

# INTERNATIONAL ACCOUNTABILITY PROJECT

## In Practice: Information Disclosure at EBRD Regional Analysis: Central Asia and South Caucasus *International Accountability Project* May 2023

---

The [Early Warning System](#) team strives to ensure the accuracy of the data. This analysis has been shared with the European Bank for Reconstruction and Development in advance of publication to allow opportunity for comment. While the Early Warning System team has made every attempt to research and present data accurately, it is often difficult to guarantee the complete accuracy of certain projects due to the lack of consistency and transparency in how various development institutions record and publish information. Where there is a lack of clarity in the information, the team has represented the information cautiously. The Early Warning System team is committed to correcting any identified errors at the earliest opportunity.

Previously, the International Accountability Project [engaged with the the European Bank for Reconstruction and Development on the revision of its Access to Information Policy](#), which enshrines the institution's commitment to transparency and disclosure based on the principles of Transparency, Accountability, Good Governance and Client Responsibility to Affected Stakeholders. This iteration of the *Policy* came into effect on 1 January 2020. In 2019, we analyzed the disclosure practices of the EBRD, reviewing 195 projects disclosed between November 1, 2017 and November 30, 2018.

As the [International Accountability Project](#) (IAP) and our partners have repeatedly witnessed, the profound impact of development projects warrants that the policies and operations of development banks be robust and reflect international best practice and international human rights standards.

EBRD is considered to be one of the leading banks investing in Central Asia together with the World Bank. The main investing sectors of EBRD are Finance, Energy, Industry, Transport and Water. From the period of 1 January 2020 to 1 January 2023, 358 projects with 14, 111 billion USD have been implemented.

The enabling environment for civil society and communities to engage and meaningfully provide input on investments is restricted for the region. According to the [CIVICUS Monitor People Power Under Attack](#), which tracks civic space and restrictions:

*“Central Asia saw several serious crises where the authorities forcibly cracked down on mass protests and ensuing unrest in [Kazakhstan](#), [Tajikistan](#) and [Uzbekistan](#), resulting in significant loss of life and injuries. Across Central Asia people faced ongoing persecution for criticising the authorities and standing up for justice, human rights and the rule of law.”*

# INTERNATIONAL ACCOUNTABILITY PROJECT

The governments' restriction of the already limited space for civil society affects the ability of groups to freely access information about investments and ultimately, hampers their ability to be meaningfully consulted – let alone voice criticism against a project – without fear of harassment or reprisal. Civil society partners have expressed facing the shrinking space in terms of independent engagement into the project implementation financed by development banks. Likewise, it is often difficult to obtain information about investments from the government. It is therefore imperative that, within this context, the EBRD strengthen the enabling environment for civil society and communities and disclose timely and accessible information on its investments that supports communities' right to access information.

**This commitment must begin with a strong foundation in communities' right to seek, receive and impart information, as equal partners in development.** Having early access to information can mean the difference between a community learning about a project when the bulldozers arrive, and a community engaging with investors to co-design a project that avoids harm and creates real benefits. In practice, **the right to information goes far beyond simple information disclosure - it ensures that communities are equipped with the necessary information to substantively engage and participate in the development processes that will ultimately affect their lives and environment.**

To this end, IAP and our partners monitor the online disclosure practices of several development finance institutions through the [Early Warning System](#) initiative, to better understand what project information is being disclosed, when it is being shared, and ultimately, how accessible the information is for communities; the purported beneficiaries of development projects. In addition to our previous EBRD analysis, we engaged with the African Development Bank and the private sector lending arm of the Inter-American Development Bank, [IDB Invest](#), to share comments and recommendations on their disclosure practices, as part of their public consultations on their respective access to information policies.

**We have analyzed the bank's disclosure practices, with the objective of assessing the information made available online for potentially-affected communities to access. We share our assessment in the spirit of encouraging robust and people-centered information disclosure policies and practices at EBRD, which reflect leading international standards and best practice.**

## **Our Methodology**

# INTERNATIONAL ACCOUNTABILITY PROJECT

Our analysis tracks the information on EBRD's website for **158<sup>1</sup> projects disclosed from 1 January 2020 through 31 May 2022 for the Central Asia and South Caucasus region.**<sup>2</sup> We monitored EBRD's disclosure practices by reviewing and assessing the information available on each project's webpage, reviewed in November and December 2022, based on the following criteria, which is aimed at maximizing community access to information. Specifically, our methodology tracks for each project:

- The number of days available for communities to access information before an investment decision is made (also known as the Board date);
- Whether a summary or overview of potential adverse environmental and social impacts was disclosed;
- Whether project-specific adverse environmental and social impacts were disclosed;
- Whether it was clearly specified which environmental and social safeguards were triggered for a project;
- Whether details were given on how potential harms would be mitigated and prevented;
- Whether documents outlining plans or systems for addressing risk and identified adverse impacts were available;
- Whether non-technical summaries of environmental and social impact assessments were available;
- Whether the full text of environmental and social impact assessments were available;
- Whether documents outlining stakeholder engagement plans and consultation plans were available;
- Whether information on consultations, including opportunities for ongoing consultation after Board approval, was disclosed;
- Whether contact information for the borrower or client was provided;
- Whether contact information for EBRD's project leads was provided;
- Whether information on submitting a request for access to information was provided;
- Whether information on the Borrower's grievance mechanism was provided;
- Whether information on EBRD's accountability mechanism was provided;
- Whether project information summaries were available in languages other than English; and
- Whether any technical documents (not including project summaries) were available in languages other than English.

---

<sup>1</sup> There was one additional project, for which a project webpage was not accessible at the time of desk review. Therefore, that project was not included.

<sup>2</sup> For purposes of this analysis, the countries included were: Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, Uzbekistan.

# INTERNATIONAL ACCOUNTABILITY PROJECT

Before delving into our findings, we acknowledge two limitations with regard to this criteria:

First, recognizing that most disclosure practices and policies could be strengthened to prioritize communities' right to access information, our criteria is not based on or solely limited to the parameters of existing policy requirements; accordingly, this analysis does not evaluate compliance with EBRD policies. Instead, our analysis seeks to assess EBRD's disclosure practices against criteria which, if met, would establish the foundation for the meaningful fulfillment of communities' right to information. The specific criteria is derived from our experiences working directly with communities affected by development bank projects, and the work of IAP and our partners to make project information accessible through the [Early Warning System](#).

Second, we evaluated this criteria based on **the principle of early access to information**. Communities have the right to know and to be meaningfully consulted before any investment decision is made, and the right to remedy, should they suffer harm from projects. As the *United Nations Declaration on the Right to Development* provides, an essential element to the realization of the right to development is the recognition that "[\[t\]he human person is the central subject of development and should be the active participant and beneficiary of the right to development.](#)"

Our experiences have demonstrated that communities' legitimacy and local expertise can better the design of potential projects, anticipating and mitigating adverse impacts, to ensure that projects achieve positive impacts that also further community development priorities. Correspondingly, our methodology primarily focuses on the minimum information communities should expect to access when a project is still in its **proposed stage**, given that the ideal would have communities participate in conceptualizing, designing, and contributing to projects that are explicitly aimed at fulfilling their development priorities.

As a final note on methodology, our findings only address information disclosed through EBRD's webpage, its primary medium of communication. While outside the scope of our analysis, it bears noting that reliance on a website as the primary means of disclosure in and of itself sets a significant limitation on the accessibility of the information disclosed for many communities without ready access to the internet. Moreover, it would be unrealistic to consider that communities that do have access to the internet are constantly monitoring projects in the pipeline of various development finance institutions. In order to meaningfully fulfill the right to information, EBRD should take steps to ensure that information reaches communities potentially impacted by its projects through means accessible to them, before a project is considered for investment.

## **Our Findings & Recommendations on EBRD's Disclosure Practices**

# INTERNATIONAL ACCOUNTABILITY PROJECT

<i>Risk Category</i>	<i># of Projects</i>
A	5
B	71
C	4
FI	66
<i>Unknown or Unassigned</i>	12

Our analysis of EBRD’s disclosure practices for the time period shows that the institution has some positive disclosure practices of note. These include consistently indicating contact information on filing an access to information request (100% of the dataset) and providing basic information about the independent accountability mechanism (100% of the dataset). In addition, with a few exceptions, projects summary web pages included contact information for the borrower or client, accounting for 145 of the 158 projects (92%), and finally, the availability of project information in a language other than English was high, accounting for 149 of the 158 projects (94%).

**Notwithstanding these positive practices, however, the overall quality of information disclosed is inadequate, and falls considerably short of fulfilling communities’ right to information, thereby erecting substantial barriers to access to information and meaningful participation for project-affected communities.** Specifically, EBRD’s disclosure of environmental and social impacts and risks remains weak: relevant environmental safeguard policies, environmental mitigation plans, full environmental impact assessments, and stakeholder engagement plans are routinely not disclosed by the EBRD. These findings are discussed in detail below. As a development finance institution, the EBRD can and should do much more to ensure that communities have safe, timely and accessible information early in the lifecycle of a project, in order to facilitate meaningful participation and ensure positive, sustainable development outcomes that fulfill local priorities.

## ***The EBRD Should Strengthen Overall Accessibility of Information Disclosed and Timing of Disclosure to Prioritize Community Access***

Despite consistently disclosing project information summaries for all projects and Environmental and Social Impact Assessment packages for projects deemed high risk (Category A), **the overall accessibility of information disclosed by EBRD is poor.** Specifically, while project information summaries are published for all projects, the substance of the disclosure is inadequate and should be strengthened and made more accessible for affected communities.

# INTERNATIONAL ACCOUNTABILITY PROJECT

To begin, the date these documents were first made publicly available (known as the date of disclosure at other development finance institutions) is not disclosed, nor is the date the project was (or would be) approved by EBRD's Board (known as the Board date at other development finance institutions) made available. In addition to this, the status of each project in its lifecycle is not clearly indicated, making it difficult to clearly differentiate between projects that are in the earlier stages and those that have reached the end of their lifecycle. There are crucial nuances lost in between projects that are only approved or pending, in relation to those that are already disbursing funds or those that are considered closed.

For communities seeking to understand opportunities for engagement with individual projects, these nuances are integral to ensuring their complete comprehension of a project and fulfilling their right to information throughout the project lifecycle. For example, projects in a proposed stage offer communities the opportunity to participate in the design, while those that are nearing completion should ensure communities are informed and able to engage in monitoring and contributing feedback on implementation and impact.

We further recommend that communities be given as much time as possible, ideally at least 120 days in line with international best practice, in order to meaningfully engage in the proposal stage of a project. **The EBRD should also ensure that the status for individual projects is clearly disclosed and kept updated throughout the life of a project. Dates relating to disclosure, updates to project information, and the date of project approval should also be clearly disclosed.**

## **1. Availability of Project Information and Documents in Languages other than English**

- *Whether project information summaries were available in languages other than English*
  - Yes - 149
  - No - 158

Starting with EBRD's stronger disclosure practices, **149 of the 158 (94%) project information summaries were available in at least one regional language.**

As a development finance institution that regularly invests in non-English speaking contexts, the **EBRD should continue to increase the linguistic and technical accessibility of the information it discloses by ensuring that its project information summaries are available in the relevant national**

# INTERNATIONAL ACCOUNTABILITY PROJECT

language, at a bare minimum, and that it provides translated Environmental and Social Impact Assessment packages to ensure the meaningful fulfillment of the right to information.<sup>3</sup>

## 2. Disclosure of Project Contacts and Information on Mechanisms to Access Information and the Independent Accountability Mechanism

- *Whether contact information for the borrower or client was provided*
  - Yes - 145
  - No - 13
  
- *Whether contact information for EBRD's project leads was provided*
  - Yes - 0
  - No - 158

Communities affected by development projects should also have access to contact details in case they would like to obtain additional information about a project or further engage. Unfortunately, for the vast majority of the projects in our dataset -- **145 out of 158 (92% of the dataset)** -- **contact information for the borrower or client was disclosed**. However, not one of the project summaries in the dataset (**0% of the dataset**) **disclosed corresponding contact information for project leads**. **In order to increase access to information and transparency, we recommend EBRD to disclose the EBRD project leads, which is the best practice of other development banks, including the World Bank and International Finance Corporation.**

- *Whether information on submitting a request for access to information was provided*
  - Yes - 158
  - No - 0
  
- *Whether information on EBRD's accountability mechanism was provided*
  - Yes - 158
  - No - 0

All projects in the **158 dataset (100%) disclosed information on avenues to request additional project information**. Similarly, all of the **158 projects (100%) disclosed information on the EBRD's independent accountability mechanism**. Communities must know that they have access to

---

<sup>3</sup> Ideally, these documents would also be translated and available into the local languages and dialects of potentially affected communities.

# INTERNATIONAL ACCOUNTABILITY PROJECT

remedy should they be adversely impacted by an EBRD project, and that the institution itself has a mechanism they can access, independent from the Borrower.

### **3. Disclosure of Environmental and Social Risks and Mitigation Measures**

Notwithstanding the positive practices noted above, the overall disclosure related to environmental and social impacts and risks, and accompanying mitigation plans, remains weak: relevant environmental safeguard policies, environmental mitigation plans, full environmental impact assessments, and stakeholder engagement plans are routinely not disclosed by the EBRD.

- *Whether a summary or overview of potential adverse environmental and social impacts was disclosed*
  - Total Yes - 21
  - Yes, in document only - 4
  - Yes, however used stock language - 7
  - No - 126
- *Whether project-specific adverse environmental and social impacts were disclosed*
  - Yes - 22
  - Yes, in document only - 5
  - No - 131
- *Whether details were given on how potential harms would be mitigated and prevented*
  - Total Yes - 13
  - Yes, in document only - 7
  - Yes, however used stock language - 12
  - No - 126

**Our analysis showed that only 32 of the 158 projects (20%) provided an overview of the adverse environmental and social impacts likely to result from a proposed project.** Of the 32 projects that disclosed potential adverse environmental and social impacts, 7 only used stock language covering the general risks associated with the relevant sector. Further, **project-specific impacts were disclosed in only 27, including 5 projects for which this information was only found in documents (17%).** As stated previously, most projects disclosed (126 out of 158, or 95%) did not provide information regarding how risks would be mitigated, although 12 out of the 158 projects used stock language.



# INTERNATIONAL ACCOUNTABILITY PROJECT

As a whole, this level of disclosure for information on environmental and social risks and mitigation is insufficient to fulfill communities' right to information. Communities have the right to know and understand the complete picture of a project - including both the perceived benefits and risks - before a project is approved so that they can meaningfully contribute alternatives and solutions to mitigate or avoid potential adverse impacts, and ensure that any intended benefits align with their development priorities. While stock language provides a general understanding, project-specific impacts and mitigation measures are essential to enable meaningful community engagement in the design and implementation of projects, regardless of risk category.

#### **4. Disclosure of Applicable Environmental and Social Safeguards**

- *Whether it was clearly specified which environmental and social safeguards were triggered for a project*
  - Yes - 68
  - No - 87

Within the Bank's accountability framework, safeguard policies dictate community entitlements under a project and the standards by which they can reasonably hold the development finance institution to account. Knowing which standards and policies are considered applicable to a project is essential for communities to meaningfully engage, in addition to the rationale for triggering certain safeguards and deeming others inapplicable.

With respect to this criteria, only **68 out of 158 projects (43%)** clearly specified which environmental and social safeguards (Performance Standards) were triggered for a project. However, this means that more than half of EBRD's portfolio for the region during the relevant time period did not clearly disclose which safeguard policies and entitlements applied to a project. Notably, at least 66 projects in the dataset involved financial intermediary investments, [a lending instrument that has garnered much criticism from civil society for its lack of transparency and accountability](#). While we noted instances of minimal information disclosed on sub-projects, we strongly suggest that EBRD disclose and routinely update information on sub-projects for all financial intermediary projects with the same objective of fulfilling communities' right to information, including by indicating applicable safeguards and relevant sectors, in addition to the other points discussed in this analysis.

#### **5. Disclosure of Environmental and Social Documents**

- *Whether documents outlining plans or systems for addressing risk and identified adverse impacts (ex: Environmental Management Plans) were available*

# INTERNATIONAL ACCOUNTABILITY PROJECT

- Yes - 5
  - No, but referenced in project information summary - 64<sup>4</sup>
  - No - 89
- *Whether non-technical summaries of environmental and social impact assessments were available*
    - Yes - 13
    - No - 131
    - No, but referenced - 14<sup>5</sup>
  - *Whether the full text of environmental and social impact assessments were available*
    - Yes - 5
    - No - 146
    - No, but referenced in project information summary - 7<sup>6</sup>

Communities should have the opportunity to fully understand the environmental and social impacts of a project, analyze the technical assessments produced within their own rubric of local expertise, provide recommendations that often highlight overlooked complexities, and suggest alternatives that better the overall project design. This optimal scenario is made more likely when key environmental and social documents, including environmental and social assessments, are disclosed in full, ideally also with non-technical summaries to enhance accessibility.

Unfortunately, EBRD's disclosure practices are alarmingly inadequate in this regard. Specifically, **only 5 out of the 158 projects (3% of the dataset) disclosed environmental and/or social management systems for addressing and mitigating adverse impacts.** Notably, another 64 projects that did not disclose a document referenced an existing or future document. However, at the time of analysis and writing -- when all projects had been approved -- the full text of these plans had not yet been disclosed.

Similarly, **non-technical summaries of environmental and social impact assessments were disclosed for only 13 out of 158 projects (8%), and the full text of the environmental and social impact assessments was made available for just 5 of the 158 projects (3%).** A further 7 out of 158 (4%) projects referenced the existence of these assessments, without accompanying disclosure.

---

<sup>4</sup> This includes three projects for which the project summary stated that an ESAP or ESMS would be created in the future; and one project for which the summary stated that such a document was not required.

<sup>5</sup> This includes one project for which the project summary noted that it would be created in the future.

<sup>6</sup> This includes two projects for which the project summary stated that an ESIA was not required.

# INTERNATIONAL ACCOUNTABILITY PROJECT

## 6. Disclosure of Information on Engaging During Project Design and Implementation

- Whether documents outlining stakeholder engagement plans were available
  - Yes - 10
  - No, but referenced in project information summary - 21<sup>7</sup>
  - No - 127
  
- Whether a full consultation plan was disclosed
  - Yes - 2
  - No - 156

Similarly, EBRD's disclosure practice is weak in providing access to information on stakeholder engagement and consultation - the details of how and when a community member can engage with a project. In our dataset, **only 10 out of the 158 projects (6%) disclosed the actual plans for stakeholder engagement. An additional 21 out of the 158 (13%) referenced the existence of stakeholder engagement plans, without actually disclosing the documents themselves.**

Fulfilling the right to access information goes hand-in-hand with meaningful consultation and stakeholder engagement to ensure projects actually better the lives of those they affect. From the experience of IAP and our partners, inadequate consultation can result in or exacerbate existing environmental and human rights risks, resulting in social conflict and grievances. Without access to documents on the environmental and social impacts, action plans and policies, can communities truly be informed participants in consultations? Simply put, without access to the above information, communities are not enabled to meaningfully participate.

### ***Looking Forward: Ensuring the EBRD Adopts Robust Information Disclosure Practices and Policies***

EBRD's approach, as discussed in this practice analysis, compels the question, what is the purpose of disclosing this information, and for whom is it intended? Potentially affected communities should be the primary target for this information, with the aim of fulfilling their right to access information,

---

<sup>7</sup> This includes 3 projects for which the project summary noted that it would be created in the future.

# INTERNATIONAL ACCOUNTABILITYPROJECT

and equipping them with the necessary information to meaningfully engage in the development process.

As noted above, the governments' restriction of the already limited space for civil society affects the ability of groups to freely access information about investments and ultimately, hampers their ability to be meaningfully consulted – let alone voice criticism against a project – without fear of harassment or reprisal. It is therefore imperative that the EBRD strengthen the enabling environment for civil society and communities and disclose timely and accessible information on its investments.

In the context of today's development climate and in the Central Asia and South Caucasus region in particular, space is already often restricted for communities to voice their concerns about projects, or even request access to information, particularly in the regions where the currently operates and hopes to increase investment. This makes the need to safeguard transparency and the right to access information more urgent, and accordingly, the institution's information disclosure practices and policies even more critical.

As this analysis demonstrates, EBRD's disclosure practices are inadequate and fall far short of international best practice. A commitment to transparency and access to information must also ensure those who need the information most are able to receive and understand it. Recognizing that it is unrealistic for local communities to visit the website each day to see if any proposed project may affect them, the [Early Warning System](#) team is closing this gap by summarizing and distributing projects proposed by and other development institutions to partners in country, as soon as possible, a responsibility that should be borne by the new EBRD.

Please contact Shoira Olimove ([shoira@accountabilityproject.org](mailto:shoira@accountabilityproject.org)) and Jocelyn Soto Medallo ([jocelyn@accountabilityproject.org](mailto:jocelyn@accountabilityproject.org)) with any questions.