

#### ANNUAL REPORT

## 2022

# I. INTRODUCTION

With the ease of Covid-19 restrictions, we could gradually resume our activities in the region. The experience gained from relying on online tools enabled us, and our partners, to adopt a hybrid model that allows for more participation in our activities.

On the other hand, the crackdown on civil society and activists throughout the region, as the ongoing political instabilities and tensions, represent a major challenge for our work and consume the energy of many civil society groups away from focusing on the role of the IFIs in the region.

### II. SUMMARY OF MAJOR ACHIEVEMENTS

- 1. General Assembly Meeting.
- 2. A new 3-year organization strategy.
- 3. EBRD's Annual Meetings in Marrakesh.
- 4. Civil Society Policy Forum of the World Bank/IMF Spring and Annual Meetings.
- 5. Global campaigns targeting different IFIs. especially the IMF and the World Bank Group.
- 6. A strategy to advocate for no austerity measures in the incoming IMF loan to Tunisia.
- 7. Workshops on the role of IFIs in climate change in the region, the IMF' Surcharges, and Special Drawing Rights.
- 8. A paper analyzing the complaints that were submitted from the region to the different IFIs' Compliance Mechanisms.
- 9. Outreach events for IFIs compliance mechanisms in the region.
- 10. Cases submitted to different IFIs' accountability mechanisms.
- 11. A toolkit for activists on how to engage with the IFIs on the issue of closing civic space.
- 12. Access to small grants to several members and partners.
- 13. Technical support to organization members monitoring IFIs-funded projects.
- 14. Meetings for members and partners with different IFIs officials.
- 15. Updated website and different social media platforms.



## III. ACTIVITIES

- 1- As per AWC bylaws, a general assembly meeting should be held every 2 years. The first one was the launching of the Coalition in 2018 in Lebanon. The second one was supposed to be in 2020 but because of the covid-19 restrictions, this one was held online. In July 2022 we held our third general assembly meeting in Lebanon in person. The meeting was attended by the representatives of 27 of our, then, 30 member organizations.
- 2- Besides the regular general assembly agenda and the discussion of the activities and financials of the coalition, the meeting was an opportunity to launch the process to develop a **new 3-year strategy**. We are currently finalizing the last draft of the strategy to be approved by the general assembly.
- 3- The European Bank for Reconstruction and Development (EBRD) held its annual meetings in Marrakesh in May 2022. These meetings included open sessions for dialogue between the Bank's officials and civil society. Since the meetings were held in the North Africa region, AWC was positioned to play the leading role in the preparation and facilitation of these sessions. AWC facilitated different sessions in these meetings including the round table with the EBRD's Board of Directors and the session with the EBRD's President. The issues discussed during these sessions included the need for the EBRD to develop and enforce a policy for human rights due diligence and zero retaliation tolerance. Civil Society groups presented a <a href="framework for the proposed policy">framework for the proposed policy</a> and EBRD's senior officials promised to continue the dialogue after these meetings.
- 4- In April 2022, and October 2022, the **World Bank and the IMF** held their Spring and Annual Meetings respectively. The Meetings, which were held in Washington DC, included Civil Society Policy Forums (CSPF). AWC, as the representative of MENA civil society in the CSPF Working Group, played a leading role in the preparation for these forums. The CSPF sessions for the Spring and the Annual Meetings were hybrids and thus many of our members and partners in the region could participate in the discussions besides those who were sponsored by AWC and other partners to participate in person.
  - a. In the CSPF of the Spring Meetings, AWC sponsored and co-sponsored a total of <u>four sessions</u> where the issues of economic recovery, gender, austerity, and the role of



IFIs in responding to the pandemic were discussed. On the side of the formal sessions, AWC facilitated meetings with the IMF's Executive Directors representing the MENA region and the IMF's management in charge of the region. The discussion in these meetings covered the economic recovery, debts, and austerity and the impacts on communities.

- b. In the CSPF of the Annual Meetings, AWC sponsored and co-sponsored a total of <a href="eight-sessions">eight-sessions</a> to discuss the following topics:
  - IMF gender mainstreaming strategy and taxation approach during multiple intersecting crises.
  - Food crisis in the MENA region in relation to climate change and the Ukraine war in the time of austerity policies
  - IMF quota reform: adapting IMF governance structures to meet contemporary challenges.
  - IFC responsible exit: how accountability to communities is necessary for sustainable investing.
  - Avoiding Austerity in a time of compounding crisis.
  - World Bank's Human Capital program in MENA region: Morocco as a case study.
  - Establishing an IMF independent accountability mechanism Strengthening IMF accountability in the context of evolving challenges.
  - Implication of financial deepening of inequality and its impact on gender, poverty, and marginalization.

AWC organized two side events to further discuss the need for an IMF governance reform and strategize for the next steps for this campaign and, to prepare for the incoming 2023 annual meetings that will be held in Marrakech.

- 5- AWC continued to play a leading role in representing and facilitating the participation of MENA civil society in different **global campaigns** targeting the IFIs. Our engagement in these campaigns includes participation in developing and implementing advocacy strategies, providing simple information about the issues at stake to our members and partners, and inviting them to participate in the different actions.
  - a) We continued working on the campaign against the <a href="IMF surcharges">IMF surcharges</a>. The campaign aims at pressuring the IMF to drop the additional fees on loans to its most indebted middle-income borrowers, on top of regular interest payments and service fees. Together, with a network of organizations from around the world, we worked with nine UN Independent Experts and Special Rapporteurs and got them to send a <a href="Letter">Letter</a> to the Managing Director of the IMF asking for the elimination of the IMF surcharges policy and a new allocation of Special Drawing Rights. In the absence of a response from the IMF to this letter, we sent a <a href="Letter">Letter</a>, signed by over 300 organizations from around the world, including from the MENA region to the IMF's Board of Directors urging them to respond to the demand of the UN Rapporteurs, and we followed by another



<u>letter</u>, also signed by over 300 organizations, to the UN High Commissioner for Human Rights asking him to speak out against the surcharges that affect the social and economic rights of the citizens of these countries on which the surcharges policy apply.

- b) We continued our involvement in the steering committee of the global campaign for the <u>IMF governance reform</u>. The asks of this campaign include more transparency, the development of an accountability mechanism, and quota reform. Our contribution to this campaign includes also <u>media pieces</u> that illustrate the urgent need for this reform in the context of the MENA region.
- c) AWC was chosen by the members of the steering committee of the global <u>campaign</u> <u>against austerity</u> measures to host the secretariat of this global campaign. Through this campaign, we disseminate <u>studies</u> analyzing the impacts of austerity measures on the poorest among the world population. We also co-organized the <u>official</u> <u>launching of the global campaign in September 2022.</u>
- d) With the increasing global phenomenon of <u>closing civic space</u> and retaliation against human rights activists, there is a need for the IFIs to adopt policies that ensure the engagement of citizens without fear or coercion. AWC is engaged in a campaign to pressure the World Bank to mainstream its assessment of civic space to be mandatory for all the countries the Bank is active in. We are also pushing the different IFIs to adopt zero-tolerance policies and clear guidelines to address retaliation cases directly related to their funded projects. Many of these IFIs' accountability mechanisms have already adopted such policies. The World Bank is working on an approach to address retaliation but the proposed approaches, as discussed in closed meetings with a small number of CSOs, including with AWC, haven't yet met our expectations. Our work on this issue has always been done discretely for the safety of our staff and members.
- e) As a member of the International Advocates Working Group (IAWG), AWC is engaged in campaigns for a more effective accountability system for different IFIs. Throughout the last quarter of 2022, AWC was engaged in the process of developing the operational procedures for Word Bank's Inspection Panel and Accountability Mechanisms which were approved by the World Bank's Board in December 2022. The adopted procedures reflected many of IAWG recommendations and asks including the right of the complainants to appoint representatives of their choice for the dispute resolution process, the investigation of issues that were unresolved by the dispute resolution process, and the



- responsibility of the accountability mechanism to monitor the implementation of the dispute resolution agreements.
- f) Also through IAWG, AWC is currently engaged in a campaign advocating for a meaningful policy at the International Finance Corporation (IFC) for Remedy and Responsible Exit. The campaign aims at pressuring the IFC to adopt a policy that delivers adequate remedy to the impacted communities and mandates that the IFC does not exit an investment before ensuring remedy was properly provided. AWC, with its global NGO partners, led the drafting of many submissions from civil society, including a petition that was signed by over 4500 persons. The submissions also included two policy papers outlining recommendations for these two new policies.
- 6- AWC and its Tunisian member and partner organizations developed a campaign strategy to advocate against austerity measures in the anticipated new IMF loan to Tunisia. The strategy that was developed in a 5-day workshop in May, included public mobilization, media campaigns, and engagement with the IMF.
- 7- AWC organized many **workshops** throughout 2022. These workshops included, but were not limited to:
  - a) AWC organized a <u>regional workshop</u> in Tunisia to discuss the issues of austerity, the impact of the IMF's surcharges on the livelihoods of the most vulnerable population, and the IMF's Special Drawing Rights. Thirteen civil society organizations from Tunisia, Morocco, and Jordan participated in the workshop and were introduced to the studies and analyses done on this topic and discussed different advocacy actions.
  - b) AWC organized two regional workshops on the role of the IFIs in climate change and what civil society groups should push for. The <u>first workshop</u> was held online in June 2022 and explored the different energy policies of the IFIs active in the region and what needs to be done to replace fossil resources with renewable ones. The <u>second workshop</u> was in person in July 2022 and was attended by around 40 participants from different countries. During this workshop participants presented different environmental initiatives they work on and were also introduced to different advocacy opportunities that they can participate in to influence the climate policies of the IFIs.
- 8- Together with Accountability Counsel- a US-based non-profit- AWC co-authored a **study titled "Our Last and Only Resort**" analyzing the different complaints from the region that were submitted to different IFI's independent accountability mechanisms. The study examines the difficulties the communities from the region face in submitting



complaints and the reasons why the complaints from the region are the lowest in the world. The study was presented and discussed through different venues, including an online seminar, and in-person workshops, with different accountability mechanisms and civil society groups in the region. The discussions included measures that the different mechanisms should adopt to make these mechanisms more accessible to the communities in the region.

- 9- AWC facilitated outreach events for different IFIs' accountability mechanisms.
  - a) A one-day outreach in May for the EBRD's Independent Project Accountability Mechanism (IPAM) in Marrakesh. The 15 Moroccan participants were introduced to this mechanism and ways to support impact communities to submit complaints and get their grievances properly addressed.
  - b) AWC facilitated also a 2 -day outreach event for the accountability mechanisms of 5 more institutions: the World Bank, the International Finance Corporation, the European Investment Bank, the Asian Infrastructure Investment Bank, and the United Nations Development Program. The workshop was held in July in Lebanon and attended by around 40 participants. During the 2 days, the participants were introduced to the different mechanisms, policies, and processes. Five participants presented their experiences with different mechanisms and the challenges they and their constituencies faced in dealing with these mechanisms. The workshop was an opportunity to have an in-depth discussion on these challenges with lessons learned for the civil society groups when submitting new complaints, and lessons learned for the compliance mechanisms on what needs to be done to make the process easier for the communities.
  - c) AWC organized a 2-day outreach event for the Independent Redress Mechanism (IRM- the accountability mechanism of the African Development Bank) in Tunisia. Civil society representatives from Egypt, Tunisia, and Morocco participated in this event where they learned about the new IRM policy that was recently adopted by the AfDB and shared their experiences and lessons learned from working with communities to submit complaints to different mechanisms.
- 10- We have been following **four complaints** that were submitted from the region to different accountability mechanisms.
  - a) <u>Titan Alexandira</u>: This complaint was submitted to the Compliance Advisor and Ombudsman (CAO- the accountability mechanism of the International Financial Institution) in 2015. The IFC divested its investment in Titan towards the end of the investigation process. Although the investigation report validated most of the concerns raised by the complainants, the divestment of the IFC, meant that no



remedy was delivered to the complainants. This <u>case</u> is used in the campaign to push the IFC to adopt adequate policies for remedy and responsible exit.

- b) <u>Titan Beni Suef</u>: The two cases were submitted to the Compliance Advisor and Ombudsman (CAO- the accountability mechanism of the International Financial Institution) in 2017. The IFC divested from the investment towards the end of the investigation process. The CAO finalized the investigation report for the 2 complaints but has not yet disclosed it waiting for the IFC to develop its response and action plan. Once again, the divestment means that there will be no remedy for the complainants. This case is also used in the campaign for adequate remedy and responsible exit policies.
- c) We are also following the development of the investigation with a complaint that was submitted from Jordan to the CAO against the <u>Masdar Bynouna Solar Plant in East Amman</u>. The case is especially important because it is the first to raise the issue of the rights of indigenous people in the MENA region with any of the IFIs that have special policies for indigenous people.
- d) We are working with a group of Lebanese families whose lands have been expropriated for the construction of the <u>Bisti Dam</u> funded by the World Bank. Although the project was canceled (following a successful campaign by AWC and its Lebanese partners), the land had been already confiscated and some of the previous owners had not properly been compensated as per the Bank's resettlement policy.
- 11- AWC finalized a toolkit for activists on how to engage the IFIs on the issue of closing civic space. The paper provides a clear understanding of the mandate of the IFIs and the different policies that activists can use as entry points to discuss the closing civic space with the IFis. The toolkit also provides different advocacy tactics to influence the position of the IFIs on this issue.
- 12- An important service that AWC provides to its members is to provide support to access the needed financial resources. In 2022, AWC facilitated access to small grants to 18 of its members and partners in the region. The small grants were through the European Climate Fund, the Bank Information Center, and the Global Greengrants Funds. Through these grants, our members can continue working on monitoring some IFIs projects and be engaged in environmental and climate change activities and campaigns.
- 13- We continued **providing technical support** to groups in the region who are monitoring specific IFIs-funded projects. Most recently we have been working with the Arab Forum



for the Rights of People with Disabilities (AFRPD) on monitoring and reporting on the implementation of some World Bank social protection-funded projects in the region.

- 14- AWC's mission is to facilitate the **engagement of civil society groups in the region with different IFIs** so they can participate in shaping the development plans. AWC facilitated meetings for its members and partners with senior officials of different IFIs active in the region especially at the IMF and the World Bank Group. Some of these meetings were hybrids which allow the participation of many of our members and partners. While some meetings were country-specific, discussing programs in the countries, some others were regional and even global to discuss certain regional and global policies and programs.
- 15- AWC maintained different **channels of communication** with its members and partners including regular email, its <u>website</u>, <u>Facebook</u> page, and <u>Twitter</u> account. Two of AWC's <u>blogs</u> were also featured on international platforms, one on <u>Devex</u>, and another one on <u>Fortune</u>.

## IV. EVALUATION

Since the inception of AWC in 2018, more civil society in the region became aware of the important role the IFIs play in shaping the development agenda in their countries. Throughout the last four years, AWC membership grew from 18 members to 35 member organizations. They developed a good understanding of how these institutions work and how to make use of the different entry points presented by the institutions' policies to influence the national agendas in their countries.

AWC became the to-go organization for any IFI that wants to engage with civil society in the MENA region. With the incoming IMF/World Bank Annual Meetings in Marrakesh in 2023, AWC is well positioned to play the leading role in shaping the agenda for the civil society policy forum and highlight the specific regional context when discussing global policies and issues.