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IFAD Policy on the Disclosure of Documents

Governing Council — Thirtieth Session
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For: **Information**

Note to Governors

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IFAD Policy on the Disclosure of Documents

I. Introduction

1. At its twenty-first session, held in February 1998, the Governing Council approved an interim phase of 18 months, from July 1998 to December 1999, for the IFAD Policy on the Disclosure of Documents, during which time governing body documents would be made available on the IFAD website in the four official languages of the Fund. The Governing Council requested the Executive Board to review the disclosure policy and procedures at its sixty-ninth session in 2000 (subsequent to the end of the interim phase), authorizing it to adopt a final disclosure policy.¹
2. Since February 1998, IFAD's Governing Council, Executive Board and Replenishment Consultations have reviewed, at the conclusion of each session, requests for the disclosure of documents submitted to the session and have approved disclosure of those documents, with certain exceptions (generally as a result of the need for further revision of the documents or the confidential nature of their content).²
3. In May 2000, the Executive Board reviewed the results obtained during the interim phase and approved the expansion of the disclosure policy to include all evaluation reports as well as documentation submitted to the Evaluation Committee. At the same time, the Executive Board endorsed the possibility of disclosing other types of documents in the future.³ It was further agreed that the Governing Council would be kept duly informed of any further expansion of the disclosure policy.
4. The Consultation on the Seventh Replenishment of IFAD's Resources – at its second session (April 2005) – requested the Secretariat to present to the fourth session of the Consultation a document on IFAD's disclosure policy. At its fourth session, the Consultation considered document REPL.VII/4/R.6, which included information on the disclosure policy of selected international financial institutions (IFIs) and United Nations agencies, and which proposed that a revised disclosure policy be presented to the Executive Board in 2006 along the following lines:
 - (a) such a policy should be cost-neutral;
 - (b) policy and strategy documents should be disclosed for consultation with the public only at the request of the governing body; and
 - (c) loan and grant agreements with sovereign countries should be posted on the IFAD website upon signature and effectiveness.
5. In the conclusions and recommendations of the Consultation on the Seventh Replenishment of IFAD's Resources⁴ on the issue of IFAD's disclosure policy, the following was agreed: "The Executive Board will also review the IFAD Policy on the Disclosure of Documents in 2006, taking into consideration the Consultation's deliberations on the current policy, in particular the recommendation to disclose policy, strategy and loan documents when they are presented to the Executive Board, and a comparison with the disclosure policies and procedures of selected IFIs and United Nations agencies."

¹ Document EB 2000/69/R.13/Rev.1.

² Document REPL.VII/4/R.6.

³ Document EB 2000/69/R.13/Rev.1.

⁴ Document GC 29/L.4.

II. Rationale

6. IFAD's primary rationale for having a disclosure policy is to increase its accountability, transparency and service to its stakeholder community while furthering general knowledge and transparency about its governance structure and role in promoting sustainable development.⁵

III. The current policy

7. Under IFAD's current policy, all documentation approved for disclosure by the Governing Council (including the Replenishment Consultations) and the Executive Board (including its Evaluation Committee) is available to the public on the IFAD website following such approval. At its sixty-ninth session, the Executive Board approved the expansion of the scope of the disclosure policy to include all evaluation reports and documentation submitted to the Evaluation Committee.⁶ To this end, the website of the Office of Evaluation (OE), as part of IFAD's corporate website available to the general public, contains the following:
 - evaluation reports (for individual projects, grants and country programmes) and thematic and corporate-level evaluations;
 - evaluation profiles;
 - evaluation insights;
 - a section on process and methodology, which includes the methodological framework for project evaluation;
 - an explanation of OE's role and function;
 - OE's current work programme and administrative budget;
 - a link to the report "Towards a New Approach to Communicating Learning Generated through Evaluation – Making Learning Work";
 - the monitoring and evaluation guide;
 - a link to the new IFAD Evaluation Policy, adopted by the Executive Board in 2003;
 - annual reports on the results and impact of IFAD operations; and
 - a link to the work undertaken for the Independent External Evaluation of IFAD.
8. Further to a decision by the Executive Board at its seventy-ninth session, IFAD also posts on its public website information/status notes on projects being developed for Board presentation.⁷ These notes are posted on the website following internal approval of the inception memorandum.

IV. Proposed revision of the policy

9. Further to the conclusions and recommendations of the Consultation on the Seventh Replenishment of IFAD's Resources, IFAD management has reviewed the current disclosure policy with a view to improving it in the light of the considerations of the Consultation, taking into account cost implications.
10. As the revised disclosure policy should be cost-neutral, it is proposed that no new translations or editing should be done before disclosure. With the exception of governing body documents, which are prepared in the official languages of IFAD, the loan and grant agreements being proposed for inclusion under the disclosure policy

⁵ Document EB 2000/69/R.13/Rev.1.

⁶ Document EB 2000/69/R.13/Rev.1.

⁷ Document EB 2003/79/R.29/Rev.1.

(see paragraph 11) would be disclosed only in the language(s) in which they were drafted and signed.

A. Documents to be disclosed

11. In addition to the documents and information presently being disclosed, as described in section III, it is proposed that the IFAD Policy on the Disclosure of Documents be expanded to include the disclosure of loan and grant agreements for all loans and grants approved and any amendments thereto as from the eighty-ninth session of the Executive Board. Although IFAD loan and grant agreements with sovereign governments are filed with and indirectly available in the United Nations registry of international treaties, it is proposed that conformed copies of loan and grant agreements for projects and programmes approved by the Executive Board be disclosed.

B. Timing of disclosure

12. It is important to set a time frame for disclosing documents under the IFAD Policy on the Disclosure of Documents. For documents submitted to a governing body, it is proposed that they be disclosed to the public at the time they are made available to that body's members prior to the relevant session. Documents submitted for approval to a governing body but not subsequently approved would be removed from the IFAD website.
13. Loan and grant agreements should be disclosed upon signature and effectiveness. Amendments to such agreements would also be disclosed, following signature and countersignature of the amendment letter.

C. Retroactive application

14. When the disclosure policy was approved in 1998, there was no decision on retroactive application. It is therefore proposed that previously undisclosed documents that are eligible for disclosure under the IFAD Policy on the Disclosure of Documents be made available upon request or as necessary.

V. Recommendations

15. It is recommended that, after considering the information contained in this document and the proposals specified in section IV, the Executive Board approve that, from this, the eighty-ninth session onwards:
 - (a) all documents submitted to the Governing Council (including its Replenishment Consultations) and the Executive Board (including the Evaluation Committee) be disclosed to the public on the Internet at the time they are made available to the Directors and Governors on the restricted IFAD website;
 - (b) information/status notes on projects being developed for Board presentation, as described in paragraph 8, continue to be disclosed on IFAD's public website following internal approval of the inception memorandum;
 - (c) agreements for newly approved loans and grants be disclosed once they are signed and effective, and amendments thereto be disclosed once signed and countersigned; and
 - (d) previously undisclosed documents that are eligible for disclosure under the IFAD Policy on the Disclosure of Documents be made available upon request or as necessary in accordance with paragraph 14 above.

Disclosure policies of selected IFIs and United Nations agencies

1. In order to compare current standards of best practice among selected IFIs and United Nations agencies, information was obtained on the following organizations:
 - World Bank Group (the International Bank for Reconstruction and Development, the International Development Association, and the International Finance Corporation)
 - Asian Development Bank
 - African Development Bank
 - Inter-American Development Bank
 - Food and Agriculture Organization of the United Nations
 - United Nations Development Programme
 - World Food Programme
2. Research was conducted on the history of each organization's disclosure policy, its overall approach to transparency and how it makes information available to the public. Furthermore, information was gathered on each organization's disclosure procedures for policy and strategy documents and for loan and grant agreements, and on its policy for document translation. Finally, where available, budget estimates for disclosure and translation activities were collected.

World Bank Group

3. Informally, the World Bank began disclosing information to the public in the mid-1980s. In 1993, it became the first IFI to approve a formal information disclosure policy. This policy was revised in 2002 and again in February 2005. Each successive revision has provided greater transparency, reflecting that, in the Bank's own estimation, "the importance of information disclosure in the Bank's corporate agenda has evolved over time".¹ The World Bank's current policy recognizes that transparency and accountability are fundamental to the development process and assumes a "presumption in favour of disclosure" for Bank documents. In addition to its website, the Bank uses its public information centres to disseminate information.²
4. The Bank prepares sector strategy papers (SSPs) that review its experience in a given sector and set out its strategy for future work in the area. Draft SSPs are publicly available upon notification to the executive directors of such proposed disclosure. SSPs are released to the public once they have been discussed by the executive directors and finalized. Under the most recent policy revision, the World Bank's country assistance strategies are disclosed after they have been finalized by the executive directors. Only those draft operational policy reviews (documents that set forth policies and procedures relating to the Bank's operations) that are subject to an external consultation process are disclosed: this is done on an ad hoc basis and subject to other considerations. These documents are released at the time of their distribution to the executive directors for informal discussion in the board.
5. The Bank prepares a project appraisal document (PAD) for each investment project proposed for financing. The PAD describes the project and sets forth the Bank's appraisal and assessment of the feasibility of, and justification for, the project. The draft PAD is not disclosed. Once the loan, credit or guarantee for a project is formally

¹ World Bank, *World Bank Disclosure Policy: Additional Issues – Follow-Up Consolidated Report (Revised)* (Washington, D.C.: World Bank, 14 February 2005), p. 16.

² World Bank, *The Disclosure Handbook* (Washington, D.C.: World Bank, December 2002); and World Bank, *World Bank Disclosure Policy: Additional Issues*.

approved, the PAD is publicly available after clearance by internal offices and the country concerned.

6. The World Bank does not have a formal translation policy. However, in 2003 it issued a document translation framework, which provides "a pragmatic approach" to the kinds of documents to translate, an estimate of implementation costs and a timetable for the approach.³ In 2003, it was estimated that the cost of implementing the new framework's translation management system and operating and maintaining the core function (including technology) would be US\$3.8 million over three years. This cost would be in addition to the estimated expenditure of US\$14 million (for one fiscal year) for all material translated by the World Bank Group. It should be noted that, unlike IFAD and other IFIs, the Bank operates officially only in English and all its board documents are in English only.
7. Related to the cost of its disclosure policy, in 2003 the World Bank proposed improving its public information centres. For this activity, it forecast a first-year expenditure of US\$2.9 million and estimated the subsequent annual budget at US\$3.7 million.⁴

Asian Development Bank

8. The Asian Development Bank (AsDB) first adopted information and disclosure policies in 1994. As part of its long-term strategic framework (2001-2015), AsDB revised its disclosure policy and incorporated it into a comprehensive policy document, approved in March 2005.⁵ Set within the wider external relations activities of AsDB, the disclosure policy commits the organization to "a presumption in favour of disclosure of information", subject to certain legal and practical constraints. AsDB established a new public information and disclosure unit (InfoUnit) within the Office of External Relations to oversee the implementation, monitoring and evaluation of the policy's disclosure requirements.
9. Under its revised policy, AsDB makes available to the public its annual list of the policies and sector and/or thematic strategies that will be developed or reviewed. It discloses at least one draft of a policy or strategy paper for public consultation. All policy and strategy papers approved by its board of directors or management are publicly available.
10. AsDB does not release draft legal agreements for public-sector projects and programmes. Public-sector loan agreements, Asian Development Fund grant agreements and project agreements are all disclosed within two weeks of their effectiveness.
11. AsDB does not have a formal translation policy or framework. English is its working language. Documents are provided in other languages on an ad hoc basis.
12. In its revised disclosure policy, AsDB made a commitment to develop a translation framework by the third quarter of 2005. The initial annual budget for AsDB's disclosure policy is US\$1.2 million, including US\$128,000 for translation costs.

African Development Bank

13. The African Development Bank (AfDB) approved its first policy for the public disclosure of information in 1997. In March 2004, it revised its policy in order to "enhance broader stakeholder participation and to provide for the disclosure of Bank Group documents, consistent with its legal provisions and the best practices of the other Multinational Development Banks". Its approach to transparency is to disclose "all documents on its operations and its activities unless there are compelling reasons not to do so". AfDB's public information centre is the focal point for the

³ World Bank, A Document Translation Framework for the World Bank Group (Washington, D.C.: World Bank, 2003).

⁴ World Bank, Strengthening the World Bank's Public Information Centers (Washington, D.C.: World Bank, 6 August 2003).

⁵ Asian Development Bank, The Public Communications Policy of the Asian Development Bank – Disclosure and Exchange of Information (Manila: AsDB, March 2005).

organization's disclosure activities. It is anticipated that AfDB's website will also be updated to reflect the revised policy and disclosed information.⁶

14. Under its revised disclosure policy, AfDB draft operational policy papers are released through the Internet and the AfDB website at least 50 days prior to formal discussion by the executive board. Operational policy papers, including sectoral policy papers and guidelines, are publicly available within two weeks of board approval. AfDB does not publicly disclose draft project appraisal reports (PARs), which describe the project and outline the Bank's appraisal and assessment of the feasibility of and justification for the project. PARs are made available after the project is approved by the board of directors.
15. AfDB makes available through its public information centre loan and grant agreements upon request, once they have been signed and declared effective.
16. AfDB does not have a formal translation policy or framework, and its revised disclosure policy does not specifically address this subject. English is the Bank's official language, though some documents are translated into French.
17. Costs related to AfDB's disclosure initiative were not available. Its revised policy stipulates that, "to the extent possible", costs related to the disclosure policy (e.g. the public information centre) will be recovered through subscriptions and user fees.

Inter-American Development Bank

18. The Inter-American Development Bank (IDB) implemented its first policy on information disclosure in 1995. After two revisions, the board of executive directors approved a new disclosure policy effective as from 1 January 2004.⁷ The new policy expanded the scope of information to be disclosed to the public by explicitly including – for the first time – financial and institutional information as well as operational information. Under the policy, information concerning the Bank and its activities is made available to the public "in the absence of a compelling reason for confidentiality", bearing in mind that information provided to the public will be made available "in a form and at a time that enhances the transparency and therefore the quality of Bank activities". IDB staff should act on the basis of a "presumption in favour of disclosure...unless specific restrictions preclude [...] release". The External Relations Advisor has primary responsibility for providing information to the public. Information is made available through the Bank's website and its public information centres.
19. IDB's revised policy does not require the disclosure of draft policy or strategy documents. However, "profiles or draft versions of the text of proposals for new or modified sector policies, sector strategies and sector guidelines may be made available to the public during the process of preparation by Bank staff of such proposals, for purposes of gathering opinions and input from institutions and individuals outside the Bank". IDB discloses its final policies and strategies, including general policies, sectoral policies, best practices, sector strategies, sector guidelines and operational policies, after board approval.
20. IDB does not disclose draft loan proposals. With the exception of private-sector loans and a number of other transactions, IDB discloses loan-related project documents, including loan agreements, after approval by the relevant governing body.
21. IDB does not have a formal translation policy; however, certain documents are translated into the language of the country concerned. IDB documents are generally disclosed in the language in which they were prepared. Loan proposals are disclosed in English and Spanish (and sometimes in Portuguese or French). IDB translation expenditures for 2000 were approximately US\$2 million.

⁶ African Development Bank Group, Policy on Disclosure of Information (Abidjan: AfDB, March 2004).

⁷ Inter-American Development Bank, Disclosure of Information Policy – Implementation Instructions (Washington, D.C.: IDB, 13 July 2005).

22. Budget figures for IDB's disclosure activities were not available. As a general practice, IDB makes information available to the public at no charge. It may charge a fee for the use of document reproduction equipment and for copies of printed material.
23. Table 1 presents a summary comparison of the disclosure policies of the aforementioned IFIs.

Table 1

Comparison of disclosure policies among selected IFIs

	<i>IFAD</i>	<i>World Bank</i>	<i>AsDB</i>	<i>AfDB</i>	<i>IDB</i>
Annual reports	Disclosed	Disclosed	Disclosed	Disclosed	Disclosed
Draft of policy or strategy reports	Not disclosed	Ad hoc	Partial	Disclosed	Ad hoc
Final policy or strategy report	Disclosed	Disclosed	Disclosed	Disclosed	Disclosed
Draft loan/grant agreements	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed
Final loan/grant agreements	Disclosed ^a	Disclosed	Disclosed	Disclosed	Disclosed
Formal translation policy	No	No	No	No	No

^a IFAD's loan, grant and other agreements with sovereign governments, such as international treaties, are registered with the Secretary-General of the United Nations upon signature and effectiveness. As a result, these agreements are available indirectly to the general public through the United Nations.

Food and Agriculture Organization of the United Nations

24. The Food and Agriculture Organization of the United Nations (FAO) does not currently have a formal disclosure policy. Neither draft policy and strategy reports nor legal agreements are disclosed publicly. Final policy and strategy reports, and all council and conference documents, are publicly available after formal approval by the relevant governing body. FAO provides documents in its six official languages. Budget figures were not available for FAO's disclosure activities.

United Nations Development Programme

25. The United Nations Development Programme (UNDP) recognizes public access to information and documentation as a key component of effective participation of the public in development programmes and as a valuable instrument to facilitate the transparency, accountability, legitimacy, and the national and local ownership of UNDP operations.⁸ Its disclosure policy is based on a "presumption in favour of public disclosure of information and documentation generated or held by UNDP", in the absence of a "compelling reason for confidentiality" and/or "crisis situations".
26. Regarding programming, UNDP's common country assessments and the United Nations Development Assistance Framework (which sets the framework for the operational activities of the United Nations system in programme countries) are only available when finalized. UNDP provides "a brief outline" during the preparatory stages of its country programme outlines, country programme frameworks and country programme documents, which identifies key goals and opportunities for UNDP support. These documents and their annexes are made available to the public after executive board approval.
27. Concerning country-specific activities, UNDP provides "brief outlines and summary statements" of its programme support documents, project documents and technical documents during the preparatory stage. It makes public the full text of these documents upon formal approval. UNDP discloses the final form of its country programme/project performance report and programme performance report.

⁸ United Nations Development Programme, UNDP Public Interest and Documentation Disclosure Policy (New York: UNDP, 25 July 2005) <http://www.undp.org/idp>

28. UNDP does not have a formal translation policy. It makes certain disclosed documentation available to the public in the six working languages of the United Nations, particularly documentation presented to the executive board for formal adoption. In other cases, documents are made available in the language(s) in which they are prepared.
29. Budget figures for UNDP's disclosure activities were not available.

World Food Programme

30. The World Food Programme (WFP) does not have a formal disclosure policy. The procedures related to transparency standards are included in its *General Regulations, General Rules, Financial Regulations, Rules of Procedure of the Executive Board*. According to the 2004 edition, draft policy and strategy reports are not disclosed to the public. Reports approved by WFP's executive board are available to the public on the website. The languages of the executive board are Arabic, English, French and Spanish. Budget figures were not available for WFP's disclosure activities.
31. Table 2 presents a summary comparison of the disclosure policies of the aforementioned United Nations agencies.

Table 2

Comparison of disclosure policies among selected United Nations agencies

	IFAD	FAO	UNDP	WFP
Annual reports	Disclosed	Disclosed	Disclosed	Disclosed
Draft of policy or strategy reports	Not disclosed	Not disclosed	Not disclosed	Not disclosed
Final policy or strategy report	Disclosed	Disclosed	Disclosed	Disclosed
Draft loan/grant agreements	Not disclosed	Not disclosed	Not disclosed	Not disclosed
Final loan/grant agreements	Disclosed ^a	Not disclosed	Not disclosed	Not disclosed
Formal translation policy	No	No	No	No

^a IFAD's loan, grant and other agreements with sovereign governments, such as international treaties, are registered with the Secretary-General of the United Nations upon signature and effectiveness. As a result, these agreements are available indirectly to the general public through the United Nations.

Conclusions

32. All of the IFIs surveyed, including IFAD, have developed disclosure policies over the past ten years on an ad hoc basis in response to the change in the development climate and to further their own emphasis on good governance in providing finance to their development partners. Non-IFIs, with the exception of UNDP, have been much slower in doing so. All the surveyed IFIs and United Nations agencies now disclose governing body documents after consideration by the respective body. Only AfDB discloses draft policy and strategy documents to the general public prior to governing body consideration, as part of a consultation process. AsDB, IDB and the World Bank disclose such documents on an ad hoc or partial basis – essentially when they believe that such a process will be useful to the organization. Loan and grant agreements with sovereign governments (being mostly international treaties) are disclosed after they have become effective, but private-sector agreements remain confidential and may only be disclosed with the consent of the other party(ies).
33. All organizations make documents available to the public in the languages in which they were prepared and/or presented to their governing bodies. With the exception of the World Bank, which works only in English, no organization consistently or regularly provides additional translations of documents solely for the purpose of disclosure. With the exception of AsDB and the World Bank, no budget allocations for disclosure policies are available.

