

Visiting Address: 5a, Kipshidze Str., IV entr., VII fl., Tbilisi Mailing Address: 62, Chavchavadze Ave., 0162 Tbilisi

Tel: (+995 32) 22 16 04, 22 38 74 Fax: (+995 32) 22 38 74 E-mail: greenalt@wanex.net Web-page: www.greenalt.org

May 22, 2009

To Whom It May Concern:

Subject: Consultations "Toward Greater Transparency: Rethinking the World Bank's Disclosure Policy."

Dear Madame/Sir,

Please find association Green Alternative's comments related to the World Bank "Toward Greater Transparency: Rethinking the World Bank's Disclosure Policy."

First of all we would like to underline that consultation process itself around the paper was/is quite limited, as only 30 in-country consultation meetings takes place, without any attempt to organize country consultation processes in each borrower country, or at least organize the regional consultations through application of modern media technologies.

Just providing the written comments through web from one side could not be considered as fruitful consultations and dialogue with Bank staff and from another side it restricts participation grassroots and civil society organizations.

We hope that final draft of policy would be subject of wider discussions in order to ensure the rights to access information, public participation and access to redress.

It is welcomed that Bank takes commitment to move towards more transparency and wider routine disclosure through abolition of the positive list approach and publication of all information, subject only to exceptions. However, those exceptions, proposed in the paper, represents major area of concern for us as it includes all third party information, deliberative information, Board paper, notes of Board meetings, statements of Executive directors etc.

These documents include draft Country Assistance strategy/Partnership documents, rational or Country Policy and Institutional Performance rating, governance and corruption assessment, different sectoral and economic analysis, background papers etc. These are the documents that should be disclosed routinely due to the strong public interest and ensured public right to participate in decision making process.

Often absence of public input in decision making process undermines the Bank's possibility to undertake informed decisions. e.g. There were number of significant discrepancies between World Bank's CPIA's 'transparency, accountability and corruption' index and the Corruption Perception Index (CPI)'produced by Transparency International for Georgia (e.g. In 2005 the discrepancy was largely than notable). However, till now it's not clear what the major factor for Georgia's high ranking was. That can be applied also on number

of other decisions taken by the Bank, including naming of Georgia as Number 1 reforming country by Doing the business in 2007 and PRSO prize for government of Georgia in 2008, that raised lots of critics among the Georgian society and experts.

With regard of different projects and programs it is important that public receives the early notification about the planned activities including Initial Memorandums, Concept notes, draft project appraisal documents, draft program documents, implementation and progress reports, board related documents etc. Those documents are important in order to ensure public participation in decision-making process and protect rights of people directly affected by those projects and programs.

It is also important that public gets all information regarding implementation of the projects/programs, including the facts when the Bank projects fail to achieve its objectives, or it closes the projects or waives conditions.

E.g. In May, 2008 according to the Bank's assessment Forestry Development Project has apparently "stalled due to the both technical and policy concerns related to the development of forest inventories". It should be underlined that closure of the projects for several years had been requested by number of environmental NGOs in Georgia, following the government's violation of obligations and commitments regarding the implementation of the "Forestry Development Project", ignoring the project aims and principles of sustainable forestry underlined within the World Bank Forest Strategy and Policy.

In July 2008 World Bank took decision to close Forestry Development Project in Georgia. However, till now no official public statement of the Bank is available with regard of the Forestry Project, that rather strengthen the governmental position in Forestry reform, rather than support development of sustainable forestry.

The approach paper does not describe the procedures for requests of information needed to be detailed in policy paper, including timeline, confidentiality and sensitivity issues, as well as procedures for public participation. In addition, it is important to create really independent appeal mechanism in order to ensure effective redress regarding administrative appeals.

Sincerely,

David Chipashvili International Financial Institutions Program Coordinator

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Georgia Country Partnership strategy progress report, IDA/R2008-0130 IFC/R2008 - 0123, May 12, 2008