Komala Ramachandra, Accountability Counsel, USA, (Observer *Spring 2014*)
- [Global Partnership for Oceans: World Bank fishing in troubled waters?](#) by Nathalie Rey, Greenpeace International (Observer *Spring 2014*)
- [World Bank accountability mechanisms: Any lessons learned yet?](#) by Andrea Rodriguez Osuna and Astrid Puentes, Interamerican Association for Environmental Defense (AIDA), (Bulletin *Feb 2014*)
- [IFC's bitter tea - Investment in Assam receives global condemnation](#) by Komala Ramachandra, Accountability Counsel and Francesca Feruglio, Nazdeek (Bulletin *Feb 2014*)
- [Leaving behind the most vulnerable. The World Bank funded conditional cash transfer programme in the Philippines](#), by Abner Manlapaz, president, Life Haven (member of the Philippine Coalition on the UN Committee on the Rights of People with Disabilities), (Observer *Winter 2014*)

Briefings, reports and policy papers published in 2014

- [Multilateral Development Banks' unburnable carbon](#), Bretton Woods Project briefing, September 2014
- [Follow the money: The World Bank Group and the use of financial intermediaries](#), Bretton Woods

Project, July 2014

- [Conditionally yours: An analysis of the policy conditions attached to IMF loans](#) At Issue briefing by Jesse Griffiths, Eurodad, June 2014
- [Climate Investment Funds Monitor 9](#) Bretton Woods Project, June 2014
- [Corporatising agriculture: World Bank's rankings facilitate land grabs](#) At Issue briefing by Alice Martin-Prével, Oakland Institute, May 2014
- [Follow the money: The World Bank Group and the use of financial intermediaries](#) Bretton Woods Project report, April 2014
- [The future of global economic governance and the IMF - Challenges and opportunities for Europe, emerging economies and developing countries](#), Bretton Woods Project report, March 2014
- [BRICS Bank: New bottle, how's the wine?](#) At Issue briefing by Sameer Dossani, ActionAid India, February 2014
- [IMF & gender: a long way to go](#) At Issue briefing, by Elaine Zuckerman, Gender Action, January 2014

BWP publications and gender

Coverage of gender-related issues in the *Bretton Woods Observer* and *Bulletin*:

Targets for gender related articles in the *Observer* (from Bretton Woods Project gender plan):

- one gender specific analytical article per 18 months
- one article including a gender dimension per *Observer*
- ensure women's equal representation in *Observer* quotes

Indicator	2013	2014	% increase
Articles focussing on gender	1	3	200
Articles containing gender issues	5	9	80
External feature articles authored by women	50%	66%	15
Quotes in articles from women commentators (officials, NGOs, academics)	31%	30%	-1

5. CONCLUSIONS AND CHALLENGES

During 2014 the Project has continued to act as a critical voice on the IMF and World Bank's role in climate finance, by tracking developments in its role in various funds. We also focussed on international financial reform and governance and highlighted the negative impacts of IFI policies and programmes, thus supporting partners with a comprehensive analysis that incorporates finance, governance, environment and human rights components. We have capitalised on key advocacy opportunities, including at the spring and annual meetings of the World Bank and IMF and at the June CIF Partnership Forum. We have facilitated links between officials and CSOs, and have continued to expand our network of civil society organisations, academics and trade unions. We have therefore continued to expand the influence and power of our networks, thus potentially increasing the impact of our collective actions.

We have also continued to build effective civil society coalitions in the UK and internationally. In the UK, we have led strategic coordination of UK NGOs on the World Bank and Fund, providing opportunities for groups to raise key issues. We have also provided advice to partners on how to best utilise the UK's position of influence within global strategic discussions and decision making processes. To further improve and expand our outreach we have continued to implement our new communications strategy, including through further improvements to our website.

In 2015 the Project will continue to work on limiting the World Bank's role in international climate finance, and persist with demands that it be democratically governed. While the CIFs remain our primary focus, we will increasingly focus on the development of the GCF, and will also follow any World Bank related developments leading into the UNFCCC Conference of Parties at end 2015. On infrastructure finance we will continue to develop our strategy to include further constituencies and refine our messaging, including by closely monitoring relevant developments at the World Bank, such as the GIF. On private sector development, we will continue to monitor and challenge the IFC's response to criticism by the CAO and civil society, including for its use of FIs, with an increasing focus on the problematic role of the IFC's choice of investment strategies in fragile and conflict-affected states.

On international finance, we will keep pushing for reform of the international financial system. We will do this by shaping debates and developing proposals for change, targeting advocacy of key decision-makers, and continuing to build and maintain effective civil society coalitions for change at UK, European and international levels. This will include driving forward demands for core voting and quota reform at the IMF. In addition we will continue to monitor closely the evolving and growing use of economic policy and commitment in a diverse range of countries.

Furthermore, in 2015 we will embark on a strategic review, to shape our next five-year strategy. This will allow us to review progress made, analyse the changing external context and consider implications for BWP, so that we can shape our work programmes and structure to allow us to be as strategic and efficient as possible in reaching our goals.

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6. SUMMARY FINANCIAL STATEMENT 2014 (a)

	2013	2014
Income (GBP)		
Network contributions ^(b)	49,003	53,904
CS Mott Foundation	30,745	124,310
European Commission (IMF Project) ^(c)	27,199	32,961
European Commission (EIB Project)	14,552	0
Rockefeller Brothers Fund ^(d)	91,063	0
Oxfam Novib	0	49,253
Eurodad	45,326	0
Individual donors	293	391
Other (reimbursements for specific costs)	30,496	0
Total	288,677	260,819
Expenditure (GBP)		
Salaries	185,198	208,185
Travel	8,273	12,818
Computers and Office Equipment	8,716	8,755
Communications and research	36,823	32,099
Total	239,011	261,857
Opening balance	140,167	189,834
Closing balance	189, 834	173,396

In-kind contribution: The above figures do not include the generous contribution of ActionAid in hosting the project, which includes office space, technical and financial management support.

The Bretton Woods Project is an ActionAid hosted project, based at 33-39 Bowling Green Lane, EC1R 0BJ, London, UK. ActionAid is a registered charity number 274467.

- (a) The Bretton Woods Project forms part of the financial statements of its host, ActionAid. These figures are provisional, subject to audit.
- (b) Network contributions in 2014 came from the following organisations: Amnesty International, CAFOD, Christian Aid, Global Witness, Practical Action, International Alert, Oxfam, Save the Children, Trocaire, Unison, Water Aid and WWF.
- (c) EC funding for work related to the IMF is received by the lead agency Jubilee Debt Campaign and channelled to the project. EC funding for work related to the European IFI Network is received by the lead agency Eurodad and channelled to the project.
- (d) The Rockefeller Brothers Fund transferred the entire sum of a two-year grant to the project in December 2013.