

[PTF Recommendations to G20 Expert Group on Strengthening Multilateral Development Banks](#)

PTF recommends the updated vision and operating model for the MDBs call for fully integrating Civil Society Organizations (CSOs) as development partners

MDBs have for decades proclaimed collaboration with civil society as a policy and operational goal but in reality, the actual engagement has been negligible and way below the potential due to lack of incentives, prioritization, and funding. The ambivalence is illustrated by the World Bank's Evolution proposals that call for mobilizing the public and private sectors but make no mention of CSOs as significant development partners in delivering inclusive results with accountability. Furthermore, though the World Bank pioneered collaboration with CSOs, with the unanimous support of the shareholders, in 1981 it no longer has a policy statement on collaboration with CSOs in its Operations Manual and has stopped reporting data on such collaboration. Other MDBs also face challenges in effective CSO engagement.

PTF recommends that the Expert's Group proposals call upon the MDBs to fully integrate and scale CSOs as development partners in the updated vision and operating model and take actions needed to make it happen. Such a move would be strategic, transformative and timely. *Strategic* because strengthening of both state and non-state sectors (a shift from the current government centric model) is essential for country-owned inclusive development and good governance ([World Development Report 2017](#) and [OECD-DAC](#)). *Transformative* as it would enable rapid and significant expansion of a country's absorptive capacity, results focus, accountability systems, and mechanisms for action on global public goods. CSOs are particularly well equipped to help MDBs achieve the goals of inclusion, resilience, sustainability, transparency, anti-corruption and accountability. *Timely* because governments alone cannot deliver Agenda 2030 and/or the new Vision/Mission being discussed for MDBs and because the MDBs can leverage their apolitical (multilateral) and trusted, long-term relationship with the borrowing countries to preserve and enhance space for civic engagement in development work that is facing decline in many countries.

Adequate funding for local CSO engagement in MDB supported activities in borrower countries needs to be provided. Many MDBs already provide funding to CSOs through projects and trust funds so this would not be a new mandate. The issues are scale and effectiveness. A recent [study](#) by PTF found that the current amounts are negligible relative to needs, the modalities used are not fit-for-purpose and involve high transactions costs. MDBs should be asked to adequately fund CSO engagement in their activities using mechanisms appropriate for funding local CSOs.

These recommendations are based on studies done by the PTF and others on [global trends in civil society and development](#), [expanding CSO contributions to the governance agendas of the International Financial Institutions](#), and [expanding roles of CSOs in the International Development Association](#). These reports present many actionable recommendations. We would be happy to provide clarifications/details at the Expert Group request. Please contact Vbhargava@ptfund.org

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