

Disclosure Policy Review at the African Development Bank

On March 23, 2004, the African Development Bank (AfDB) released a new information disclosure policy that significantly improves upon the previous policy (from 1997) and contains policy revisions that did not appear in the September 2003 draft policy. The AfDB's revised policy sets some new disclosure standards among Multilateral Development Banks (MDBs). However, in other areas the Bank's policy fails to meet minimum disclosure requirements mandated at institutions such as the World Bank and does not adopt several recommendations made by Bank Information Center.

New MDB disclosure standards set by the AfDB: The new information disclosure policy at the AfDB make several transparency commitments that are more ambitious than any other MDB. Most notably, the policy requires the disclosure of Draft Country Strategy Papers (CSPs) and the policy extends portions of its disclosure requirements to include projects financed by Financial Intermediaries. Here are some significant break-through standards set by the AfDB in its new disclosure policy:

- Draft Country Strategy Papers (CSPs) will be disclosed at least 50 days prior to Board approval and are the responsibility of the Bank (no other MDB discloses draft country strategy paper)
- Country Governance Profiles (CGPs), are disclosed after distribution to the Board (similar documents do not exist, or are not disclosed at other MDBs)
- Draft Policy Papers are disclosed at least 50 days before Board approval, for all policies under review or development—not just policies that will have consultations (other MDBs only disclose draft policy papers on an ad hoc basis)
- "For Category 4 projects involving Financial Intermediaries (FI), the FI shall ensure that the sub-projects that require Environmental and Social Impact Assessments undergo the same information disclosure process as Category 1 projects funded by the Bank Group."
(other MDBs do not extend the reach of their disclosure policies to include FIs)

Other improvements to the AfDB disclosure policy:

- The Prospective Project Brief (PPB – the initial summary of a project in the Bank's pipeline) is now disclosed for both public and private sector operations
- The Board of Executive Directors' biannual workplan and the Board's "monthly Rolling Agenda" are now disclosed.

Failures of the AfDB's disclosure policy: In spite of some important improvements, the AfDB's new policy does not meet some standards for disclosure set by sister institutions such as the World Bank. Furthermore, the policy does not include a number of recommendations made by BIC in its comments on the draft policy sent to the Bank in November 2003. Specific areas where the AfDB's policy has come-up short include:

- The AfDB will only disclose summaries of Environmental and Social Management Plans (ESMPs) for Category 2 projects,

- The AfDB continues to withhold contact information of Executive Directors,
- Executive Board meeting minutes, summaries, and transcripts continue to be confidential
- The AfDB's archives remain "inviolably" sealed,
- The AfDB has not made a commitment to disclosing information during project implementation, such as aide-memoires and environmental and social monitoring reports,
- The environmental and social obligations of recipients of AfDB financing are not covenanted in loan, grant, and investment agreements,
- Legal agreements (i.e Power Purchase Agreements and Production Sharing Agreements) between member governments and sponsors of AfDB projects that were signed in relation to an AfDB project are only disclosed on an ad-hoc basis,
- The AfDB has not appointed an Information Ombudsman or similar independent body able to monitor Disclosure Policy compliance,
- The AfDB's Disclosure Policy does not make reference to languages in which disclosed information will be translated and made available to the public, and
- The AfDB has no process guarantees regarding the rights of citizens to receive responses to requests for information from the Bank in a language they understand

Two years after the Board approves the Information Disclosure Policy, AfDB management will report back on its effectiveness and recommend any necessary modifications.

More information on the AfDB's Policy on the Disclosure of Information is available on the AfDB's website: www.afdb.org , including the complete text of the Policy:

The African Development Bank Group's Policy on the Disclosure of Information (Word doc ___KB – AfDB website)

The Review Process

In mid-September 2003, the African Development Bank (AfDB) posted a draft Disclosure Policy on its website for comment. At the time there was no information available on the status of the review process, deadlines for submitting comments, or next steps in the Policy's revision. The AfDB did not confirm if any face-to-face consultations on the draft Policy had been held in the region nor did the AfDB disclose when the Policy may come before its Board of Directors for approval. Furthermore, the draft Policy was only posted in English, foreclosing participation by local stakeholders who cannot effectively communicate in this language.

As of early November, the AfDB's web site had been updated to read that external stakeholders would have until 20 November to provide comments on the draft Policy. However, the Bank had still not responded to questions about the disclosure of comments it has already received, consultations, and procedural next steps. It had also not explained how stakeholders' input would be included in the next draft of the Policy and if the revised draft would be disclosed prior to Board discussion.

- www.afdb.org- African Development Bank website
- [AfDB Group's Information Disclosure Policy Draft document](#), June 2003 (AfDB website)