

RECOMMENDATIONS OF THE WORKING GROUP ON THE ROLE AND MANAGEMENT OF THE LCG

Role of the Local Consultative Group

To enhance the planning and implementation of donor-supported development programmes in Bangladesh, and move toward greater Government of Bangladesh-owned coordination of the development process aimed at poverty reduction.

Specific functions include:

- § To share and reflect on broad priorities for development assistance, and to improve mechanisms for donor coordination.
- § To encourage dialogue among development stakeholders on key development issues.
- § To investigate and help resolve generic impediments to effective donor/Government of Bangladesh programmes.
- § To take account of the work of the LCG sub-groups and assist them where possible.
- § To serve as a forum to discuss other important issues relevant to economic and social development in Bangladesh.

Options for Managing the LCG Process in Bangladesh

The ad hoc working group which has been reviewing LCG functions and management met on September 20, 2000, to further refine proposals for the possible creation of a committee to manage the LCG process.

One of the key questions becomes the definition of what we mean by “managing the LCG process”. The working group has focussed on the need to improve the planning and conduct of the LCG meetings themselves, including the establishment of an annual calendar and workplan for the LCG meetings, preparing agenda for each meeting, managing and hosting the LCG meetings, and planning for the development forum meetings. A decision is sought now on how those management functions are best handled.

Another aspect of the LCG, which is so far not as well defined or agreed upon, is interaction with the Government of Bangladesh on issues raised by either side. It is clear that many LCG members are not comfortable with delegating to a committee the authority to represent the LCG in policy discussions with the Government of Bangladesh. Thus, any management structure selected at this time would exclude such authority until conclusive discussions are held on that subject. For the longer term, the working group recommends that a terms of reference (TOR) be drafted and agreed upon by the LCG members to formalize the responsibilities and authorities of the head of the LCG group, whether the head is an individual or a committee for oversight of the LCG. The working group offers its services to help prepare a TOR should it be requested. Another option is for the person or group selected to manage the LCG in the future to help prepare such a TOR.

While there may be many possible configurations for heading up the LCG management which representatives in the LCG might find appealing, the working group felt the following three options merit consideration by the LCG at the planned meeting on September 28, 2000.

1. Status quo, with the World Bank Country Director retaining authority to chair and manage the LCG process.
2. Creation of a three-person committee to head the management of the LCG process, to be comprised of the World Bank Country Director, one representative of the non-WB multilateral members of the LCG to be selected by non-WB multilateral representatives, and one representative of the LCG bilateral donors to be selected by the bilateral donors. This is essentially the same recommendation presented at the last LCG meeting on September 10, 2000.
3. Creation of a committee of not to exceed five persons, comprised of the Country Director of the World Bank plus non-WB LCG representatives who volunteer to serve on the committee. Should more than four persons volunteer, the LCG would vote to select four.

In cases 2 and 3 above, the proposed term of committee membership would be one year, after which a new selection process would take place. Whether members could serve consecutive terms would be up to the selecting group. The working group recommends that any decision to establish a committee management structure should be adopted for a one-year trial period, after which a final decision could be made by the LCG on whether to continue such an arrangement. This would allow time for the approval of a TOR for management and the representation of the LCG.

Each of the above three options has advantages and disadvantages. Clearly, having fewer people involved makes for easier management of the process. In this respect, maintaining the status quo is the simplest. The downside of having a single manager is the limitation on broader participation in key management and policy determinations. In this respect, a committee structure has a clear advantage. In the opinion of the working group, Option 2 above represents the best mix of keeping it small while broadening the participation.

This working group doubts there will be unanimous agreement on any one option, but does believe that any decision should be reached by consensus of the entire group. We trust the necessary give and take will be forthcoming to allow a group decision satisfactory to all.