



## **AWC Strategy**

**2023-2025**

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## Introduction

The Arab Watch Coalition believes that people have the right to own their wealth and decisions and that they have the power to change. It also believes that civil society can expand its space and play a greater role in representing people's rights in negotiations and advocacy to achieve inclusive, fair, participatory, and sustainable development.

Since its establishment in April 2018, the Coalition has aimed to achieve people-centric development that prioritizes human rights, societal needs, and diverse and disparate interests. This will be achieved by empowering civil society with the tools to monitor and influence International Financial Institutions (IFIs), given their important role in shaping development policies and programs in the Arab region. This focus is crucial and unique, as it leverages the collective expertise and insights of local actors deeply familiar with the region's specific needs and challenges. Doing so ensures that development initiatives are not only aligned with global standards but are also responsive to the unique socio-economic contexts of Arab countries. This approach bridges the gap between global financial mechanisms and local development priorities.

We are aware that influencing IFIs is a major challenge. Therefore, we seek to collaborate with various organizations to monitor and influence the policies of these institutions, access international platforms, and amplify the voice of the Arab region at all levels.

Looking back at our previous strategy, we see many successes and changes that we can be proud of. The balance between being a coalition that includes many activists and advocates that rely on advocacy and mobilization mechanisms and being experts in dealing with international institutions has given us a high negotiating power with major IFIs. This dual capacity has enabled us to effectively represent our communities' non-monolithic interests and challenges and engage in dialogue and negotiation with IFIs from a position of strength and informed insight. The synthesis of grassroots mobilization and institutional expertise has been our greatest asset, allowing us to advocate for policies that are not only equitable and sustainable but also tailored to the complex needs of the Arab region.

As a result, the Coalition has become a gateway for IFIs to communicate with civil society in the region. We have also become a strong voice for expressing the region's issues in global campaigns targeting IFIs. The Coalition has participated in campaigns targeting the International Monetary Fund (IMF) policies, especially austerity measures, debt surcharges, and special drawing rights, all of which have continuously pushed populations into more poverty and destitute. We have also participated in campaigns to modify accountability mechanisms in several Multilateral Development Banks (MDBs). The Coalition has also supported civil society organizations to monitor some projects and programs funded by IFIs in their countries.

We believe development is relational at its very core. As such, we will continue to establish the coalition – the network of regional civil society actors– as one of the primary tools to change the power relations between major financial institutions and civil society in the region, not only through policy-centered critiques but also through facilitating constructive dialogue with these institutions.

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While we know our successes, we acknowledge the challenges we faced during the previous period. Therefore, our current strategy (2023-2025) is based on our good understanding of our strengths and weaknesses. It also reflects our ambition and forward-looking approach. Therefore, we have developed this document as a transitional one to build on the successes of the previous strategy while paving the way for the next one.

During the next phase, our approach will be based on the following two axes:

- **Focus on a limited number of international financial institutions and campaigns that raise our voices and spark long-term change.** We realize that the Coalition is still in the early stages of establishment and has limited resources. Therefore, to be effective, we need to focus during this period on a limited number of IFIs and campaigns that we believe we have accumulated successful experience working on and add a unique value by engaging in campaigns targeting these institutions and these issues. However, we also intend to continue to monitor developments in other IFIs and other issues so that we are prepared to work on them if they are included in our next strategy.
- **Activate the role of the Coalition's member organizations and complete the institutional building of the Coalition to ensure its sustainability.** Our awareness of the Coalition's success during its early years of establishment has made us realize the importance of consolidating its institutional foundations to ensure its sustainability and resilience. The Coalition derives its strength from its members. The member organizations have participated in many campaigns and activities the Coalition has undertaken over the past years. The levels of participation have varied according to the capabilities of each organization and the subject of the campaign or activity. However, we realize that the Coalition will become stronger and more capable of continuing and achieving its mission through the systematic participation of members in all stages, from planning campaigns and activities to evaluating them and through implementation.

We intend that these efforts to activate the role of members will be accompanied by parallel efforts to review and complete the policies and regulations that facilitate the work of the Coalition through its three bodies - the General Assembly, the Board of Directors, and the Executive Team - to ensure its sustainability and resilience on strong and clear institutional foundations.

## Section One: Who We Are?

We are a regional coalition founded in 2018, composed of members of civil society in the Arab Region, which monitors and tries to influence the policies, programs, and projects of major financial institutions implemented in the region to ensure inclusive, participatory, fair, and sustainable development.

Our commitment extends to collaborating closely with civil society organizations, local communities, women, people with disabilities, and rights holders, aiming to amplify their voices and ensure their interests are wholly reflected in national development agendas. This inclusive approach is fundamental to our mission, recognizing these diverse groups' vital role in shaping equitable and sustainable development pathways. By actively engaging and partnering with these stakeholders, we seek to bring their unique perspectives and needs to the forefront of policy discussions with IFIs and empower them as active participants in the development process.

### Our Vision

We want to effectively achieve inclusive, fair, sustainable, and participatory development in the Arab Region.

### Our Mission

To elevate and mobilize civil society organizations in the Arab Region, enabling them to shape international financial institutions' policies and projects for more impactful, equitable, sustainable, and inclusive development outcomes.

### Our Values

- Equality and justice: We strive to achieve equality and socio-economic justice and to combat all forms of discrimination based on social class, wealth, religion, race, gender, age, disability, etc.
- Belief in diversity: We believe in the value of diversity and difference among humans and strive to ensure that our vision is achieved for everyone.
- Transparency: We believe in transparency, providing information, openness, communication, and cooperation with partners who believe in the same principles and share our dreams.
- Independence: We are independent of any party, religion, sect, or political group. Our reference is the human rights charters.
- Creativity and innovation: We believe in people's ability to innovate new forms of change and ensure that we provide the environment that nourishes these abilities.
- Networking and teamwork: We believe in teamwork and that our success depends largely on our ability to network, build relations, and work with our partners, as we are part of broader Coalitions to achieve equality and intersectional justice.
- Support: We support rights holders, the most vulnerable groups, and women so that they can express their voices.
- Accountability: As we believe in our right to hold accountable those responsible for setting and implementing the development policies and programs, we also believe that we are subject to accountability; this is based on the fact that accountability is one of the components of good governance that we try to apply within the coalition.

## Section Two: The Region We Live In

After the Arab Spring uprisings, International Financial Institutions shifted their rhetoric. They called for adopting a new social contract to achieve inclusive development that prioritizes the most vulnerable groups in society while also paying attention to the need to develop new policies in the economic and social spheres. There was a predominant discourse about investing in human capital through improving education, expanding access to healthcare, and strengthening social safety nets, among other critical initiatives.

Despite the change in the discourse of these institutions in theory, the economic policies they impose on the Arab region through the provision of loans and aid have not changed in substance. Much of their policy programs hinge on austerity policies that widen the gap between social classes, deepen social inequality, and increase the burdens imposed on the most vulnerable groups, especially women, who bear a significant brunt of these policies.

The situation is exacerbated by the Russian-Ukrainian war and, before that, the spread of COVID-19, which has left behind major economic crises that have affected the entire world and have disproportionately impacted countries with fragile economies. In addition, countries in the region are suffering from the effects of climate change, which directly impact citizens due to their impact on agriculture and food security. With the outbreak of the Russian-Ukrainian war and its impact on the import of food commodities, climate change and the importance of establishing sustainable agricultural systems have become pressing issues in all countries in the region. The exacerbation of these issues, particularly regarding the strain on food commodity imports, has laid bare the interconnectedness of global systems and the vulnerabilities of the region's economies to external shocks. This situation has magnified the urgency of transitioning towards more sustainable and resilient development models. And this is where our role comes in.

At the same time, projects funded by Multinational Development Banks (MDBs) are still not achieving their intended goals and are not fully complying, either in the preparation or implementation stages, with the standards and policies adopted by these banks to ensure that they do not harm communities or the environment.

All of this is happening in a closed political climate that excludes and silences the civil society organizations in the region and violates human rights charters and agreements.

This strategy section analyzes the situation in the seven countries where the Coalition's member organizations are located. Our analysis focuses on the data used to develop the work strategy in each country, namely the economic and social situation, the International Financial Institutions active in each country, and the capacities of civil society, which the Coalition relies on to work in each country.

### Egypt

Egypt is suffering from a severe economic crisis due to the accumulation of debt, which has reduced spending on many public services, reduced subsidies for basic commodities, and increased inflation, especially with the floating of the local currency. Most economic reports predict further impoverishment of vulnerable groups and an increase in poverty, with the middle class shrinking.

Egypt is one of the most indebted countries in the region that receives loans from International Financial Institutions. The International Monetary Fund has provided Egypt with several loans in recent years, and due to the increase in the debt ratio, the Fund is imposing additional fees/surcharges on these loans in addition to the usual debt service.

Many International Development Banks have large investment portfolios in Egypt through the public or private sector. The most important of these banks are the World Bank Group, the African Development Bank, the European Bank for Reconstruction and Development, the European Investment Bank, the Asian Infrastructure Investment and Development Bank, the Islamic Development Bank, and the Arab Development Bank. These banks invest in various areas, including energy, agriculture, irrigation, financial and banking, investment, medium-sized and small projects, and policy-making sectors.

Despite the experience in Egyptian civil society in dealing with International Financial Institutions, Egypt suffers from a complete closure of the civic space and a crackdown on civil society organizations, freedom of expression, and association. The arrest campaigns that many civil society activists have been subjected to have led many of them to adopt self-censorship and the necessary security precautions to avoid security attacks as much as possible.

Several members of the Coalition in Egypt were among their founders. During the past years, members of the Coalition in Egypt have been involved in the Coalition's activities, especially about the economic policies of the International Monetary Fund and health programs to address the COVID-19 pandemic.

### Lebanon

Lebanon is on the brink of collapse due to a highly complex political situation dominated by conflicting political and business interests and a weakened socio-economic fabric via the deterioration of living conditions. In 2020, the Lebanese government announced its first default on foreign debt payments. This led to a deterioration in Lebanon's development rating and the depreciation of the local currency, which has lost more than 90% of its value in the past three years. As a result of this rapid deterioration, more than 80% of the population has been pushed into multidimensional poverty, a reality exacerbated by the burden of hosting many Syrian refugees.

Lebanon is trying to obtain a loan from the International Monetary Fund. Although a conditional agreement was signed to obtain a loan from the Fund in 2022, political conflicts obstruct the necessary preliminary steps to obtain this loan. Only one out of the Fund's prior conditions has been completed.

Many International Development Banks also have investment portfolios in Lebanon. The most important banks are the World Bank Group, the European Bank for Reconstruction and Development, and the European Investment Bank. Although Lebanon began the membership procedures in the Asian Infrastructure Investment and Development Bank in 2018, the complex political situation in the country has not yet allowed it to complete the required procedures. Most of the investments of these banks are directed to the service sectors, the energy sector, and reconstruction after the explosion of the Beirut port in 2020.

Lebanese civil society has diverse experiences and a wide civic space without security prosecutions. Still, the internal political and economic crises consume the efforts and energy of civil society groups, which have now become largely fragmented.

During the past years, members of the Coalition in Lebanon have been active in several campaigns, including the successful campaign to stop the World Bank's support for the project to build a dam in the Bisri Valley and the monitoring of the inclusion of people with disabilities in the programs supported by the World Bank.

## Yemen

Yemen is the poorest country in the Arab world and one of the poorest countries in the world. It has been torn apart by a bloody civil war since 2014, leading to deep divisions in the country and society at all political, economic, and social levels on sectarian and separatist grounds. Yemen now has two executive, legislative, and judicial branches and other militia-controlled power areas spread throughout the country. These divisions and armed conflicts have caused a comprehensive collapse at all humanitarian, social, and economic levels, as Yemen faces one of the worst humanitarian crises in the world. More than 80% of Yemenis live below the poverty line, and the unemployment rate is around 80%, in addition to the interruption of the salaries of about 500,000 civil servants in the northern governorates for a period of 7 years. With the continuation of the war and conflict, public services, especially health services, have deteriorated, leading to the spread of epidemics. External transfers have also declined, and the role of the private sector has shrunk.

The World Bank Group has a portfolio of investments in small projects in Yemen, most of which are concentrated in the service and relief sectors and are implemented in cooperation with UN organizations. This is in addition to small investments with the private sector through the International Finance Corporation (IFC), the World Bank's arm that deals with the private sector. Yemen has not received any loans from the International Monetary Fund recently. However, the Fund is still conducting a periodic assessment of the Yemeni economy, according to Article IV of the Fund's charter, which states that the Fund shall provide this service to all member countries. The Fund also provides technical assistance and advice to the Central Bank of Yemen in the area under the control of the legitimate authority.

The situation of armed conflict and civil war has had a severe impact on the state of rights and freedoms, and the increasing security clampdown on civil society and its activities and its ability to obtain the necessary funding to carry out its activities, especially in areas under the control of the de facto authority (Houthis) and to a lesser extent in areas of the so-called legitimate government. Internal events and relief and service work consume the efforts of Yemeni civil society. Coalition members in Yemen have been actively monitoring the implementation of the World Bank-funded COVID-19 program, which the World Health Organization was implementing.

## Iraq

Iraq is one of the most oil-dependent countries in the world. Despite its oil wealth, Iraq suffers from economic crises due to the unstable political climate, sectarian conflicts, and the absence of the necessary structural reforms to attract investment and diversify sources of income. Despite attempts to rebuild areas liberated from ISIS, these attempts are not having the desired impact due to political and sectarian divisions in the country.

Iraq has not received loans from the International Monetary Fund in recent years. Still, it receives technical services and advice, as well as the periodic economic assessment service that the Fund provides its members.

The World Bank Group has an investment portfolio in Iraq through both the public and private sectors, targeting the capacity building of the service sector, the reconstruction of areas liberated from ISIS, and the establishment of sound governance systems.



Although Iraq has become a member of the Asian Infrastructure Investment Bank and the European Bank for Reconstruction and Development, these two institutions have not yet invested in the country.

The deteriorating security situation and political and sectarian conflicts in Iraq prevent the development of civil society independent of political movements and sectarian currents. Coalition members in Iraq need more experience in engaging with World Bank investments. During the past period, some members in Iraq monitored the implementation of the World Bank's COVID-19 program in Iraq.

## Jordan

Although Jordan is considered relatively one of the most politically stable countries in the region, it suffers from many economic, social, and environmental crises. Jordan is one of the most water-poor countries in the world and is exposed to many risks related to climate change. The conflicts and wars in neighboring countries to Jordan have led to a significant increase in the number of refugees and displaced persons in Jordan, which has led to further pressure on already scarce resources. The COVID pandemic has also increased the unemployment rate in Jordan, especially among young people and women, as the rate of women's participation in the labor force in Jordan is one of the lowest in the world.

Jordan has received several loans from the International Monetary Fund in recent years, and due to the increase in the debt burden, the Fund imposes additional fees/surcharges on Jordan in addition to debt service. The IMF programs affect several policies in the country, such as tax policies, social support policies, and the state's ability to spend on public services, especially education and health.

Many International Development Banks have investment portfolios with Jordan's public and private sectors. The most important banks are the World Bank Group, the European Investment Bank, the European Bank for Reconstruction and Development, and the Asian Infrastructure Investment Bank.

Jordan's relatively stable political situation has led to accumulated experience in civil society in identifying and dealing with the available civic space and developing the skills to adapt to security requirements that could hinder their activities or obtain the necessary funding. In recent years, Coalition members in Jordan have been active in activities related to International Monetary Fund policies, particularly regarding debt accumulation and austerity measures, as well as in monitoring the implementation of some projects funded by the World Bank Group.

## Morocco

Morocco is considered one of the most politically stable countries in the region. Morocco suffers from severe economic crises due to climate change and drought, leading to a shortage of agricultural and food crops and increased prices of basic commodities.

Morocco has received several loans from the International Monetary Fund in recent years to cover its balance of payments deficit and face the economic challenges it faced due to the spread of the COVID-19 pandemic and the Russian-Ukrainian war.

Many International Development Banks have investment portfolios in Morocco through the public or private sector. The most important banks are the World Bank Group, the European Bank for Reconstruction and Development, the European Investment Bank, and the African Development Bank. Many of these investments are directed to programs to support investment-friendly policies, youth

employment, digital governance, education, and the blue economy, which aims to sustain economic gains from marine and ocean resources. Although Morocco is a member of the Asian Infrastructure Investment Bank, the latter has not yet funded any investments in the country.

The history of the civil movement in Morocco is linked to the national struggle against colonialism in the 1960s. Despite the involvement of many people in voluntary work on several issues through civil society organizations, the movement is still largely voluntary, with its advantages and disadvantages. Due to the relative political stability in the country, civil society has accumulated experience in knowing and dealing with the political limitations that define the scope of their activities and how they are practiced.

Many Coalition members and partners in Morocco participate in many activities targeting the International Monetary Fund and the World Bank Group. Some also have experience monitoring International Development Bank projects and engaging with their officials.

## Tunisia

Tunisia is facing a severe economic crisis that could threaten the democratic gains it has made since the 2011 revolution. Successive governments after the revolution have yet to achieve many of the economic demands that were among the causes of the revolution. Tunisia is suffering from a significant economic contraction, with economic growth not exceeding 0.6% in the past ten years. It also suffers from poor resources, deteriorating credit ratings, declining currency exchange rates, liquidity shortages, and delayed economic reforms, which have led to a decline in investment in the public and private sectors.

Many International Development Banks have investment portfolios in Tunisia in partnership with the public or private sector. The most important banks are the World Bank Group, the African Development Bank, the European Bank for Reconstruction and Development, and the European Investment Bank.

Tunisia is burdened with unfair debt levels that will continue beyond 2023. It has consistently obtained external loans to finance the budget at a higher rate than other countries. These types of loans dictated austerity policies. In the same vein, the Tunisian government has prepared a program (called "Reforms for Exiting the Crisis") for its negotiations with the International Monetary Fund on financial allocations for 2022 to 2026. This program includes, in particular, freezing wage increases in the public sector, freezing recruitment in the public service and the public sector, abandoning public debt owed by public agencies, reviewing the state's policy about its contributions to the capital of these agencies, up to the point of stopping contribution altogether, gradually lifting fuel subsidies to reach their real price, increasing electricity and gas tariffs, and establishing an electronic system for registering and managing financial transfers to compensate those who would be impacted by lifting subsidies on basic commodities.

Despite the role of the COVID-19 pandemic in deepening the social-economic crisis in Tunisia, where the pandemic caused poverty to rise to 21% of the total population, compared to 15.5% before the pandemic, the Tunisian government proposes strong and exaggerated austerity measures in its program to the IMF that violate the social and economic rights of citizens to have access to the requirements of a decent life.

Tunisian civil society has made many gains since 2011 and has gained experience in various fields. It has moved from volunteer civil work to professional work, especially monitoring and accountability. However, with the current government's trend towards narrowing the civic space and ambiguity

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towards civil society, those working in this field have had to take precautionary measures for their safety and to defend themselves against any potential attacks on the civic space.

Since its inception, members of the Arab Watch Coalition in Tunisia have participated in activities related to International Financial Institutions' policies, especially in debt accumulation and austerity policies. They have also issued studies and research on debt and proposed serious alternatives to austerity to address Tunisia's economic and social challenges.

They have monitored and reported on projects financed by International Development Banks, including the World Bank loan to address the COVID-19 pandemic.

## Section Three: Our Theory of Change

We strive for development plans and processes in the region to be just, sustainable, participatory, and inclusive for all segments of society. We know the challenges are great, so we seek to make gradual changes over time. Investing in building strong community movements and civil society organizations is the way to achieve continuous and sustainable change in power relations in society.

**Empowerment:** We see empowerment as the core of the change process, so the Coalition will continue to work to build the capacity of civil society activists and social actors to be engaged in the development of the new and revised policies of International Financial Institutions to pressure these institutions to align their policies and projects with the priorities of the communities in which they are implemented, and to activate their ability to hold these institutions accountable professionally and efficiently.

**Advocacy led by rights holders:** We will continue to collect information on the social and economic impacts of projects implemented by International Financial Institutions in local communities and use it in advocacy, pressure, dialogue, and negotiation with these institutions. However, we realize that for change to occur, rights holders, especially marginalized groups, must be the main driver of advocacy. Therefore, our theory of change relies on launching our campaigns from the bottom up and networking affected communities with regional and international movements to give them a regional and international echo.

**Focus on women:** Debt is a gendered economic issue. As such, feminist advocacy is central to our work on IFIs. Although women, especially in our region, which is dominated by a patriarchal culture, pay a disproportionate price for unjust policies, we believe that they are key agents of change and are capable of changing power relations within society. Therefore, the gender dimension must be included in our work.

**Learning and producing alternatives:** We believe that proposing alternatives based on our knowledge of reality is essential to achieving the change we want. Therefore, we develop our knowledge of reality through our ongoing cooperation with actors and activists on the ground, and we seek the support of academic researchers to analyze this knowledge and provide well-considered alternatives.

**In general, we realize that change is not linear, so we know that setbacks and reversals are expected. From here, we intend to gradually adopt monitoring and evaluation tools to measure the impact of our projects and our efforts in building the Coalition effectively. This will provide us with valuable insights and guide our future strategies.**

## Section Four: Work Areas to Implement the Strategy

This three-year strategy (2023-2025) is a transitional one between the strategic framework that the Coalition adopted at its inception and a comprehensive strategy that we will be preparing for during these years and will be developed and formulated in coordination with the Coalition's members in 2025 to kick off with the beginning of 2026.

The 2019-2022 framework strategy was primarily aimed at introducing the Coalition to International Financial Institutions and enabling it to represent civil society from the Arab region in the platforms that work to bring about change in International Financial Institutions. We have achieved this goal, and it is time to move to a strategy based primarily on the interests, capabilities, and expertise of the Coalition's members in influencing International Financial Institutions.

We realize that the shift to this model needs to be done through a transitional phase of organization, preparation, and capacity building while preserving and building on the gains of the previous strategy. This is why this phase will rely on continuing a limited number of campaigns that we began working on during the previous strategy, which are of interest to our members and in which we believe our continued participation gives an added and unique value while organizing the Coalition's members in working groups according to their interests, and supporting them to develop their plans in preparation for a strategy for the Coalition based on these plans. During this transitional phase, we will also focus on completing the institutional building of the Coalition to ensure its continuity and resilience.

### 1- Institutions we will focus our efforts on during this strategy:

Many International Financial Institutions are active in the Arab region and play an important role in influencing the development path in the region. We realize that building advocacy around all institutions is important. Still, we are aware of the limitations of our human and material capacities, and that is why we need to identify the institutions that we will focus our efforts on to bring about the desired change according to specific criteria, the most important of which are the impact of these institutions on the countries of the region, the interests of the members and the experience of our team and members. Therefore, we will focus our efforts during this strategy on two institutions, the World Bank Group and the International Monetary Fund. However, we will still follow developments with other institutions but will not play a leading role in working on them.

#### 1.a. World Bank Group:

Despite the presence of other development banks in the region and the increasing impact of these banks on development paths, the World Bank still plays a leading role among these banks.

- As the oldest Multilateral Development Bank and the most widely spread and famous, the World Bank leads the way, negatively or positively, in setting standards for other Banks. Any change that occurs in the policies of the World Bank affects and is followed by other Multilateral Development Banks.

- The World Bank has strong leverage on the governments that borrow from it and thus affects the policies within these national countries, negatively or positively.
- The World Bank has some policies and mechanisms that represent channels for civil society to influence its operations and projects that it finances. The multiplicity of governments that own the World Bank, including governments with participation mechanisms from their citizens, allows for influencing the Bank by influencing the positions of these governments within the World Bank Board of Directors.
- The role of the International Finance Corporation, which is the World Bank's arm that invests in the private sector, has been increasing in important sectors such as energy, agriculture, and other sectors central to development paths and the response to the climate change crisis. This increase in the role and impact of the institution requires special attention from civil society.

### **1. b. International Monetary Fund:**

In response to the deepening debt crises across the Arab region, many governments have sought financial assistance from the IMF to bridge their budgetary deficits. Such support is crucial, especially when policy options are scarce, as they signal to other financial institutions and investors that a country is a viable investment destination. However, the financial support from the IMF comes with stipulations for implementing specific reform programs that have profound implications on these nations' developmental trajectories and directly affect their populations' living standards.

Over the years, the IMF's growing portfolio of loans within the region has significantly shaped the economic policy landscape, guiding reforms in public spending, subsidy programs, and financial sector stability. While ensuring macroeconomic stability and fostering sustainable growth, these policies have sparked debates over their social implications, particularly concerning poverty, gender inequality, unemployment, and income inequality. The heightened visibility of the IMF's role and its conditionalities has galvanized citizens and civil society organizations to closely monitor these economic policies, striving to influence their design and implementation. Recognizing the IMF's prime role in shaping economic and social outcomes in the region, our focus intensifies advocating for policy formulations conducive to economic stability and prioritizing social equity, environmental sustainability, and inclusive growth.

## **2. Campaigns/Issues to Focus on**

Although the Coalition will focus on only two institutions out of a group of active institutions in the region, it will also focus on a limited number of issues on which it has accumulated experience and successfully worked during the past years. The Coalition has based its choice of these issues on several factors, including the interest of our members and their desire to continue working on them, the momentum that these issues are generating on the global development scene, the opportunities that are available to work on them, and the far-reaching impact of these issues on the development trajectory in the region. These are the three issues that the Coalition will focus on during this transitional strategy:

**2. a. The debt crisis and the fight against austerity measures:** This campaign targets the International Monetary Fund and aims to influence the programs and conditions of the loans it provides to countries in the region.

**2. b. Citizen participation and the shrinking of the civic space:** This campaign essentially targets the World Bank Group to ensure the proper implementation of its policies for effective participation of citizens and communities affected by the projects that the Group finances throughout the lifecycle of the projects from the design phase, and through the implementation and evaluation phases. It is similarly relevant to our work on the IMF, where we are building a framework for IMF engagement with civic actors.

**2. c. Accountability and reparation:** This campaign essentially targets the policies and procedures governing the operation of the accountability and reparation mechanisms of the World Bank Group and aims to make these mechanisms accessible to affected communities in the region.

Although these three issues can be addressed separately, the Coalition also recognizes the overlap of these issues. The Coalition's approach to addressing these issues will reflect this overlap. Addressing the debt crisis and fighting against austerity measures requires effective citizen participation. Similarly, making accountability mechanisms and the demand for reparation accessible to affected communities requires addressing the crisis of the shrinking civic space.

### 3. Completing and Strengthening the Institutional Structure of the Coalition to Ensure Its Continuity and Resilience

The Coalition has achieved significant success in a few years since its inception in 2018. Many policies, regulations, and systems have been developed to manage the Coalition's work and organize the relations between its various bodies (the General Assembly, which includes all members, the elected Board of Directors, and the Executive Team). However, the Coalition realizes that these policies need to be reviewed and updated from time to time based on the experience of working with them over the past years. Our experience also highlighted areas that need to be addressed by new policies.

The list of policies that have been put in place over the past years, which may require some updates, includes the Coalition's Bylaws, the Staff Manual, the Conflict of Interest Policy, the Safeguards Policy, and the Financial Procedures Policy.

The list of systems and policies that the Coalition aims to develop during the period of work with this strategy includes a human resource remuneration policy and a policy for the creation and use of a reserve fund to provide the necessary funding to ensure the continuation of the Coalition in the face of any unforeseen financial circumstances.

Meanwhile, the Coalition will look at diversifying its funding sources to fit with its new business model as a coalition of multiple organizations.

#### 4. Activating the Role of Coalition Members

Over the past years, and since the inception of the Coalition, members have participated in many activities according to their interests, capabilities, and expertise. The Coalition believes it is time for members to play a greater role in the Coalition and be the ones setting the agenda. This requires much preparation so that the next strategy is based primarily on the plans of the Coalition's members.

To enhance our Coalition's impact, we will adopt a structured approach to forming specialized working groups from the member organizations. Each group would work on specific issues such as climate change and environmental sustainability, financial and taxation policies, social protection policies, and governance, among other issues they want to be engaged with the IFIs around. The strategic intent behind these working groups is to foster a collaborative environment where members can share knowledge, support each other, and work together on the issues they care about. This collaborative framework is designed to leverage the diverse expertise within the Coalition.

The activities to develop and empower these groups include identifying the members' interests, expertise, and capacity needs; building their capacity to understand the different IFIs policies and the entry points of engagement with the IFIs' senior officials; facilitating their engagement with the IFIs; and providing the needed technical and financial support to develop their strategies that would be synchronized into one cohesive one for the Coalition.

#### 5. Developing the Strategy for the Next Phase and Preparing for Implementing It in Early 2026

The Coalition intends for the next strategy to be based on the working groups formed from members. The task of the Executive Team, in cooperation with the Board of Directors, during 2025 will be to integrate the strategies presented by the working groups, facilitate the process of evaluating the previous strategy, analyze the strengths and weaknesses of the Coalition's work mechanisms and policies, analyze the regional and international context and identify the opportunities available, formulate a strategy for the Coalition, design and put in place the necessary administrative structure to facilitate its implementation and communicate with different donors to provide the necessary financial support to implement it in early 2026.