Multilateral Development Bank Accountability Mechanisms: Fixing Problem Projects

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Multilateral development banks have financed development projects in many developing countries for more than 50 years. However, it is a recent phenomenon that these banks have established accountability mechanisms where citizens, adversely affected by poorly-designed and/or implemented projects supported by these banks, are able to file claims through these mechanisms to redress their grievances. The adoption of these mechanisms by these banks is part of a global trend to be accountable to the public at large, in addition to the accountability for their actions to their shareholder governments.

In this seminar, Suresh Nanwani highlights the fundamental changes in the system of international governance in multilateral development banks through the establishment of accountability mechanisms. He explores how these banks have responded to changes in fixing problem projects by adopting new approaches. Selected claims filed with the accountability mechanisms will be studied to offer insights on how these banks address problem projects. Finally, he discusses the challenges that lie ahead for these banks to proactively handle grievance claims and to further enhance their accountability mechanism systems.

Suresh Nanwani is a lawyer in the Asian Development Bank (ADB) and has 20 years extensive experience in development and institutional issues working in several offices including legal, the Compliance Review Panel, and human resources. He is also a visiting law lecturer in Birkbeck College, University of London. He is presently a visiting lecturer in the School of Law, University of Sydney teaching Law and Economic Development. He worked as a lawyer in the European Bank for Reconstruction and Development. He was former associate secretary of the ADB Compliance Review Panel. He has lectured and published extensively on international financial institutions, law and development reform, accountability mechanisms, and institutional governance and responsibility. He is a Member of the International Advisory Group of One World Trust, a United Kingdom independent grant-funded think tank conducting research and advocating reform on policy. He is also a Member of the International Advisory Board of the Central European Journal of International and Security Studies, an open access peer-review academic journal focusing on issues of international relations and security.