

### ASIAN DEVELOPMENT BANK (ADB)

#### BACKGROUND

The ADB is a multilateral development bank aimed at reducing poverty and improving the welfare of people in Asia and the Pacific. The ADB provides help and assistance to its developing member countries through policy dialogue, loans, technical assistance, grants, guarantees, and equity investments. ADB currently has 67 member countries: 48 from the region and 19 from other parts of the world.

#### ORGANISATIONAL STRUCTURE

The ADB is managed by a Board of Governors and a Board of Directors. The Board of Governors is the highest policy making body and is composed of one representative from each member country. The Board of Governors elects the Board of Directors every two years. The Board of Directors is composed of twelve Directors (each with an alternate), eight of them representing the member countries within the Asia-Pacific Region and four representing countries outside the region. The President of the ADB must be from a regional member country and is elected by the Board of Governors.

#### ACCOUNTABILITY SUMMARY

##### TRANSPARENCY

- Commitment:** The ADB has an information disclosure policy called the *Public Communications Policy of the Asian Development Bank*. The Policy meets all good practice principles including a set of narrowly defined conditions for the non-disclosure of information, and procedures that enable people to appeal if their request for information is declined.
- Oversight:** The Director General, Department of External Relations oversees the policy's implementation while the InfoUnit monitors and advises on disclosure recommendations.
- Training:** The InfoUnit briefs new staff on disclosure requirements as well as provides training on an IT tool called the Disclosure Managing System.
- Accessibility:** The Policy is widely disseminated through the website and stakeholder meetings. It is translated into 12 languages.

##### PARTICIPATION – EXTERNAL STAKEHOLDER ENGAGEMENT

- Commitment:** The ADB has a number of policies guiding civil society engagement (outlined in bullets below). Together, the policies meet most good practice principles. The Staff Guide even commits to change policy or practice as a result of stakeholder engagements or at least provide a reason for not doing so.
  - *Cooperation between ADB and NGOs* – maps out the different NGOs and levels at which ADB engages these actors.
  - *Promotion of Cooperation with NGOs* – a part of the *Operations Manual* identifies how the Cooperation between ADB and NGOs is to be applied.
  - *Staff Guide to Consultation and Participation* – provides tools and tips for staff on how to engage effectively with stakeholders.
- Oversight:** Departmental Heads oversee stakeholder engagement within their respective areas, while a NGO and Civil Society Centre strengthens cooperation with civil society for the Bank as a whole.
- Training:** The NGO and Civil Society Centre, and Human Resources Division offer training to staff on Consultation and Participation and working with NGOs/CSOs.
- Accessibility:** The policies are widely disseminated but only available in English.
- Formalised engagement:** The ADB has not institutionalised civil society engagement within Board or senior management level decision making.

##### PARTICIPATION – MEMBER CONTROL

- Equitability:** While the ADB is similar to many multilateral development banks in that voting power is allocated along economic lines, the ADB ensures some degree of equitable control among members. It does not allow a single member to block changes to the Governing Articles and enables members to report individual

#### Asian Development Bank (ADB)

**Location:** Manila, Philippines

**Total income 2006:** \$332,864,000 USD

**Employees:** 2405 (as of Dec 2006)

**Website:** [www.adb.org](http://www.adb.org)

**Accountability Initiatives signed up to:**  
International Core Labour Standards  
Uniform Guidelines for Investigations

2007 GLOBAL ACCOUNTABILITY REPORT RATINGS		
Dimension	Score	Rating among IGOs
Transparency	100 percent	1
Participation	59 percent	6
Evaluation	85 percent	5
C&R	79 percent	1
Overall	81 percent	2

Board members for non-compliance with the Board of Directors Code of Conduct. However, the ADB does not provide borrowing members with a majority of the voting power: borrowing member countries have 45 percent of the voting power and non-borrowing members have 55 percent.

## EVALUATION

- Commitment:** The ADB has policies and guidelines supporting the evaluations of operations and policies. *Enhancing the Independent and Effectiveness of the Operations Evaluation Department* provides the policy framework for the Operations Evaluation Department (OED) and the Operations Manual. The *Operations Manual* details the Bank's policy on Operations Evaluations, which is supported by a number of guidelines on operational procedures. The commitments meet most good practice principles.
- Oversight:** The OED Director oversees evaluations while the Development Effectiveness Committee reviews and monitors evaluations and reports to the Board of Directors.
- Training:** The OED staff receives regular training on approaches to evaluation through the annual International Program for Development Evaluation as well as regular in-house training programmes.
- Accessibility:** Documents are only available through the ADB's website and in English.
- Disseminating lessons:** The ADB disseminates lessons learnt in evaluations through learning workshops as well as in summary findings and recommendations from the Knowledge Management Unit.

## COMPLAINT AND RESPONSE – INTERNAL COMPLAINTS

- Commitment:** The ADB has numerous documents that guide the handling of internal complaints, namely, the *Anti-Corruption Policy*, *Integrity Principles and Guidelines*, and the *Staff Code of Conduct*. Together, these policies meet most good practice principles. The *Integrity Principles and Guidelines* fulfil the principle to ensure the mandatory discipline for anyone found to have retaliated against a whistleblower.
- Oversight:** The Director of Integrity Division of the Auditor General oversees the *Anti-Corruption Policy*, while the Integrity Division (OAGI) handles complaints of alleged fraud or corruption. Complaints of staff misconduct are handled by the Budgets, Personnel and Management Systems Department, and the Human Resource Division.
- Training:** OAGI provide staff with on-the-job training, induction briefings, and ongoing anti-corruption workshops and seminars.
- Accessibility:** The *Anti-Corruption Policy* and the *Integrity Principles and Guidelines* are made widely available to staff.

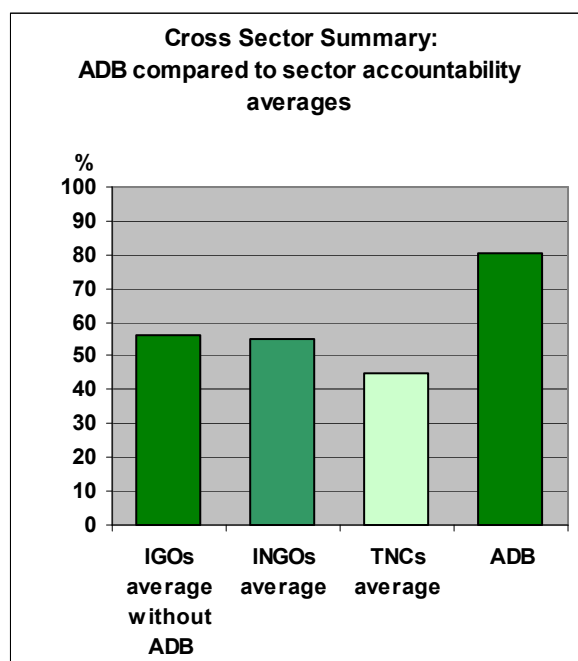
## COMPLAINT AND RESPONSE – EXTERNAL COMPLAINTS

- Commitment:** The ADB's external complaints mechanism, the Accountability Mechanism, has a compliance element as well as a problem solving function. Both of the phases meet most good practice principles.

*Consultation phase* – consists of a Special Project Facilitator dealing with problems of affected people in ADB assisted projects and aims to settle differences through mediation and consultative dialogue.

*Compliance phase* – consists of the Compliance Review Panel (CRP) investigating alleged violations of ADB's operational policies and procedures.

- Oversight:** The Special Project Facilitator oversees the consultation phase. The CRP Chair has the overall responsibility for the Panel's operations while the Head of the Office of CRP oversees daily tasks.
- Training:** Staff of both the Offices of Special Project Facilitator and Compliance Review Panel receive training on how to handle external complaints
- Accessibility:** The Accountability Mechanism is widely disseminated and information on how to make a complaint and how it will be investigated is translated into 14 languages.
- Complaints against policy:** No mechanism exists that enables stakeholders to lodge complaints against organisational policies.



## CROSS SECTOR SUMMARY

The ADB's overall accountability score is significantly higher than the average scores of any of the three sectors.