The World Bank and Grassroots Participation

The World Bank has had an uneven record of success in ensuring that low-income populations participate in the design, implementation and evaluation of Bank projects that directly affect them. Social analysts at the Bank have concluded that insufficient grassroots involvement in project activities is often the major factor when past projects have failed to meet specific development objectives, to benefit their targeted populations, or have unexpected negative environmental or social consequences. Countless experiences have shown that if affected local populations do not feel a sense of ownership in a development initiative, especially in social programs, the chances of long-term success are limited.

The growing sensitivity within the Bank to the notion that participation is crucial reflects the significant growth, consolidation and visibility of the grassroots sector around the world. For the first time in the developing world, grassroots organizations composed of small farmers, women, rubber-tappers, urban slum dwellers and indigenous people are participating in public policy discussions on both local development initiatives and global development paradigms. With the advent and growing accessibility of the Internet, these civil society groups are even able to monitor large development programs funded by multilateral institutions such as the World Bank.

Although there is no single definition or term that encompasses the grassroots sector cross-culturally, in Brazil the term used most is “civil society.” Civil society usually encompasses three types of social actors: (i) membership organizations (unions, neighborhood associations, farmer organizations); (ii) non-governmental organizations/NGOs (developmental, environmental, thematic); and (iii) social movements (rubbertappers, indigenous people). The NGO Global Forum convened in Rio de Janeiro during the 1992 United Nations Conference on the Environment and Development (UNCED) was certainly a watershed event in the emergence of what some are calling “global civil society.”

Given the growing capability of grassroots organizations to participate more actively in monitoring Bank operations worldwide, how can effective grassroots stakeholder involvement be fostered? As many Bank staff know, impoverished local populations often lack the necessary organizational experience to work with technically complex project issues. Furthermore, different agendas can cause dissension among local constituencies, as in the case of the division between environmentalists and squatters involved in conservation (Continued on page 4)

About the Pilot Program

The Pilot Program to Conserve the Brazilian Rain Forest supports an integrated set of projects that will contribute to a reduction in the rate of deforestation of Brazil’s rain forests in a manner consistent with the sustainable development of the area’s natural and human resources, and that will provide lessons for designing future activities. The Pilot Program was launched at the request of the Group of Seven (G-7) industrialized countries and also enjoys financial support from the Commission of the European Communities and the Netherlands. The total volume of financial and technical assistance pledged to the Pilot Program to date, including associated bilateral projects, is about US$290 million. The Pilot Program is coordinated by the World Bank, in accordance with agreements reached by the Pilot Program Participants (the donors and Brazil).

The Pilot Program is designed to address the underlying causes of deforestation in Brazil’s rain forests through a threepronged approach. Projects will help strengthen the capacity of the public sector to set and enforce sound environmental policy; improve management of special protected areas, including national forests, and indigenous lands; and increase the knowledge base on conservation of the rain forest and sustainable utilization of its resources.
Project Updates

EXTRACTIVE RESERVES

The Extractive Reserves Project has been under implementation since February 1995. The four-and-a-half year US$22 million project provides support for the establishment and strengthening of the first four extractive reserves created in Brazil. Implementation of the project has gotten off to a good start in 1995, and a field trip to the four extractive reserves to assess project activities is planned for April 1996. (See Rain Forest Pilot Program Update, October 1994 and January 1996 for more detailed information.)

INDIGENOUS LANDS

The 1996 work program for the Indigenous Lands Project was finalized in late March 1996, and will include the identification and delimitation of at least 12 indigenous areas and the demarcation of at least 22 indigenous areas. It is expected that funds for project activities will begin disbursing by early April 1996.

The main objective of the US$22 million, five-and-a-half year project is to formalize the legal status in the ("regularization") of indigenous lands for those indigenous people in the Brazilian Amazon whose access to traditional areas is not yet fully protected (see the Rain Forest Pilot Program Update, July 1995 for a more detailed project description).

The Indigenous Lands Project grant agreement became effective on December 8, 1995. On January 8, 1996, the President of Brazil issued Decree 1775 replacing an earlier regulation concerning the regularization of indigenous lands. Brazilian and international NGOs, indigenous organizations and other interested individuals immediately expressed concern about the new legislation, primarily because the new decree establishes a mechanism by which state and local governments and private parties may contest indigenous land regularizations. The new regulation also specifies a timetable for the completion of land regularization activities; introduces new features, such as requiring an environmental assessment during the identification phase; and further clarifies the roles of the National Indian Foundation (FUNAI) and the Ministry of Justice in the appeal process.

World Bank staff reviewed Decree 1775 and concluded that it does not contravene existing legal agreements with the Bank, including the grant agreement for the Indigenous Lands Project. The World Bank, donors and the International Advisory Group (IAG) of the Pilot Program all received government assurances that the decree will make indigenous land regularization efforts more transparent, democratic and agile. However, observers agree that the implementation of Decree 1775 should be closely monitored.

The 1996 work program for the Indigenous Lands Project underwent revisions in January and February 1996 to include consideration of the new regulation. On March 18-22, 1996, a Bank technical team reviewed the work program. Representatives of the German Bank for Reconstruction (KfW) and the German Agency for Technical Cooperation (GTZ) also participated in the review.

NATURAL RESOURCES POLICY (NRPP)

In January and February 1996, Ministry of Environment (MMA) and World Bank staff visited state environment agencies (OEMAs) throughout the Legal Amazon to discuss the five-year Action Plans for the NRPP and the comprehensive State Environmental Plans (PEAs) to be approved by the State Environmental Councils (COEMAs). By late March 1996, all nine states had prepared PEAs, of which seven have been approved thus far.

The NRPP's Permanent Technical Working Group (GTTP) held its first meeting on March 26-28, 1996 in Brasilia. Comprised of representatives from the OEMAs, the role of the GTTP is to identify and help resolve project coordination problems and review conflicts between state and federal environmental regulations.

The Project Commission (CP) will be established by early April 1996. The CP will be responsible for approving integrated sub-project proposals and emergency project activities, as well as annual budgetary allocations to the states. The CP will also review project procedures and comment on annual evaluation reports. The CP will consist of three representatives from NGOs, and one each from MMA, IBAMA and the Secretariat of Strategic Affairs (SAE), in addition to three state representatives to be appointed for one year on a rotating basis.

In the last few months, six entities responsible for project implementation in five states have signed five-
SCIENCE CENTERS & DIRECTED RESEARCH

A Bank team recently conducted supervision visits to evaluate the implementation of the Science Centers and Directed Research Project-Phase I and the associated Science Centers Emergency Assistance Project. The two-year, US$15.1 million Phase I project and the US$5 million Emergency Assistance project began implementation in February 1995 (see Pilot Program Update, July 1994 for a detailed project description).

The supervision team concluded that the implementation of the Science Centers component has initiated a process of institutional reflection at INPA and MPEG. Both institutions are refocusing their research priorities to meet the challenge of changing expectations and critical issues in regional science research. INPA has restructured and consolidated over 200 research projects into twelve “Institutional Research Programs,” while MPEG also plans to consolidate and redefine research programs. In addition, MPEG has designed some department levels a well-conceived staff evaluation system based on clearly defined performance criteria, and guidelines for awarding training and scientific exchange funds to staff.

Project activities to improve the dissemination of research results by both science centers have also gone well. MPEG is currently defining its dissemination strategy and has published three issues of its environmental bulletin, provided staff training in dissemination techniques, and prepared a plan to remodel the museum’s permanent exhibit. INPA has published four issues of the in-house scientific journal, Acta Amazonica, as well as a volume on fish breeding. In addition, INPA is currently producing two videos focusing on regional problems and solutions for presentation on television and in local schools.

In terms of infrastructural improvements, the two institutions have made notable progress on the construction or renovation of buildings, and on upgrading electric, telecommunications and water and sanitation systems. Procurement of new equipment to improve computer and network facilities at both science centers has also been initiated.

Despite this progress, the supervision team also concluded that the structure and function of the institutions needs to be assessed and research goals further refined to reflect the changing expectations in regional science research in terms of relevance to policy and development, multidisciplinary approaches and inter-institutional collaboration. An International Group for Scientific Monitoring (IGSM) will be appointed by September 1996 to conduct an independent evaluation of the two centers.

The Directed Research component is also off to a good start with the approval of 22 proposals (out of 116 originally submitted) for US$5,095,657 in total funding over two years. The approved first-round projects are in the following areas: (i) ecosystem studies (five out of 28 submitted); (ii) sustainable management and technology development (14 out of 69); and (iii) social and economic studies (three out of 19). ♦

INTERNATIONAL ADVISORY GROUP MEETS

The International Advisory Group (IAG) of the G-7 Pilot Program to Conserve the Brazilian Rain Forest held its fifth meeting in Brasilia on March 4-8, 1996. The IAG is composed of individuals from around the world with a broad range of expertise and experience in the Amazon, and serves as a source of independent advice and evaluation of the Pilot Program.

The IAG noted that during the nine months since its previous meeting (May 29-June 9, 1995) there have been major advances in the execution of the program. The members observed that implementation of ongoing projects has proceeded rapidly and significant progress has been made in the preparation of new projects, including: Management of Forest Resources (formerly FLONAS); the Monitoring and Analysis Unit (which developed from the July 1995 Participants’ Meeting in Belém); Parks and Reserves; and Aquatic Resources (formerly Natural Resources Management). IAG members also commended the high degree of stakeholder participation in the preparation of the Management of Forest Resources and Aquatic Resources Projects, both of which are being developed on the basis of several well-attended project identification workshops.

The IAG concluded that there has been a conscious and determined effort to integrate projects at the program level, consistent with the original conception of the Pilot Program. They noted that progress in establishing specialist groups within implementing agencies, the clearer definition of technical roles, more timely meeting of deadlines and the adoption of a learning process approach all indicate a strong commitment to attaining the goals of the Pilot Program. The IAG also observed that the transfer of World Bank staff to the Brasilia office has facilitated the coordination and implementation of the program.

In anticipation of the Third Participants’ Meeting to be held in Bonn, Germany in September 1996, the IAG discussed ideas for a possible Phase II of the Pilot Program. Gerd Kohlhepp was re-elected Chairman of the IAG for another year, and the next IAG meeting was scheduled for July 1-12, 1996. ♦

Natural Resources Policy (Cont. from page 2) year sub-grant agreements with MMA. The signature of sub-grant agreements is a condition for the disbursement of project funds to the implementing agencies. ♦
World Bank and Participation  (Cont. from page 1)

unit consolidation projects in Brazil.

This is precisely where NGOs and combined NGO and social movement networks can play a key representational role. Although it is widely recognized that NGOs do not always fully represent disenfranchised populations, they are often the only or best venue by which grassroots concerns and positions can reach the discussion table. A more recent trend has been the emergence of social movements, such as the rubber tappers, street children and landless workers movements in Brazil, that increasingly represent their own interests forcefully and effectively. A further development has been the creation of regional and national coalitions of NGOs and social movements that join forces to have a greater impact in proposing public policy alternatives and monitoring multilateral projects. These networks have been especially active in the Amazon and Atlantic Forest regions of Brazil. The most recent of these networks, the Brazilian Network on Multilateral Financial Institutions, was created to serve as an interlocutor to the World Bank and other multilateral institutions.

In light of these worldwide changes, the World Bank is actively pursuing a policy that aims to ensure greater grassroots stakeholder participation in project design and implementation. Since the early 1990s, the World Bank has promoted work on participation. The most recent Bank initiative in the area of stakeholder involvement is the Participation Action Plan launched by the Latin America and the Caribbean Regional Office in April 1995. The Plan calls for the Bank to strengthen its social analysis capability and ensure greater civil society participation in projects at the country level. Therefore, social science and NGO specialists have been hired for each of the ten Resident Missions in the region, including Brazil. These consultants are responsible for helping the Resident Missions improve their interaction with civil society organizations, assist in the establishment of Public Information Centers to better disseminate World Bank materials and work closely with project staff to ensure greater grassroots participation in project design, implementation and evaluation.

The World Bank has made progress in ensuring greater stakeholder participation in its project activities. But, as the experience in Rondônia has amply demonstrated, the effective participation of grassroots stakeholders is a complex process that requires time. While initial steps have been taken to incorporate consultative mechanisms into project design, their consolidation will depend on the competence and representative capacity of participating base organizations, NGOs and social movements. While the World Bank can assist these organizations by ensuring more participatory project preparation, the ultimate responsibility for effective participation rests with civil society itself.

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