

2023 Annual Report

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I. Introduction

In an eventful year for AWC, significant engagement and impactful work defined 2023. The 2023 Annual World Bank Group and International Monetary Fund (IMF) meetings in Marrakech, Morocco, marked a significant regional milestone. This was the first time the meetings had been held in Africa in 50 years and the Arab region in 20 years. AWC, as a leading coalition working on IFIs in the region, played a vital role in the Civil Society Policy Forum (CSPF) during the Annual Meetings. AWC convened a diverse group of member CSOs from countries across the region, including Egypt, Jordan, Yemen, Tunisia, and Morocco, to engage with the World Bank and IMF on key issues. Summary of Major Achievements

- AWC facilitated the participation of Arab civil society in the 2023 Spring and Annual Meetings of the WBG and IMF.
- 2. <u>AWC played a leading role in the campaign targeting IFIs, pushing for remedy,</u> responsible exit, and accountability within the institutions
- 3. Facilitated the engagement of impacted communities with the officials and accountability mechanisms at the funding IFIs.
- 4. Continued working on the campaign against debts and austerity measures
- 5. Developed a new strategic plan that facilitates growth and seeks to build the capacities of member CSOs to engage in advocacy with IFIs while building a strong and resilient organization.
- 6. Supported its members to access the needed financial resources and provided them with technical support to monitor IFIs funded projects in their countries
- 7. <u>Updated our website and social media platforms to enhance communication and reach wider audiences</u>
- 8. Started updating the governing policies, guidelines, and procedures to fit the strategy and the work needs and made the needed administrative adjustments.

II. Detailed Activities

1. WB/IMF Spring and Annual Meetings

1.1 In October 2023, AWC took a significant role in facilitating the engagement of various member CSOs at the Civil Society Policy Forum during the World Bank/IMF <u>Annual Meetings</u> held in Marrakech from October 9 to October 15.

Despite the uncertainty caused by an <u>earthquake</u> in the El-Haouz region of Marrakech, which sparked rumors about postponing the meetings, AWC successfully convened members from several countries in the Arab region—Egypt, Jordan, Yemen, Tunisia, and Morocco. The member CSOs focused on the environment, human rights, feminism, tax policy, accountability, and remedy.

The CSPF served as a pivotal platform where CSOs engaged in constructive dialogues with World Bank Group and IMF staff, government delegations, peer organizations, and stakeholders.

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During the CSPF, AWC actively participated by sponsoring and co-sponsoring multiple sessions:

- AWC co-sponsored a <u>panel</u> titled "Time to Tax Wealth in the Arab Region" focused on tax justice, with a particular emphasis on taxing wealth as an alternative to austerity measures
- AWC co-sponsored a <u>panel</u> titled "An Evolution to Accountability Roadmap: Lessons for the Bank's New Chapter," which addressed accountability lessons for the Bank's Evolution Roadmap and explored insights from past cases involving the WBG's Independent Accountability Mechanisms to advance a vision of a fairer, more inclusive, and successful WBG evolution.
- AWC organized a <u>panel</u> addressing the barriers to accountability faced by communities in the Arab region.
- AWC also participated in global consultations on the World Bank's evolution roadmap.
- **1.2** AWC participated in the <u>Spring Meetings</u> in DC from 10 to 16 April and organized the following sessions during the CSPF:
 - How Can the Global South Achieve Climate Justice Under Debt Burden and Austerity?
 - Remedy from Those Who Need it: Communities Respond to IFC Proposed Remedial Framework.
 - The Role of Special Drawing Rights (SDRs) in Times of Debt and Austerity in the Arab Region.

Besides the formal sessions, AWC co-organized a day of action, including a march urging International Financial Institutions, particularly the World Bank Group, to cease financing fossil fuels and transition to sustainable, renewable global energy systems while implementing strict environmental, social, and governance safeguard policies.

On April 15, AWC and a coalition of organizations held a side event on "IMF & WB Governance Reform: Enabling the International System for 21st Century Challenges." This event highlighted the urgency of reforms in IMF and WB policies and governance structures to effectively address crises like climate, debt, food, energy, insecurity, and inequality. AWC also leads a governance reform working group in collaboration with partner organizations.

2. Remedy and Responsible Exit Campaign

In February 2023, the IFC posted its <u>proposed approaches to Remedial Action</u> and <u>Responsible Exit from its investment</u>, which fell short of international standards and community expectations. AWC, recognizing this gap, especially in the Arab region, plays an important role in this <u>global campaign</u>. The campaign aims to achieve four key objectives: establish robust frameworks for remedy and responsible exit within IFIs, ensure community involvement in IFC decisions regarding project harms, integrate remedy and responsible exit as core IFC objectives throughout project cycles, and enhance accountability and remedy pathways for affected communities across IFIs.

Campaign Highlights:

- Policy Papers: AWC, alongside international partner organizations, submitted <u>two policy papers</u> analyzing the proposed approaches, outlining deficiencies, and recommending stronger, more effective approaches.
- **Case Study:** Using the Titan cement plant in Egypt as a stark example, AWC submitted <u>another</u> <u>paper</u> highlighting all the gaps in the proposed approaches and made recommendations for the policies that would meaningfully and effectively address the harms.
- Regional Mobilization: AWC organized a prep meeting for 18 Arab region civil society representatives, fostering regional engagement and a unified voice ahead of the formal consultation session that the IFC organized for the region in late March 2023.

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- Global Petition: Over 4,500 individuals, including those from the Arab region, signed a petition
 urging the IFC's Board of Directors to guarantee justice for affected communities. The petition
 was presented in a public meeting to amplify its impact.
- Demanding Transparency: On December 15, 2023, AWC and Arab partners sent a <u>letter</u> to the World Bank Group's CODE, demanding public disclosure and consultation on IFC's updated Remedial Action Framework. This crucial step aimed to hold the IFC accountable and ensure transparent decision-making.

3. Impacted Communities Engagement with IFIs

3.1 AWC continues to support the Nahouli family in their ongoing fight for just compensation after losing their orchard to the World Bank-funded Bisri Dam project. Despite years of hardship, they haven't given up, and AWC continues to advocate on their behalf. AWC collaborated closely with the family to draft and submit a complaint to the Inspection Panel, facilitating multiple meetings between the family and the Panel. Although the complaint was deemed ineligible because the Bank had already fully disbursed funds to the Lebanese government at the time the complaint was submitted, registering and posting the complaint on the IP website proved instrumental in generating momentum and prompting the Bank's office in Lebanon to re-engage in discussions with the government on this critical issue. AWC presented their case at the CSPF "Barriers to Accountability" at the Annual Meetings. Additionally, AWC authored a piece detailing their struggle against the Bisri Dam project to garner wider support for them. AWC is still following up with the World Bank and pressuring it to use its leverage with the Lebanese government to address this unjust situation.

3.2 AWC co-sponsored the Joint Virtual Outreach Seminar titled "Making Development Work for Communities." This collaborative effort was organized by the Independent Accountability Mechanisms (IAMs) of various influential financial institutions, including the African Development Bank (AfDB), the Asian Infrastructure Investment Bank (AIIB), the European Investment Bank (EIB), the International Financial Corporation (IFC), the Multilateral Investment Guarantee Agency (MIGA), The International Climate Initiative (IKI), the United Nations Development Programme (UNDP), and the World Bank. This seminar aimed to educate and empower civil society organizations (CSOs) across the Arab region about IAMs' functions. Discussions centered on IAMs' origins, avenues available for project-affected communities to address environmental and social concerns, and an overview of dispute resolution and compliance review processes. This seminar was within a series of global outreach seminars by the IAMs, aiming to disseminate information about the IAMs and encourage impacted communities to use the services these IAMs provide.

AWC's <u>presentation</u> during the seminar focused on the role of International Financial Institutions (IFIs) in the Arab region, the relationship between IAMs and Civil Society Organizations (CSOs) in the region, and AWC's dedicated work with affected communities in the region.

4. Advocacy Against Austerity

4.1 AWC produced an in-depth analysis of IMF programming in the MENA region

Faced with the shortcomings of IMF programs in the Arab region and the ongoing global debt crisis, AWC has produced an in-depth analysis of IMF programming in the region. This analysis delves into the IMF's role and strategies, offering valuable insights into alternative approaches to austerity measures that prioritize sustainability and equity and advocating for feminist economics in program designs.

Building on these efforts, our 2024 strategy will further enhance IMF-CSO engagement in the region, making advocacy for these alternative approaches more impactful. This approach, aligning with our vision and diagnostics, aims for a nuanced, context-sensitive collaboration with the IMF.

4.2 AWC organized a two-day regional CSO meeting to engage Arab civil society in the global efforts against austerity measures and produced anti-austerity campaign videos

AWC engaged Arab civil society actors in the **End Austerity Campaign** by organizing a **two-day regional CSO meeting** on austerity issues in Tunisia. The event focused on combating austerity, discussing alternatives like progressive tax reforms and debt restructuring. It highlighted the global economic impact on social welfare and showcased case studies from the region, emphasizing the need for fairer economic policies. As part of the campaign, AWC and Friedrich Ebert Stiftung Middle East and North Africa worked on two <u>videos</u> as part of the End <u>Austerity</u> campaign to help raise awareness and mobilize support against austerity by showcasing the adverse effects of these policies on citizens' fundamental rights and access to critical services like healthcare and education.

4.3 AWC produced a paper that examines Tunisia's current fiscal policies, including measures aimed at restructuring tax contributions across different sectors and establishing equitable taxation

AWC released a study highlighting the critical economic and social challenges that Tunisia is currently facing. The study titled "It's Time to Abolish Tax Privileges" contends that seeking a new IMF loan won't resolve these crises but might perpetuate a damaging cycle of debt and austerity. It urges a shift in fiscal policy and proposes alternative strategies to tackle the current crisis. Drawing from history and global insights, the study suggests reforms like restructuring tax systems for fairer contributions across sectors, emphasizing equitable taxation on major corporations and high-income earners, and breaking away from the last 30 years' fiscal approaches.

4.4 AWC produced a paper that closely examines the IMF's latest SDRs distribution, highlighting the impact of the allocation on both Arab nations and the global community

AWC published a paper about SDR allocation in the region for seven countries, titled "SDRs, Complex Injustice and Lessons for the Future: SDR experience in the Arab region amid COVID-19." The paper examined the allocation and utilization of Special Drawing Rights (SDRs) by the IMF in 2021, particularly in the context of the COVID-19 crisis. It highlights the strategic importance of SDRs for a just and green economic recovery in the aftermath of the pandemic. It emphasizes the need for a transparent and inclusive allocation and spending process. Furthermore, the paper sheds light on the unequal distribution of SDRs, underscoring the stark disparities between richer and less prosperous nations.

4.5 Sent a letter to the IMF Board of Directors on Surcharges Policy

On April 4, 2023, and to mark the 75th anniversary of the Universal Declaration of Human Rights, AWC and 300 civil society organizations from around the world <u>sent</u> a letter to the IMF Managing Director, Kristalina Georgieva, demanding an end to the surcharge fees on the highly indebted countries as it undermines people's economic and social rights.

5. A Transitional Strategy

AWC developed a new strategic plan that seeks to build the capacities of member CSOs to engage in advocacy with IFIs while strengthening the coalition's infrastructure to ensure its sustainability and resilience. The new strategy marks a transition from a broad focus on introducing the coalition to the global community of IFI watchers to a more targeted pursuit of specific goals. This strategic realignment

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prioritizes targeting key institutions like the IMF and the World Bank Group (WBG) and focusing on specific issues to achieve tangible outcomes rather than spreading efforts across a wider range of IFIs and various causes.

While sharpening its focus on achieving concrete outcomes, the strategy also envisions an *expanded coalition, involving more active members and fostering greater collaboration*. This expansion will facilitate the formation of *working groups*, leading to the development and implementation of more campaigns in the future. As a result, CSOs operating in the region will have a broader platform to amplify their collective voice and advance their shared agenda.

The strategy outlines a clear set of campaigns that address critical issues relevant to the Arab region, including austerity, debt, citizen engagement, and accountability. Though distinct in their specific objectives, these campaigns share common ground and *intersect* in their broader impact on the region's socio-economic development and governance.

The new three-year strategy (2023-2025) bridges the initial one that led the Coalition's work at its inception phase and the future 2026 strategy. It lays the groundwork by capitalizing on the achievements and lessons learned from the current strategy, ensuring a smooth transition and a continuous path toward progress.

Meanwhile, AWC started reviewing its internal bylaws and policies and developing new ones to ensure a solid infrastructure that allows growth while ensuring sustainability and resilience.

6. Supporting Members

AWC is crucial in empowering its members and partners by facilitating access to vital financial resources and providing expert technical support. Throughout 2023, AWC facilitated access to a small grant from the Global Greengrants Fund for seven member organizations to address environmental issues.

AWC's commitment extends beyond funding access. AWC continued to provide **technical support** to the Association Talassemtane pour l'Environnement et le Développement (ATED) in Morocco in monitoring and reporting on the World Bank-funded Social Protection program. This involved facilitating a meeting between ATED and the World Bank office in Rabat to discuss the program's progress and share key findings and recommendations. According to the World Bank, these insights proved useful to the Bank in the future with the social programs in Morocco.

7. Enhanced Communications

AWC maintained and updated its <u>website</u> and social media platforms, including Facebook, Twitter, and newly created YouTube and <u>LinkedIn</u> accounts. The content was consistently shared in Arabic and English to enhance communication and reach wider audiences.

8. Updating the Governing Policies

The Executive Team and the Board of Directors started updating the Coalition's governing policies like the bylaws, the safeguard, and the conflict of interest. They are also developing new policies like human resources and reservation funds. All updated and new policies will be presented to the general assembly as soon as they are ready.

IV. Evaluation

Since its launch, AWC has steadily *raised regional civil society awareness of IFIs' role in shaping development agendas*. Membership has reached 33 organizations- up from 18 at AWC's inception in 2018, showcasing a growing understanding of IFI operations and their impact on national priorities. Throughout its life, the Coalition demonstrated its ability to learn from the accumulated experiences of dealing with different international financial institutions or applying its initial internal management procedures. The Coalition could successfully adjust, adapt, and develop based on the lessons learned from these experiences.

The inception of the war in Gaza in the last quarter of the year and during the World Bank and the IMF Annual Meetings in Marrakesh significantly impacted the broader region. The international institutions and donor agencies are expected to review their strategies for the region according to the results and consequences of this conflict. All the Coalition's members and its different agencies are closing following the development of this war and its repercussions to be able to update the Coalition's strategy accordingly.