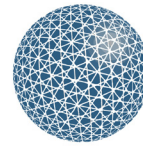




GLOBAL ORGANIZATION OF PARLIAMENTARIANS AGAINST CORRUPTION
ORGANISATION MONDIALE DES PARLEMENTAIRES CONTRE LA CORRUPTION
ORGANIZACIÓN MUNDIAL DE PARLAMENTARIOS CONTRA LA CORRUPCIÓN
المنظمة العالمية للبرلمانيين ضد الفساد



THE PARLIAMENTARY NETWORK

On The World Bank & International Monetary Fund

Guidelines to Strengthen Oversight Through Parliamentarian-Donor Collaboration

SEPTEMBER 2013

The *Guidelines to Strengthen Oversight Through Parliamentarian-Donor Collaboration* were created by:

The Parliamentary Network on the World Bank and the International Monetary Fund is an independent, non-governmental organization that provides a platform for parliamentarians from over 140 countries to advocate for increased accountability and transparency in development cooperation.

The Global Organization of Parliamentarians Against Corruption (GOPAC) is an international network of current and former legislators dedicated to help countries around the world strengthen accountability, democracy, good government, and uphold the rule of law. GOPAC currently has 47 national chapters and 5 regional chapters.

Preamble

As representatives of the people, as legislators, and as leaders in overseeing government, parliamentarians, play a key role in ensuring that countries/governments spend their funds in accordance with the intended, agreed purposes, and avoid corruption or other misuse of government funds. In the interest of improving oversight and ensuring that donor funds are responsive to recipient countries' development needs, GOPAC, in collaboration with the Parliamentary Network on the World Bank (WB) and International Monetary Fund (IMF), created these Guidelines to Strengthen Oversight Through Parliamentarian-Donor Collaboration at the Parliamentary Network's 2013 Annual Conference.

The idea for the guidelines originated from concerns raised at GOPAC's fifth Global Conference of Parliamentarians Against Corruption. GOPAC members expressed concern that some countries have been negatively impacted when donor funds are misused or not allocated to their intended purposes, or when projects are perceived to be politically motivated and therefore canceled with changes in government. In some cases, citizens have had to repay loans without receiving the intended benefits.

To better represent their constituents, GOPAC members expressed an interest in improving their knowledge of the intended outcomes and progress of donor funded projects and loans. By understanding how to access relevant information and effectively accounting for funds, they will be able to improve transparency and parliamentary oversight. International donors have referenced a variety of models used to engage, or not, with parliamentarians. In several countries, input from relevant stakeholders has had a positive impact on programme and project design, and several country offices/missions have benefited from regular consultation with parliamentarians. Parliamentary engagement can –amongst feedback from constituents – also improve the implementation of programmes/projects, help adjust and strengthen the overall programme/project oversight and quality. On the other hand, in countries where little to no effort is made to engage parliamentarians, the chances of the programme/project succeeding might be lower, and in some cases has led to much needed projects not receiving the necessary parliamentary approval.

In an effort to improve collaboration, members passed the following resolution at the Global Conference of Parliamentarians Against Corruption 2 February 2013, in Manila, Philippines which formed the basis for the development of the guidelines:

Consistent with the Busan process, explore the possibility of producing and providing guidelines for donor organizations to support their work within recipient countries by engaging with parliamentarians, so that the design of projects are responsive to the countries developmental needs and adequate parliamentary oversight can be exerted over donor funded programs and projects.

The Parliamentary Network on the World Bank & IMF has been advocating for the effective use of development funds since its creation in 2000, with a focus on the World Bank Group and the IMF, the world's largest multilateral funders. The Parliamentary Network particularly endorses multi-stakeholder approaches in order to tackle the challenges of poor governance and improve development outcomes. The Network places particular importance on strengthening the parliamentary oversight role to increase transparency and accountability in the development cooperation process.

GOPAC has been working since its creation in 2002, to develop the capacity of parliamentarians to hold governments to account through improved oversight, strengthening the rule of law and providing parliamentarians with tools to combat corruption.

These guidelines encourage parliamentarians, governments, and International Financial Institutions (IFIs) to take action and establish frameworks for regular cooperation to ensure improved governance in the use of development funds.

Guidelines

Engagement:

1. Legislators and WB/IMF officials are encouraged to meet and share perspectives on projects/programmes and loans under consideration. WB/IMF should go beyond parliamentary outreach on an ad-hoc basis and, to the extent possible, institutionalize parliamentary consultation. To ensure the greatest impact, all parties are encouraged to be pro-active in establishing a working relationship as early in the planning process as possible. Some existing mechanisms that could be implemented or improved include working groups, regular communications, and/or routine consultations.
2. International organizations such as the WB and IMF should recommend their country offices and visiting missions to make a regular practice of meeting with representatives from a variety of political parties in an effort to ensure that political factors of their projects are taken into consideration. Legislators should reach out to staff to initiate communication.
3. Representatives from IFIs and multilateral development banks (MDBs) are encouraged to include consultation with parliamentarians as a part of the early stages of the decision making process of project and loan management, while ensuring that parliamentarians are adequately informed about the consultation procedure.
4. Recognizing Article V, Section I of the IMF Articles of Agreement, legislators should go to all reasonable means to work through the financial agency that is designated as the main IMF contact such as their treasury, central bank, stabilization fund or other applicable financial agency. In parallel, the IMF should encourage their national counterpart to consult with parliamentarians prior to finalising loan agreements.
5. Parliamentarians should pressure their governments to ensure involvement in the process; and advocate for legal or regulatory changes as required. Examples include, access to information laws, and, where possible, the development of an e-government infrastructure to reduce the access between the demand and supply side of corruption.
6. Parliamentarians should ask for openness and transparency around all IFI funded government projects and programmes, and agreements signed under such projects. Parliamentarians should also strive to make full use of information already publicly available.

Regulatory Framework:

7. As part of institutionalising transparency and accountability, parliamentarians are encouraged to develop an understanding of their domestic legal framework, and when applicable, pass legislation to ensure that it permits them to access information on the work that their appointed representatives do on the boards of IFIs and MDBs.
8. If not already applicable, grants, credits and loans should be integrated into the government budget, or, appropriate means of transparency should be sought, so that legislators can adequately scrutinize spending.
9. Aid recipient countries should include all funds received in budgets presented to parliament.
10. Parliaments should request yearly project reports on international donor programs and activities, through their executive branches.
11. The leadership of IFIs and MDBs should encourage compliance with these guidelines throughout their organizations.

Capacity:

12. Legislators should seek expert support to increase their capacity to understand and improve their parliamentary oversight role, including budget oversight.
13. Legislators should implement the checks and balances needed to ensure that foreign grants, credits, loans and other agreements with IFIs their government enter are approved by parliament.
14. In countries where transparency and access to information are restricted, legislators should seek support from international organizations such as GOPAC, The Parliamentary Network, and donor institutions such as the World Bank Group, International Monetary Fund and Regional Banks, to initiate, develop or improve institutions and increase overall capacity. Legislators are encouraged to form working groups to improve their understanding of the engagement process with these organizations and/or to participate in regional meetings.

For more information from specific organizations, parliamentarians are encouraged to visit:

World Bank: www.worldbank.org/projects

International Monetary Fund: <http://www.imf.org/external/np/legislators/index.htm>

Or contact us at:

GOPAC: www.gopacnetwork.org or info@gopacnetwork.org

The Parliamentary Network: www.pnowb.org or secretariat@pnowb.org