Tracking and Influencing Multilateral Development Bank Investments

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For Education and Health Activists in India

UNDERSTANDING IFIS

WHAT ARE IFIS

- International financial institution (IFI): Financial institution that has been established (or chartered) by more than one country and hence is subject to international law.

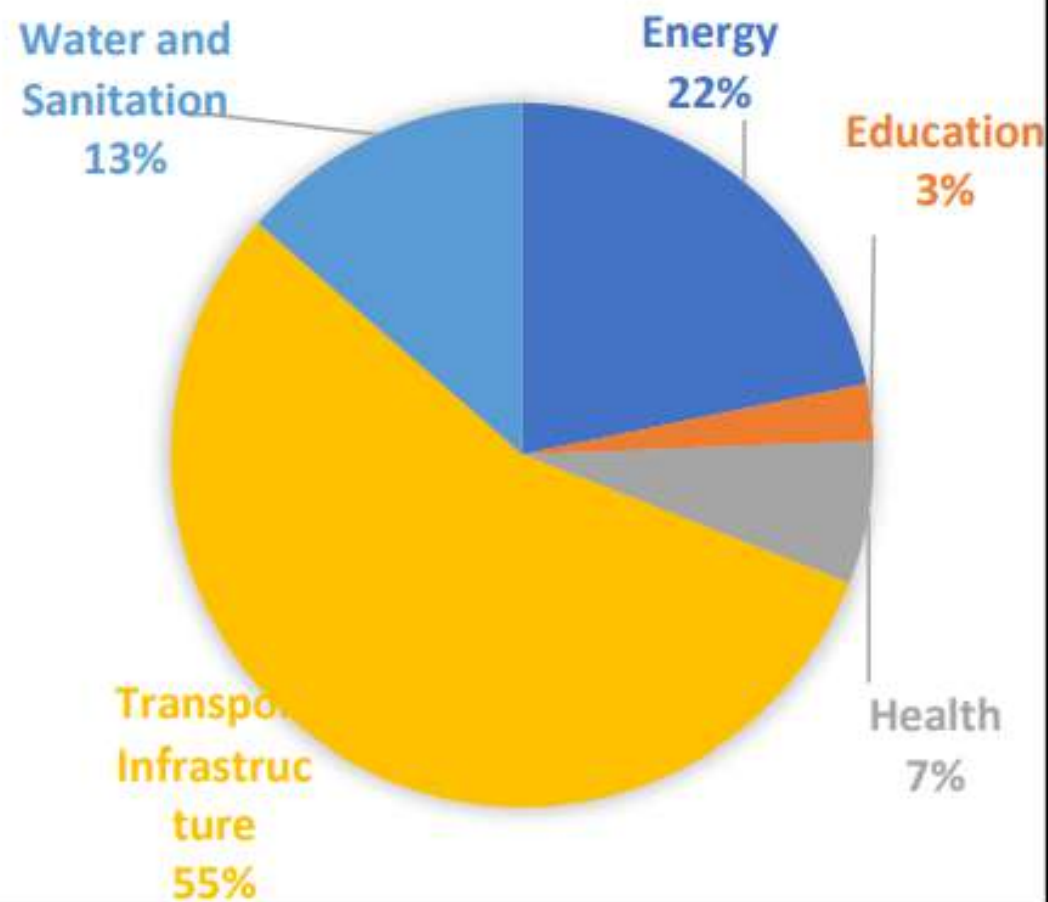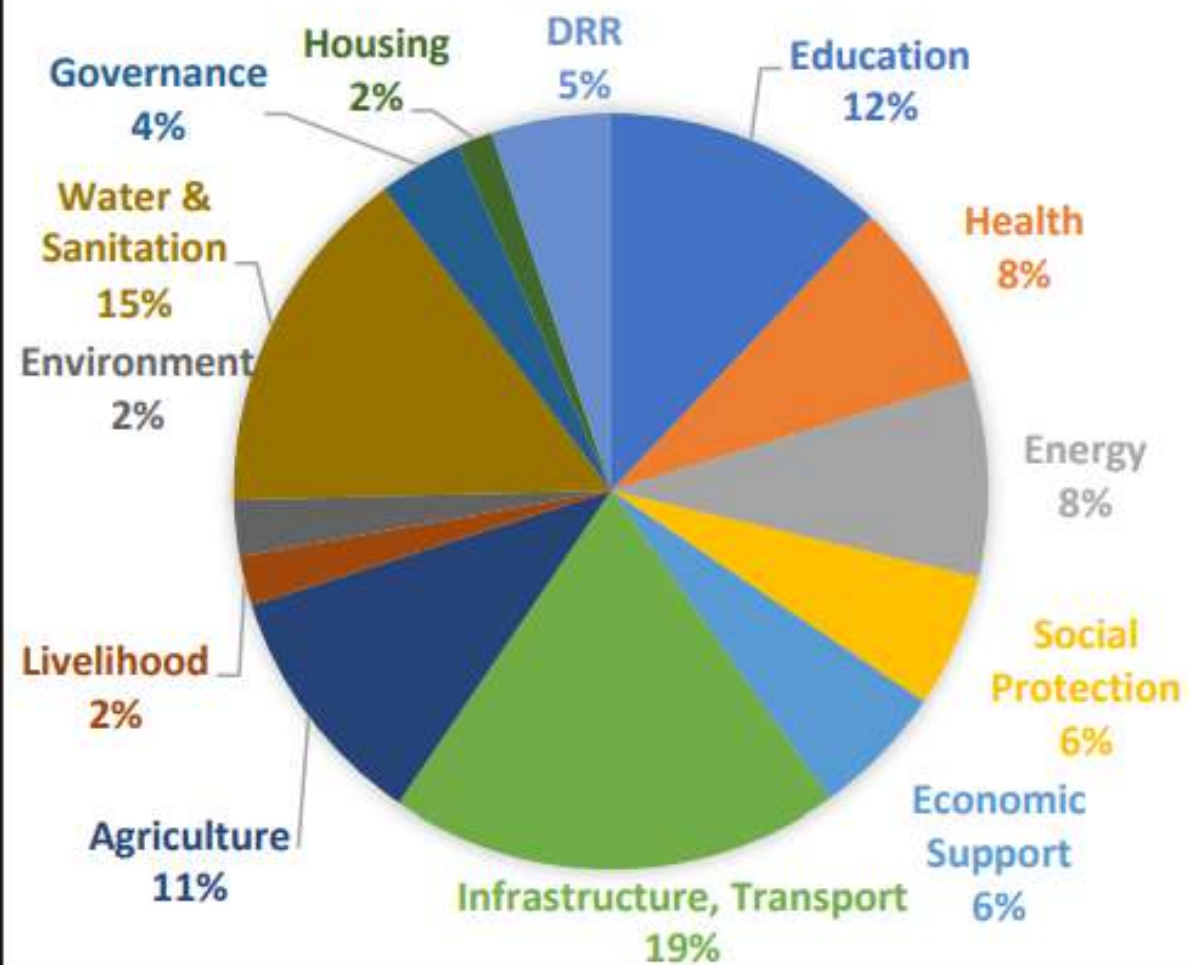- Multilateral development (MDB): IFI created by group of countries.

MAJOR IFIS IN INDIA

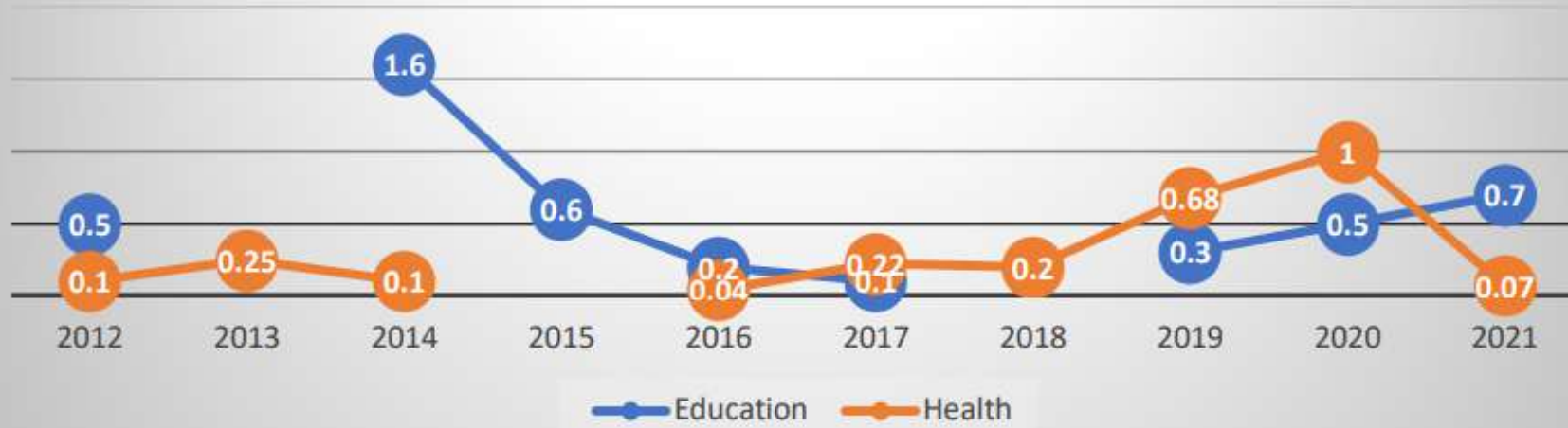**ADB SOVEREIGN FINANCING SHARE FOR SECTORS (IN USD BILLION)**

- Water and Sanitation 13%
- Energy 22%
- Education 3%
- Health 7%
- Transport Infrastructure 55%

WBG SOVEREIGN FINANCING SHARE FOR SECTORS (IN USD BILLION)

- Governance 4%
- Housing 2%
- DRR 5%
- Education 12%
- Health 8%
- Water & Sanitation 15%
- Environment 2%
- Energy 8%
- Social Protection 6%
- Economic Support 6%
- Livelihood 2%
- Infrastructure, Transport 19%
- Agriculture 11%

WBG Sovereign Financing 2012-21 (In USD Billion)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Education	0.5		1.6	0.6	0.2	0.1		0.3	0.5	0.7
Health	0.1	0.25	0.1		0.04	0.22	0.2	0.68	1	0.07

ADB Sovereign Financing 2011-21 (in USD Billion)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Education		0.25	0.1	0.1			0.16	0.15			0.11
Health					0.3					0.3	1.5
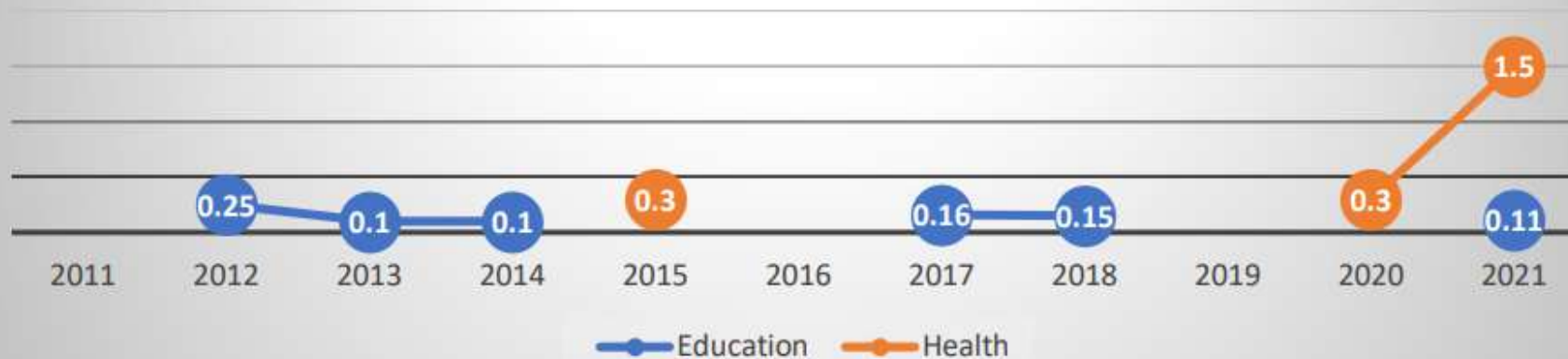
EDUCATION AND HEALTH AREAS WHERE TWO LEADING IFIS HAVE PROVIDED INVESTMENTS

World Bank

- Education: Sarva Shiksha Abhiyan and Samagra Shiksha and state schemes.

- Health: National Rural Health Mission and insurance schemes like Rashtriya Swasthiya Bima Yojana (RSBY), Ayushman Bharat, and state insurance schemes/state health systems.

Asian Development Bank

- Education: Largely on improving skills/vocational education, except 'Accelerated State Education Program for Improving Results' which assists Samagra Shiksha.

- Health: Urban health, some COVID projects have supported a broader array of issues.

QUESTION: WHY SHOULD CSOS WORKING ON EDUCATION AND HEALTH TRACK FUNCTIONING?

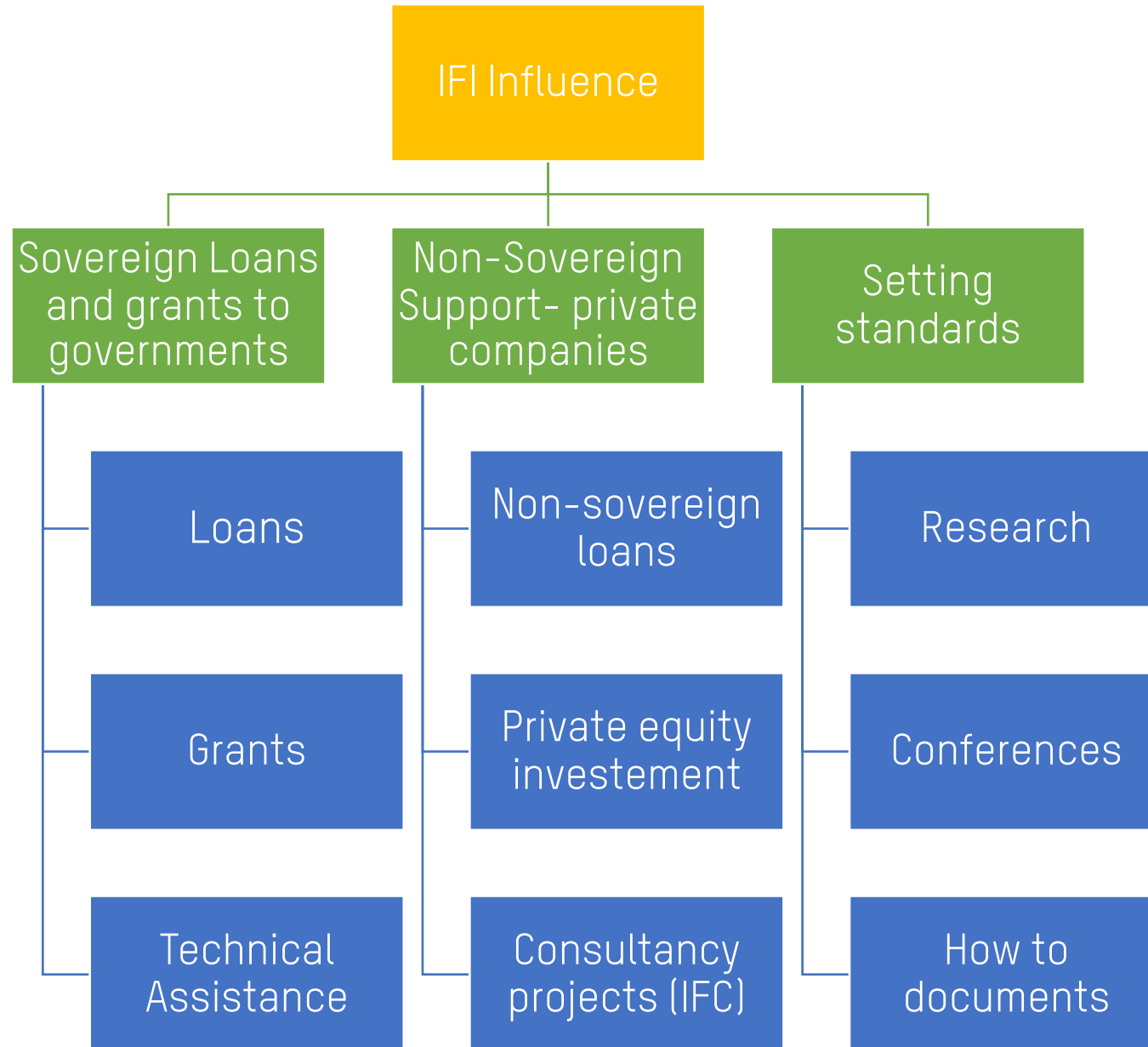# WHY ENGAGE WITH IFIS IN HEALTH AND EDUCATION SECTORS?

- Are major funders of government initiatives, nationally and at the state level. Loans will need to be repaid with interest. Wastage must be avoided.

- Play a significant role in shaping national, regional, and global policy, including shaping key institutions.

- Advocating for key specific system reforms such as increased private sector involvement and the use of performance-based financing.

- Undertake research and are a repository for data. Valuable information for use in advocacy.

- Shape overall development outcomes like poverty and women's empowerment, that influence health and education work.

- Provide space for engagement with civil society which should be utilized.

UNDERSTANDING THE RELATIONSHIP BETWEEN THE GOVERNMENT AND IFIS

TYPES OF IFI SUPPORT

IFI Influence

- **Sovereign Loans and grants to governments**
  - Loans
  - Grants
  - Technical Assistance
- **Non-Sovereign Support- private companies**
  - Non-sovereign loans
  - Private equity investement
  - Consultancy projects (IFC)
- **Setting standards**
  - Research
  - Conferences
  - How to documents

TERMINOLOGY

PUBLIC SECTOR/SOVEREIGN

- Loans

- Grants

- Technical assistance

PRIVATE SECTOR

- Loans

- Equity

- Advisory

WHOM TO CONTACT

COUNTRY OFFICE

- Country Director
- Project Lead/Task Team Leads/Lead Investment Officer
- Communications officer/External Affairs/CSO Liasion

NATIONAL/STATE GOVERNMENT

- Line Ministry
- PMU

GLOBAL/ REGIONAL

- Board ED Representing India/Regional VP/Director General (ADB)
- HQ level education/health staff

ACCOUNTABILITY MECHANISMS

- Grievance or complaint mechanisms

NAVIGATING IFI INFORMATION

III

HOW TO FIND OUT EDUCATION AND HEALTH PROJECTS

- Website of IFIs and filter through their search engine for health and education projects

- For project information refer to the Project Appraisal Document (PAD)/ Project Information Document (PID), Project Manual or Project Summary

- For financial information go through the financing document

- Get to know about the loan modalities, timelines and dates

TRACKING KEY DOCUMENTS IN PRACTICE

PROJECT DOCUMENTS

	Information sought	WB	ADB	AIIB
1	What does the project seek to achieve?	Project Appraisal Document (PAD) (usually after approval by the board) and Project Information Document (PID) (before approval)	Project Administration Manual (PAM, usually after approval by the board)	Project Summary Information (PSI) (when a project is proposed)/Project Document (after it is approved)
2	How would the project be implemented?	PAD, Fiduciary system	PAM, Project Agreement	The section covered in the Project Document
3	What risks related to the project does the IFI itself recognize? How does it intend to mitigate it?	Environmental and Social Systems Assessment (ESSA)	Program Safeguard Systems Assessment. Integrated risks and mitigation measures section of PAM	Environmental and social impact assessment (ESIA)
4	Which non-government actors do they intend to engage with during the project implementation? Who have they talked to already?	Stakeholder engagement plan; parts could also be found in the PAD/PID and ESSA	The section on Stakeholder engagement under PAM	The section on Stakeholder engagement under Project Document/Summary
5	How does the project aim to ensure gender and social inclusion?	PAD/PID, ESSA	Gender Action Plan and Poverty Analysis	The section covered in the Project Document
6	What progress has been achieved during the project implementation?	Implementation Status and results report (ISR)/ Results framework (on page)	Project data sheet on the website	Project Implementation Report
7	What was achieved by the project on its completion?	Implementation Completion and Results Report, Implementation Completion Report Review, Audited Financial Statement	Technical Assistance Completion and Program Completion reports. Audited Project Financial Statements	

ANALYSING SOVEREIGN HEALTH AND EDUCATION PROJECTS

- Prepare an analysis- using the framework

- Discuss the analysis with network

EXERCISE: ANALYZE OUTCOME FRAMEWORKS USING THE FRAMEWORK
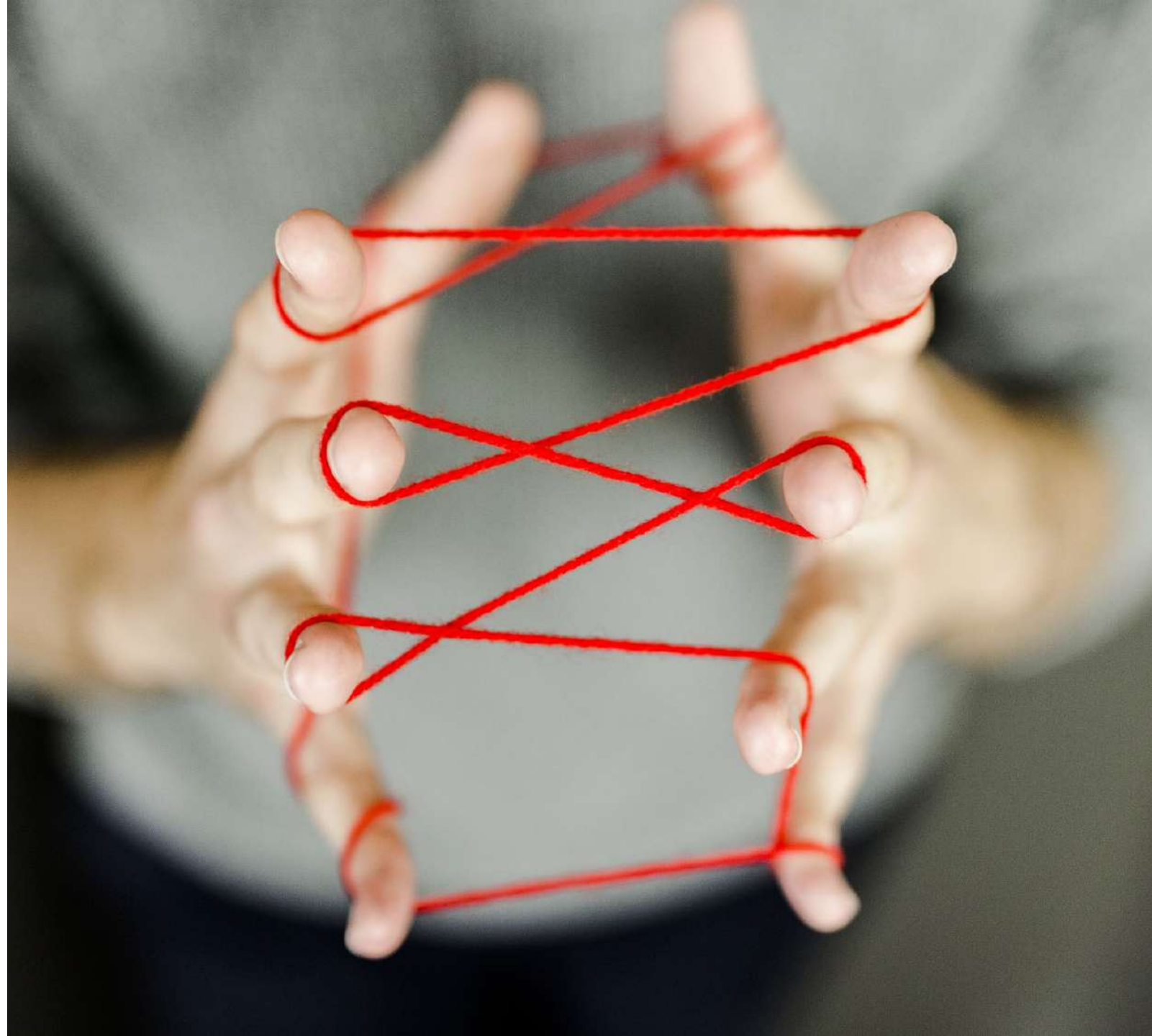
ROLE OF IFIS BEYOND FUNDING

IV

IFI'S ROLE BEYOND FUNDING

1

Advising on development projects, policies, and reforms based on their expertise and research.

2

Assisting in the implementation of development projects by providing technical assistance, capacity building, monitoring and evaluation, etc.

3

Enforcing international standards, norms such as human rights, environmental protection, anti-corruption by making them conditions for funding or engagement.

4

Hosting dedicated financial intermediary funds, trusts or other vehicles that further the education and health agenda.
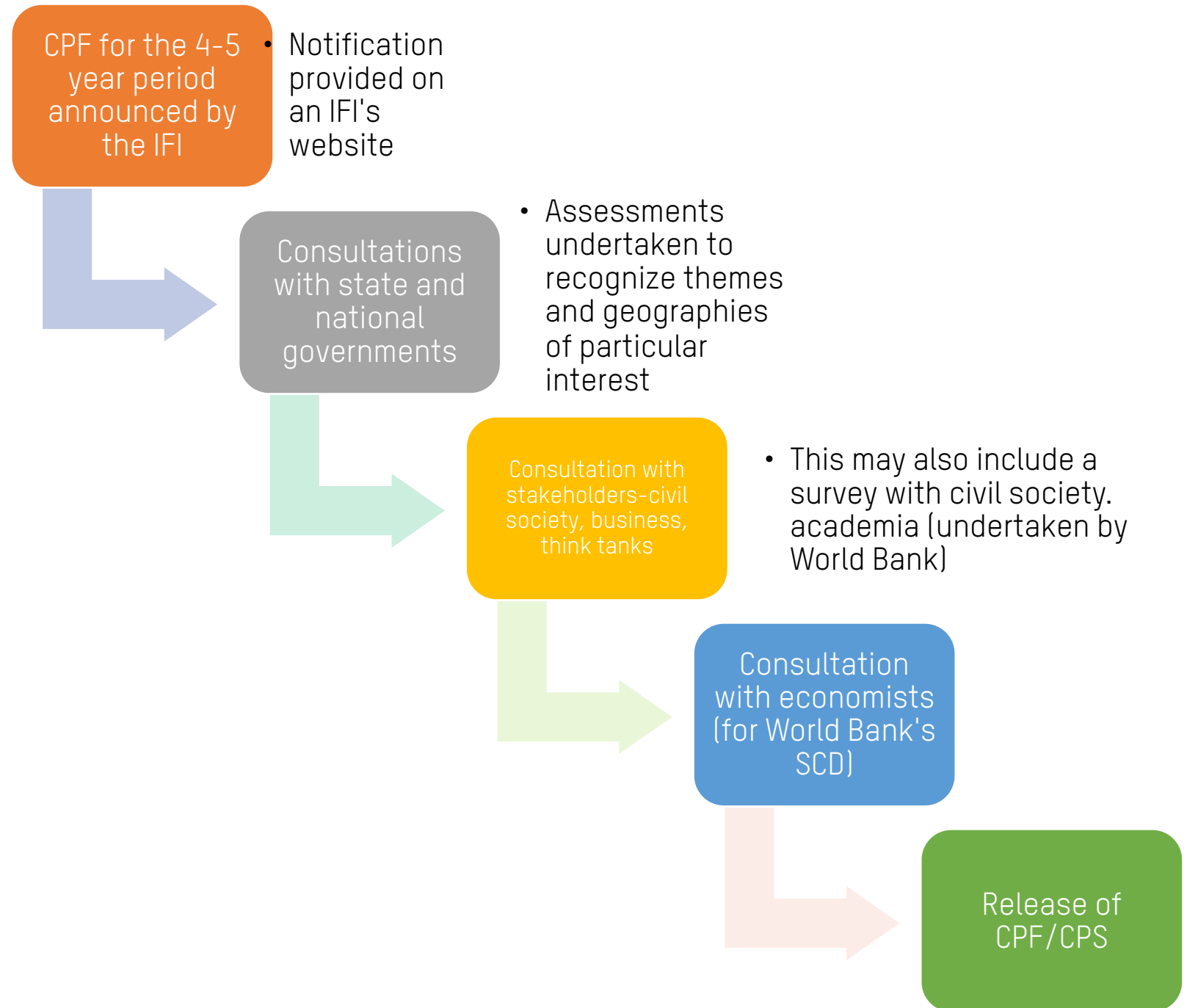
CHALLENGES IN OPERATIONS

STANDARDS

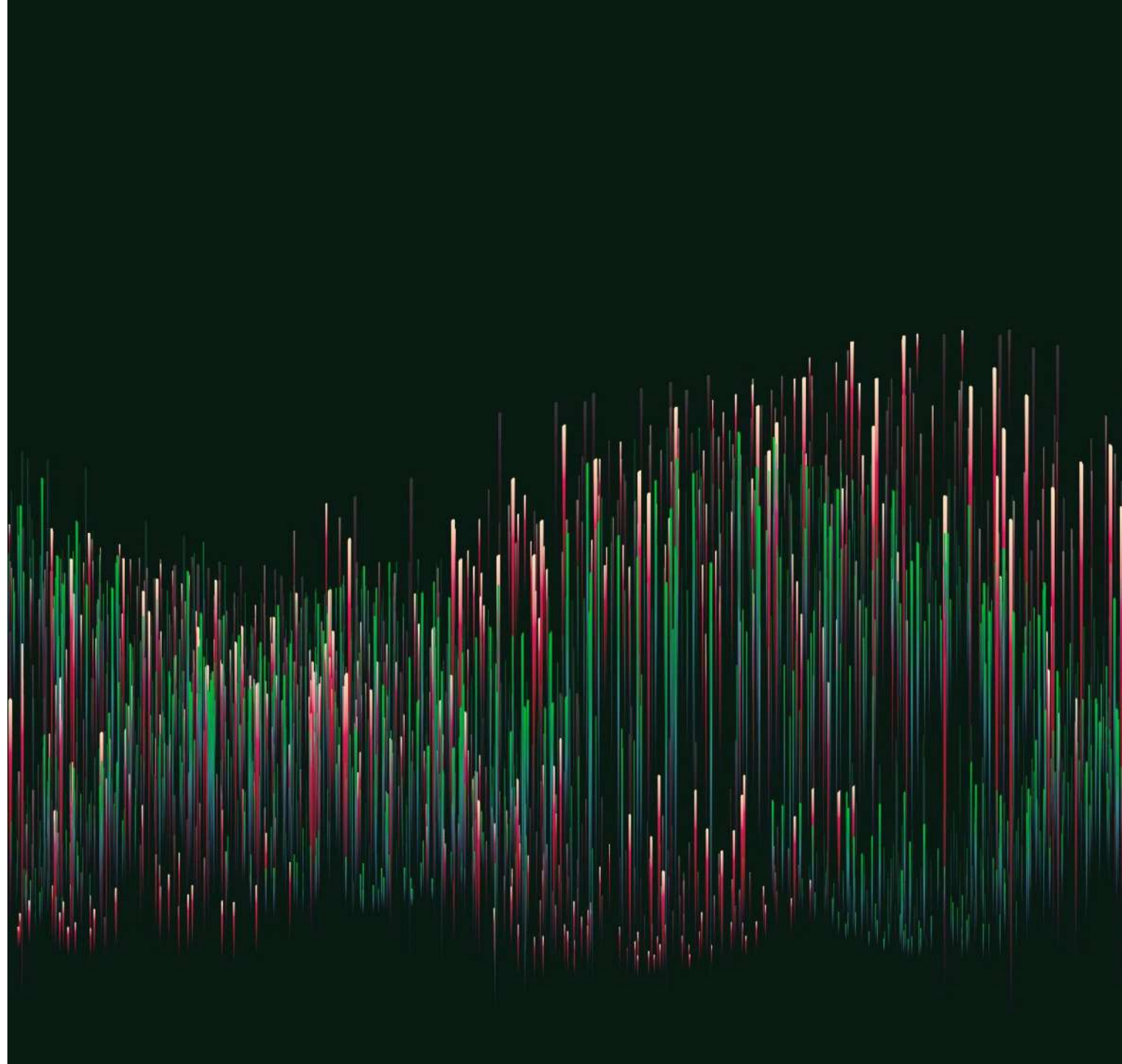| Applicable Standards in WBG and ADB Operations		
	WBG	**ADB**
Standards	• Performance Standard 1: Assessment and management of environmental and social risks and impacts; • Performance Standard 2: Labor and working conditions; • Performance Standard 3: Resource efficiency and pollution prevention; • Performance Standard 4: Community health, safety, and security; • Performance Standard 5: Land acquisition and involuntary resettlement; • Performance Standard 6: Biodiversity conservation and sustainable management of living natural resources; • Performance Standard 7: Indigenous peoples; and • Performance Standard 8: Cultural heritage	The ADB provides for environmental safeguards, involuntary resettlement and indigenous people standards.
Inequality and poverty	The WBG tracks the income growth of bottom 40% of the population in each country to monitor progress towards its goal of shared prosperity.	current strategy seeks to reduce poverty and inequality in access to opportunities.
Gender	WBG has a gender strategy.	Ensure that by 2030, at least 75% of the number of ADB's committed operations (on a 3-year rolling average, including both sovereign and non-sovereign operations) will promote gender equality.
Disability	Ten Commitments on Disability- Inclusive Development.	ADB has a guidance document for strengthening disability-inclusive development in its current strategy.
Social Inclusion	The WBG has a Social Inclusion Assessment Tool (SIAT) to assess social inclusion in projects, programs and policies. It seeks to address work with Indigenous people and Afro-descendants and has an anti-racism charter.	ADB has a policy on indigenous people and has indigenous peoples' safeguards.

OTHER SPACES FOR NATIONAL INFLUENCING

CPF/CPS

CPF for the 4-5 year period announced by the IFI
- Notification provided on an IFI's website

Consultations with state and national governments
- Assessments undertaken to recognize themes and geographies of particular interest

Consultation with stakeholders-civil society, business, think tanks
- This may also include a survey with civil society. academia (undertaken by World Bank)

Consultation with economists (for World Bank's SCD)

Release of CPF/CPS

INFLUENCING IFIS

STAGES OF IFI PROJECT MANAGEMENT

Project Identification, Preparation and Appraisal	Negotiations and Board Approval	Project Implementation	Project Review
Project identified	Final PAD and other documents	Cabinet approval (national or state)	Project completion report
Base documents prepared, put in public domain	Drafting of legal agreements	Transfer of funds	Review
Assessments: Technical, financial, institutional, social & environmental etc	Final discussion in the Board	Progress reports	

6. Completion/Validation and Evaluation Stage
- ✓ Implementation Completion and Results report (ICR)
- ✓ IEG validation of ICR

5. Implementation and Support Stage
- ✓ Implementation Status and Results report (ISR)

4. Negotiations and Board Approval Stage
- ✓ Project Appraisal Document (final)
- ✓ Legal Agreements (final)
- ✓ Memorandum of President

COUNTRY PARTNERSHIP FRAMEWORK (CPF)

6 COMPLETION/ VALIDATION AND EVALUATION

1 IDENTIFICATION

5 IMPLEMENTATION AND SUPPORT

2 PREPARATION

4 NEGOTIATIONS AND BOARD APPROVAL

3 APPRAISAL

1. Identification Stage
- ✓ Project Concept Note (PCN)

2. Preparation Stage
- ✓ Technical Assessment
- ✓ Economic/Financial
- ✓ Institutional Capacity and Institutional Arrangements
- ✓ Financial Management
- ✓ Procurement
- ✓ Social and Environmental
- ✓ Results, Risks

3. Appraisal Stage
- ✓ Project Appraisal Document (appraisal stage)
- ✓ Legal Agreements (draft)

ADVOCACY

- Prepare analysis of concerns
- Relationships with IFI team
- Collective letters
- Discuss with the government
- IFI watchers
- Media
- IFI operations

TYPES OF ACTIONS AT VARIOUS STAGES OF PROJECT IMPLEMENTATION

Project Identification, Preparation and Appraisal

- Review, respond to documents in public domain
- Liasion with Government, Bank officials
- Participate in consultations
- Build awareness about the project

Negotiations and Board Approval

- Media
- Engage with Board/ approving authorities

Project Implementation

- Tracking Implementation
- Using formal complaint mechanisms

Project Review

- Sharing civil society perspectives

GROUPWORK: INFLUENCING THE PROJECT ANALYSED EARLIER

COLLECTIVE STRATEGIES FOR FUTURE DIRECTION AND NEXT STEPS POST WORKSHOP