



## –Network News–

### Message

On these first days of January, I would like to wish all of you and on behalf of the PNoWB Board a happy new year. I am convinced you will keep abreast of latest international development issues and continuously use our Network in 2009. Some of you expressed their intention to be more active and this is the reason why we launch this Newsletter. As of now, feel free to send your articles, reports and contributions to the Secretariat. With best wishes,

**Hugh Bayley**

Chair, Parliamentary Network on the World Bank  
Member of the House of Commons (UK)

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### Breaking News...

Alain Destexhe, Belgian senator and PNoWB Board member since November 2008, has been assigned focal point from the Board for the field visits program. Following initial discussions amongst Board members and contacts with local PNoWB members and World Bank officials, next visit could be in the Democratic Republic of Congo in the first quarter of 2009.

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# -Paris Annual Conference-



By Hugh Bayley (UK),  
PNoWB Chair

The Eighth Annual Conference of the Parliamentary Network on the World Bank was held in Paris from 20 to 22 November 2008. It was hosted by the French National Assembly and the French Government as France held the presidency of the European Union. A total of 260 participants, including 150 parliamentarians from 85 countries, attended the conference. In addition, we noted a broad interest from the media as several French and international reporters, photographers and television crews covered the Conference.

## Exchanging on major issues and current trends

The 3-day programme consisted of the PNoWB General Assembly, the elections of a new Board and the 13 sessions of the Annual Conference. It offered legislators

and partners the opportunity to discuss the response to the food, fuel and financial crises and the climate change challenge with more than 50 experts from International Financial Institutions, national administrations and civil society. The objective of the Conference was also to provide participating parliamentarians with the practical knowledge, conceptual tools, and other resources to address these issues, and to foster development at the country and regional level.

The dinner at the French Ministry for the Economy, Industry and Employment enabled our members to participate in a Q&A with International Monetary Fund Managing Director Dominique Strauss-Kahn. The Flagship session at the *Assemblée Nationale* opened the floor for precise questions to World Bank President Robert Zoellick. PNoWB members then had the opportunity to discuss development aid with the *Agence française de développement* leadership and NGOs during a cocktail dinner in their premises. Further, a keynote address on the rethinking growth



to learn from experience and adapt to new challenges was delivered by Nobel Economics Laureate Professor Michael Spence.

Our partners from AWEPA, the German Marshall Fund and the city of Strasbourg sponsored and made presentations to other session which enabled participants to share opinions, views and ideas in a more informal way. The PNoWB Secretariat, the World Bank and the speakers from all the roundtables will provide PNoWB members with more details on the content of their respective session and the Conference report should be compiled in coming weeks.

### **Strengthening our worldwide Network**

The Eighth Annual Conference was also the opportunity for the Board to present its achievements since the Annual Conference in Cape Town in March 2007. Regular activities and field visits were conducted in the past 18 months and the outgoing Board focused on the revision of the legal structures of PNoWB to make it more democratic and accountable. Therefore, the Board submitted new articles of association and by-laws which were approved by the General Assembly. At the same time, substantial work was conducted on the role of national and regional Chapters. A policy paper on Chapters was distributed to members for comments before the Conference.

In a separate development, the whole Board this year decided to stand down at the time of the Annual Conference. For the first time, the elections were conducted with a gender and regional balance as the rule. A twelve-member Board was elected on Friday 21 November and comprises of 5 members from donor countries, 2 members from Africa, 2 members from Asia, 1 member from Latin America, 1

member from the Middle East and North Africa and 1 additional member, currently filled by a woman from Africa. Hugh Bayley (UK/Chair), Yunus Carrim (South Africa/Vice-Chair), Monica Frassoni (MEP Italy/Vice-Chair), Janette Garin (Philippines) and Santiago Castro (Columbia/Treasurer) from the previous Board were re-elected. New Board members are Corina Cretu (MEP Romania), Alain Destexhe (Belgium), Jeppe Kofod (Denmark), Fatou Ndeye Toure (Senegal), Marie-Rose Nguini Effa (Cameroon), Laode Ida (Indonesia) and Najeeb Saeed Ghanem Aldobai (Yemen).

With this extended Board, a new dynamic is already in place and should turn our Network into a major player in the international development community. From the comments we noted in the closing session and the evaluation forms, PNoWB members expect PNoWB to improve the way it operates as a network and the way it interacts with International Financial Institutions.

The Board wants to strengthen PNoWB's programme of activities to do more to support its individual members and Chapters. We will make every possible effort to connect to World Bank and IMF senior leadership on more occasions, with the view of a systematic early involvement of parliamentarians in Bank policy and the preparation of specific Bank briefings and papers for MPs. Indeed, President Zoellick recently confirmed the World Bank's commitment to engage systematically parliamentarians at the country, regional, and global levels. Further, he referred to PNoWB as an important partner to build support in Parliaments for development as well as to act as a leading voice for MPs in the dialogue on Bank policies and programs.

The Board also requested the PNoWB Secretariat to upgrade and update of PNoWB members' database as most the



contacts and e-mail addresses are outdated. A 2008-2009 membership form will be circulated for those who did not participate in the Annual Conference as part of the update process.

At the same time, PNoWB will adopt a communications and outreach strategy based on the distribution of a regular newsletter, regular posts on our Website and mailings on development and Network issues when required. Nonetheless, the life of a network depends on the commitment of its members and so we encourage you to share with us publications and comments on development issues and debates in your Parliaments as well as reports from important events like the Doha Conference this week, which will be covered by MEP and Board member Corina Cretu from Romania. I would also like to take this opportunity to let our francophone fellows

know that we will try to translate key communications in French given our limited resources in terms of budget and personnel. Therefore, we may have to seek support from your side for proper translation.

#### **PNoWB looking ahead**

PNoWB is definitely at a turning point. Additional resources may soon be allocated for its functioning. Additional bridges may be built toward institutional and civil society partners. Additional transformation is expected. At this stage, the commitment of all our members will make the difference and give us a broader impact on development policymakers and the effective delivery of international aid.

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*The Parliamentary Network on the World Bank, as many of its members, is now on Facebook. A PNoWB group enables members and partners to exchange comments, views and ideas on international development in a dedicated forum. Connect to [www.facebook.com](http://www.facebook.com) and you will find the pictures of Paris Annual Conference.*

## -People focus-



**Marc Le Fur, you are the Vice-Speaker of the French National Assembly, which just hosted the 8th PNoWB Annual Conference. What will you remember from this conference?**

I will remember the diversity and the implication of the MPs attending this conference. The interventions were of good levels. It was important to deal with subjects such as the food crisis, the micro-credit and the special context of the countries involved in extractive industries.

**As a PNoWB member from a donor country, what kind of relationship do you expect between International Financial Institutions and our Network?**

We really need information and perspectives on the global needs of the developing countries, in order to allow us to convince the French government, and therefore some financial institutions to act clearly and allocate special spending for the concerned countries. The network has to be a lobbyist for the countries wishing to benefit from financial aides.

**You took the lead for the formal launching of a PNoWB Chapter in France; can you tell us what your first objectives are?**

We should now make the French grow and create an association under the 1901 law regime. The members of this association

will organize on regular basis meeting for the French branch, and develop the relationships with the World Bank and the other branches of the network. We should also keep on sending French MP into developing countries in Africa and Asia.

**Last, is there a message you would like to pass to your PNoWB colleagues throughout the Network?**

We should focus on two essentials points that are linked: the global agricultural crisis, which impose us to rethink our strategies, and the imperative of sustainable development. It is now impossible to promote economic development without keeping in mind climatic changes, levels of pollution, the pressure on land the necessity to protect forest and natural resources.

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*Hugh Bayley, Robert Zoellick and Marc Le Fur at Paris Annual Conference in November 2008.*

## -Live from Doha-



Romanian MEP and PNoWB Board Member Corina Cretu was in Doha to participate in the Follow-up International Conference on Financing for Development which took

place from 29 November to 2 December. The Conference was the first high-level intergovernmental review of the entire Monterrey Consensus and it aimed at reviewing the progress achieved towards the objectives established in Monterrey in 2002 as well as assessing new potential areas of action.

"The Conference took place in a crucial moment for the future progress of financing on Development", Corina Cretu declared. "The grim economic context created by the financial crisis and its consequences within real economy have made funds earmarked for development to be the first targeted by budget cuts. We face the danger of losing the whole progress achieved in the last years towards eliminating poverty. The global crisis has already increased the number of those hit by poverty by a hundred million people and studies show this is only the beginning.

Despite all this, we can say the Conference's result was overall positive. I am glad the outcome document reaffirms the Monterrey Consensus commitments and goals, as well as the timetables for fulfilling these commitments. The fact that more development aid is needed because of the crisis is also stated. In addition to the Consensus of 2002, aid effectiveness and aid quality became a high priority. The document also includes a strong statement on gender equality, an important item in

reducing birth related mortality and which will open the door to new economic policies based on empowerment of women.

One of the results of the new globalized financial economy is that no country escaped the effects of the current economic crisis. As such, the consciousness for the consequences of the crisis on national economies was very high among the participants, as well as the awareness of the fact that national economies are now strongly interconnected at the regional and global level, and therefore no one can stand and face the crisis alone. The result was a general agreement on the necessity of continuing funding development aid, and a strong sense of cooperation. Of course, sensitive subjects such as the Official Development Assistance created dissensions, but overall the impressions as well as the outlook remain strongly positive.

I also wish to add that this Conference took place only a week after PNoWB 8th Yearly Conference in Paris, which was an excellent opportunity for me to prepare for the events in Doha. The debates in Paris were very helpful in defining the priorities of Development actions in these times of global financial insecurity, with all the problems this entails for developing countries: restricted access to credit markets, reduced remittances, fewer foreign investments, food crisis and lower prices on commodities which are an important source of revenue. The Paris Conference was also very useful for getting first-hand information on how the crisis affects developing countries."

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International Conference on  
**Financing for Development**

Doha, Qatar, 29 November - 2 December 2008

## -Food security: long-term action is imperative-



In partnership with AFD

By Bruno Vindel, Strategic piloting and prospective department

A forward-thinking vision for food security, particularly in developing countries, shows that vigilance and international mobilization are still needed. Prices may have been falling over the past few weeks but we should not rush to conclude that the crisis is behind us and move on to something else. We are obviously tempted to do so, since the financial crisis so firmly fixes everyone's attention. The structural causes of the food crisis are still there and agricultural production conditions will continue to be marked by huge uncertainties. The sheer numbers of people who are undernourished, estimated at 923 million, i.e. up by 75 million compared to 2005-2006, should make us act.

Food security involves a number of factors and requires actions in a diversity of sectors: road infrastructure, trade policies, social policies, income distribution... Agriculture does, however, play a key role in all of this. Yet the World Bank 2008 World Development Report recognizes that

for over ten years we underrated its role and potential in terms of economic growth and poverty reduction.

The 2008 food crisis highlighted the fact that considerable efforts must be made in developing countries, particularly Sub-Saharan Africa, to improve the agricultural productivity of subsistence products. Farming systems based on sustainable practices that are productive and respect the environment must be promoted. Investments must be made in agronomic research, in training for men and women and to structure industries where producers' organizations must have the capacity to assume economic functions.

However, these necessary investments will only provide benefits if public policies are implemented to reduce the uncertainties that are inherent to agricultural production and to share the risks that farmers have to face alone. The reduction of price risks is, in particular, a prerequisite for the banking



sector to make a resolute commitment to support agricultural production. Access to credit to promote investments “at the farm” and in downstream industries is, indeed, a powerful lever.

Our partners in developing countries must design and implement new agricultural policies with the support of the donor community. Such policies will undoubtedly be based on a combination of both public and private instruments (storage, warrantage, earmarked subsidies, credit guarantees, cross-border competition conditions).

Efforts in terms of social “safety nets” must also be pursued in the form of direct aid to give the most disadvantaged access to food. This is imperative in a context where agricultural prices remain at high levels.

France has proposed a global partnership with three components: political mobilization at the international level, a global expertise network to shed light on controversial issues and show the way forward, a financial component to remobilize donors and States. Success will largely hinge on sound synergies between these components.

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## -Upcoming MP/legislative elections-

<b>Gabon</b> <b>El Salvador</b>	January 2009
<b>Israel</b>	February 2009
<b>Fiji</b> <b>South Africa</b> <b>Moldova</b> <b>Micronesia</b> <b>Antigua &amp; Barbuda</b>	March 2009
<b>India</b> <b>Indonesia</b> <b>Ecuador</b> <b>Yemen</b> <b>Comoros</b>	April 2009
<b>Malawi</b> <b>Panama</b> <b>Malawi</b>	May 2009
<b>Bulgaria</b> <b>Luxembourg</b> <b>Lebanon</b>	June 2009



## -Selected development News-



In partnership with the World Bank Group  
Parliamentary Relations Team

### SELECTED MEETINGS AND CONFERENCES

#### **Education for All in focus in Oslo, 12-18 December, Norway**

The Education for All Fast Track Initiative (FTI) met on December 12-18 in Norway's capital, Oslo. FTI is a global partnership to help low-income countries meet the education Millennium Development Goals (MDGs) and the EFA goal that all children complete a full cycle of primary education by 2015. The FTI was launched in 2002 by the World Bank and other development partners. On Monday December 15 the FTI Secretariat launched the FTI Annual Report 2008, entitled: 'The Road to 2015: Reaching the Education Goals', in collaboration with the Norwegian Ministry of Foreign Affairs and UNESCO. The meetings are held back-to-back with the UNESCO High-Level Group meeting on Education for All, also in Oslo (December 16 to 18). The World Bank was represented by Vice President for Human Development, Joy Phumaphi.

For more information see [www.education-fast-track.org](http://www.education-fast-track.org) and <http://tsforum.event123.no/UD/EFA/index.cfm>

#### **Parliamentarians Take Action for Maternal and Newborn Health, 26-28 November, the Netherlands**

The conference Parliamentarians Take Action for Maternal and Newborn Health brought together about 100 parliamentarians from developing and developed countries, representatives of the UN and the WB, and CSOs to discuss the

current situation of maternal and newborn health. During this follow-up of the 2007 London meeting, national overviews of different regions were presented, challenges and best practices were discussed, and suggestions were done to build cooperation among parliamentarians and other partners. Also, a draft road map outlining the next steps was presented.

MPs present argued that strong legislative action is needed to accelerate progress on Maternal and Newborn Health MDGs. The draft road map for further action has 7 pillars: political commitment, legislation, financial resources, health systems, education, cultural practices and partnerships. Under each of these pillars, a number of parliamentary actions were identified such as holding hearings to ensure political commitment and address legislative gaps, organizing events with the media to provide education and raise awareness on harmful cultural practices, and holding regular meetings with international organizations and civil society to build partnerships. The conference was co-organized by the WHO, the Inter-Parliamentary Union and the Dutch parliament.

For more information, see: [www.worldbank.org/hnp](http://www.worldbank.org/hnp)

### RECENT WORLD BANK REPORTS

#### **Africa Development Indicators**

The World Bank has called on African countries to adopt a range of actions to

help deal with the youth employment challenge it is facing. According to the African Development Indicators (ADI) 2008/09 released on December 4th, a job-seeking African youth—typically a poor, out-of-school female living in a rural area—will likely face increasingly greater challenges in securing employment on the continent.

Arguing for a multi-sectoral approach, the report, titled “Youth and Employment in Africa—The Potential, the Problem, the Promise”—suggests several key areas to begin tackling the employment issue, including expanding job and education alternatives in the rural areas; encouraging and supporting entrepreneurship; improving the access and quality of skills formation; and addressing demographic issues.

Apart from the main essay, the ADI provides key data sets which monitor development programs and aid flows in the region. The publication includes a pocket edition, the *Little Data Book on Africa*, the *Africa Development Indicators 2008/09 – CD-ROM*, and the web accessible only database, the *Africa Development Indicators Online*.

For more information, go to:  
[www.worldbank.org/africa](http://www.worldbank.org/africa)

### **Global Economic Prospects 2009**

Cast through the lens of today's worldwide financial crisis, GEP2009 analyzes the implications of the global downturn for low- and middle-income countries, including an in-depth look at long-term prospects for commodity markets and the policies of both commodity producing and consuming nations.

Developing countries face sharply higher borrowing costs and reduced access to capital. This will cut into their capacity to finance investment spending—ending a

five-year stretch of developing-country growth in excess of 6 percent annually. The looming recession presents new risks, coming as it does on the heels of the recent food and fuel crisis. In the transformed economic landscape, we will face a reality in 2009 whereby 100% of world growth will be generated in developing countries.

Commodity markets, meanwhile, are at a crossroads. Years of fast GDP growth, following decades of low prices and weak investment in supply capacity, have contributed to the rise in commodity prices, while the slowdown provoked by the financial crisis has seen those same prices plummet. The impacts of these shifts vary greatly for commodity exporters and for countries that rely heavily on imported food and fuel. The GEP analyzes the dynamics of the recent boom and how countries responded to it and the authors recommend policies for lessening the impact of future commodity swings.

See [www.worldbank.org/gep2009](http://www.worldbank.org/gep2009) for more information.

### **NEW WORLD BANK PROGRAMS AND FACILITIES**

#### **Fast Track Facility for World's Poorest Countries Coping with Global Financial Crisis**

On December 9<sup>th</sup>, the World Bank Group announced the creation of a \$ 2 billion fast-track facility to speed up grants and long-term, interest-free loans to help the world's poorest countries cope with the impact of the global financial crisis.

The International Development Association (IDA) Financial Crisis Response Fast-Track Facility, approved on Tuesday by the World Bank's Board of Executive Directors, will allow the Bank Group to provide rapid

funding for social safety nets, infrastructure, education, and health.

The facility would fast-track an initial \$2 billion of the \$42 bn of IDA15 resources available to 78 of the world's poorest countries over the coming three years.

### **Malaria Booster Program of 1.1 Billion USD to fight disease in Africa**

On December 4th, the World Bank launched Phase II of its Malaria Booster Program in Abuja, in a joint effort with Nigeria's Ministry of Health. Building on prior successes, the World Bank is committing US\$1.1 billion to expand country programs to combat malaria. Nigeria and the Democratic Republic of Congo are key countries.

World Bank Group President, Robert B. Zoellick, said the new financial commitment would help African countries over the next three years to expand their malaria prevention, care, and treatment programs and to sharply reduce the number of malaria-related deaths and illness that afflict their communities each year.

For more information, please visit <http://go.worldbank.org/2VUCI7HV90>

### **Governance Partnership Facility**

The World Bank today launched on December 3<sup>rd</sup> a Governance Partnership Facility to help developing countries strengthen governance programs and further the fight against corruption. This new Facility has the support of the governments of the United Kingdom, The Netherlands and Norway.

The Facility will: 1. Support the implementation of governance and

anticorruption programs in developing countries – particularly in poor and fragile states, such as Afghanistan, Burundi, Cambodia, the Democratic Republic of Congo, and Haiti. 2. Fund cutting-edge work, such as innovative partnerships with civil society, to ensure that public money is used effectively. 3. Finance learning and knowledge in the area of governance and anticorruption.

For more information, please visit <http://go.worldbank.org/LLF57MKLDO>

### **Debt Management Facility**

On November 30<sup>th</sup>, the World Bank launched the Debt Management Facility to help developing countries prevent future debt problems. The Bank also called on donor countries to meet their debt relief commitments.

The Debt Management Facility will increase and accelerate the implementation of the World Bank's debt management program in partnership with several leading suppliers of debt management technical assistance, including the International Monetary Fund, with the objective of strengthening debt management capacity and institutions in developing countries.

The DMF will focus its technical assistance on low income countries. It is being funded through the support of the governments of Austria, Belgium, Canada, The Netherlands, Norway, and Switzerland, which have made initial commitments to the Facility for up to US\$12 million.

To get more information, please visit: [www.worldbank.org/debt](http://www.worldbank.org/debt)

## -An ironic of international loan agreement mechanism-



**By Laode Ida  
Deputy Speaker,  
Indonesian Upper House.**

Most third world (under developed) countries receive international aids from either multi national donor agencies or through bilateral cooperation. This is to accelerate and/or to materialize their own development agendas, to some extent; while few countries highly depend on international fund supports. In short word, without the international aids, they are struggling in achieving their national development goals.

Based on the recipient country obligation, international aid funds are categorized in two kinds: loans and grants. The amount of loans provided is usually a large amount, while grant is in small projects. Subsequently, it aims in stimulating related loan-based activities/programs or gaining supports both socially and politically from the civil society groups and other stakeholders during the implementation of the programs.

Due to the requirements of several donor agencies such as World Bank, ADB, JICA, and others, the realization of the aid is characterized in three kinds: fresh money, in kind (related to project's material such as technological materials that should be imported from abroad), and technical assistant (usually composed of both international and national or local experts, which the standard wage is significantly different). Thus, although Indonesia accounts and includes the loan to the national state budget, the recipient country

has not actually got the fresh money; it is more to the technical aspects.

The very important thing must be kept in mind is that from the initiating stage, after two parties (donor agency and related government officials) agree the basic principles of the development aid, the cost for the project preparations is accounted as part of the country loan. This stage usually takes more than a year (average 2 years), which involves outstanding experts (consultants) with very significantly expensive cost. In other word, the recipient country is financially burdened as the loan is used to pay the experts who are mostly foreign expatriates. It means, that from the beginning of the loan preparation, most of money tends to be sent off to abroad (to the experts' origin), and only a small amount of the money that goes to local beneficiaries through the local experts.

The question is who involves in the decision making process and management of the loan? To be frank, the negotiation and decision of the loan is always very closed, decided only by executive side (related officials or ministers under consultation with the head of state) and donors, whereas legislative or representative body and NGOs (civil society communities) are not taken into account. It appears that as the government/executives are not obliged to involve those two parties in the loan negotiating process. In short word, the parliament body and NGOs merely need to know the amount and purpose of loan once the government reaches the agreement and added to the state budget as a source of any development project for the next fiscal year.

This process that does not involve the people representative (parliamentarian and/or civil groups) is very ironic and must be evaluated. Why? First, parliamentarian or legislative body is mandated to fight for people's interest in policy making process including for development agendas. While NGOs or civic groups as acknowledged by a sociologist Peter L. Berger is as the mediating structure/agency between the people and state agencies (such as the legislative body and the executive branches). Due to their position and daily activities, civic groups are very closed to the local community in general, know more about people dynamic, culture, spirit, soul, interest and demands. Legislative body or parliamentarian itself, must utilize civic group voices as one of its ammunition to gain as well as maintain their social legitimacy and also the public trust continuously. Secondly, it should be kept in mind that the loan is a heavy burden for the future generation. Making loan by putting some of the natural resources as the guarantee appears to be easy. Especially for a country like Indonesia which has very rich natural resources, many other countries as well as donor agencies are interested to give money and subsequently involved in the process of exploitation of them. Unfortunately, since we are trapped by taking loan without a proper future calculation and not involving people voices as briefly explained above, we will suffer and burden our future generation. In other word, future generation rights are being endangered due to the very pragmatic loan agenda taken by both the previous and present government as they will be the one paying the loan the present government take. For example, the Indonesian government at the moment is financially burdened to pay annual debt interest in a very significant amount, i.e. more than one third of the national budget.

The debt is an obligated legacy from former autocracy government under new order (President Soeharto) administration. What is ironic is, according to a credible and prominent economist, Prof. Sumitro Joyohadikusumo, at least 30% of the loan had been corrupted or misused by related officials who are acknowledged by the donor agencies (World Bank Officials). But in fact, Indonesian government has to pay that entire loan amount without any dispensation from the funding agency. Today the parliamentary body (lower and upper houses) as well as NGOs, indeed, have been always expressing objection, but the decision on the loan agreement could not be changed. Again, Indonesia has to pay the entire past loan with its interest. This is actually a very unfair policy and develops into one bad fate for the people both today and the next coming generation.

The Indonesian loan management today (in the reform era), indeed, has changed slightly. Although the loan taking process is still using the old ways and mechanism, but the scheme and implementation involve civics groups or NGOs. It is apparently due to some conditional reasons : (1) a great people demand as a consequence of democracy in post Soeharto era, that people must be involved in the development program (from the planning stage until its implementation); (2) the government itself is trying to eliminate public criticism such as being not democratic that always critically raised by NGOs activists; and (3) the donor agencies requirement that every project must use participatory approach by collaborating with the proper NGOs.

It significantly appears that the implementation of loan management in Indonesia is improving from time to time particularly in promoting good governance and making an effort to eliminate corruption practices within the government

bureaucracy, particularly at the related executive branches to which donor agency is working together for the development aid. Personally, donor agencies should be encouraged by all functional parties in Indonesia. Once a development loan is mismanaged, it will only benefits a limited certain groups who are involve in the project management, whereas people in general, particularly the future generation, will suffer paying the debt.

During the Indonesian political transition that has been taking ten years, to which many authoritative elites (executive officials, politicians and businessmen) are connected and conspired to capitalize on fund misused, the best practices intervention from the donor agency is required. But, to some extend, I personally wonder that donor agencies, as using their own authority is also trapped by their own conservative situation. The consultant companies which are allowed to join tender

are ones listed as business partners permanently, based on certain requirements, regardless the quality of their result.

Donor agencies are being ambushed by only formal qualifications, without paying more attention on the rising of so many better qualified new consultant groups which consist more educated and high integrity-moral personal responsibility. I short word, I would like to say that without reformation on the consultant involvement within donor sponsored based project, donor agency/ies may be considered taking the opportunity to misuse the loan based projects. Moreover, according to some donor agencies requirements, the consultant company must have internationals qualification – ways that loan tend to be able to be sent off abroad back. So ironic, indeed.

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