

Report No. 23369

# Cultural Properties in Policy and Practice

## A Review of World Bank Experience

December 19, 2001

Operations Evaluation Department  
Sector and Thematic Evaluation Group



## Acronyms and Abbreviations

AFR	Africa Region
APL	Adaptable Program Loan
ARDE	Annual Review of Development Effectiveness
BP	Bank Procedure
CAS	Country Assistance Strategy
EA	Environmental Assessment
EAP	East Asia and Pacific Region
ECA	Europe and Central Asia Region
ESSD	Environmentally and Socially Sustainable Development Network
GEF	Global Environment Facility
GP	Good Practice
HIPC	Highly Indebted Poor Country
ICCROM	International Centre for the Study of the Preservation and Restoration of Cultural Property
ICOMOS	International Council On Monuments and Sites
IFC	International Finance Corporation
LAC	Latin America and Caribbean Region
LIL	Learning and Innovation Loan
MIGA	Multilateral Investment Guarantee Agency
MNA	Middle East and North Africa Region
NEAP	National Environmental Action Plan
NGO	Nongovernmental organization
OD	Operational Directive
OED	Operations Evaluation Department
OP	Operational Policy
OPN	Operational Policy Note
QAG	Quality Assurance Group
SA	South Asia Region

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Office of the Director-General  
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**MEMORANDUM TO THE EXECUTIVE DIRECTORS AND THE PRESIDENT**

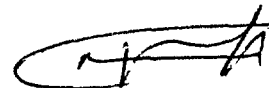
**SUBJECT: An OED Review of World Bank Experience  
Cultural Properties in Policy and Practice**

This review of World Bank-supported work in cultural heritage was initiated by the Bank's Board in April 1999 following a discussion of "Culture and Sustainable Development: Premises and Work Plan" (now known as *Culture and Sustainable Development: Framework for Action*). The Board discussion identified a need for the Operations Evaluation Department (OED) to assess Bank work in the field to bring the lessons of experience to bear on the revision of Operational Policy Note 11.03. This study answers that need, and the revised policy is now undergoing a period of consultation. The current study is one in a series of OED evaluations that examine the implementation of the Bank's "safeguard" policies.

The Bank has a long and extensive history of dealing with the preservation of physical cultural heritage, reaching back to its role in the reconstruction of postwar Europe. Its approach to cultural heritage has evolved considerably since that time, in response to the institution's increasingly comprehensive development work. While borrowers bear primary responsibility for protecting their cultural assets, they often lack the capacity and sometimes even the desire to do so. The OED study identified 217 Bank loans, credits, and grants since the 1970s that included intended or unintended cultural heritage activities.

The study finds that OPN 11.03, is relatively clear in its presentation of the Bank's "do no harm" objective, but less so in its articulation of the "do good" aspects of the Bank's approach. The study recommends that conversion of the Note to OP/BP 4.11 be expedited and notes that the Bank's approach to doing good requires practical guidance on how to respond to requests for assistance from country clients. It strongly suggests that the Bank should base its decisions to become involved in cultural property activities on clearly defined criteria at the regional and country levels that are directly linked to the Bank's overarching goal of poverty reduction, and document these links. Adequate funding, institutional capacity, and time are also needed for Bank Country Directors to ensure safeguard compliance and responsiveness to high-priority country demands.

Attachment



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## Preface

This review of World Bank–supported work in cultural heritage was initiated by the Bank’s Board in April 1999 following a discussion of “Culture and Sustainable Development: Premises and Work Plan” (now known as *Culture and Sustainable Development: Framework for Action*). The Board discussion identified a need for the Operations Evaluation Department (OED) to assess Bank work in the field to bring the lessons of experience to bear on the revision of Operational Policy Note 11.03. This study answers that need, and the revised policy is now undergoing a period of consultation preliminary to a final Board review in the Fall of 2001.

This study is one in a series of OED evaluations that examine the implementation of the Bank’s “safeguard” policies. Previous studies have reviewed experience with Operational Policy 4.01, *Environment Assessment* (“OED Review of the Bank’s Performance on the Environment,” Washington, D.C., World Bank, February 5, 2001); OP 4.36, *Forestry* (U. Lele, et al., *The World Bank Forest Strategy: Striking the Right Balance*, Washington, D.C., World Bank, 2000); Operational Directive 4.30, *Involuntary Resettlement* (“Recent Experience with Involuntary Resettlement: Overview,” Report No. 17538, Washington, D.C. World Bank, June 2, 1998), and OP 4.37, *Safety of Dams* (“The World Bank’s Experience with Large Dams: A Preliminary Review of Impacts” (2 Vols.), Report No. 15815, Washington, D.C., August 15, 1996). A review of OD 4.20, *Indigenous Peoples*, is planned.

The study team was led by Ronald Parker (Task Manager) and consisted of Jennifer Schwartz (Consultant), Kristin Little (Consultant), and June Taboroff (Consultant). Anna Amato (Consultant) provided research support, and Helen Phillip provided administrative support. This report was prepared by Ronald Parker, William Hurlbut (Writer/Editor), and the study team. The report was subject to internal OED review by Osvaldo Feinstein, Roy Gilbert, John Johnston, and Reuben Lamdany.

The study benefited from the advice of an Advisory Committee of distinguished experts: Mary B. Anderson, President of the Collaborative for Development Action, Inc.; Jo Rowena Dalisay Garcia, Manager of the Environmental Planning and Control Department at the Philippine National Oil Company, Energy Development Corporation; Silvio Mendes Zancheti, former Director of the Center for Integrated Territorial and Urban Conservation of the Federal University of Pernambuco and co-coordinator of the Integrated Territorial and Urban Conservation Program Brazil Program; and Georges Zouain, Director at the Culture Sector of UNESCO, former Deputy-Director of the World Heritage Center. The Advisory Committee commented on the study design, reviewed interim findings from the various research components, and commented on drafts of the final report. Their comments on the final report are appended.

Many Bank staff contributed valuable comments on drafts of this report. The study team particularly thanks Sabina Alkire, Peter Dewees, Kreszentia Duer, Katrinka Ebbe, Arlene Fleming, Rajagopal Iyer, Steen Jorgensen, Jubran Kanaan, Stephen Lintner, Alexandre Marc, Geoffrey Read, and Daniel Ritchie.

OED gratefully acknowledges the contributions of all those who assisted the study and the preparation of this report. We are particularly grateful to the task managers and country directors who participated in the survey exercise. We also thank the many people who assisted in the field work conducted for the study in Argentina, Benin, Brazil, Colombia, Georgia, Indonesia, Jordan, Mali, and West Bank-Gaza.



## Summary

1. This study is a first effort by OED to examine cultural heritage in the work of the World Bank. The purpose of the study is to identify the Bank's past work with physical cultural property and assess its effectiveness. The study addresses three overarching questions: What has the Bank done? How well did it do it? And what lessons should be learned from the experience gained?
2. The governing document for the Bank's work, Operational Policy Note 11.03, "Managing Cultural Property in World Bank-Financed Projects" (September 1986), is relatively clear on the "do no harm" (safeguard) objective regarding cultural properties: "to assist in their preservation and to seek to avoid their elimination." It is also connected to OP 4.01 (Environmental Assessment) and good practice is documented in the Environmental Assessment Sourcebook, particularly in Update No. 8 "Cultural Heritage in Environmental Assessment" (September 1994). The OPN is much less clear in its "do good" aspects and the Bank's current approach to doing good is articulated in *Culture and Sustainable Development: A Framework for Action* (World Bank 1999), which suggests mainstreaming culture in the Bank's work but does not offer a clear strategic approach. The ambiguous approach to cultural heritage has led to high variability in Bank-financed work.
3. This study examines Bank practice with respect to both "do no harm" and "do good." It consists of a synthesis of the relevant literature inside and outside the Bank on cultural heritage and conservation, a review of the Bank's portfolio that included development of a database of Bank activities in cultural heritage, and surveys of Bank and borrower staff to evaluate cultural heritage activities and elicit opinions on the Bank's strengths and weaknesses in the field. The study conducted fieldwork in Argentina, Benin, Brazil, Colombia, Georgia, Indonesia, Jordan, Mali, and West Bank-Gaza to gain first-hand insights into the implementation of activities supported by Bank loans, credits, and grants.

### Borrower Responsibility and the Role of the Bank

4. As OPN 11.03 and other Bank documents make clear, the borrower bears primary responsibility for management of cultural assets. Pursuant to the requirements of OP 4.01 (Environmental Assessment), the borrower addresses cultural assets issues through the environmental assessment carried out for a given project. One-hundred sixty of the Bank's member countries, by ratifying the World Heritage Convention, have committed to protecting World Heritage Sites and to observe conservation principles in their national legislation. Most of the Bank's borrowers today have laws and regulations protecting their cultural heritage. Many also have laws that require contractors to stop construction and perform surveys and mitigation in case of chance finds.

### Findings<sup>1</sup>

5. ***The desirability of "doing good" is not always self-evident to borrowers, many of whom have not recognized the potential value of cultural resources to socioeconomic development.*** While

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1. Management would like to emphasize that this report draws on a database of cultural heritage activities (small grants, project components, and projects) that comprises a subset of Bank culture work, on survey responses from 30 task managers of 85 of the 187 activities (several not actually projects), and survey results from some country directors. The potential bias from these respondents is not discussed. Another methodological concern is described in footnote 40. Additionally, some sections include opinions that do not stem from the data reported and whose empirical basis is unclear. Therefore, in Management's view, these findings should be interpreted with caution. Paragraph 7.15 of this report notes that the data and analysis presented here "should not be the last word on the Bank's strengths and weaknesses with regard to physical cultural property." [OED clarifies: 30 task managers rated their own 116 activities; OED rated the remaining 71 activities based largely on field visits. Gathering opinion survey data from knowledgeable observers is a standard evaluation tool. Details on OED's methodology and evaluation instruments are provided in Annex A.]

responsibilities and commitments for doing no harm are relatively clear to borrowers, the desirability of doing good is not always self-evident to them. In recent years some borrowers, notably Georgia and Albania, have expressed a desire to have Bank assistance to conserve their cultural heritage. These borrowers and others have recognized the value of cultural heritage conservation to economic development, not only through attracting tourists, but also to attract business, investment, create innovative milieus, and improve social networks and “social capital.” Their concern with doing good—that is, conserving and enhancing their own cultural heritage—is reflected in many initiatives. Other borrowers, however, have yet to come to such a realization or have more pressing priorities that leave cultural heritage outside their development plans.

6. ***There are capacity problems in national institutions charged with responsibility for managing cultural resources.*** While the legal authority and responsibility for managing cultural heritage resources rests with various levels of government, the capacity for doing so is not always available. At the policy and strategy level, capacity needs for national cultural institutions include forming or revising legal and regulatory structures; evaluation of cultural resources; analysis of conservation requirements; priority setting; coordination with line ministries; and public information and education policies.

7. ***The Bank has a long history and extensive experience in both doing no harm and doing good in cultural heritage.*** Cultural heritage in Bank interventions dates back to its reconstruction financing role in postwar Europe. The Bank’s approach to cultural heritage has evolved considerably since then in response to the Bank’s increasingly comprehensive approach to development as reflected in environmental assessment, social assessment, and community-based activities. Despite the length of its experience, however, information about the implementation of completed cultural heritage projects is not readily obtainable. The study identified 217 Bank loans, credits, and grants since the 1970s that included cultural heritage activities. The number of Bank-supported cultural heritage activities has been increasing: from an average of about one cultural heritage activity every six months in the 1970s to more than one a month in calendar 2000.

8. ***The outcome of Bank activities involving physical cultural heritage has been satisfactory, but sustainability and institutional development impact need improvement.*** In a self-evaluation exercise carried out by task managers under this study, 82 percent of the cultural heritage activities (none of them stand-alone projects) were rated satisfactory on outcome. This figure compares favorably with a Bank-wide average for the period 1980–2000 of 69 percent satisfactory. Nonetheless, the relevance of cultural heritage to Bank country strategies is most often limited to its potential for attracting tourists which, while it may offer excellent short-term economic growth potential, is neither the best nor only value of cultural heritage. Efficacy problems were related to shortcomings in implementation and supervision. While cultural heritage activities have usually been designed with the benefit of local, national, or international cultural heritage expertise, weaknesses in the institutions responsible sometimes hindered implementation and Bank supervision does not always draw on cultural heritage expertise when it would have been useful.

9. The sustainability and institutional development impact of its activities (as rated by task managers), although on a par with Bank-wide averages, are in need of improvement (58 percent likely sustainability and 32 percent substantial institutional development for culture, compared with 57 percent and 32 percent Bank-wide for 1980–2000). The surveys and portfolio analysis done for this study found that sustainability was judged most likely where there was economic exploitation of a cultural asset or a poverty reduction impact (presumed or demonstrated, though rarely documented). The study fieldwork found that when cultural assets generated significant funds they were often used elsewhere. The study fieldwork found that ministries and other national institutions with cultural heritage responsibilities are often weak, under-funded, and understaffed. Effective development of these national institutions is a long, slow process.

10. ***The Bank has not always ensured that the projects it financed did not harm cultural property.*** A variety of sources suggest that, historically, the Bank's record on addressing cultural property been mixed, although it has improved steadily since the advent of the Bank's safeguard policy. In part, any shortcomings have been due to the shortage of resources to ensure full integration of cultural heritage in the Bank's EA process and throughout the project cycle. The Bank's guidance on good practice in addressing cultural heritage issues in environmental assessment seems to be applied inconsistently. Issues identified by study fieldwork ranged from a lack of satisfactory reconnaissance surveys before work was done, the use of inappropriate modern materials in historic areas, and major construction in protected zones. Fragmentation of responsibility, the consequence of the cross-sectoral nature of cultural heritage concerns, contributes to weak implementation. The study fieldwork found that local institutions responsible for emergency salvage, archiving, and collections are usually left to their own devices and are often the weak link. The study also found that when project documents note that a relevant agency will do something with a recovered asset, verification is often not done.
11. ***When it comes to doing good, the Bank has never articulated a corporate strategy for cultural heritage that bases the Bank's activities on a careful assessment of both demand for Bank assistance in cultural heritage and on the Bank's comparative advantage relative to other donors and institutions.*** Prioritizing Bank support for cultural heritage is the job of a strategy. The current approach articulated in *Cultural Heritage and Sustainable Development: A Framework for Action* does not accomplish this. Although ESSD has made various commitments to prepare a strategy paper for culture (including in the *Framework for Action*), the recent "Strategic Directions" paper reserves such exercises for corporate priorities and international development goals. As culture is not considered a corporate or a global priority, it is therefore unlikely that the Bank will be equipped to perform an active advocacy role. Nor is it clear that such a role is appropriate. Hence, the study concludes that the Bank must base its decisions in response to demand on clearly defined criteria at the regional and country level which are clearly linked to accepted Bank priorities (that is, with explicit linkages to poverty reduction).
12. ***The Bank has gained experience with good practices in both doing no harm and doing good.*** In terms of doing no harm the Bank has had experience with support for the identification and inventorying of cultural heritage sites, the sequencing of activities to achieve optimal conservation, ways to ensure protection not only of cultural properties but also of the communities that depend on them, and the need to follow up when attempting to strengthen existing institutions. In terms of doing good, the Bank has had experience with assisting governments in their planning efforts and with preparing site management plans. It has also had some valuable positive experiences with partnerships and with innovative approaches to participation. In institutional development Bank activities have explored some successful methods of capacity building.
13. ***The Bank's portfolio has been evolving toward areas in which past performance is weak.***<sup>2</sup> The study found that country directors and task managers were generally in agreement on the areas of Bank advantage in cultural heritage. Furthermore, they generally preferred approaches that correlated strongly with the Bank's past performance. On the other hand, the current trend in the portfolio has until recently been headed in a direction that favors approaches that have performed less well in the past and that are not preferred by country directors or task managers. Activities growing out of the efforts to mainstream culture should be evaluated when a sufficient number of projects has an implementation record that can be analyzed more completely.

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2. Management questions the empirical basis for this conclusion. Please see footnote 40.

14. ***Resources for cultural heritage activities are in short supply.*** Country directors surveyed by this study described the in-country environment for work with cultural property in grim terms. Money, institutional capacity, and time are short for this complex and time-intensive endeavor. This finding is important because the failure to ensure positive outcomes from encounters with cultural property has two consequences. First, it risks destroying cultural heritage and, second, it misses opportunities for increasing rates of return on investments. Adequate central capacity should be made available to country directors so that compliance with safeguard policies and responsiveness to high priority country demands are ensured.

15. ***The Bank has valuable partnership experience in cultural heritage.*** There is a large and well-developed community of practice in cultural heritage that includes international organizations, large and small NGOs, faith-based institutions, foundations, and scholarly institutions. The Bank cannot do everything and needs to base its selectivity on supporting the activities of potential partners in places where they truly need the Bank's financing, knowledge, policy support, and convening ability. The Bank has rarely supported cultural heritage activities without the involvement of relevant international, national, or local expert agencies. The study database identified 83 partners in the various cultural heritage activities of the Bank. Analysis of project files and fieldwork found that partnerships in support of country cultural programs flourish when the Bank and client country have a well specified and agreed policy framework "owned" by the borrowing country; when sector professionals take the time to clarify the Bank's core competencies and comparative advantage vis-à-vis partners; and when businesslike alliances that share responsibilities and benefits are established.

16. ***The state of knowledge about cultural heritage in the Bank and its borrowers is not strong, but it is improving.*** The study finds that the Bank and its borrowers need to be more in touch with existing standards in the conservation field. Information about the history, cultural assets, and legislative/institutional framework of a country need to be collected systematically, preferably by the borrower but perhaps with Bank support, and local project area data need to be made available to project managers. While ESSD is providing advisory services to help Bank staff address the gaps in their own knowledge, results of the staff surveys suggest that much more is needed.

17. ***The poverty reduction effects of cultural property activities have not been adequately documented.*** If the Bank is to fulfill its mission and contribute to meeting the international development goal of reducing extreme poverty by half by 2015, it will need to weigh the importance of culture to achieving that goal. The difficulty is that the links between poverty reduction and cultural heritage goals are still poorly known. Important research is taking place now, but judging by the project files, the Bank has done poorly at documenting whatever poverty reduction impacts its activities may have had.

## **Recommendations**

- ***The Bank should focus more systematically on safeguarding cultural properties.***
  - Expedite the conversion of OPN 11.03 to OP/BP 4.11.
  - Until there is an approved OP, preventing collateral cultural property impacts from mainstream development interventions requires greater efforts.
  - Projects that involve cultural properties need to be adequately prepared and supervised. Work at highly fragile and important sites should be planned and supervised by technically proficient personnel. Often the best way to do this may be through partnerships. However, the Bank must also ensure that it provides sufficient resources to fully mainstream cultural property concerns.

- Increase training and knowledge dissemination efforts. Many task managers are not aware of the geographic and sectoral warning signs that a project is doing things or working in places that puts cultural heritage at risk, and that steps need to be taken accordingly.
- ***The poverty-reduction effects of cultural resource activities need to be documented.***
  - Consistently monitor and evaluate the poverty-reduction achievements of Bank cultural resource activities.
  - Disseminate information on the linkages between income improvements, increasing security, empowerment gains, and cultural heritage.
- ***The Bank needs to define more clearly its approach to the do good aspects of cultural heritage.***
  - Even though culture is neither a corporate priority nor a global priority under the Bank's Strategic Directions Framework, a corporate decision is needed as to whether the Bank should at all entertain country requests for assistance in this area.
  - If it should, there is a need for more practical guidance on how to respond to such requests, such as best practice handbook/s and a set of criteria emphasizing the economic and poverty impacts of cultural interventions—the latter should be grounded on the lessons of experience and on additional research to be carried out by the Bank on the extent and nature of linkages between culture and poverty reduction.
  - More broadly, future sector and thematic strategies should address issues related to mainstreaming culture as appropriate and relevant.





## 1. Integration of Cultural Heritage Into the World Bank's Work

1.1 This study, undertaken at the request of the Board, is the first effort OED has made to examine cultural heritage in the work of the World Bank. The purpose of the study is to identify the Bank's work with physical cultural property and assess its effectiveness. The study focuses on experience in implementing Operational Policy Note (OPN) 11.03 on Cultural Property, one of the Bank's "safeguard" policies,<sup>1</sup> to learn lessons applicable to an improved operational policy and to future Bank work. To facilitate this process, OED has consulted with the relevant staff of the Environmentally and Socially Sustainable Development (ESSD) Network throughout the study.

1.2 The study focuses on the Bank's work with physical cultural property, or fixed assets (see Box 1), for two reasons. First, Bank lending historically has been heavily concentrated on sectors that may have an impact on cultural properties.<sup>2</sup> Second, the study is obligated to examine the implementation of OPN 11.03, in effect since 1986, which is limited to physical property. Where appropriate, the study has looked at how intangible cultural heritage was protected or enhanced by project activities that focused on physical cultural properties.

### Why Is Cultural Heritage Important?

1.3 Cultural sites are part of every country's heritage, and World Bank support for its borrowers' history and culture, when done properly, can facilitate development. Concern for the conservation<sup>3</sup> of cultural properties is growing among the Bank's borrower nations. In recent years some Bank borrowers, notably Georgia and Albania, have expressed a strong desire for assistance with efforts to conserve their cultural heritage. Since 1990, the number of member states in the International Center for the Study of Preservation and Restoration of Physical Culture (ICCROM) has increased 28 percent, adding 8 member states in Africa, 9 in Eastern and Central Europe, 2 in Asia, and 2 in Latin America.<sup>4</sup> Another indication of this growing concern is the growth in the properties inscribed on the World Heritage List. Of the 690 properties that UNESCO's World Heritage Committee has inscribed on the list, 370 were added in the past 10 years (1990–2000). About 55 percent of these were in World Bank borrower countries.<sup>5</sup> The trend is accelerating: 15 new sites were listed in 1990, 29 in 1995, and 61 in 2000. UNESCO has come to see this awakening of interest as a problem, as too large a number of World Heritage Sites could tax its monitoring abilities and budget. Various plans to moderate the number of new sites, and/or to place a limit on their number are under consideration.<sup>6</sup>

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1. The 10 safeguard policies are Environmental Assessment (OP 4.01), Natural Habitats (OP 4.04), Pest Management (OP 4.09), Forestry (OP 4.36), Safety of Dams (OP 4.37), Cultural Property (OPN 11.03), Indigenous Peoples (OD 4.20), Involuntary Resettlement (OD 4.30), Projects in International Waterways (OP 7.50), and Projects in Disputed Areas (OP 7.60).

2. As listed in "Cultural Heritage in Environmental Assessment" (World Bank 1994, available on the Internet [http://wbln0018.worldbank.org/essd/kb.nsf/0cc8fad001b9371985256673005c8e17/7832e0f340c39621852566740074ea37/\\$FILE/no8.pdf](http://wbln0018.worldbank.org/essd/kb.nsf/0cc8fad001b9371985256673005c8e17/7832e0f340c39621852566740074ea37/$FILE/no8.pdf)), these are energy, communications, transport, water, sewerage and sanitation, urban development, industry and mining, agriculture, and forestry.

3. Definitions of the terms conservation, preservation, restoration, reconstruction, adaptation, and maintenance are contained in World Bank 1994 (see footnote 2).

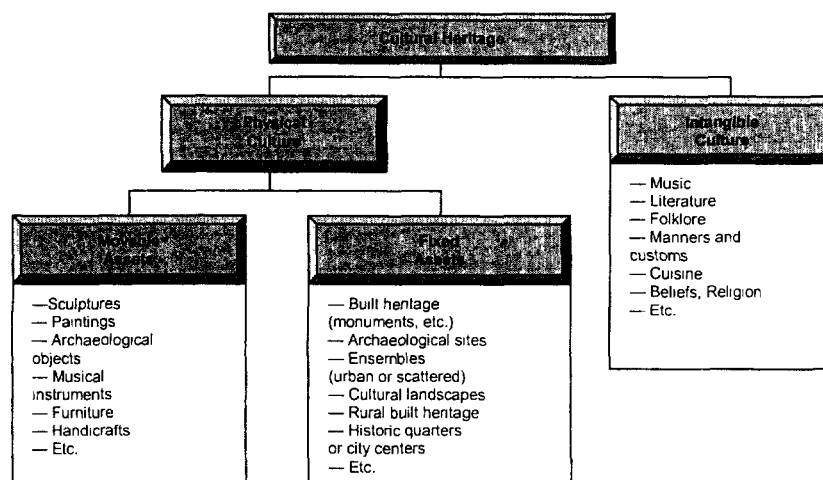
4. ICCROM Internet site, <http://www.iccrom.org/eng/today/memste.htm>, February 27, 2001.

5. This includes natural landscapes. With landscapes omitted, the figure would be 51 percent.

6. According to World Heritage Center Director Francesco Banderin, in his address to Bank staff on March 6, 2001.

### Box 1. What Is Cultural Heritage?

Cultural heritage is conceptualized by UNESCO in both material and non-material terms, as shown below.



According to UNESCO, *physical culture* includes monuments, structures, works of art, or sites of “outstanding universal value” from the historical, aesthetic, scientific, ethnological, or anthropological point of view.<sup>a</sup> Within this broader definition, *cultural property* (fixed assets in the chart) is defined as sites and structures having archaeological, paleontological, historical, architectural, or religious significance, and natural sites with cultural values. This definition is used in OPN 11.03 and in the Bank’s Environmental Assessment Sourcebook (World Bank 1994),<sup>b</sup> the main source of operational guidance on cultural heritage in Bank projects, and the World Commission on Culture and Development subscribes to this definition. The World Heritage Convention<sup>c</sup> (administered by UNESCO) recognizes both built and natural sites as parts of the common heritage of humanity. This report uses the term “cultural heritage” to refer to both material and non-material culture and the term “cultural property” to refer to material fixed assets, as the UNESCO Convention does.

a. UNESCO, International Convention for the Protection of the World Cultural and Natural Heritage, Section I. “Definition of the Cultural and Natural Heritage,” Article 1.

b. Although in both “cultural heritage” refers only to physical culture. The Bank’s Cultural Assets for Poverty Reduction program uses “culture” to refer to intangible culture.

c. Adopted by the General Conference of the United Nations Educational, Scientific and Cultural Organization (UNESCO) meeting in Paris from 17 October to 21 November 1972, at its 17th session (more than 150 signatory countries have adhered to the Convention).

1.4 The importance of cultural property to World Bank activities is reflected in its lending. The portfolio analysis conducted for this study found that among the projects and activities that involved cultural heritage that could be identified in the period 1972–2000, 85 percent specifically involved physical property.<sup>7</sup> This is a byproduct of the Bank’s traditional focus on infrastructure sectors that are likely to impact on cultural properties. Looking even farther into the past, the Bank’s early work in the reconstruction of war-torn Europe involved vast efforts to reconstruct and preserve cultural properties. But the Bank’s borrowers and mission have changed considerably since then. With the current refocusing of the Bank’s efforts on poverty alleviation, the role of the Bank in cultural heritage has also altered (as discussed in the next section). Specifically, under the auspices of the Bank’s Cultural Assets for Poverty Reduction program, the relationship between cultural heritage and poverty alleviation is the subject of ongoing research.<sup>8</sup> The

7. Of the rest, which worked exclusively with non-physical cultural heritage, 60 percent are recently approved grants.

8. Culture and Poverty Overview, <http://www.worldbank.org/poverty/culture/overview/index.htm>, May 7, 2001.

Bank, however, has only rarely used cultural heritage as a tool to reduce poverty. While this study found several cases where Bank-supported cultural heritage projects and components had effects on poverty, this aspect of cultural heritage could not be systematically analyzed due lack of data.

1.5 With growing awareness that its work inevitably has an impact on cultural heritage, the Bank has gradually moved not only to protecting cultural properties but also to ensuring that its participation in the development of borrowers' cultural properties has unambiguously beneficial effects. The forces that have led to this shift are many and originate both inside and outside the Bank. While other multilateral development banks have done innovative work with cultural heritage when the opportunity has presented itself, it is the accountability standards embedded in OPN 11.03, as well as related safeguard policies and procedures and practices, that have put the Bank in a leadership position in the development community in terms of protecting fragile cultural resources.

### **Bank Policy**

1.6 The World Bank's operational policies pertaining to cultural property are stated in Operational Policy Note 11.03 (*Managing Cultural Property in World Bank-Financed Projects*, September 1986).<sup>9</sup> Several draft Operational Policies (OP) to replace the OPN were prepared over the years, but none was approved because of differences of opinion between staff. The most intractable problem with the various drafts was whether movable and intangible cultural heritage also should be covered, and, if so, how compliance would be ascertained. A more recent conversion from OPN to OP (which avoids these contentious issues) is now being reviewed by expert institutions, and Bank management expects to submit a new OP to the Bank's Board of Directors by Fall of 2001. Early drafts of this OP have been reviewed by the Board's Committee on Development Effectiveness and commented on by OED.

1.7 The OPN is linked to the processes associated with OP 4.01 (Environmental Assessment). OD 4.20 on Indigenous Peoples also is highly relevant to work with cultural groups and is currently undergoing revision. OED has completed an evaluation of the implementation of OP 4.01 on Environmental Assessment (OED 2000) and is planning an evaluation of the implementation of the Indigenous Peoples policy (OD 4.20). These policies are not extensively discussed in this report.

1.8 OPN 11.03 is relatively clear on the Bank's "do no harm" (safeguard) responsibilities regarding cultural properties. It notes specifically that "the World Bank's general policy regarding cultural properties is to *assist in their preservation and to seek to avoid their elimination* [italics added]." Its "do no harm" approach to cultural assets (seeking to avoid elimination) includes the injunction that the Bank "normally" declines to finance projects that will significantly damage non-replaceable cultural property. It also specifies that the policy pertains to any project in which the Bank is involved, regardless of whether the Bank finances a component that affects cultural property. Unique among the Bank's safeguards, OPN 11.03 also spells out the conditions for deviating from the policy requirements, allowing such only "where expected project benefits are great, and the loss of or damage to cultural property is judged by competent authorities to be unavoidable, minor, or otherwise acceptable." Finally, when cultural properties are encountered during implementation, it provides that the Bank will assist in their protection and enhancement.

1.9 In contrast to its defined do no harm provisions, OPN 11.03 is quite open-textured in its "do good" aspects. The OPN makes two vague do good statements: that the Bank will assist in enhancing cultural property encountered in its projects, and that "most" projects involving cultural property should include training and the strengthening of institutions entrusted with safeguarding a nation's cultural

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9. Available on the Internet at <http://wbIn0018.worldbank.org/institutional/manuals/opmanual.nsf>.

patrimony. Depending upon the nature of the cultural asset, assisting in its preservation (a do no harm activity) can sometimes result in significant enhancement: If materials are unstable or a site is dangerously exposed to destructive forces, improvements in those conditions would presumably be part of the Bank response.

1.10 The Environmental Assessment (EA) policy and its associated Bank Procedures (BP) documentation require the borrower to address cultural property issues and cultural groups as part of the project assessment process, but does not clearly articulate the Bank's responsibilities once a screening category has been assigned. Those responsibilities, though they are not binding requirements, are guided by the Environment Department's EA Sourcebook and various updates, particularly "Cultural Heritage in Environmental Assessment" (World Bank 1994). These documents make clear that international and national law govern the handling of cultural heritage resources in borrower countries. The Bank's responsibilities in that context consist of environmental screening, the inclusion of relevant expertise during appraisal, and monitoring of project impacts during implementation. The measures described in the guidance documents are intended to assist projects to avoid, minimize, salvage, or mitigate adverse impacts (including, if necessary, relocating projects or adjusting project design).

### **The Study**

1.11 Before this study, the precise extent of Bank work with culture was unknown in the institution. For this reason, the study addressed three overarching research questions: What has the Bank done? How well did it do it? And what lessons should be learned from the experience gained? To answer these questions, the study prioritized portfolio identification and systematization at the outset. Given that both do no harm and do good aspects are covered in OPN 11.03, the study examined both. Ascertaining the extent to which the Bank has addressed do no harm aspects (and comparing before policy and after policy results) was attempted but abandoned because relevant data were unavailable for the vast majority of projects. Do good activities were easier to identify in the portfolio and, consequently, they received more attention.

1.12 The study consisted of four main components: a review of the relevant literature inside and outside the Bank on cultural heritage and conservation, a review of the Bank's portfolio that included development of a database of Bank activities in cultural heritage, and surveys of Bank and borrower staff to elicit stakeholders' opinions and experiences with cultural heritage activities. The study also conducted analyses of experience based on desk studies and fieldwork at the regional, country, and project levels. Fieldwork was carried out in Argentina, Benin, Brazil, Colombia, Georgia, Indonesia, Jordan, Mali, and West Bank-Gaza to gain first-hand insights into the implementation of Bank-supported loans, credits, and grants. (Descriptions of these components and details of the methods they used are in Annex A.)

1.13 The study benefited throughout from the advice and oversight provided by an Advisory Committee consisting of Mary B. Anderson, President of the Collaborative for Development Action, Inc.; Jo Rowena Dalisay Garcia, Manager of the Environmental Planning and Control Department at the Philippine National Oil Company, Energy Development Corporation; Silvio Mendes Zancheti, former Director of the Center for Integrated Territorial and Urban Conservation of the Federal University of Pernambuco and co-coordinator of the Integrated Territorial and Urban Conservation Program Brazil Program; and Georges Zouain, Director at the Culture Sector of UNESCO, former Deputy-Director of the World Heritage Center. The Advisory Committee commented on the study design, reviewed interim findings from the various research components, and commented on drafts of the final study report. Their comments on the final report are appended.

## 2. Support for Cultural Heritage—What Has the Bank Done?

2.1 While many in the Bank see support for cultural heritage as a relatively new initiative, it actually has a long history. The Bank's earliest work, the reconstruction of postwar Europe, financed the restoration of historic buildings and landmarks in many bombed and battered cities. As the Bank turned its attention to developing countries, however, the enormous needs of severely impoverished and malnourished peoples made attention to cultural aspects of development seem trivial by comparison. In addition, understanding of the history of some poor countries was very incomplete and research gaps were many. Inaccessibility of terrain and fragility of materials made archaeological evidence less visible and harder to find. While large, monumental sites are known almost everywhere, even now in parts of Africa, Latin America, and Asia surprisingly little is known about the distribution of small archaeological sites and other physical aspects of heritage.

2.2 Unearthing what the Bank has done in cultural heritage is a challenge because, too often, relevant work has been seen as peripheral to the main project objectives, and therefore is not mentioned in project documents. Considerable investigative work is needed to uncover cultural heritage activities in older Bank-supported projects. What is evident from the research done for this study is that addressing cultural heritage issues has become a routine, though largely undocumented, part of the way the Bank does business.<sup>10</sup> This section summarizes the history of Bank involvement with cultural heritage and then analyzes the "portfolio" of Bank work since the 1970s.<sup>11</sup>

### Evolution and Recent History of the Bank Approach to Cultural Heritage

2.3 Although the Bank once limited its involvement in cultural heritage to a focus on cultural property and "chance finds," its approach has evolved considerably and steadily over time (see Annex B). This evolution has progressed through the association of cultural heritage first with environmental assessment and then with social assessment. A focus on physical culture and chance finds steadily expanded and the Bank's cultural heritage activities now also include intangible culture.

2.4 The recent history of Bank involvement with cultural heritage started in the early 1990s, when the Environment Department began to refine its approach to environmental assessment with the publication of the Environmental Assessment Sourcebook and the update "Cultural Heritage and Environmental Assessment" (World Bank 1994). The cultural heritage update built on experience and aimed at helping Bank task managers and borrowers deal practically with issues involving physical culture. About this time, the Bank also approved its first stand-alone investment specifically for cultural heritage (the IDF grant for cultural heritage in Albania, approved in 1993).

2.5 Within the Bank, attention to social issues rapidly gained ground in the mid-1990s. Bank analysts increasingly used social assessments during project design to improve their understanding of what project beneficiaries value, how they view their environment, and in what way they may want to participate in conserving and using their cultural patrimony. This began to direct the attention given to cultural heritage toward a broader social agenda that embraced intangible culture. A better understanding of what constitutes proper protection of cultural heritage (and its value) was now being informed by increasing concern in such

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10. When compiling the database of projects for the portfolio analysis, lending and grants involving indigenous peoples' rights and support for the preservation of local languages were excluded. Activities in these areas tend to be well documented.

11. The term "portfolio" is applied in this document somewhat more loosely than is customary. It consists mainly of subcomponents and activities that are conducted on a much smaller scale than a project or project component.

areas as the equitable distribution of the benefits of tourism, the importance of social assessment, the need to develop social capital, and the poverty impacts of investments in cultural heritage.

2.6 This period culminated, in 1996, when Bank senior management convened a Social Development Task Force to address the role of social assessment in Bank lending instruments and Country Assistance Strategies.<sup>12</sup> The task force aimed at integrating social analysis into operational work and led to many improvements in this area, mainly resulting in the elevation of the social division from inside the Environment Department to a full and freestanding Social Development Department. The raising of the status of social development within Bank operations signaled an important change in analysis, as culture received more attention through the subsequent increase in social assessment publications.<sup>13</sup> This effectively left responsibility for physical culture with the Environment Department and vested responsibility for intangible culture in the Social Development Department.

2.7 The 1998 launch of the Cultural Heritage in Sustainable Development (renamed Cultural Assets for Poverty Reduction in late 1999) initiative further raised the profile of intangible culture in the Bank. The initiative grew out of the convergence of several forces inside and outside the Bank. One of these was the UNESCO report called *Our Creative Diversity*, that attempts to encapsulate the culture-development dialogue in its “international agenda” as outlined by the World Commission on Culture and Development. The definition of culture put forth in this publication has now been adopted within the Bank: ***Culture comprises the whole complex of distinctive spiritual, intellectual and emotional features that characterize a society or social group. It includes not only the arts and letters, but also modes of life, the fundamental rights of the human being, value systems, traditions, and beliefs.*** This clearly extends well beyond concerns involving physical culture, and the current study does not attempt to evaluate this recent work. For this reason, OED will need to evaluate the Bank’s work on culture once more of the work under the new approach has been completed.

2.8 Since the late 1990s, the Bank has sponsored several conferences (Annex B describes current activities) and produced several publications dedicated to the role of culture in development. Chief among these publications is *Culture and Sustainable Development: A Framework for Action*, a document that describes the Bank’s current approach, which is to “mainstream culture” into Bank operations. It provides useful guidance for staff in cultural heritage and has been given operational form through a variety of activities, but it is neither policy nor a sector strategy and, therefore, cannot be used as a benchmark against which to judge the development effectiveness of Bank work involving cultural heritage.

2.9 Management’s recent efforts at bringing selectivity into the Bank’s work and rationalizing the pipeline of sector strategy work has led to a repositioning of the planned strategic work on culture. The 1999 *Framework for Action* was originally presented as the first step toward the preparation of a comprehensive strategy for culture. Current plans provide for a mere update of this document, including the Management Response to this OED review and the Management Action Record, while the planned strategic work on

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12. Robert Goodland, “Social and Environmental Assessment to Promote Sustainability: An Informal View from the World Bank.” Environment Department papers; paper no. 74. Environmental Management Series. (Washington, D.C.: World Bank, Environment Dept., 2000)

13. Maritta Koch-Weser claims this was the turning point in her “welcome” speech in Ismail Serageldin and Joan Martin Brown, editors, *Culture in Sustainable Development: Investing in Cultural and Natural Endowments* (Proceedings of the Conference on Culture in Sustainable Development held at the World Bank in Washington, D.C., September 28-29, 1998).

culture would be included in a broader sector strategy document on “Social Development” to be finalized in fiscal 2003, and mainstreamed across other Sector Strategy Papers as relevant.<sup>14</sup>

### **Cultural Heritage Lending and Grant Activities**

2.10 Since the 1970s, the Bank has supported a wide range of activities related to cultural heritage, including loans, credits, grants, and a limited amount of analytic work. The activities vary widely in size, from a \$5 million loan to help restore cultural properties in Georgia to a \$172,000 grant given for a cultural inventory in Albania. The largest loan or credit affected by a cultural heritage issue is a \$3 billion mining project in Brazil that encountered an indigenous burial site. The activities are distributed throughout the globe in every region, with no single region dominating, although the South Asia region has notably fewer activities than others, and the Middle East North Africa (MENA) Region accounts for the largest dollar share of the lending.

2.11 To discern the characteristics of this “portfolio,” OED developed a database that is the most comprehensive (though still incomplete) list of Bank activities in cultural heritage compiled to date (Annex A describes the database development process). OED identified 217 Bank loans, credits, and grants (see Annex C<sup>15</sup>) with cultural heritage activities (as of February 2001). A review of available documentation on these projects and grants discovered five types: projects with “do no harm” activities that were not the main objective of the project (51); projects implemented in areas with significant cultural heritage and where activities, if any, were not documented (31); cultural heritage components/subcomponents that are part of larger projects (70); and stand-alone cultural heritage projects (35)<sup>16</sup> and cultural heritage grants (30). Putting a dollar figure on this “portfolio” is extremely difficult; loan and grant amounts specifically targeted to cultural heritage activities could be found for only 63 of the 217 items (29 percent) in the database—a total of about \$316.5 million. The total Bank investment in the 217 database items was about \$9.5 billion for projects with a total cost of \$40.26 billion.<sup>17</sup>

### ***Cultural Heritage as a Primary Objective***

2.12 The study identified 65 loans, credits, or grants<sup>18</sup> that were prepared with cultural heritage as a primary objective, including tourism projects (Table 1), and activities under preparation. Of these, 30 were grants, 9

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14. The Social Development Department commented “a decision has already been made not to undertake a separate strategy on cultural heritage at this time for the following reasons. First, a sector strategy paper needs to reflect a broad consensus in the institution. In the Bank, SSPs [Sector Strategy Papers] normally follow and consolidate practice on the ground: they do not open new space. Hence it is not timely nor is it likely to be effective to proceed with an SSP, with an expectation that this would heighten the credibility of cultural heritage work. Second, even in the area of conservation of physical cultural resources, proactive project support needs to be better integrated into sector strategies, not addressed as a self-standing set of activities. Third, the budget constraints make it impossible to deliver a quality product, and make the climate inhospitable to using an SSP to galvanize an institutional consensus. Hence a decision has been made to proceed with an update to the Board that clarifies progress across the whole front of culture and sustainable development work, embedding consideration of specific culture issues in the Social Development SSP, and the integration of cultural considerations, as relevant and appropriate, into work in various sectors. This latter is a better use of resources for the Bank at this time than preparation of a formal SSP on cultural heritage.”

15. The list in the annex covers 162 projects (approved up to June 2000), the rest are either dropped projects, projects under preparation, or are IFC and MIGA projects whose status was not researched in depth by the study.

16. Tourism projects from before the early 1980s were treated as stand-alone cultural heritage projects because they typically centered on important cultural assets and provided infrastructure for service facilities, but they should not be confused with more recent stand-alone activities.

17. Amount reflects the high cost of mining and hydroelectric projects where the Bank is often a minority participant.

18. The 35 culture projects and 30 culture grants mentioned in the previous paragraph.

were Learning and Innovation Loans (LILs), and 5 were dropped.<sup>19</sup> Of the four ongoing LILs, three are in the Europe and Central Asia (ECA) Region, the other is in Africa; all of the LILs under preparation are in Africa. The largest number of projects was in ECA (20) and the smallest number was in East Asia (3). Borrowers in ECA were more likely to take on loans for cultural heritage, while most of the stand-alone cultural heritage activities in the Latin America and Caribbean (LAC) Region (78 percent) are grants. The 35 projects that constitute the older generation of stand-alone projects, mainly tourism projects, are closed, but none of the newer generation of stand-alone efforts have closed. Some Institutional Development Fund grants for cultural heritage that were approved in the mid-1990s have been completed, but most grants are ongoing.

**Table 1. Regional Distribution of Grants and Loans with Cultural Heritage as a Primary Objective**

Region	Number of Projects*	Grants**		Loans	
		No.	%	No.	%
Africa	17	8	47	9	53
East Asia-Pacific	3	2	67	1	33
Europe-Central Asia	20	9	45	11	55
Latin America-Caribbean	9	7	78	2	22
Middle East-North Africa	12	3	25	9	75
South Asia	4	1	25	3	75
TOTAL	65	30	46	35	54

\* As of June 2000 (includes tourism projects and dropped projects)

\*\* Mostly Development Grant Facility and Institutional Development Fund grants

### *Characteristics and Trends—All Cultural Heritage Activities*

2.13 The number of Bank cultural heritage activities (both projects with cultural heritage as an objective and those with smaller-scale activities, either as components or as chance finds) has been increasing over time (Table 2). Although the number of stand-alone cultural heritage projects has varied widely by decade, the number of components and chance finds has increased. The total number of activities suggests that the Bank has gone from averaging about one cultural heritage activity every six months in the 1970s to more than one a month in calendar 2000, including those with unintended consequences on cultural property.

**Table 2. Number of Cultural Heritage Activities (Project Approvals) by Decade**

Decade	Projects	Components/ Other	Total	No. per Year
1970s	9	7	16	1.6
1980s	1	31	32	3.2
1990s	19	63	82	8.2
2000 (through 12/19/00)	5	9	14	14.0
Under preparation (with projected approval dates)	7	17	24	n.a.
Unknown approval dates or dropped*	24	25	49	n.a.
TOTAL	65	152	217	n.a.

Includes all IFC projects, and many grant projects and projects under preparation for which no approval date was available.

N.a. = not applicable

19. The database included dropped projects because it was deemed important to understand the reason they were dropped and what consequences that may have had for the cultural heritage involved.



2.14 The majority of the 217 activities are in ongoing projects (Table 3). This is in part because of the accelerating trend noted previously and the relative ease of finding information about ongoing projects from knowledgeable staff members who are still at the Bank. The data also likely reflect the increased awareness of culture among task managers since the adoption of the Cultural Property OPN in 1986 and EA requirement in 1989.

**Table 3. Status of Projects with Cultural Heritage Activities**

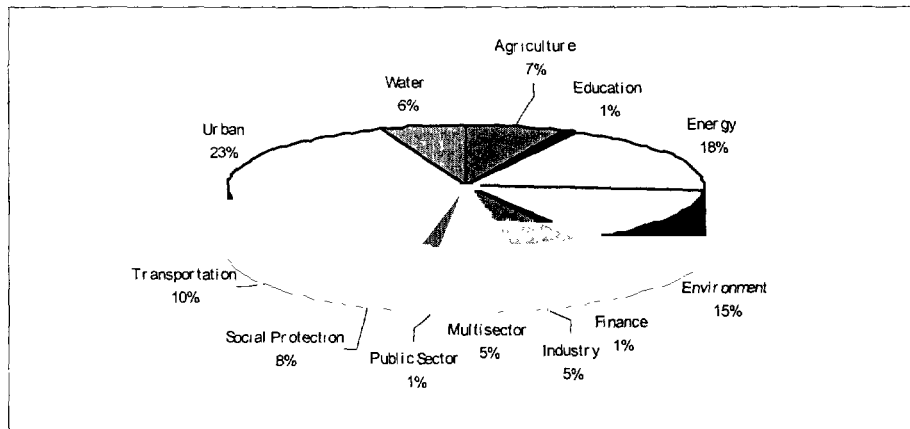
<i>Status</i>	<i>Projects (no.)</i>	<i>Components/ Other (no.)</i>	<i>Total (no.)</i>
Completed	15	48	63
Ongoing	30	66	96
Under preparation	13	17	30
Recently Identified/ Status Unknown*	1	18	19
Dropped	6	3	9
<b>TOTAL</b>	<b>65</b>	<b>152</b>	<b>217</b>

Updated 3/13/00

\* Most are IFC and MIGA projects listed in the study database but not investigated by the study.

2.15 Analysis of the IDA/IBRD cultural heritage project activities by sector shows that urban, energy, and environment sectors accounted for more than half the total (Figure 1). The environment sector includes 10 Global Environment Facility projects, some of which the Bank has cofinanced, others of which the Bank is only administering.

**Figure 1. Cultural Heritage Project Activities Are Found in Many Sectors**



Note: Includes all projects (1972–2000) with a Bank-designated sector that is not cultural heritage.

### Cultural Heritage Non-Lending Activities

2.16 Identifying non-lending activities was even more difficult than identifying lending activities; the study found only 26 examples of economic and sector work (ESW) in cultural heritage since the 1970s (Annex C lists this work). Seven of these were sections of National Environmental Action Plans (NEAPs). Although these NEAPs included investigations of the country's cultural endowments, the Bank was not consistent in this; in all other countries' NEAPs (85 of them) cultural aspects were not highlighted. Two examples of ESW were regional sector strategy papers (one in the Europe and Central Asia Region, the other in the East Asia Pacific Region). At the country level, a set of background studies have been done on

cultural heritage conservation issues in India. Of 108 Country Assistance Strategies reviewed, only 16 mention cultural heritage, usually where it provides a large economic return.<sup>20</sup> Tourism studies have been done for two countries (Costa Rica and Guatemala). MIGA has tourism studies ongoing in Tanzania and Mozambique, and has completed several others during the past 10 years. There have been five urban and planning-related studies. The Global Environment Facility and the Environment Department prepared a series of four regional studies on cultural heritage in areas of high biodiversity. Clearly the non-lending portfolio in cultural heritage is neither large nor comprehensive.

### **3. Performance in Cultural Heritage—How Well Has the Bank Done?**

3.1 Evaluating the performance of the Bank's cultural heritage activities and their development effectiveness is hindered by a lack of information about implementation experience. As noted in the preceding section, apart from the older tourism projects, no stand-alone projects have been completed, so their outcomes are unknown, though they seem to be making satisfactory progress based on the Quality Assurance Group (QAG) ratings and Project Supervision Report ratings reported below. More typically, cultural heritage activities are small and, therefore, documentation of the experience is usually poor. To fill this gap in the knowledge about Bank performance, this study gathered self-evaluations of task managers and evaluations based on fieldwork.<sup>21</sup> The results suggest that the performance in cultural heritage is better than the Bank average.

3.2 Information about the Bank's cultural heritage activities is not always easy to obtain, although the situation has improved with regard to projects approved in the past two years. The study team found that even when a project appraisal report outlined the cultural elements of the project—typically a brief description of the heritage component and what was going to be done—the completion report did not mention heritage issues. Such was the case in the Egypt New Land Development project (C1083), whose appraisal report mentioned a heritage preservation subcomponent for the Abu Mena area. Although the subcomponent was subsequently dropped at the government's request, the ICR says nothing of what happened, or of what impact the project had on the area's cultural property. Task managers sometimes reported that a project had cultural heritage elements when none could be found in the project documents, as in the ongoing Lebanon Solid Waste Management project (L3899), making it impossible to judge the experience. Even more frequent is the mention of cultural properties in an Environmental Assessment, and nowhere else. The ongoing Roads Sector Development Project in Ethiopia (C3032) is an exception: it has followed up on cultural property issues and documented progress in the files. Project activities include the construction of roads that pass within three kilometers of Muslim and Christian religious and pilgrimage sites. Potential positive and negative impacts on these places are mentioned in the Environmental Assessment, including the ramifications of the enhancement of public access to these religious places. Supervision Aide Memoires show that effective mechanisms have been established to prevent adverse cultural impacts (including the establishment of an environmental monitoring unit and a requirement for right of way reports, and modification of road alignments).

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20. Based on a desk review of Country Assistance Strategies completed between January 1994 and May 2001. The 16 CASs that refer to cultural heritage, though not necessarily as a strategic priority, are for Azerbaijan, Bhutan, Cambodia, China, Croatia, Dominican Republic, Egypt, Georgia, Jordan, Lao PDR, Lebanon, Macedonia, Mali, Papua New Guinea, Tunisia, Turkey, and Yemen. Not included were references to culture dealing with prevailing societal attitudes or institutional cultures.

21. These evaluations are included in the database described in Annex A.

3.3 In several projects cultural heritage contact was inevitable, given the history of the area or the abundance of cultural artifacts, yet the project documents contain no mention of culture (such as the Istanbul Sewerage project, L2159). Without formal and adequate acknowledgment of its importance to Bank operations, documentation will not always make it clear how cultural heritage issues were followed up during project implementation once they had been identified.

### **Assessing Performance—Documented Ratings**

3.4 The performance of projects that have major cultural heritage components (where ascertainable) is judged to be satisfactory based on OED ratings for completed projects and on QAG and Project Supervision Report ratings for ongoing projects. (Grants, which are not subject to the same evaluation regime as projects, are not included in this analysis.)

3.5 *OED Ratings of Completed Projects.* Because relevant details do not appear in project documents (except for very recent projects) and because of the small size of many cultural heritage activities (relative to the loan amount), the study team did not review OED ratings of all completed projects involving cultural heritage. However, it did review completed tourism projects (Annex E), which had large cultural components, and analyzed their ratings. Of the eight projects reviewed—all completed between the late 1970s and 1990—six (75 percent) had satisfactory outcomes. All of the three projects with sustainability ratings were rated sustainable. All of the three projects with institutional development impact ratings were rated modest (none were rated substantial or negligible).

3.6 *Quality Assurance Group Ratings of Ongoing Projects.* Nine loans for projects involving cultural heritage are ongoing (together with a much larger number of smaller grants, mostly from the Development Grant Facility and Institutional Development Fund, which are not subject to the same evaluation regime). QAG has assessed three of these projects for quality at entry. Only one was recognized as needing to comply with the Bank's safeguard policy on cultural property and it was rated "satisfactory." One project was judged to have taken too long from concept to appraisal and would have benefited from starting with a small pilot project. On average, all aspects of these three projects were found to be "satisfactory"—the concept, objectives, and approach; technical and economic aspects; environmental aspects; poverty and social aspects; financial management aspects; institutional capacity analysis; readiness for implementation; risk assessment and sustainability; and Bank inputs and processes. Of six quality of supervision assessments performed by QAG on current projects involving cultural heritage, four had an overall rating of "satisfactory" and two "highly satisfactory."

3.7 *Project Supervision Report Ratings of Ongoing Projects.* The latest reports for nine ongoing cultural heritage lending projects judged that they were "achieving their development objectives in a satisfactory manner." All six that rated environmental performance rated it "satisfactory." Seven of eight (87.5 percent) rated monitoring and evaluation "satisfactory." On the safeguard compliance rating, only five checked the Cultural Property Safeguard, with three rated "satisfactory" and two rated "highly satisfactory." Six of the projects checked Environmental Assessment Safeguard, with all rated "satisfactory." The summary risk ratings rated four "substantial" and five "modest."

3.8 While these data suggest that the Bank is doing a satisfactory job overall, the experience among task managers, discussed in the next section, suggests a mixed picture.

## Assessing Performance — Experience-Based Ratings

### *Doing No Harm*

3.9 The priority for the Bank in addressing cultural property in the projects it finances should be to assist in its protection. Project documentation was not sufficiently complete to allow this study to perform a desk review of whether this has been the case, but a variety of sources suggest that the record is mixed at best. This situation may be improved by the recent adoption of an Integrated Safeguards Data Sheet, which is designed to ensure that each of the Bank's 10 safeguard policies is explicitly considered during project preparation. The Bank has also made substantial progress in the past year in clarifying the application of safeguard policies; assisting operational staff in interpreting and implementing the policies; introducing mechanisms to identify and address safeguard issues early in the project cycle; better disseminating safeguard policies among Bank staff as well as external stakeholders; and better measurement and monitoring of compliance with safeguard policies.

3.10 A 1999 QAG review found that 3 out of 80 projects were noted to have cultural heritage aspects, although more than half involved infrastructure investments that required excavations.<sup>22</sup> Bank task managers surveyed by this study estimated that only about 64 percent of relevant projects adequately addressed cultural property issues.

3.11 Out of a total of 217 projects in the OED cultural heritage database created for this study, field visits were made to 30 ongoing or completed projects. Direct observation by cultural heritage specialists indicate that 6 of these projects (20 percent) were inadequately screened for cultural property. Observations by OED field research ranged from a lack of satisfactory reconnaissance surveys before work was done, the use of concrete in construction in the historic core of several towns (in one case, an irreversible intervention with concrete in a historic underground cave), major construction in a declared national park zone, and road widening that caused the destruction of ancient cisterns and an aqueduct.<sup>23</sup>

### *Doing Good*

3.12 The open nature of the “do good” aspects of the OPN led Bank staff to experiment broadly with cultural heritage activities. To gain a more detailed picture of the performance of these activities, the portfolio analysis categorized activities according to the approach they took. (The study database provides more detail on what was actually done in each instance, including about 50 sub-categories and the known implementation history; see Annex A for more detail on methods used.) These approaches were then grouped into eight categories, all of which relate primarily to assisting in the conservation of cultural properties—the “do good” aspect of the OPN. Task managers that had actually worked with the different approaches were then asked to evaluate the results of their implementation.

3.13 Only 52 percent (85) of the completed projects in the database were managed by staff who were still employed by the Bank. These task managers were surveyed by this study, and 30 out of the 85 (a 35

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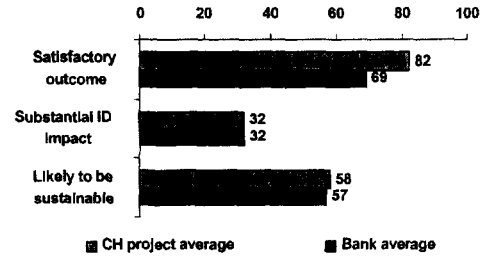
22. *Findings and Recommendations of the Expert Panel on Cultural Resources Management in Bank-Financed Projects*, Draft of March 30, 2000. Also, *Supervision Quality and Safeguard Oversight in Six Projects in China: A QAG Assessment*, August 25, 2000.

23. Management noted that the examples cited as unsatisfactory do not necessarily constitute a violation of policy because some of the projects observed predated the OPN and/or represent failures to achieve best practice standards.

percent response rate) evaluated the cultural activities of their own projects. For 14 projects<sup>24</sup> where task managers did not respond, the study team evaluated the project activities based on field visits or documentation. The remainder (41 projects) proved impossible to evaluate—the study team could not find sufficient information on which to base a rating.<sup>25</sup>

3.14 The self-assessment exercise resulted in a “satisfactory” outcome rating for 82 percent of the 44 project activities evaluated. This compares favorably with the Bank average of 69 percent satisfactory for projects.<sup>26</sup> Figure 2 shows, however, that staff see cultural heritage activities as lacking in sustainability and institutional development impact. But this is not unique to culture activities, the task manager–assigned ratings are nearly identical to the 20-year Bank-wide average for projects. This finding is discussed further in Section 6.

**Figure 2. Cultural Heritage Project Activity Performance versus Bank-wide Project Performance**



**Evaluating Development Effectiveness**

3.15 Although, as mentioned previously, it is difficult to evaluate the Bank’s activities with cultural properties in the usual OED manner, some general points can be made regarding the outcome, sustainability, and institutional development impact of those activities.

**Outcome**

3.16 *Relevance.* OED found that cultural heritage is rarely mentioned in Country Assistance Strategies. As one country director noted: “Given other pressing development priorities, countries are often reluctant to give high priority to cultural activities; constrained budgets (Bank and government) also pose formidable obstacles.” Comments on the study surveys suggest that many of the Bank’s borrowing countries assign a low priority to cultural heritage. The Country Assistance Strategy for Georgia, a country that is known to assign a relatively higher priority to cultural heritage concerns than most, mentions only the ongoing Bank-supported activities and does not put them in a larger strategic context, in part because the country has many other urgent priorities. In other countries where cultural heritage is important, such as Indonesia, Jordan, and West Bank/Gaza, attention to its development potential in the CAS is justified primarily on its usefulness to attracting tourists.<sup>27</sup> While tourism may offer excellent

24. Brazil: Recife Metropolitan Region Dev. Project; Bahia/Salvador Urban Development Project. Croatia: Georgia: Cultural Heritage Project; IDF Grant for Cultural Heritage; GEF Integrated Coastal Management Project. Jordan: Second Tourism Development Project; Third Transport Project; GEF Conservation of Dan’a and Azraq Protected Areas; Tourism Project. Turkey: Igdır-Aksu-Eregli-Ericis Irrigation & Farm Dev. West Bank/Gaza: Cultural Resources Management Project; Bethlehem 2000. National Museum of Brazil IDF Grant (pending) was evaluated as a series of Bank-supported planning workshops and as a project preparation process. Split/Kastela Bay Cultural Heritage Project (dropped) is analyzed for strategic approaches but not rated for outcome, sustainability, or institutional development impact.

25. Project approval dates ranged from 1976–2000.

26. This number is derived from the evaluation of 4,521 projects over the period 1980–2000 (ARPP exit years and approximately the same period as the rated cultural heritage projects).

27. The Regions point out that, notwithstanding the treatment of culture in their CAS, several projects in these countries deal holistically with culture. Staff note that in Georgia, at the time the CAS was written government attention focused primarily on public finance—within the Bank little was known about many sectors, and the Bank’s strategy was very broad, given the tremendous needs in every sector and the total economic collapse that the country had experienced—nothing but the most critically urgent priorities could be addressed.

short-term economic growth potential, however, it often does not optimize the value of a cultural property and can even destroy the property (see Annex E for a detailed discussion of tourism and cultural heritage). Finally, the relevance of the Bank-supported activities in culture to its mission of poverty reduction remains to be demonstrated, though this work is under way.

3.17 *Efficacy.* The efficacy of Bank-financed activities involving cultural properties has been mixed. Judging by the evidence cited above, Bank-financed projects have not always adequately protected cultural property, although it must be noted that many of them preceded the Bank's policy on cultural property. As will be discussed in Section 4, this is in part due to the lack of information about cultural assets in the Bank's borrower countries. Where the Bank has financed purposeful development of cultural properties, it has done somewhat better. As reported in Section 5, the Bank was particularly effective in developing urban properties. In most cases where fieldwork was undertaken, OED found inadequate attention has been given to cultural heritage activities during supervision and implementation. While cultural heritage activities have usually been designed with the benefit of local, national, or international, cultural heritage expertise, weaknesses in the institutions responsible sometimes hindered implementation and Bank supervision does not always draw on cultural heritage expertise when it would have been useful.

3.18 *Efficiency.* There is so little information available on the costs and benefits of the Bank's activities that their efficiency cannot be determined. The lack of attention to cultural issues in the first place obviated any need for monitoring and supervision or estimates of costs and benefits.

### ***Sustainability***

3.19 The sustainability of results from cultural heritage interventions requires that a delicate balance between use and conservation be maintained while providing a stream of benefits. Of course, when the costs and stream of benefits are unknown, so too is sustainability. The surveys and portfolio analysis done for this study, however, found that sustainability was judged most likely where there was economic exploitation of a cultural asset or a poverty reduction impact (presumed or demonstrated, though rarely documented). The study fieldwork found that when cultural assets generated significant funds they were often used elsewhere (see Section 5). Sustainability also had an important social dimension: those assets that received an ongoing use that was "owned" by stakeholders had a far greater likelihood of remaining viable than others preserved in a more top-down manner (discussed in Section 5).

### ***Institutional Development Impact***

3.20 Based on the task manager survey results, the Bank has performed poorly in institutional development. The problem, however, is not the Bank's alone. The study fieldwork found that ministries and other national institutions with cultural heritage responsibilities are often weak, under-funded, and understaffed (see Section 5). Effective development of these national institutions is a long, slow process. It is hardly surprising, therefore, that the most recent initiatives of the Cultural Assets for Poverty Reduction program seek to influence institutional development at a local level, where change is more readily affected.<sup>28</sup>

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28. Management notes that this report quotes various evaluations of institutional impact with contradictory findings—below, on par, and above average—in comparison with the overall Bank portfolio. [OED notes that achieving significant institutional development impact 32% of the time may be on a par with Bank averages (as cited in para. 3.14, but it does not constitute acceptable performance.)]

## 4. What Has the Bank Learned? Lessons of Experience in Doing No Harm

4.1 As noted in the previous section, rating the development effectiveness of the Bank's cultural heritage activities based on the limited available information is impossible. As the main purpose of this study is to inform the Bank's future work in cultural heritage, it is more useful to look at project experience as a means to help define the Bank's potential role in the field. Although this study focuses on the effectiveness of what the Bank has done, it needs to be borne in mind that the borrowers have primary responsibility for many do no harm aspects. The Environmental Assessment (EA) process is a borrower responsibility, and it is this process which is used to identify and mitigate project impacts on cultural resources. This EA scoping phase includes a preliminary physical investigation to inform the drafting of the Terms of Reference for the cultural resources component of the EA—including whether an on-the-ground investigation will be necessary to establish baseline conditions. Of course the borrowers' responsibilities under the EA process (and in the event of chance finds) must be carried out in accordance with relevant national laws and international conventions to which they are a party.

4.2 This section and the one that follows examine, in turn, lessons learned from Bank experience in doing no harm and doing good, based on fieldwork done for this study. The lessons were selected by identifying experiences in Bank-financed activities that had clear implications for project outcome, sustainability, or institutional development impact. The experiences described were verified through field visits to project sites and compared against known best practices from the literature.

4.3 There are two aspects to doing no harm. The first aspect is broadly applicable to any project that disturbs earth and may therefore encounter cultural assets. For such projects the *key issue is asset identification*. The second aspect is to ensure that, in projects that work with cultural assets, the context is fully considered. For such projects the *key issues are sequencing and social protection*.

### Asset Identification

4.4 "Earth moving" projects (such as transport, energy, infrastructure, and agriculture projects) always have the potential to affect cultural property. The guidance provided in the EA update on cultural heritage recommends that "the task manager, in consultation with national or local cultural heritage authorities as necessary, should review potential direct or indirect impacts to cultural heritage as a standard and central part of the environmental screening process." Following this determination, based on the nature of the proposed project and the status of available information, an archaeological and historic sites survey should then be conducted by qualified personnel as part of the EA process. It is also best practice in historic urban areas to conduct an architectural or building survey in coordination with the appropriate governmental authorities. Provisions should also be made for the use of chance finds procedures. When screening a potential "earth moving" project, historic sites or existing cultural and social institutions, densely populated areas, and areas undergoing rapid development should at least trigger serious consideration of an 'A' or 'B' classification. Projects that are designed to promote the management of cultural heritage may be placed in screening category 'C,' provided that they are based on a properly prepared site management plan or development plan.

4.5 The study database contains 115 projects that were assigned EA categories (40 of these were rated 'C'): 12 projects in significant historic urban centers received C ratings (including Bethlehem, Mostar, Saint Petersburg, and Split), even when there were components that could easily anticipate impacts on cultural resources. One transportation project that passed through an area known to be rich with cultural assets (not chance finds) received a 'C' as well. The lower category rating did not inexorably lead to an undesirable

outcome, but under circumstances where the risks are unknown and the costs of mitigation high, it would have been advisable to err on the side of caution.

4.6 Furthermore, the 1996 OED study on the Effectiveness of Environmental Assessments concluded that EAs were prepared too late to significantly influence project design. Yet the situation has not improved. The forthcoming OED Environment Study finds not only that EAs are still prepared too late but also that the current preparation process exacerbates the problem and that category B projects have insufficient budget and staff time to supervise the environmental aspects. The cases where cultural property was consistently protected and even recognized as an asset depended mostly on the individual interest and initiative of a task manager, regardless of the EA classification of a project.

### ***Identify and Inventory the Cultural Heritage Sites***

4.7 The identification—through surveys and inventories—of cultural heritage sites is not just an EA requirement, it is an important first step for doing no harm. A project is far more likely to do harm in a culturally sensitive area where the extent and nature of the cultural properties are unknown.

4.8 According to the provisions of OPN 11.03, Bank staff must determine what is known about the cultural property aspects of each site before proceeding with a project that *prima facie* entails the risk of damaging cultural property.<sup>29</sup> If there is cultural property in the area, a reconnaissance survey should be undertaken in the field by a specialist, as well as relevant public agencies. Knowledgeable NGOs or appropriate university departments should be consulted. These “do no harm” instructions make eminent good sense, but several of them suffer from a lack of enforceable standards (see Box 2). This may explain the study’s finding that inventories are not routinely done and that they need to consider not just the project area, but also areas beyond the project that may also be affected.

### **Box 2. What Constitutes Due Diligence?**

One of the challenges facing safeguard enforcement is how to determine compliance. Any determination of due diligence would require staff to ask a number of highly relevant questions that are nevertheless hard to answer. Among them:

*For any project that entails the risk of damaging cultural property:*

- *Did Bank staff determine what is known about the cultural property aspects of the proposed project site? Where do you go to get the information, and how far do you need to look before you stop looking?*
- *Was the government’s attention drawn specifically to the cultural aspect? Who represents the government on matters of culture?*
- *Were appropriate agencies, NGOs, or university departments consulted [during the inventory process]? Who determines which agency is appropriate, and what guidelines guide that decision?*
- *Did the Bank assist in the protection and enhancement of cultural properties encountered in Bank-financed projects, rather than leaving that protection to chance? What constitutes sufficient enhancement?*

4.9 Following through on what is found is also important, especially when local institutions are given responsibility for ensuring the safeguarding of assets. During the appraisal stage of the Carajas Iron Ore

<sup>29</sup> The Operations Manual defines such risk as occurring during large-scale excavations, movements of earth, environmental changes, or demolitions.



project (L2194),<sup>30</sup> for example, both Bank and borrower were aware that potentially highly important archaeological sites were located near the path of project-financed infrastructure. The Bank commissioned a local museum to carry out the archaeological reconnaissance of the area, which discovered several important sites, including a burial cave. The rescue work in these sites and the nature of the artifacts removed were not considered important enough to mention in the principal project documents, nor are they recorded in any other Bank records.

4.10 While surveys and inventories are important for cultural heritage in general, they may be particularly important outside of urban areas. Gaps in knowledge about what exists may be more common in the open countryside. Also, it is still possible to find cultural assets in these areas that have not been mapped or investigated. Large swaths of Sub-Saharan Africa, for example, are virtually unknown to archaeologists. While they have not been buried under centuries of development as happens in major metropolitan areas, many sites, mounds, and other accumulations of debris (that represent early settlement sites) are still hidden by layers of sedimentation, masked by greenery, or just covered by dust. The lack of information is the primary cause of loss or damage to cultural property: it is impossible to protect sites that are not known (Box 3). However, for demand-driven subprojects, such damage can be avoided during project implementation if a thorough social analysis is carried out for each subproject as a basis for determining its eligibility during project implementation. In Mali, for example, the Bank is preparing a small-scale irrigation project in the *delta mort* area, which is likely to contain many cultural assets. At the time of appraisal it was only possible to conduct a partial survey because the project is demand driven, and the exact location of sites included in the project was not known.<sup>31</sup>

### **Box 3. Lack of Inventory Can Result in Damage to Cultural Heritage**

The Tunisian Tourism Infrastructure Project (L858, C329) was implemented from 1972–80, before safeguards were established. For lack of an inventory of cultural property, important heritage assets were destroyed during project implementation. The project included infrastructure works for roads, water supply, sewerage, and electricity to promote tourism development. Large earth-moving efforts took place in areas where conservation of cultural properties should have been more of a concern, yet there is no mention in project documents of any attempt to identify such properties, even when work took place in historic areas. On the Tunisian island of Djerba, the legendary land of the lotus-eaters, the project built a “scenic road” that crosses the site of the former Roman city of Meninx, an important archaeological site, destroying a long swath of the city remains. Taxi drivers now use this road to take tourists out to collect tiles from the mosaics in the Roman baths. It is quite likely, given the history of the region, the abundance of archaeological sites, and the lack of survey knowledge at the time of project implementation, that other project works could have disturbed many more sites of archaeological importance.

4.11 Identification of assets is important not only to preventing damage but also to conservation. This was recognized in the Bank-financed operation that assisted the city of Popayan, Colombia, to recover physically and economically from massive damage caused by a major earthquake (Popayan Earthquake Reconstruction Project, L2379, L1958, L1726). The project financed a preliminary building-by-building historical research exercise. The outcome of this process guided the reconstruction in the historic city center. The plan contributed to a strongly shared vision that united the public and private sector. The restoration of non-residential historic buildings was begun almost immediately once the major reconstruction costs were identified, because all necessary guidance was available in the historic building survey.

30. Management noted that the project was approved in 1982, before the OPN.

31. The Region notes that sites selected subsequently will receive a thorough analysis, and any subproject found lacking on economic, technical, social, or environmental criteria will be declared ineligible.

4.12 The study team observed a productive tendency in newer Bank projects to include inventory components as a principal means of knowledge management and institution building. Several Bank-funded projects have supported national inventories of cultural places. In Tunisia, the Community-based Tourism Feasibility Study, a pilot activity for a project under preparation using Italian Trust Fund money, tested innovative approaches to inventories within the context of a Bank project. It is considered a success, and a similar activity is now under way in Yemen.

### ***Look Beyond the Project Boundaries***

4.13 Water resource development projects frequently have cultural property impacts, not surprisingly, as most ancient settlements are located in river basins or coastal areas.<sup>32</sup> Water management systems—including the hydraulic architecture itself—are an important cultural characteristic, and conserving traditional water systems can often be cost-effective as well as culturally appropriate. But water projects carry an inherent risk in that water removed from one place can have impact on other places, as it did in Catal Huyuk (Box 4). It is therefore important to know not only what cultural resources are within a project area but also what resources are in areas affected by the project.

### **Box 4. Cultural Heritage Does Not Recognize Project Boundaries**

The neolithic site of Catal Huyuk is one of the most important archaeological sites in Turkey and in the Middle East. It is often cited as the region's first city and its earliest wall paintings date from 6,800 to 5,500 BC. Two World Bank water projects active in the area of the site have contributed to a sinking water table problem that has dried out the lower levels of the mounds containing ruins, destroying archaeological artifacts. Archaeologists raised the alarm in 1998 when a dramatic drop in water levels at the site was discovered. A consultant hydrologist subsequently employed by the Bank confirmed the situation remarking that, "The present levels are lower than any others on record." He also pointed out that the impacts of irrigation and drainage on water levels at Catal Huyuk resulted partly from Bank-funded activities—the closure of water supplies at the local level and the diversion and redistribution of natural supplies at the regional level. To make matters worse, because of this sudden lack of water, farmers needed to sink new boreholes to sustain irrigation and drinking water during the project, thus lowering the water table further still. This problem might have been caught in time, but project monitoring had been suspended due to an unresolved conflict between the construction department of the State Hydraulic Works, the operations and monitoring office, and the Ministry of Culture. As a result of this sequence of events, the damage was done before doing good could even be considered.

A Bank implementation completion mission evaluating one of the irrigation projects recommended immediate mitigation through the reintroduction of water into the site. The Irrigation Authority has already carried out this mitigation, installing water canals to re-regulate the distribution and level of water. In addition to this successful technical intervention, the project took the opportunity to involve locals in the design and management of a visitors' center, effectively raising awareness, social/cultural identity and cohesion around this project and improving the quality of the site.

## **Sequencing and Social Protection**

### ***Get the Conservation Sequence Right—Solve Underlying Problems First***

4.14 If existing inadequacies in an asset's infrastructure currently threaten it, then they can continue to do damage once it is restored. Improperly conceived conservation of a cultural property can be as bad or

32. The OED study of Water Resources (February 21, 2001) identified 131 water sector projects approved since 1988. The study database for the same period lists 8 of those as having identified implications for cultural resources. The likelihood is that the actual number is significantly higher.

worse than doing nothing. A common problem faced by historic structures is humidity in the wrong places—water can come in from the roof as easily as from the ground. In either case, irreversible structural damage to walls and foundations is the inevitable result. In Georgia, for example, structural damage to historical residential structures in Old Town Tbilisi was being caused by water seeping into basements and causing severe damage to the foundations. Waterlogging turns out to be a widespread problem in the Tbilisi historic center. Severely deteriorated urban infrastructure, in addition to weakening masonry and wooden foundations, allowed moisture to rise through façade materials and cause deterioration through biological decay and stress caused by freeze-thaw cycles. Such damage is enormously costly to repair. Until the water problem is resolved, the restoration of façades and buildings will be pointless. The limited resources available to the Bank-financed Cultural Heritage Project in Tbilisi could not possibly have solved this fundamental infrastructural problem.

4.15 Synergies that benefit asset conservation are sometimes possible through coordination with other public, private, or Bank-financed activities. A potential solution for the Tbilisi historic district was found by synchronizing the efforts of the Cultural Heritage Project with the ongoing Municipal Development and Decentralization Project and assistance provided by the Netherlands government (underground water studies). It was hoped “islands of safety” where the underground flooding is less serious could be preserved, but this proved not to be feasible because there were too few islands and they were badly located. Ultimately the city borrowed from the municipal development project for systemic rehabilitation of part of the underground water system in the Old Town and structural repairs to foundations, and the LIL will rehabilitate critical above-ground architectural features.

#### ***Address Potentially Harmful Social and Demographic Changes in Time***

4.16 Bank-financed activities with cultural property are ultimately intended to be of benefit to the surrounding community. Good practice requires that negative social impacts which could result from efforts to conserve physical assets be anticipated and mitigated.

4.17 In many developing countries, historic city centers develop and decay in remarkably similar ways. Profound changes in the urban environment often follow massive investments in public infrastructure in urban peripheries and the construction of road networks that facilitate the creation of suburbs and satellite cities. Older city centers, with often sizeable stocks of obsolete buildings, deteriorate as important businesses rush to newly accessible areas blessed with more modern infrastructure and shorter commutes to the better residential neighborhoods. An influx of immigrants from rural areas can result in overcrowded conditions in historic districts. Property values may then decline and the residents that remain or take their place in the historic areas tend to be poorer. The demographics of these areas tends to consist of new immigrants or the elderly and disadvantaged who could not afford to leave for newer, better-quality housing.

4.18 In Brazilian cities such as Rio de Janeiro, Sao Paolo, Salvador, and Recife, the trend toward service-oriented economies linked to global industry and tourism has increased the value of their historic centers—property that had declined steadily in value over the past half century. Most of the historic monuments and sites are located in these centers and many suffered from neglect and decay.<sup>33</sup> Nevertheless, the large structures in these decaying areas present an opportunity to house cultural and economic activities that can benefit from their central location—although without improvement they often create the ambiance that causes urban flight (Box 5). But what happens to the poor residents? Sometimes they voluntarily relocate. Or rising property values provide an incentive to cash in and move on. In many

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33. Study visits to projects in Benin, Georgia, and Indonesia found very similar situations.

cases, the revitalization of a neighborhood is part of a larger urban program that offers economic opportunities leading to the relocation of jobs and better access to work that encourages demographic changes. Where involuntary displacement occurs, it is necessary to consider mechanisms for protecting the poor, the availability of alternative low-income housing, access to employment generated by the project, and incentives or access to credit for activities that can offer these alternatives.

#### **Box 5. Saving the Buildings *and* their Inhabitants**

Bank-financed reconstruction in Popayan's (Colombia) historic center following a major earthquake, also resulted in the poor being relocated to the city's periphery. Before the earthquake, many of the historic buildings had become overcrowded tenements, teeming with poor families living in tiny spaces. Large rooms were subdivided, and then subdivided again (often by squatters), each section housing an entire family. State and city officials decided that no amount of reconstruction on the damaged buildings could enable them to safely house all the people that lived there, and that the historic area should be largely limited to public offices, hotels, and facilities for tourists. While the historic center was reconstructed, new areas were prepared for those who needed relocation in the periphery.

Among the more far-sighted policies pursued with the squatters was the determination to integrate the new settlements into the traditional urban area. Disaster victims were relocated to the city's edge, but connected to the historic urban center with wide paved avenues. Lowering transportation costs and travel time makes neighborhoods more pleasant places to live and incorporates them into the fabric of the city, while narrow roads of poor quality can permanently stigmatize a community. The relocated families have been provided sufficient land in each lot so that the new areas would not become slums. The implementing agency observed that if poor families were given "postage stamp" pieces of land, their communities would remain marginal, representing an urban blight forever. On the other hand, if houses could slowly grow to fit family size, local pride would motivate the families to invest in street-side beautification—which has happened (most notably where streets have been paved). From an urban development point of view, the project erred in removing too many permanent residents from the city center, however. Removing commerce and housing from the central area caused the city to be empty and unattractive at night after public workers go home.

#### **When Strengthening Relevant Institutions: Follow-up Is Needed to Ensure Success**

4.19 Local cultural institutions—responsible for emergency salvage, archiving, and collections in many Bank-supported projects—are often left to their own devices. One reason the weaknesses of these institutions are not identified sooner is that the specialists responsible for initial analysis and recommendations are often not involved in project implementation and monitoring. This is particularly apt to happen when cultural heritage is not an objective of the project. The study fieldwork found instances where there was no follow-up during implementation when project documents noted that a local agency would do something. In the Power V Kiambere Hydroelectric Project in Kenya (L2359, approved 1984, completed in 1992) an archaeological survey during the pre-construction environmental impact study uncovered at least five sites that are important to the study of Kenyan prehistory. Archaeological salvage was proposed for four sites that would be affected by inundation. The project documents contain no information about what happened to the projects and if proposed follow-up work was done. Task managers do not have time to handle the follow-up of such small but important cultural heritage details toward the end of implementation. This means that projects should be designed so that accountability and reporting are automatic.

#### **Borrower Responsibilities and Incentives**

4.20 Success in do no harm does not depend solely on the Bank. As already noted, under Bank policies the borrower has primary responsibility for protecting cultural heritage. But borrowers also have many

reasons not to harm their own heritage, and they often preserve their assets quite well without Bank guidance. Many development observers have suggested that by setting stringent safeguard policies, the Bank encourages borrowers to look elsewhere for funding of sensitive areas. But this hypothesis overlooks a few important points about cultural property in development projects:

- One-hundred sixty of the Bank's member countries have ratified the World Heritage Convention. Thus the Bank's approach in these countries should be to assist them in implementing its provisions.
- Many borrowers have national laws that require contractors to stop construction and perform surveys and mitigation in case of chance finds.
- The screening of projects for the presence of cultural heritage beforehand is generally more cost-effective than allowing delays to occur when construction is stopped because of chance finds. Many of the projects OED studied discovered this, among them the Marib-Safir Road Project in Yemen (C1726, approved in 1986, completed in 1991). The project constructed a road network that threads through the historic monuments around Marib, the capital of the ancient kingdom of Saba. The Sabaean monuments which were partially buried under the sand dunes for over 2,000 years, are an archaeological treasure house of international importance. Failure to identify cultural property in a timely manner resulted in damage to the site, and road construction exposed fragile cultural resources that are reportedly still awaiting (expensive) attention.
- Developers and civic leaders generally understand that cultural properties are valuable development assets that yield significant benefits, not only through tourism but also in the competitive advantage of places to attract business, investment, create innovative milieus, and improve social networks and "social capital."

## **5. What Has the Bank Learned? Lessons of Experience in Doing Good**

5.1 The Bank's borrowers are increasingly aware that modernization and economic development do not have to lead to the loss of their cultural heritage. Their concern with doing good—with enhancing their own cultural heritage—is reflected in the many initiatives they fund themselves without Bank support.

5.2 As with do no harm activities, in their Bank-funded work, national and local government institutions have a critical role to play in doing good. While the Bank can finance assistance and capacity building, the various governmental levels have legal authority and responsibility for managing cultural heritage resources. The findings of the cultural resources component of the EA are owned by the national government and when documents are shared with relevant agencies, it can assist with planning efforts as well as strengthen the national institutional capacity. Although the assessment of borrower capacity for cultural resources management primarily takes place in the context of individual projects, the Bank also conducts more general assessments that can uncover gaps and weaknesses in this area. The place of cultural resources in the country's development strategy is reflected in public sector management reviews and Country Assistance Strategies. This is mirrored in the Bank's assistance program, and cultural heritage projects, related project components, and technical assistance activities (in accordance with the OPN) strengthen institutions responsible for managing cultural resources and promote inter-agency coordination. Even when the Bank is involved, local and national governments often cover most of the cultural heritage-related project costs on their own. In all the countries visited by this study, however,

Bank support for cultural heritage was highly appreciated, and it may have important benefits for public relations and the ongoing Bank/borrower relationships.

5.3 There has never been a Bank strategy for cultural heritage, although two regions—ECA and EAP—have taken the initiative to prepare regional strategic frameworks. A more considered approach to cultural heritage based on the lessons of experience should allow the Bank to serve its clients even better. Before it helps its borrowers to do strategic thinking, however, the Bank needs to do some on its own. Any such activity would recognize that capacity enhancement is ultimately intended to help countries when they prepare projects that do not require the Bank. Bank financial support for cultural heritage planning, partnerships, participation, and institution building enables borrowers to maximize the impact of their resources whether they act as a partner of the Bank, with another institution, or alone. Beyond being a source of financing, the Bank can also provide development advice, helping clients to choose an approach congruent with their purpose that also has a good implementation record.

5.4 When it comes to their own heritage, borrowers vary greatly in capacity and commitment. In some borrower countries the notion that culture can do good is still unknown. In other places it tends to be seen as an exploitable asset that is good only for its potential to attract tourists. The development of cultural heritage for its tourism potential can have benefits for the heritage as well as for the broader economy. The revenues generated can help to offset the cost of conserving and maintaining historic structures and give people an incentive to continue cultural practices that might otherwise disappear. The inherent danger is that those revenues can be seen as an end in themselves and be pursued to the detriment of cultural heritage, leading to an overwhelming focus on beautification at the expense of effective conservation and management, and to empty pageantry that poses as authentic culture.

5.5 When should the Bank be involved given the OPN's objective to "assist in [assets] preservation?" As discussed earlier, Bank management does not plan to prepare a stand-alone Sector Strategy Paper on culture, although the topic will be included in a broader SSP on Social Development to be finalized in fiscal 2003. In the meantime, and in the absence of clear strategic guidance, staff have understandably felt free to experiment widely. This has generated a body of experience offering lessons that can guide future activities. The lessons described in this section, like those in the preceding section, were selected by identifying experiences in Bank-financed activities that had clear implications for project outcome, sustainability, or institutional development impact.

5.6 The fact that there are many ways to do good with cultural assets makes it more difficult to categorize the issues: there is no blueprint that can be applied uncritically. Nevertheless, planning, partnerships, institutional development, and participation are nearly always essential and the context, whether in an urban setting or open countryside will effect the design of the project.

## **Planning**

5.7 As noted in the preceding section, an inventory of cultural heritage sites is a key first step—it is as essential to doing good as it is to doing no harm. Inventories are also increasingly used as a way to engage local populations and raise their awareness of the benefits of conserving their built heritage. In Indonesia, the Bali Urban Infrastructure Project (BUIP; L4155) is making possible a participatory inventory for the province (in which local elders and community leaders are queried about their knowledge of historic and sacred places) as well as a more traditional inventory of cultural assets. But the inventory is only the beginning.

### ***Employ Integrated Conservation Planning***

5.8 Integrated conservation planning has been in use in the field since 1987, when its principles were laid out in the Washington Charter on the Conservation of Historic Towns and Urban Areas, yet it was evident in few of the projects examined by this study. Integrated conservation planning is a dynamic interdisciplinary process that shapes urban and regional planning at every level. While respecting settlements' basic form, including relationships between buildings and open spaces (and the functions that a place has acquired over time) integrated conservation planning addresses, among other things, archaeology, history, architecture, construction techniques, sociology, human resources training, and economics. Clear guidelines, financial incentives such as tax credits and abatements, and political will are often critical to successful management. And a harmonious relationship should be fostered between historic and other areas.

5.9 The foundation of integrated conservation planning is legislation and its enforcement and an appropriate institutional setting. Many countries have this essential foundation but often the legislation is insufficient and enforcement lax. Illegal construction is difficult to prevent in many of the Bank's borrower countries. Significant protection has been achieved in poorly controlled and highly dynamic areas by narrowly focusing enforcement attention to civic engagement in those neighborhoods where it can do the most good: in effect designating culturally sensitive areas off-limits to demolition and requiring review before construction permits are issued.

5.10 Especially in urban areas, planning needs to take place at more macro levels than the building and the block. Here the Bank has some relevant experience. In Tbilisi, an Integrated Conservation Master Plan was developed for the entire Old Town. The Master Plan addressed all aspects of heritage and conservation planning, and will ultimately include economic, social, marketing, and environmental analyses, to develop a blueprint for the future of the historic area. Public consultation and approval will be an integral part of the process. Such methods of integrated conservation planning are not easy to instill in even the best of circumstances, and it has proven to be quite a challenge in Georgia where Soviet-style top-down management was the rule for generations and individual/private initiative barely existed. Nevertheless, despite this, the cultural heritage project there shows some signs of having an impact on the ways of doing business, and becoming self-sufficient rather than dependent on centralized government.

5.11 The way that integrated conservation planning evaluates alternatives, investment incentives and disincentives, protection of public goods (and public space), all have an influence on the protection and enhancement of cultural property. The benefits of carefully planned conservation in urban areas include new businesses and services. Conservation investments often generate continuing employment for local building industries, whose traditional methods tend to employ local materials and encourage small enterprise generation.

5.12 A broad conception of planning facilitated culture-related work in Indonesia under the Bali Urban Infrastructure Project (BUIP). Urban roads and traffic management, water supply, drainage and flood control, solid waste management, sanitation and sewerage, neighborhood and market improvement, transportation terminals and parking areas were all part of the effort, as were private sector development and the social and cultural aspects. Although not a cultural heritage loan, BUIP has had a cultural heritage component from the beginning and its planning was actually integrated with the planning for other sectors in the project. BUIP-supported infrastructure investments are spread throughout the island, and support not just the needs of tourism centers, but the basic needs of Balinese in all urban areas.

5.13 Also important to planning is to identify resources distant from the project site that, with appropriate development planning, can have positive impacts: an historic urban restoration in Brazil serves as an example. The Bahia/Salvador Urban Development Project (L2681), in Brazil, took into

account work (geographically and intellectually) distant from the Pelourinho historic district that was its main focus. Not only did physical improvements to the historic city center include necessary infrastructure<sup>34</sup>—streetlights—and services—sanitation, the project also addressed the maintenance of beaches and related facilities at the city’s edge. It was understood that increasing regional tourism potential would increase the return on investments in Pelourinho. Within the historic area, state-led financing was provided not only for physical restoration of its colonial architecture (which the Bank opted not to finance), but subsidies were given to popular festivals as well (without Bank support). Once it was clear that Pelourinho depended upon recreational commerce, recreational activities throughout the region received attention, increasing the time tourists spend in the area.

### ***Plan Site Management Based on Assessed Carrying Capacity***

5.14 Good site management plans based on the assessed carrying capacity of a site (see box in Annex E) influence revenues. They determine whether a site can handle 7,000 visitors daily without damaging the site, or have difficulty managing even half that for lack of an efficient flow pattern that respects the fragility of the site. The surge of tourists at Jordan’s Petra site in the 1990s, for example, necessitated an operating plan that restricts access to the site as a measure of protection of this valuable, income-earning, but very fragile asset. The D’ana site in Jordan has taken an even more radical approach. The demand to visit the place is so great that reservations are now required to see the site, effectively limiting the number of daily visitors to limit the impact. The site does earn an income, and the return on investment for this project is generated through a diverse set of activities, including value-added agriculture and new crafts production, but the impacts on the site itself are controlled.

### **Partnerships**

5.15 In order to enhance the achievement of the objectives of its safeguard policies, the Bank is coordinating its efforts with other donors and multilaterals. A key area of focus is the harmonizing of standards and policies. In addition, the Bank has rarely carried out activities in the field of cultural heritage with its borrowers without some effort to contact relevant international or national expert agencies. The overall push in the Bank to work with NGOs and forge partnerships with the voluntary and private sector—together with the views of individual task teams, the attractiveness of the project to other agencies, and the need to access additional expertise or financing—has also influenced the way the Bank works with culture. Under the Comprehensive Development Framework, partnership between government, civil society, and the private sector is a key ingredient in strengthening country ownership. External partnership is often essential, and important and productive new partnership relationships have been established in recent years (some highly relevant experiences are in Box 6). Sustainable partnerships are a two-way street: benefits from such relationships need to be equitably shared. At times, the Bank supports in-country partners’ capacity development, or contributes to an endeavor that is an important priority of a valued partner. Still, less-productive alliances have also been made.

5.16 The large number of partnerships (the study database lists 83 of them) reflects their strong promotion by management in recent years. However, the utility of partnerships depend on their potential efficacy and quality. The costs of partnerships to the borrowing countries and in Bank staff time have never been assessed, but they are unlikely to be trivial. In some projects visited by the study team, tasks were simple enough that direct hiring of an experienced consultant would be more cost effective than working through an institutional partnership. OED found cases where reliance on a major cultural heritage organization did not provide adequate analysis or lead to successful project implementation.

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34. Bank financing was a relatively small part of this effort.



### Box 6. Cultural Heritage Partnerships - What Works?

The Bank has acquired a considerable body of experience regarding what works when it collaborates with other agencies. Examples of partnerships that have worked are shown below.		
<b>Partner(s)</b>	<b>Assistance</b>	<b>Project/activity</b>
Getty Conservation Institute	Advice on site conservation, accompaniment on field visits	Cyprus Transport Sector Paphos Archaeological Site Improvement
German Archaeological Institute	Information sharing	San'a and Yemen Marib-Safir Road, Marib mitigation plan
Smithsonian Institution and Museum of African Art	Research assistance	World Bank Handbook on Cultural Heritage in Environmental Assessment in Sub-Saharan Africa
Norway	Supplemental funding	Planning for a Conference on Culture and Development in Sub-Saharan Africa
World Monument Fund and Council of Europe	Analysis and publication of reports	Bank activities in Georgia
	Donor coordination	Restoration of the Mostar Bridge in Bosnia-Herzegovina
Government of Italy	Convening authority and organizational support	<i>Culture Counts</i> , conference, Florence, Italy
Aid to Artisans and ICCROM	Participation in Bank missions	Ethiopia Cultural Heritage Project

5.17 To achieve responsible selectivity regarding partnerships, the Bank should continually assess its comparative advantage relative to international and country partners. The Bank is most effective as a partner when it is providing finance, knowledge, connectivity, and capacity-building services. A key message of OED's Annual Review of Development Effectiveness (ARDE 2000) is that the Bank has initiated a wide range of productive partnerships, but it can only realize their potential by being more businesslike and selective about what they are intended to achieve, what risks they entail, and how they can yield operating economies for the Bank through sharper delineation of its comparative advantage. One implication of that finding is that partnerships in support of country cultural heritage programs flourish when the Bank and client country have a well-specified and agreed policy framework "owned" by the borrowing country and it also helps when partners are clear about what they can contribute. Another is that sector professionals need to clarify the Bank's core competencies and comparative advantage relative to partners, and establish businesslike alliances with appropriate sharing of responsibilities and benefits. This includes streamlining the number of partnership arrangements, ensuring that any agreements are backed by corporate commitments, with a full recognition of resource implications, and letting go of activities that can be implemented well by other actors.

5.18 The development process and the implementation of highly complex projects are the particular expertise of the Bank, but UNESCO clearly has greater capacity to convene, publish, and advise in areas of cultural heritage. To work in cultural heritage, then, the Bank needs to work in collaboration with UNESCO and UNESCO, because it has small operating budgets, needs the collaboration of the Bank. But UNESCO cannot be the Bank's only partner. With all its many strengths it also has weaknesses similar to those of the Bank, and it often does not have cultural expertise to spare in countries where the Bank may need immediate project support. Clearly, guidelines for the Bank/UNESCO collaboration merit discussion—the Cultural Assets for Poverty Reduction Group has already begun this dialogue. Hopefully Bank staff will continue to explore how cooperation between the two (as well as with other specialized partners in cultural heritage conservation, management, project implementation, and sustainability) can be achieved to add value to the advice and assistance the Bank provides to its borrowers.

5.19 What could partnerships optimally achieve? Training, dissemination, and technical skills are all areas where there could be shared benefits. Despite the pressure for reducing project budgets, in future,

Bank management and staff will need to look coldly at what can realistically be expected from collaborations in contrast to the responsibilities of the Bank. Almost all responding country directors, when asked the question “What partnerships would be most fruitful to explore further in working with cultural heritage?” mentioned private sector partnerships. Dealing with privately owned heritage assets (especially in urban areas) has been a challenge for the Bank, and private sector partners can help to develop better mechanisms.

### **National Capacity-Building Requires Strengthening National Institutions**

5.20 Field research for this study found that national institutions responsible for cultural heritage are often poorly funded and unsuccessful at preventing loss of heritage. While institution building is key to improving performance in this sector, the surveys conducted for the study clearly reveal that the Bank’s record developing cultural institutions is weak. Although OPN 11.03 stipulates that the management of cultural property in each country is the responsibility of the government (national and local), government is only as capable as its relevant agency or ministry. On the policy and strategy level, capacity needs for national cultural institutions include: forming or revising legal and regulatory structures; evaluation of cultural resources; analysis of conservation requirements; priority setting; coordination with line ministries; and public information and education policies.

5.21 World Bank cultural heritage–related projects usually focus some degree of effort on institutional capacity building. Site visits in some countries, however, found an obvious lack of communication between agencies responsible for cultural heritage and related sectors. Often there is very little joint action. For example, tourism, urban rehabilitation, and cultural conservation policies intersect at key points:

- Provisions are required for buffer areas (according to the fragility of cultural resources).
- The conservation of heritage may require incentives or legal protection to make it work.
- Adequate access (both physical and intellectual) needs to be ensured, as do the interests of neighboring communities and other area stakeholders when developing projects.
- Agreement on budgetary priorities for site management.
- Coordination between agencies responsible for tourism, transport, and culture/antiquities to agree on priorities and avoid conflicting actions.
- Political commitment to enforcement of land use regulations that encourage conservation and development.

5.22 Local and regional governments are increasingly called upon to master such needs, particularly in countries where decentralization has become a national priority. The study team identified a number of methods that have been used to address institution building but the jury is still out on effectiveness as there has been no evaluative work to date on their use in the cultural heritage context. Among the methods identified from the portfolio database and in field visits were: institutional audits of practices, staffing, and financing (in Morocco); technical training for procurement and accounting (in Georgia); study trips (in China); use of expert consultants for transfer of knowledge—the most common approach—and used in almost every project; cultural technical assistance as part of the larger project technical assistance (in Uganda).

5.23 In countries, clear lines of authority also need to be drawn to avoid overlapping responsibilities and contradictory objectives or approaches. The Petra Regional Planning Council, in Jordan, offers a good example. The council was set up to coordinate many competing authorities and interests for the Petra site. It is chaired by the Minister of Tourism and includes representatives of the department of antiquities, the

ministries of finance, planning, labor, health, local government, and irrigation, the environmental department, local communities, and a conservation NGO. This coordination process was not easy, but it is leading to a shared vision and coherent actions to protect Jordan's most visited and fragile site. Ultimately, authority over cultural heritage sites must balance the economic potential of a site with its well-being and sustainability. In some cases, the institutional framework itself creates a conflict of interest. For example, when tourism and cultural heritage are under the same ministry there need to be checks and balances to prevent poor site and visitor management or resist the temptation to allow unrestricted uses in and around the site for revenue generation. Of course, perverse incentives can crop up when culture and social development are in different ministries also. In many cases, ministries of culture are not as well funded as other ministries.

5.24 One way to assess institutional development impact is to measure learning in borrower institutions. A survey conducted for this study found that a majority, 64 percent, of the 34 respondents who had worked on Bank-supported urban projects had learned about various cultural heritage topics either modestly or substantially (see Annex F). The most substantial learning took place in the area of the effects of cultural assets on social cohesion and inclusion. Survey results also suggest that borrower staff have learned more about the general importance of cultural heritage than they did about the more practical matters of identifying and selecting assets for conservation.

### Participation

5.25 As the Bank's years of experience with participation have shown in many other sectors, community participation often helps to ensure the success of a project. Thus, it is no surprise that participation is also essential in cases where cultural heritage is an issue. Participation can help planners improve project implementation: bringing together those who live near an asset and those whose actions are destroying it may be the best way to preserve physical and living culture, and to ensure ongoing use by the surrounding community (Box 7).

#### Box 7. Engaging Communities in Their Own Development Builds Social Capital

The Mali Second Urban Project (C1677), which was completed in 1994, included the renovation of the *Maison des Artisans*, a colonial building in central Bamako, and the first example in the country of a collective center for artisans. This project not only conserved a historic building, but also brought economic development to the neighborhood and provided commercial space to artisans from many regions of Mali. A rental contract specifies conditions of use: one chief artisan and no more than five apprentices are allowed in each studio; only products produced by the artisan can be displayed, etc. During the OED site visits, the *Maison* was brimming with activity. Its studios are in high demand, with up to 10 times as many prospective artisans as studios. The *Maison* is a mandatory shopping stop for all visitors to Bamako and offers a wide selection of handicrafts at good prices. Among the handicrafts represented are jewelry, sculpture, embroidery, textiles, clothing, and footwear.

The project effectively involved the community by providing space for artisans and thereby stimulating economic development (craft sales) and providing for the continuation of heritage skills (apprenticeships). The *Maison* is managed by an elected Committee of Artisans, thus involving the community in the ongoing management and maintenance of the site. In fact, the users of the *Maison*, have made some useful improvements, including a water channel outside the building and adjacent to the Mosque for use in ablutions. In addition to tenant rents, which cover communal services such as security, cleaning, and gardens, fees from the adjacent car park are also used to finance the running costs of the *Maison*. Encouraging the participation of users and putting into effect their ideas on improvements, as in the case of the *Maison des Artisans* in Bamako, can lead to unexpected and beneficial results.

5.26 The best way to preserve monuments is to ensure their appropriate use by the surrounding community. The coexistence of cultural properties with economic development requires that interventions

have an adaptive and flexible character. Cultural heritage conservation often relies heavily on local knowledge and experience. Although the “upstream” costs may be higher (building in time for input, consultation, education, and conflict-resolution), the improved sustainability of projects where stakeholders are sufficiently involved makes up for this.

5.27 As a matter of course, participation has its drawbacks. It may stir up conflicts that already exist in the community, but it usually does not create them. Resolution of strong differences is often best handled at the outset in any event. Consulting the community also requires flexibility on the part of planners, since they may learn things about the site that could help to change the project for the better, save time, and focus project objectives and design. Encouraging participation may also lengthen the process and raise expectations too high (Box 8). On the whole, however, the extra effort pays off in the form of better designed, more sustainable, more beneficial projects.

#### **Box 8. Balancing Expert Advice with Community Preference**

Expert advice on conservation and reuse options for cultural resources needs to be balanced with community preferences because participatory processes do not always result in realistic decisions. Intensive community involvement in planning and project design may generate expectations that are impossible (or inadvisable) to fulfill as they will damage the resource. In Lahore, community leaders took issue with a proposal that the rehabilitated *Shahi Hammam* be used for offices. The community wanted a community center with a wedding hall. During restoration work, the project team realized that community activities (including weddings) were incompatible with the fragile nature of the historic interiors. And extensive lobbying had to be undertaken to persuade stakeholders to look for another use acceptable to the community. The chambers of the *Hammam* were ultimately used for a women’s school, a craft exhibition space, library, and a tourist information center. In another similar experience, local shopkeepers opposed plans to improve the street through the commercial area. To convince the bazaar’s businessmen that street upgrading would be worth the inconvenience and possible short-term loss of business, the project had to pilot a small-scale upgrading scheme in a nearby street. The shopkeepers were then brought to the upgraded area to see the advantages of the improvements for themselves. From their experiences with the street and the *Hammam*, involved staff concluded that renovated historic neighborhoods and buildings must have an active, socially productive and locally supported use.

5.28 Field visits by the study team yielded many instances of projects in which there was a concerted effort to involve local government and communities at an early stage in project design (see Annex D). Projects prepared in a participatory manner were more likely to achieve local support and often benefited from locals’ knowledge of appropriate technologies and creative problem-solving capacities. These projects also seemed to be more likely to serve a catalytic role in the post-project phase. In fact, local support is usually the key to the life of an asset. Often buildings still exist because the community maintains them or they are in active use. This was the case in the historic Chinese city of Lijiang (in Dayan Old Town), where the Yunnan Earthquake Reconstruction Program (C3078) restored and upgraded historic structures maintained through continuous occupation through the centuries.

#### **Context Matters**

##### ***Exploit Synergies with Agriculture and Environmental Protection***

5.29 The study found that cultural properties are often present in protected areas and that some Bank-financed environment projects have worked carefully to integrate cultural heritage issues with project objectives. The fieldwork in Sub-Saharan Africa also found that there sometimes may be potential in local practices to harness culture in the service of environmental protection goals that the Bank has yet to recognize (Box 9).

### **Box 9. Local Practices Can Have Beneficial Potential**

Sacred forests are an important feature of the cultural and natural landscape in many parts of sub-Saharan Africa as well parts of Asia. During study field visits to project sites of the Natural Resource Management Project in Mali, a visit to a sacred forest in a project pilot area far out in the country demonstrated the reverence given to these groves by local elders and the community. Team members were impressed by the depth of feelings about the role of these forests in the life of villagers expressed during an impromptu town meeting. Government officials told OED that because of their importance to rural people, such forests are among the best protected. This protection gives them a major role in conserving biodiversity and forest cover. Extractive use of sacred forests, for nuts and fruits, firewood, wood products including sculpture, furniture, and masks is forbidden and the non-initiated are even forbidden entry. One official pointed out to the study team, that sacred forests are not “productive”—the question is whether the model of protection can be extended to other forested areas while developing sustainable economic activities.

5.30 The 193-square kilometer Patara Specially Protected Area (PSPA),<sup>35</sup> located along Turkey’s southwestern Mediterranean coast, has highly fertile agricultural soils, significant water resources (a sizable river, two lakes), and about 18 kilometers of some of the best beach in southern Turkey. The zone is rich in cultural properties. It was the center of ancient Lycia and contains the sites of its cities (Patara, Xanthos, and Letoon, as well as the Hellenistic citadel of Pydnai). The area also retains important examples of 18<sup>th</sup> and 19<sup>th</sup> century Turkish and East Aegean vernacular architecture. Patara is also of high ecological importance, not least because it includes nesting areas for endangered turtles. The Mediterranean Environmental Technical Assistance Program (METAP)—a grant program and catalyst for cooperation and action in the region—made a cultural heritage grant that covered the preparation of a multi-use management plan for the cultural and natural resources at Patara.

5.31 The greatest threats to archaeological sites are incompatible construction close to the site, inadequate infrastructure for the existing settlement and tourist establishments, and damage from visitors. In PSPA’s multi-institutional context,<sup>36</sup> a management plan helps coordinate stakeholders. Working together, achievement of the following objectives has been possible: conservation of the area’s ecosystems and habitats; improved management of animal and plant populations; sustainable conservation and management of natural resources (land, water, landscape); and protection of cultural heritage. The conservation of biodiversity and archaeological and architectural heritage are being handled in a fashion that attempts to meet the needs of the local population (and their economic needs and aspirations which depend equally on agriculture and tourism).

#### ***Exploit Cultural Assets in Urban Revitalization***

5.32 The urban sector accounts for the largest percentage of the Bank’s cultural heritage interventions (see Box 10). Not surprisingly, therefore, it is also a major source of Bank experience with cultural issues. Most urban activities consisted primarily of physical rehabilitation of the built environment and have aimed to reduce poverty through revitalized economic growth in deteriorated urban areas. Several recent efforts attempt to mainstream culture in urban projects in the broader urban context with the addition of “soft” elements to provide for community maintenance and management of cultural assets (such as the [pipeline] Greater Accra Cultural Heritage Project).

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35. Recognizing that rapid economic growth and tourism development along Turkey’s southwestern Mediterranean coast placed the Patara area at risk, in 1990 the Turkish government designated Patara as one of 12 specially protected areas.

36. The Turkish Ministry of Environment (Authority for the PSPA) and the Ministry of Culture (General Directorate of Preservation of Cultural and Natural Assets) share jurisdiction.

### Box 10. Financing Critical Investments at Critical Moments

A role the Bank has played to good effect is catalyst for further development by funding critical activities at critical moments. In the Salvador Municipal Development Project, Bank-financed parking facilities were critical to catalyzing commercial development. Private sector entrepreneurs were hesitant to invest in shops and restaurants when the better-off (who patronized such facilities) had no place to park private vehicles. Conversely, no private operator wanted to invest in parking when there was no commerce to provide a steady stream of customers. The parking facility has been a huge success: it improved visitor and resident access to the area, and supported various social/cultural activities located in the historic district and special events. Private parking facilities have been built since in response to real demand, but Bank finance created that demand, and removed a major roadblock to the development of the historic district.

5.33 Historic urban centers have intrinsic development potential as commercial assets, housing stock, social and civic facilities, and as objects of tourism. They can also yield important archaeological finds, and improvements that support a rich urban fabric enhance the livability of cities for all residents while producing important side effects like increased security and crime prevention. Several studies of urban regeneration have found that most cities that have been successful in economic development and/or increasing their competitiveness have used culture and built heritage as key instruments in their strategies.<sup>37</sup> While much of this literature refers to well-known developed-country projects, historic properties and areas in developing countries also have been reused for housing, services, and sites of cultural production and renewed vitality (Box 11). The World Bank's experience with conservation in urban areas, then, illustrates many of the development opportunities and constraints involving cultural heritage.

### Box 11. Rehabilitation Can Be an Engine of Growth

In many heritage-rich countries, conservation of the decayed urban core has become an integral part of urban management strategy. Since 1954, the lower part of Tunis's Central Medina has been designated by the government as a historic zone, destined for conservation and renovation. The Tunisia Third Urban Development project (L2223) carried out major rehabilitation in the Hafsia neighborhood of the Medina. Hafsia is a typical quarter of a historic Arab city with narrow winding streets and houses built around interior courts. As the more wealthy inhabitants moved out of the historic urban core, poor rural immigrants took their place and the area became characterized by overcrowding (especially in old mansions that have been subdivided), and by badly deteriorated buildings and infrastructure.

The objective of the Bank loan was to revitalize and renovate the area, and demonstrate the feasibility of upgrading *medinas* without displacing populations and by involving the private sector in the development process. The upgrading of Hafsia included infrastructure, façade, and public space improvements and contextual new construction. The project not only successfully conserved and protected part of the national heritage, but also regenerated a number of activities in the Medina. For example, some streets returned to traditional specializations (such as "shoe street"). Buildings were rehabilitated using traditional materials, carved wood ornaments were restored, as were tile design patterns and colors. Commercial spaces were preserved and improved in the ground level of renovated buildings. The aesthetics of the physical intervention added value to the land and real estate, and the whole Medina was made more pleasant by enabling some commercial enterprises to remain in the city center instead of following better-off clients into suburbia. The project demonstrated the importance of linking infrastructure improvements to upgrading of commercial and residential spaces and of respecting the strong architectural traditions of the Medina. There were many positive social benefits of the project—a result of participatory processes and subsequent empowerment—including a high degree of satisfaction with the work for residents as well as those who were resettled. Success in Hafsia led the municipality of Tunis to finance rehabilitation of structures elsewhere in the Medina and the loan program designed for Hafsia tenants and property owners was extended to other neighborhoods.

37. Jussi Jauhainen. "Culture as a Tool for Urban Regeneration." In *Built Environment*. Vol. 18, no. 2 (1992). Robert H. McNulty, "The Economics of Amenity: Community Futures and Quality of Life." *A Policy Guide to Urban Economic Development* (Washington, DC: Partners for Livable Places, 1985). Partners for Livable Communities. *The Livable City: Revitalizing Urban Communities* (New York: McGraw Hill, 2000). Charles Landry. *The Creative City: A Toolkit for Urban Innovators* (London: Earthscan Publications, 2000).

5.34 Cultural heritage conservation in urban areas has many economic and social benefits. It puts previously underused spaces to use for housing, new businesses, and services. It maintains local building industries, whose traditional techniques are most suited to this kind of work and which tend to employ local materials and stimulate small enterprise. It can redefine the quality of a neighborhood, involve citizens in decision-making on the built environment, create or preserve mixed use, and have collateral effects on nearby areas. It also gives new utility to once underused infrastructure that already bears an investment and depreciation value. While the benefits of cultural heritage conservation are important, it also has a value in itself, irrespective of whether it reduces poverty or builds communities. This is similar to the case made for protection of biodiversity.

## 6. Selecting Do Good Activities

6.1 This section brings together the analyses in the preceding sections to draw some conclusions about the Bank's past work which may be relevant to its future directions.<sup>38</sup> The section examines the Bank's performance—its record in cultural heritage—and staff perceptions about what direction the Bank should pursue in the future and correlates both performance and perceptions with the current trajectory of the Bank's "portfolio." The activities examined are all of a "do good" nature. It is a foregone conclusion of this study that the Bank should continue, and even intensify, its "do no harm" activities. The analysis here is intended to guide the Bank in the selection of proactive approaches to cultural heritage.<sup>39</sup>

### Performance: Project Activity Evaluations

6.2 As noted in Section 3, task managers were asked to evaluate cultural resource-related activities in the projects they had managed. The results of task manager evaluations (30), plus evaluations of activities in projects visited by the study team (14) were combined to develop a picture of Bank performance in eight approaches to cultural resources (Table 4).<sup>40</sup>

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38. Management believes that this goes beyond the mandate and the scope of the review. [OED disagrees: the evaluation is fully consistent with the mandate and scope set forth in the approach paper approved by CODE, which notes that "the study will identify situations where the Bank's human and financial resources can have the greatest impact."]

39. Management would express some concern regarding the report's methodology and has suggested that the findings be viewed with caution. The analysis uses survey responses from 30 task managers of the 187 projects, project components, or grants, and the remaining rankings come from the evaluators. It weights equally small grants of \$2,000 and projects of \$200 million, although this leads to distortions. For example, Management notes that the study refers to 10 performing arts "projects" of which four are small grants, two are components of community-building and post conflict projects, and three are incorrectly listed in the opinion of Management. Yet the report uses that category extensively. At other points, equal weight is given to categories set by the review team, although the number of activities in each range from 17 to 79. The results and analysis would change if the data were also presented on a weighted average basis (as is done in many OED reviews) and the performing arts category were adjusted or dropped. [OED disagrees with this assessment. The choice of approaches was based on descriptions in project documents. Difference in category size is due to the Bank doing some types of activities far more than others. Activities that management thought were classified incorrectly as performing arts include projects that hired performers to develop plays and songs, and support for the development of the music industry. Analysis focused on what the Bank did and whether it worked. The study was unable to weigh performance by cost because cost data were available for only 29 percent of the activities (see para. 2.11).]

40. For detail on the methods used, see Annex A.

**Table 4. Project Activity Evaluation by Approach**

<i>Approach (no. of respondents)</i>	<i>Outcome (% satisfactory)</i>	<i>Sustainability (% likely)</i>	<i>Institutional Development Impact (% substantial)</i>
<b>OVERALL AVERAGE</b>	<b>82</b>	<b>58</b>	<b>32</b>
Poverty-focused cultural heritage intervention (16)	80	63	33
Physical rehabilitation of material resources (34)	85	58	38
Enhancement of in-country capacity for cultural resource management (31)	80	48	32
Economic exploitation of cultural resource/s in a manner not directly related to tourism (16)	85	63	31
Promotion of cultural identity or social cohesion through use of cultural resources (21)	79	52	35
Promotion of tourism (28)	84	64	29
Non-management training/institutional development (25)	78	60	28
Support for the performing arts (10)	67	50	30
Other (6)	100	67	33

\*rounded to the nearest percent

Note: The portfolio review included 162 completed and ongoing projects. In the 44 evaluated projects, 200 cultural heritage activities were identified, of these, 187 were rated.

6.3 Three findings emerge. First, the least satisfactory outcomes were attained by approaches that built on performing arts. Second, the approaches with lower sustainability ratings were in areas where efforts could not easily generate revenue streams. And third, the approaches most closely related to institutional development (enhancement of in-country capacity for cultural resource management and non-management training/institutional development) have performance scores for institutional development impact that are at or below the overall average for Bank projects. This is at least partly because the Bank needs to become better at doing capacity enhancement and technical assistance.

6.4 As noted in Section 3, however, these evaluation results compare favorably with Bank-wide averages: the percent satisfactory outcome for cultural resource activities (82 percent), in fact, is considerably higher than the Bank average (69 percent) for projects. Cultural resource activities also came out slightly ahead of the Bank average for sustainability (58 percent versus 57 percent) of projects, though the sustainability ratings tended to vary widely from approach to approach.

### **Perception: Staff Surveys**

6.5 Country directors<sup>41</sup> and task managers were surveyed regarding the approaches they thought the Bank should pursue. Bank staff who responded to the surveys, although supportive of a Bank role in cultural heritage, were cautious about the extent of that involvement. Overall, the respondents believed that the Bank should not pursue activities related to the performing arts<sup>42</sup> (Figure 3). Likewise, non-management

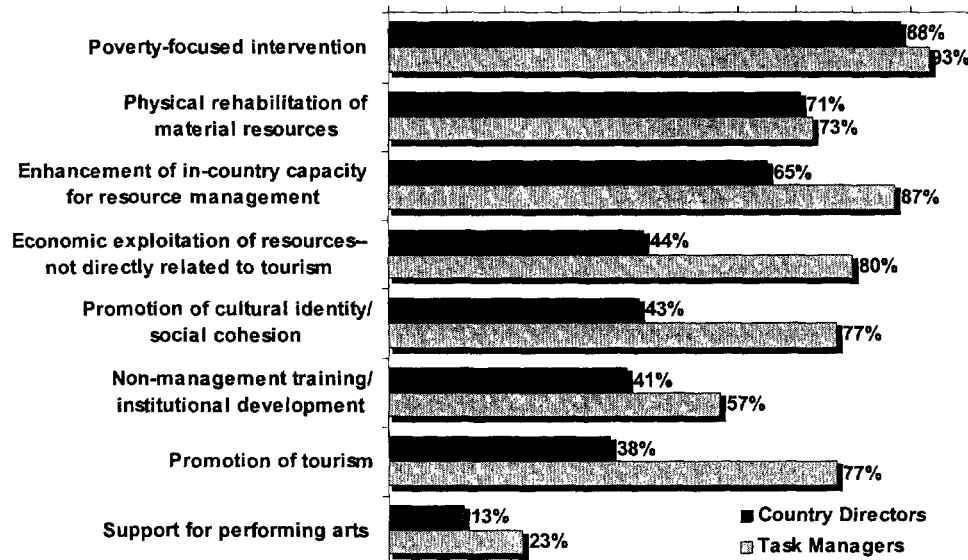
41. Fifty-two Bank country directors were surveyed, not just those with experience in cultural heritage projects. Of those, 18 responded.

42. In the projects surveyed this consisted of establishing multi-use community art centers, concert halls, ballet and folkdance schools, and other performance venues; promotion of folk festivals and publicly practiced traditional rituals; and promotion of



training/institutional development received little support from either group. Notably, tourism received much more support from task managers than from country directors, who gave it very little.

**Figure 3. Country Director and Task Manager Survey Results: Should the Bank Pursue These Approaches?**



6.6 Although country directors tended to be more restrained in their support, the two groups responded similarly.<sup>43</sup> The restraint of the country directors, based on their written comments, probably related to country priorities. The relative importance given to each approach was the same for both groups of respondents with a few exceptions. Task managers' preferences placed a greater emphasis on enhancing in-country capacity and on the promotion of tourism than country directors did. Conversely, country directors preferred physical rehabilitation more than task managers did. The survey results did not suggest a reason for these differences, but the task manager concern about in-country capacity was likely due to their closer involvement with the institutions implementing the activities they managed.

6.7 The country directors tended to describe the in-country environment in grim terms. Both task managers and country directors pointed out that money, institutional capacity, and time are short for working with cultural heritage. As one survey respondent put it: "I am not the task manager for the project...there is no activity code, no activity name, no preparation and supervision budget, no staff weeks nor travel expenses. I just provide inputs for the activities [because of] my interest in cultural development." Overall, the country directors believed that if there were no significant poverty impacts or economic return, the Bank should not pursue cultural heritage conservation. One director said bluntly: "It is irresponsible to push HIPC relief and then lend for activities without an economic return." Another put it more subtly by saying: "Given other pressing development priorities, countries are often reluctant to give high priority to cultural activities."

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self-management for performing arts groups and the public bodies that support them. The performing arts were often used for community-building and other developmental purposes. These categories, like all the others, were distilled from the portfolio analysis of approaches the Bank has taken to cultural heritage support.

43. The correlation between task manager and country director responses was 70 percent.

6.8 Despite some skepticism about whether the poverty reduction impacts of cultural heritage activities will ever be affordably demonstrable, 88 percent of the country directors and 93 percent of the task managers surveyed believe that poverty-focused cultural heritage interventions should be pursued by the Bank. This includes addressing cultural heritage links to land tenure, indigenous rights, promotion of labor-intensive job creation, and cultural heritage activities targeted for income and/or quality of life improvements for low-income groups. Many respondents believe that the Bank has the advantage in poverty-focused projects. One country director noted that the Bank has the [unique] ability to raise a country's level of awareness on cultural heritage and its link with poverty alleviation. The portfolio review also found that projects using a poverty alleviation strategy had the third highest institutional development impact (see Table 4). This may be because it is relatively easier to develop community-based and local institutions than national ones.

6.9 There are difficulties in pursuing such an approach, however. First, the links between poverty reduction and cultural heritage goals are suggestive but not documented yet. The linkage is poorly understood in most of the Bank's borrowing countries. Second, poverty reduction impacts of cultural heritage interventions are not clearly documented for Bank projects—there were no pre-project baseline data for the projects examined by this study. Future work will need to establish such baseline information on poverty and track changes through project implementation. Ongoing research in the Bank is attempting to clarify the linkage between poverty reduction and cultural heritage (see footnote 10).

6.10 Despite obstacles, some Bank-supported cultural heritage project activities have had unquestionably positive economic impacts over broad geographic areas. In fact, a large majority of task managers surveyed (80 percent) said that the cultural aspects of the project they worked on had a positive impact on poverty reduction. The poverty reduction impacts of cultural heritage activities may be more easily distinguishable in the countryside than in large cities where many sorts of non-project activities take place, thereby making it more difficult to isolate project poverty-reducing impacts. In support of this, among the 44 projects evaluated for the OED portfolio database, 67 percent of the rural projects (14 of 21) were judged to have had poverty impacts, while only 44 percent of the urban projects (8 of 18) were judged to have had such impacts. The five remaining projects were national projects or mixed rural and urban, of those, three (60 percent) were judged to have had poverty impacts.

6.11 When asked what type of resource, technical support, or other aspect would make addressing cultural heritage issues less of a challenge in their country, directors responded almost unanimously that the task would call for funds to enable the Bank to provide institutional and technical support, especially in developing approaches to preserve/support priority cultural assets in ways that can help increase employment opportunities, particularly for the poor. One director commented, "Like so much else these days; the issue is not whether it is worthwhile; but whether we have sufficient resources to do it well; and what do we drop if we do it." Likewise, when asked what kind of disincentives existed, directors restated the problem, citing a lack of administrative budget as a deterrent/hindrance to pursuing cultural heritage conservation.

### **Portfolio Trends**

6.12 Unsurprisingly, in its completed projects the Bank focused on those approaches it traditionally does well—capacity building (enhancement of in-country capacity for cultural resource management) and physical rehabilitation of material resources. Approaches receiving less attention included support for the performing arts and economic exploitation of cultural resources in a manner not directly related to tourism. Table 5 shows the number of ongoing project activities and the total number of project activities by approach. This shows which approaches are being emphasized more heavily recently than they were historically. The table shows a decline (in percentage terms) in activities involving physical rehabilitation,

enhancement of in-country capacity, and promotion of tourism and an increase (in percentage terms) in the other five approaches. Based on the trend figures, the four approaches receiving the most attention in the projects analyzed are support for the performing arts, promotion of cultural identity/social cohesion, training and institutional development in areas not related to management, and poverty-focused cultural heritage intervention. The most used approaches in the ongoing projects are not those for which the survey respondents expressed support.

**Table 5. What Is the Bank's Current Focus?**

Approach	Completed Activities		Ongoing Activities		Total	
	No.	As % of Total <sup>a</sup>	No.	As % of Total <sup>a</sup>	No.	Trend (% Ongoing <sup>b</sup> )
Support for the performing arts <sup>b</sup>	2	2	15	7	17	88
Promotion of cultural identity/social cohesion through use of cultural resources	8	7	27	13	35	77
Non-management training/institutional development	7	6	24	11	31	77
Poverty-focused cultural heritage intervention	7	6	23	11	30	77
Economic exploitation of cultural resource/s in a manner not directly related to tourism	5	5	12	6	17	71
Physical rehabilitation of material resources	22	20	37	17	59	63
Enhancement of in-country capacity for cultural resource management	32	29	47	22	79	59
Promotion of tourism	26	24	29	14	55	53
TOTAL	109		214		323	

a. Rounded to the nearest percent

b. Management noted that most of the performing arts activities are small components of poverty-reduction or post-conflict projects, not stand-alone activities. Further, Management believes that the analysis should have weighted the projects by the amount of funding rather than by the number of activities, so that a grant of \$2000 to establish a studio to teach traditional dance in an Indonesian village is not weighted equally with a project of \$200 million. On this basis the magnitude of funding of performing arts would be shown as one of the smallest categories.

[OED notes that para. 6.13 specifically makes this point, see also OED's response in footnote 40.]

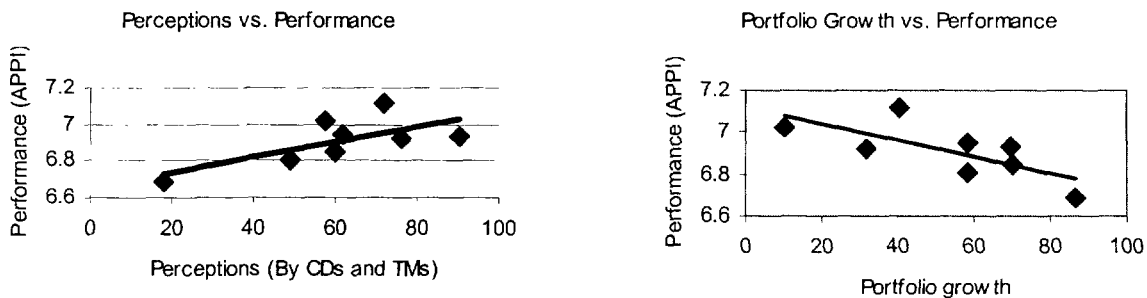
6.13 The ongoing activities show a strong emphasis on enhancing in-country capacity that is consistent with high preference indicated in the country director and task manager surveys. However, some of the approaches they least preferred (tourism promotion, the development of cultural heritage-related training and institutional development [not related to management], and support for performing arts) are used quite often in ongoing projects and in projects currently being prepared. There has been a sharp increase (though the numbers remain small) in the number of activities using the approach least preferred by country directors and task managers alike—support for the performing arts (although these activities had the lowest average cost of all approaches evaluated). This increase raises some concern given that this approach ranked lowest in overall outcome, lowest in sustainability, and second lowest in institutional development impact as evidenced in Table 4, above. Another analysis (see Annex A), using project approval dates and grouping the activities in seven-year periods, confirms the trend observed in the comparison of completed and ongoing projects. Furthermore, analysis that compares the periods 1993–97 and 1998–2000 shows that the trend has continued.

6.14 Task managers and country directors agreed that poverty-focused cultural heritage intervention was by far the most important approach for the Bank to pursue. Ninety-three percent of task managers and 88 percent of country directors stated that this type of project was important (the preferred approach of both groups; see Figure 3). Only 7 completed and 23 ongoing cultural heritage projects deal directly with poverty alleviation. The promotion of tourism, on the other hand, did not receive much support from the

country directors. Only 38 percent believed that the Bank should pursue this approach. Yet, it is the third most common approach in the ongoing projects, comprising 17 percent of the completed and ongoing projects (26 and 29 projects, respectively).

6.15 The portfolio analysis suggests a subtle shift in the Bank's direction. Analysis of pipeline projects tends to confirm that impression. Comparing Table 1 and Table 2, it is apparent that the approaches whose use is increasing not only do not match staff views about approaches the Bank's should pursue but also do not match the Bank's areas of best performance in the past. The degree to which this is happening is evident when the portfolio direction is correlated with Bank strengths and staff perceptions (Figure 4, based on data in Annex A).

**Figure 4. Portfolio Direction and Bank Strengths<sup>44</sup>**



6.16 The upward-sloping line on the left graph represents the trend of staff perceptions versus project performance ratings. There is a strong correlation between staff perceptions of Bank strength and performance ratings:<sup>45</sup> areas of weakness were not recommended and areas of strength were. The correlations in the right graph, on the other hand, show that the portfolio has expanded (based on the number of projects) into areas of weak performance and preference and contracted in the stronger areas. Portfolio direction, staff opinions, and evaluation ratings do not add up—staff perceptions have a strong link to performance while the portfolio trajectory does not.

## 7. Major Findings and Recommendations

7.1 This study set out to answer three questions about the Bank's work with physical cultural properties: What has the Bank done? How well did it do it? And what lessons should be learned from these experiences? It found out that Bank support for cultural heritage has a long history, an extensive portfolio, and a better than average record for outcome but a mixed record on sustainability and institutional development impact on a par with the overall Bank portfolio. Though it proved impossible to do a detailed analysis of compliance with the do no harm aspects of OPN 11.03, there is evidence of inconsistency in the application of the policy.

44. Management would note that the figure on portfolio growth gives equal weight to each category even though the number of activities in the smallest category was 17, whereas other points represent up to 79 activities (and as mentioned earlier the number of activities may not be the appropriate unit of analysis when activities range from small grants to large projects). It is Management's opinion that the data do not support the conclusion that the portfolio has contracted in stronger areas.

45. These are APPI ratings. APPI is an index that combines outcome, institutional development, and sustainability ratings (see Annex A).

7.2 A growing number of borrowers want the Bank to assist them in conservation of their cultural assets. In any event, the Bank's main line of business is such that when the institution is achieving its main objectives, it cannot help but get involved with physical cultural property when it is lending for infrastructure, urban revitalization, and rural development—activities that almost always have an impact on important physical culture. Similarly, environmental and emergency reconstruction projects may also have important consequences for cultural heritage. Hence, it needs a minimum core of competency to deal with the do no harm aspects.

7.3 The likelihood that Bank-financed works will harm physical cultural properties requires attention to the do no harm aspects of the Bank's policy and even strengthening that aspect of policy. This is not to suggest that the Bank must do a full assessment of cultural heritage every time it finances a project that moves earth, however. It means merely that before the shovel goes in the ground, the possibility of impacts to physical cultural properties has at least been given due consideration.

### **Implementation Difficulties**

7.4 Addressing cultural properties in Bank-financed projects has suffered from a lack of clear-cut systematic approach. There were notable successes, such as the Tunis Medina (Hafsia) and Lahore, but also some problems such as the initial phases of Marib-Safir Road Project in Yemen and the near disaster at Catal Huyuk. Hearteningly, most unsuccessful examples encountered predated the OPN, and they represent a failure to live up to stated good intentions, rather than a violation of policy. Work with physical culture in the Bank is, in some ways, governed more by good intentions than good practice. Assets that have been subject to conservation were rarely selected purposively and even more rarely developed using best practices in the cultural conservation field. Staff interested in culture, and those who realize its organizing power, take advantage of opportunities when they find culture in their path. But even the most qualified staff are hampered by lack of sector analysis and an adequate budget for project preparation (unlike, for instance, environment assessment).

7.5 There are strong disincentives in the Bank to carrying out thorough work in the cultural heritage field. Task managers and country directors surveyed were asked to list the disincentives that they currently face or that would confront any expansion of Bank activities in culture. Task manager responses were wide-ranging, mentioning such difficulties as the reluctance of many countries to borrow for what they perceive will not be a productive or effective use of resources, unclear sources of revenue, and a lack of career incentives for task managers to work in culture. The task managers requested more training on cultural heritage and some suggested piloting cultural heritage training in a few of the countries that would benefit most.

7.6 Country directors' responses were similar. They mentioned problems such as very high start-up costs, lack of administrative budget, very long and expensive preparation, inadequate institutional framework, and lack of a clear country policy. "Countries are often reluctant to give high priority to cultural activities given other pressing development priorities," remarked one country director. Others pointed out the lack of administrative budget for such projects and voiced concern that the Bank budget and staff are spread too thinly as it is.

7.7 Given the poor performance on institutional development impact, this area requires special attention. There are a number of reasons why promoting stronger cultural institutions is particularly challenging. First, the ministries involved, namely culture and tourism, tend to be among the less powerful. Second, to date the Bank has often not had adequate information on local talent, and has therefore relied too much on outside experts, thus limiting the development of local institutions and expertise, and also running the risk of designing projects without sufficient knowledge of the local socio-cultural setting. Third, a

shortage of experts within the Bank means that projects have had to rely on knowledge and techniques that might not be state-of-the-art.

### **Conversion of the Operational Policy**

7.8 The Bank should continue to accord the highest priority to reducing the reputational risks of collateral cultural heritage impacts from mainstream development interventions. The Bank's Operational Policy Note on cultural property will be converted to an Operational Policy on cultural heritage, assuming the current schedule holds, before the end of 2001. The policy is expected to retain all the safeguard aspects of OPN 11.03 and make more explicit its ties to the environmental assessment process. Yet there has never been sector-by-sector analysis that bases the Bank's cultural heritage activities on a careful analysis of borrower demand and on the Bank's comparative advantage relative to other players in this field.

### **Learning to be Selective**

7.9 The ESSD publication *Culture and Sustainable Development: A Framework for Action* called for a coordinated effort to plan a culture strategy in 1999, yet this effort has now been subsumed into a broader exercise that will look at all aspects of social development. The Bank, in a justifiable effort to increase selectivity (through the "Strategic Directions" paper of March 28, 2001) has not made culture a corporate priority. The *Framework for Action* document is also less concerned with physical culture than with culture in all its ramifications.

7.10 The new initiatives justified by the *Framework for Action* constitute a shift of direction for the Bank, and because they involve work in activities that often require specialized skills, they are likely to be challenging. In several areas, the current efforts represent improvements in the Bank's approach to cultural heritage. The ongoing research into the relationship between poverty reduction and culture is one such area. If this work documents poverty reduction impacts in the Bank's work with culture and if it identifies the types of support for culture that have the greatest poverty reduction impacts and the most effective linkages to poverty reduction stemming from investments in cultural tourism, it will be a major step in the right direction. Indeed, given the Bank's current strategic thinking, little can be done until the poverty-reduction/culture linkage is more fully explored. Through its community-based development efforts the Cultural Assets for Poverty Reduction program is also giving much-needed attention to local awareness and local capacity building. And through dialogue with UNESCO, it is beginning to build important bridges to the expertise necessary to make the Bank's future work in cultural heritage a success. A future OED evaluation will have to assess whether the current direction will attain a satisfactory outcome. Meanwhile, however, the balance of the portfolio may require some attention.

7.11 The study found that country directors and task managers were generally in agreement on the perceived areas of Bank advantage in cultural heritage. Furthermore, they generally preferred approaches that correlated strongly with the Bank's past performance. On the other hand, the current trend in the portfolio suggests a subtle shift in direction that is counter to both performance and to the preferred approaches of staff. While there may be good reason for the Bank to experiment in an area with which it has little familiarity, it should not do so at the expense of activities that play to its strengths.

7.12 Defining a more strategic course of action depends, first, on an accurate assessment of country demand. Second, it depends on taking advantage of opportunities that are relevant to both cultural heritage and to the Bank's mission. Third, the Bank is more effective at some sorts of activities than at others, and therefore needs to select its activities on that basis. Fourth, as a byproduct of community, cultural heritage activities can only achieve sustainability to the extent the Bank has a demonstrated ability to foster community ownership of those activities. Sustainability also depends on the contributions the Bank can

make to institutional development, and long-term institutional support is critical. Finally, there is a large and well-developed community of practice in cultural heritage that includes international organizations, large and small NGOs, faith-based institutions, foundations, and scholarly institutions. The Bank needs to base its selectivity on supporting the activities of such potential partners in places where they truly need and want the Bank's financing, knowledge, policy support, and convening ability.

7.13 The Bank's mission requires that it pursue poverty reduction through the preservation of cultural heritage. It also signifies, regarding doing good in cultural heritage, that the Bank needs to have a clear economic or poverty-reducing rationale for its involvement. Task managers and country directors agreed that the priority approach for the Bank to pursue should be poverty-focused cultural heritage interventions. This is no surprise given that the mission of the World Bank is to reduce poverty. And poverty and culture are linked, as was noted in the recent Bank report *Voices of the Poor*. Therefore, if the Bank is to contribute to meeting the international development goal of reducing extreme poverty by half by 2015, it will need to weigh the importance of culture to achieving that goal. Indeed, when cultural heritage can be enhanced or preserved and poverty alleviation achieved at the same time, it is hard to argue that the Bank should not be involved—a view shared by the Bank staff surveyed by this study.

7.14 As the Bank continues to examine ways to be selective in its lending and non-lending activities it seems likely that diagnostic capacity in cultural heritage will remain essential for ensuring that the Bank meets its commitment to do no harm to cultural properties. If, in fact, it can do this much well, it will likely find doing good will come more easily when borrower demand for assistance with cultural heritage meshes with corporate priorities on the country or regional level. Even so, however, the Bank will probably continue to rely on partners for implementation capacity in cultural heritage.

7.15 The data collected and analyzed by this study should not be the last word on the Bank's strengths and weaknesses with regard to physical cultural property. This has been an exploratory study, and although its conclusions are strongly suggestive, further inquiry into what happened in the large number of undocumented interventions is certainly warranted. (The interactive database on cultural heritage projects developed by the study should greatly assist future work.)

7.16 The main conclusions of this study relate to three areas: Bank policy, project implementation, and partnerships.

## **Conclusions**

### ***Policy***

- The conversion of OPN 11.03 into an Operational Policy is a welcome development that is long overdue. But care is required to ensure that the policy not lose its “do no harm” character, while updating it to acknowledge the responsibilities of borrowers for their own cultural heritage. Cultural heritage, cannot be treated as a “check-off” on the environmental assessment or social assessment, it must be taken seriously by more than a few interested task managers. The recent effort to improve compliance through the use of an Integrated Safeguards Data Sheet is a welcome step in this direction, but its effectiveness will rely on the availability of adequate information about cultural heritage concerns, and the development of staff that are fully aware of the challenges involved in identifying and accommodating cultural heritage in project appraisal and design.

### ***Implementation***

- Bank work has suffered for lack of a thorough analysis of what it may be able to do better than others. Without clear guidance regarding when the Bank should get involved, it is impossible for the Bank to be selective about its interventions.
- The study has found that good practice based on established standards (as presented in Environmental Assessment Update no. 8 “Cultural Heritage in Environmental Assessment”) is not yet universally apparent in Bank projects. Nor has the Bank perfected quality assurance mechanisms to ensure that it demonstrates best practice in the field.
- The causes of difficulties in addressing cultural property issues are many. In part it is for lack of funding that would ensure full integration of cultural property in the Bank’s EA process and throughout the project cycle. Fragmentation of responsibility, the consequence of the cross-sectoral nature of cultural property concerns, also contributes. Local institutions are left to their own devices when the specialists involved in initial analysis and recommendations are left out of project implementation and monitoring (see Section 4). Bank staff rarely have time to follow-up and ensure that agencies fulfill the responsibilities they have been assigned.
- The Bank has gained experience with good practices in both doing no harm and doing good. In terms of doing no harm the Bank has had experience with support for the identification and inventorying of cultural heritage sites, the sequencing of activities to achieve optimal conservation, ways to ensure protection not only of cultural properties but also of the communities that depend on them, and the need to follow up when attempting to strengthen existing institutions. In terms of doing good, the Bank has had experience with assisting governments in their planning efforts and with preparing site management plans. It has also had some valuable positive experiences with partnerships and with innovative approaches to participation. In institutional development Bank activities have explored some successful methods of capacity building.
- Creating effective local capacity for cultural resource management and sustainable development is more effective than hiring expensive foreign experts and it has a lasting and broader impact. Support needs to be directed to institutional development efforts in borrower countries that clarify roles and responsibilities in the management and use of cultural heritage.
- Cultural heritage and tourism are clearly complementary, but the balance between tourism development and protecting fragile cultural resources is quite difficult to strike. Study field visits indicate that thorough project preparation is usually more likely to lead to success than not, but the Bank is thinly staffed in both tourism and cultural heritage experts and, given budget constraints, is likely to have to rely on consultants and partnerships to do such work.
- The state of knowledge about cultural heritage in the Bank is weak but improving. The Bank needs to be more in touch with existing standards in the conservation field. An example is that the Bank is clearly behind on adopting the integrated conservation planning approach that has been the standard in the cultural heritage field since the mid-1980s. Many countries do not have inventories of their cultural assets, and where they are available, task managers are often unaware of their existence. Finding information about cultural elements in Bank projects (and their costs) is too difficult. Important cultural information does not get into major Bank documents. Information about the history, cultural assets, and legislative/institutional framework of a country need to be collected systematically, and local project area data need to be made available to project managers. Cultural heritage concerns also need to be reflected in CASs and NEAPs. In-country institutional capacity to implement heritage plans needs support. Bank-supported measures to enhance borrower capacity should accompany improved and borrower-managed procedures. While ESSD is providing advisory services to help Bank staff address the gaps in their knowledge, much more support from specialized partners is needed.



- The new experiences with mainstreaming culture should be evaluated when a sufficient number of projects has an implementation record that can be analyzed.

### ***Partnerships***

- This study confirms the conclusion of the 2000 Annual Review of Development Effectiveness that in order to help its member countries more effectively, “the Bank will...have to adapt its organizational structure, business practices, and operational instruments in order to reduce the enormous stress which the organization is suffering from—and which, unless it is remedied, could undermine its development effectiveness.” The study finds that partnerships in support of country cultural programs work best when there is an agreed policy framework “owned” by the borrowing country, when sector professionals clarify the Bank’s core competencies and comparative advantage *vis-à-vis* partners, and when it establishes businesslike alliances (that benefit both parties) with appropriate sharing of responsibility.

### **Recommendations**

- ***The Bank should focus more systematically on safeguarding cultural properties.***
  - Expedite the conversion of OPN 11.03 to OP/BP 4.11.
  - Until there is an approved OP, preventing collateral cultural property impacts from mainstream development interventions requires greater efforts.
  - Projects that involve cultural properties need to be adequately prepared and supervised. Work at highly fragile and important sites should be planned and supervised by technically proficient personnel. Often the best way to do this may be through partnerships. However, the Bank must also ensure that it provides sufficient resources to fully mainstream cultural property concerns.
  - Increase training and knowledge dissemination efforts. Many task managers are not aware of the geographic and sectoral warning signs that a project is doing things or working in places that puts cultural heritage at risk, and that steps need to be taken accordingly.
- ***The poverty-reduction effects of cultural resource activities need to be documented.***
  - Consistently monitor and evaluate the poverty-reduction achievements of Bank cultural resource activities.
  - Disseminate information on the linkages between income improvements, increasing security, empowerment gains and cultural heritage.
- ***The Bank needs to define more clearly its approach to the do good aspects of cultural heritage.***
  - Even though culture is neither a corporate priority nor a global priority under the Bank’s Strategic Directions Framework, a corporate decision is needed as to whether the Bank should at all entertain country requests for assistance in this area.
  - If it should, there is a need for more practical guidance on how to respond to such requests, such as best practice handbook/s and a set of criteria emphasizing the economic and poverty impacts of cultural interventions—the latter should be grounded on the lessons of experience and on additional research to be carried out by the Bank on the extent and nature of linkages between culture and poverty reduction.
  - More broadly, future sector and thematic strategies should address issues related to mainstreaming culture as appropriate and relevant.

## **Advisory Committee Comments**

The Advisory Committee is pleased to endorse the OED report “Cultural Properties: A Review of World Bank Experience” with enthusiasm.

We have followed closely the development of the scope of the evaluation and the analysis of the database, and are impressed by the thoroughness of the process to identify and locate World Bank projects that have included (or should have included) a cultural heritage aspect. The result is a solid database that shows an impressive range of activities undertaken by the Bank in cultural heritage. This is not a small or insignificant field of Bank involvement.

While the study team has conscientiously focused, as they should, on examining actual Bank experience, they have also gathered a broad base of reference material against which to observe and assess Bank activities. In addition to a broad literature review that they undertook at the outset of this effort, the leader bravely assembled an Advisory Committee that included a Bank client and others with related experience but quite different perspectives. This meant that our discussions “tested” all findings against broad experience and disciplines outside the cultural heritage field.

Thus, as we examine the conclusions and recommendations of the study, we are pleased to see that they emerged clearly from the evidence of Bank experience and that they also parallel and are validated by committee members’ other experiences in their own countries and contexts. The lessons learned in this study reverberate broadly and must be considered seriously in future Bank work.

This report offers a solid body of experience of the past and has the potential to reshape future World Bank discussion and programming as the linkages between culture and economic growth are realized.

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## Annex A. Methodology

### The OED Study

The OED study of Cultural Heritage in Development was approved by the World Bank Board's Committee on Development Effectiveness (CODE) on May 19, 2000, and conducted according to the terms of an Approach Paper (CODE2000-38). As explained in that document, the study focuses its inquiry on Bank assistance involving physical cultural property (which represents the bulk of the Bank's past work in culture). Project activities in support of living culture were also documented, but this was not a major study focus. Study findings supported the work of the team charged with finalizing the new Operational Policy on Cultural Property,<sup>1</sup> and provided input into a forthcoming Bank sector strategy on culture. This OED study examines what the Bank set out to do, evaluates how well it was done, and analyzes whether the approach taken was appropriate. The study also provides an independent perspective on non-lending activities, and on the self-evaluation that has taken place.

### Evaluative Questions

The evaluation addresses the following main questions:

#### *Relevance*

- Under what conditions do cultural heritage-preserving activities contribute most directly to economic development? Do Bank projects reflect these conditions?
- How were the preserved assets selected, and is the selection process adequate?
- Were investments in heritage conservation structured to help the poor economically, improve their quality of life, increase social cohesion and/or contribute to the inclusion of marginalized groups into society? Were they successful in doing so?
- Have the Bank's interventions in the field of cultural heritage adequately reflected and been synergistic with other Bank priorities and the Country Assistance Strategies?

#### *Efficacy*

- In light of the Operational Manual and the public statements of senior management, did all completed projects with heritage subcomponents attain their conservation objectives?
- Are there lessons from completed projects about minimizing asset degradation while maximizing use?
- What are the factors associated with asset conservation success and failure?
- How effective was the review process furnished by the environmental assessments? Did the required project-specific or sector-specific search for heritage sites take place prior to project design?
- Was Bank monitoring during supervision adequate?

#### *Efficiency*

- Have initial estimates of costs and benefits been realistic?

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1. This Social Development Department Cultural Assets for Poverty Reduction team was led by Kreszentia Duer, and was comprised of several experts in the field of cultural heritage.

### *Sustainability*

- Has the management of cultural properties been sustainable?

### *Institutional Development Impact*

- How effective has Bank support been in terms of training and strengthening national and local institutions charged with safeguarding cultural patrimony?

## **Project Components**

The study evaluation process is based on a combination of methods, and it has four main components as described below:

**Literature Review.** Before beginning field research, a review of the literature was undertaken. In addition to books and journal articles, the literature reviewed included bilateral and multilateral publications and studies. The review outlined key issues subsequently taken into account under the other study components and it examined the experience of selected developed countries. It traced how concerns about cultural heritage, and particularly cultural properties, have become an inextricable part of the development process. Conserving and enhancing cultural heritage cuts across all sectors of development work, and the fields of cultural resources management and culture in development are quickly evolving to provide the tools for institutions and communities to effectively conserve and use what is unique about their cultures to guide their own development process (rather than following a single formula). Other major themes covered in the review included the use of cultural property to promote tourism and the relationship between cultural identity and human development. The literature suggests that strong communities with robust local networks tend to do better in caring for their shared spaces and ways of life. The review found that researchers are just beginning to explore the economic benefits of conserving cultural properties in low- and middle-income countries (although there are well-known cases in high-income countries). Cultural heritage not only benefits economies through conservation and tourism, of course, it is a commodity that contributes to production activities: it generates revenues, commerce, and work; it stimulates other sectors' growth; it alleviates poverty and creates employment. In development agency literature, however, evidence is scant (and not totally persuasive) that conserving cultural heritage directly promotes the economic integration of lower-income neighborhoods, social inclusion, and poverty alleviation.

A major theme of current thinking in the discipline is that simply restoring an asset, such as a monument, will not yield lasting development benefits. Where cultural heritage has made significant contributions to economic development, it has been the result of a long-term, complex process that requires good planning, depends on integration with other sectors, includes of the stakeholders who "own" their culture, and provides continuous support until local capacity is capable of sustaining all critically needed activities. These conclusions were supported unambiguously by the other research components undertaken in the Bank and the field by the study team.

**Portfolio Review.** For the study, the full portfolio of Bank-supported cultural projects was catalogued in a Microsoft Access database to track Bank involvement in cultural heritage. The projects searched included those funded through IDA, IBRD, or grants. A number of IFC and MIGA projects were identified, but a more comprehensive search of these portfolios was not done. This forms the most comprehensive, though still incomplete, listing of cultural work in the Bank to date. Using this resource, the team identified present trends, key issues, and the current state of Bank performance, through documentary analysis of database information. The study team built this resource by examining Bank documents (IEPS/PCDs and

SARs, ICRs, and PARs), the Bank's website and related resources, Bank lists and databases, and consultant's reports. The database was further augmented with the results of field visits to selected projects and interviews with knowledgeable staff. Documentation for ongoing and proposed projects also was analyzed.

Finding information on projects that took place prior to 1980 proved difficult because there is very little electronic documentation of them and the study did not have resources to search for hard copy documents in the Bank's archives. Detection was often difficult for several reasons: task managers often lacked awareness of cultural issues, cultural elements of projects were poorly recorded or not recorded at all (often they are not even mentioned in major project documents although they may have occurred), and cultural heritage is often a tiny part of a large project, making it harder to detect.

Once the projects were found, a list of approaches was generated from the projects' own description of what they were doing. Using Grounded Theory Methodology (GTM)<sup>2</sup>, the study team generated a list of 50 project categories. These categories were then grouped into eight general approaches to cultural heritage projects and used in study analyses (see following list: "Primary and Secondary Categories: CH Intervention Approaches").

**Bank Staff and Stakeholder Views.** To gather opinion data on the Bank's involvement in cultural heritage the study undertook four surveys. (Copies of the instruments are appended to this annex.) One survey sought the views of task managers of projects with cultural heritage as a major objective or component. The task managers of the projects were asked to evaluate the *outcome, sustainability, and institutional development impact* of the cultural heritage-related components of the projects; they also provided supplementary information on their projects. Two surveys polled a total of 52 country directors in (mostly low-income) countries with social funds investments and separately in those (mostly middle-income) countries without such investments on their opinions regarding Bank support for cultural heritage. This stratification arose from linking to a survey done for an ongoing OED social funds study. The fourth survey, a portion of a Gallup poll on borrower opinions of the Bank's urban projects, asked borrower staff of Bank-financed projects in the urban sector about their learning experiences during the implementation of the cultural heritage activities with which they were involved.

**Experience Analysis.** Field visits to selected projects were undertaken as part of the study and in connection with the audit program. The projects selected for field visits reflect the range of projects identified in the documentary review in terms of type, cost, and region. In-depth analysis of Bank experience was done at the regional, country, and project levels. Each analytic exercise looked at both the implementation of Bank-supported projects and at broader cultural heritage issues. The regional analysis examined experience in Benin and Mali to learn lessons about cultural heritage activities in sub-Saharan Africa. At the country level the study undertook field examination of Bank activities in Brazil, Georgia, Indonesia, Jordan, and West Bank-Gaza. At the project level, as part of the audit process, field visits were made to Colombia and Argentina. Desk studies of individual projects were undertaken in Morocco, Tunisia, Turkey, and Yemen.

The cases address the following topics:

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2. Glaser, Barney G., and Strauss, Anselm L. *The Discovery of Grounded Theory: Strategies for Qualitative Research*. (Chicago: Aldine, 1967) "Grounded Theory (GTM) is a 'general method of comparative analysis' to discover theory with four central criteria, i.e. work (generality), relevance (understanding), fit (valid), and modifiability (control)." (from: <http://www.geocities.com/ResearchTriangle/Lab/1491/gtm-i-intro.html>).

- Comparing and contrasting Bank work that conserves physical heritage with that of other donors/NGOs facing the same conditions
- Planning and achieving sustainable services from fragile assets
- Rehabilitating downtown areas through historic city center conservation
- Civic engagement and poverty impacts of cultural heritage work
- Unique aspects of natural, archaeological, and built sites (including what to deal with first).

### Correlations Analysis

The correlations used in Figure 4 are based on the following data:

	<i>APPI Performance</i>	<i>Average CD &amp; TM Perceptions</i>	<i>Rate of Change Portfolio Growth</i>
Poverty-focused cultural heritage intervention	6.9286	90.5	69.6
Physical rehabilitation of material resources	7.1172	72	40.5
Enhancement of in-country capacity for cultural resource management	6.9167	76	31.9
Economic exploitation of cultural resource/s in a manner not directly related to tourism	6.9423	62	58.3
Promotion of cultural identity/social cohesion through use of cultural resources	6.8472	60	70.4
Non-management training/institutional development	6.8068	49	58.3
Promotion of tourism	7.0227	57.5	10.3
Support for the performing arts	6.6875	18	86.7

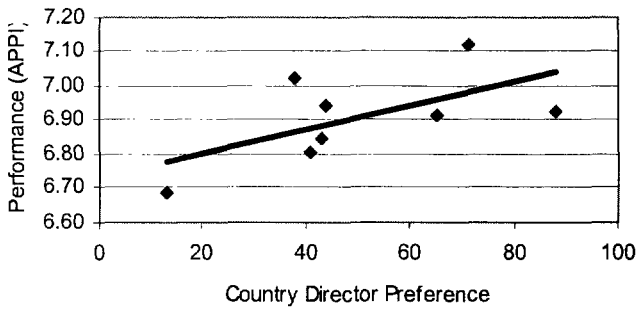
The numbers for the three aggregate indicators for performance, perceptions and portfolio trends were calculated as follows:

**Performance:** The Aggregate Project Performance Index (APPI) combines information on outcome, sustainability, and institutional development impact into a single index. The general methodology for this index is detailed in *Measuring Development Effectiveness: The Search for a Measure of Overall Project Results*, an OED Working Paper by Federico Mini (November 1998). The index used in this study was calculated for each project, then averaged for each approach. The lowest possible score on the index is 3.75 and the highest is 8.25.

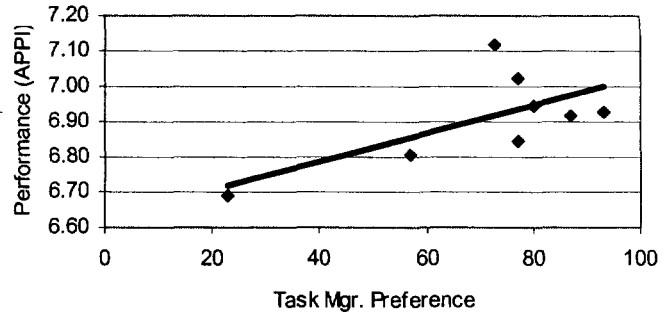
**Perceptions:** The country directors' and task managers' surveyed preferences were averaged for each approach. Charts showing the separate preferences of country directors and task managers against the portfolio trend is shown below. They show a similar upward sloping trend line, at a similar angle.



Country Director Preference vs. Performance



Task Manager Preference vs. Performance



**Portfolio Trend:** This was obtained by calculating the difference between the number of completed projects and the number of current projects for each approach and dividing it by the number of current projects, resulting in a percent change. The table below looks at the trend in more detail, using project approval dates and grouping the activities in seven-year periods. This analysis confirms the trend observed in the comparison of completed and ongoing projects.

	72-78	% of total for 72-78	79-85	% of total for 79-85	86-92	% of total for 86-92	93-00	% of total for 93-00
Physical Rehabilitation	1	6%	7	21%	10	22%	39	19%
Tourism	6	33%	7	21%	10	22%	25	12%
Economic-Non Tourism	0	0%	2	6%	2	4%	11	5%
Capacity-Management	8	44%	12	35%	12	26%	45	22%
Capacity-Non Mgmt.	1	6%	2	6%	3	7%	23	11%
Performing Arts	0	0%	1	3%	0	0%	10	5%
Poverty focused	2	11%	1	3%	3	7%	22	11%
Social Cohesion	0	0%	1	3%	5	11%	24	12%
Other	0	0%	1	3%	1	2%	3	1%
<b>TOTAL</b>	<b>18</b>		<b>34</b>		<b>46</b>		<b>202</b>	

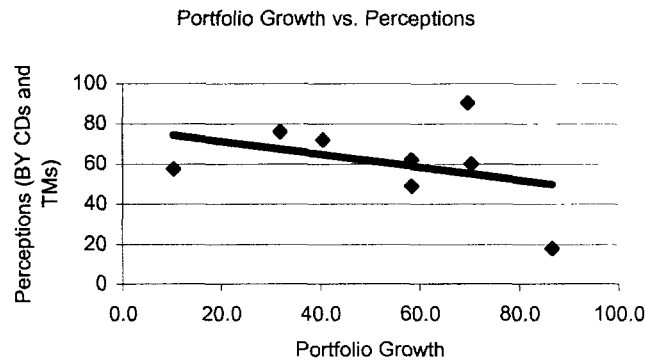
All percentages are rounded to nearest percent (so totals may not always equal 100%).

A close examination of the last seven-year period, in the table below, confirms a recent continuation in the observed trend.

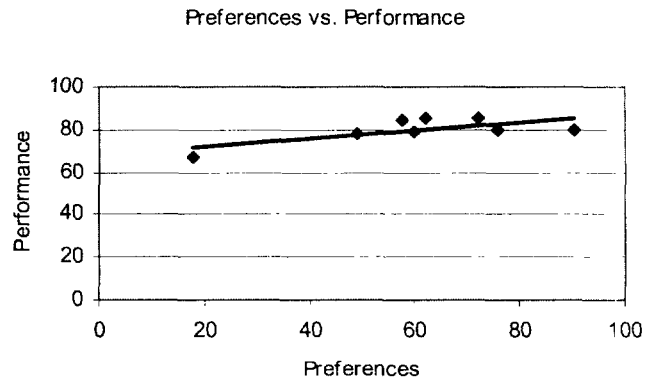
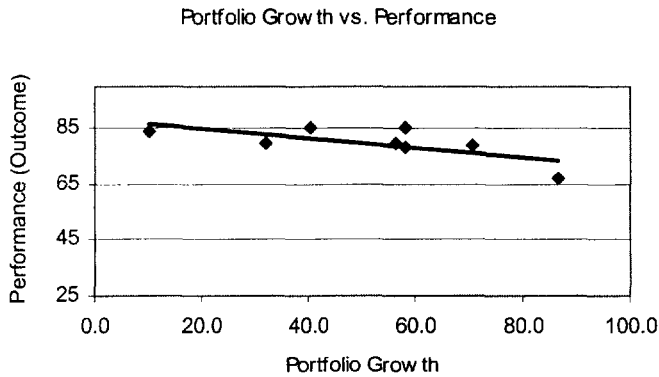
<i>Breakdown for 93-00</i>	<i>93-97</i>	<i>% of total for 93-97*</i>	<i>98-00</i>	<i>% of total for 98-00*</i>
Physical Rehabilitation	14	25%	25	18%
Tourism	9	16%	16	11%
Economic-Non Tourism	3	5%	8	5%
Capacity-Management	17	30%	28	19%
Capacity-Non Mgmt.	5	9%	18	12%
Performing Arts	1	2%	9	6%
Poverty focused	3	5%	20	14%
Social Cohesion	3	5%	21	14%
Other	0	0%	3	2%
<b>TOTAL</b>	<b>56</b>		<b>148</b>	

\*rounded to nearest percent (so totals may not always equal 100%).

The main text shows charts comparing performance to preferences (by country directors and task managers) and to portfolio trends. The chart below compares the last of these dyads, showing the correlation between portfolio trend and preferences (by country directors and task managers).



The study team also calculated the correlation of outcome, percentage rated satisfactory, against portfolio trend and perceptions. The results, shown below, are similar to that using the APPI.



### **Study Advisory Committee**

The Cultural Heritage Study had a four-member Advisory Committee: Mary B. Anderson, President of the Collaborative for Development Action, Inc.; Jo Rowena Dalisay Garcia, Manager of the Environmental Planning and Control Department at the Philippine National Oil Company, Energy Development Corporation; Silvio Mendes Zancheti, former Director of the Center for Integrated Territorial and Urban Conservation of the Federal University of Pernambuco and co-coordinator of the Integrated Territorial and Urban Conservation Program Brazil Program; and Georges Zouain, Director at the Culture Sector of UNESCO, former Deputy-Director of the World Heritage Center.

This committee served several purposes:

- To bring to bear diverse perspectives in the conduct of the OED review
- To serve as a sounding board for initial OED findings
- To add authority and credibility to the findings
- To broaden the communications network
- To ensure a broad-based consultation process.

The committee also ensured that the OED Cultural Heritage Study involved a transparent and accountable policy review process, and that findings would be highly applicable to the ESSD work program. OED management looked to the committee for their views about the quality of that consultative process. The committee commented on the study design, reviewed interim findings from the various research components, and commented on drafts of the final study report.

### **Primary and Secondary Categories: CH Intervention Approaches**

The following approaches were identified through informant interviews and analysis of available documents for the projects/activities listed in Annex C. They therefore represent the Bank's experience in cultural heritage rather than a complete list of the possible approaches to cultural heritage.

1. **Rehabilitate (physically) one or more material CH resources.**
  - A. Landmark and monument protection.
  - B. Historic area rehabilitation
  - C. Urban development with CH aspects
2. **Promote tourism.**
  - A. Conceptually or comprehensively integrate tourism in a geographic area
  - B. Investments in hotels
  - C. Finance tourism amenities and related infrastructure
  - D. Handicraft production (primarily for sale to tourists)
  - E. Community-based tourism
  - F. Information and communications (signage, information-sharing events and products)
  - E. Site development for tourism investors
3. **Economic exploitation of cultural resource/s in a manner not directly related to tourism.**
  - A. Individually specified projects.
4. **Enhance in-country capacity for cultural resource management.**
  - A. Establishment/management of protected areas
  - B. Site management
  - C. Integrated territorial conservation planning
  - D. Support for community-based CH management
  - E. Natural reserve management
  - F. Archiving and related collections management
  - G. Support for national or regional cultural institutions/agencies.
  - H. CH Inventory
5. **Non-management cultural heritage-related training and institutional development.**
  - A. Teaching of skills and crafts (i.e., to builders and masons) required for physical conservation
  - B. Support for legislation and related regulations
  - C. Support for museums
6. **Support for the performing arts.**
  - A. Establishment of art centers, concert halls, ballet and folkdance schools, and other performance venues
  - B. Promotion of festivals and publicly-practiced traditional rituals
  - C. Promotion of self-management for performing arts groups
7. **Poverty-focused CH intervention.**
  - A. Land tenure
  - B. Indigenous rights
  - C. Promotion of labor-intensive job creation
  - D. Activities directed specifically at low-income neighborhoods to improve incomes and/or quality of life.
8. **Promotion of cultural identity or social cohesion through use of cultural resources.**
  - A. Individually specified projects

## THE SURVEY INSTRUMENTS

### The Task Manager Survey

Note: This survey was done in Lotus Notes. The version reproduced here has been adapted from the electronic form.

#### Part 1 REVIEW OF PROJECT/COMPONENT DATA

This section shows information we have compiled about the project and about the cultural component in it. The information has been culled from major project documents and Bank databases. We know it may be incomplete, so we are asking for your help to get the most accurate picture possible about what happened.

In many projects, we have descriptions of the project from the appraisal, but never found any follow-up and so were unable to fill out the "What Happened" section of the form. In this section we would like a few sentences about the result in the culture arena only.

We ask that you review this information, correcting it or adding to it as necessary. The fields available for editing are labeled in red and should be open to take your changes. But if you would like to make a correction in a field that is not changeable, please just note the correction in the "Comments" section at the end of the survey.

ID

#### a) Basic Project Information

Project Title:  
 Country: ; Region:  
 Status: ; Loan, Credit or Grant: ; Other ID#:  
 Task Manager(s):  
 Board Approval: ; Closing Date:  
 Location Name & Description:  
 General Project Description:

#### b) Cultural Component Information

Cultural Component:  
 What Happened:

#### c) Financing/Implementing Information

Total Project Cost (US\$ M): \_\_\_\_\_  
 Loan Amount (US\$ M): \_\_\_\_\_  
 Lending/Grant Instrument: \_\_\_\_\_  
 Amount Spent on Cultural Activities (US\$ M): \_\_\_\_\_  
 Principal Bank Sector: \_\_\_\_\_  
 Cofinanciers: \_\_\_\_\_  
 Implementing Agency: \_\_\_\_\_

**Part II YOUR EVALUATION OF THE CULTURAL ASPECTS OF THE PROJECT YOU TASK MANAGED**

Part II is an evaluation of the cultural elements of the project. We especially encourage you to fill out this part and rate your project, because if you don't, we will have to evaluate it based on much more limited information. You can be frank, our report will not use your rating to compare projects, only to discuss the most and least successful strategic approaches in the aggregate.

**Did the cultural heritage aspects have any impact on poverty reduction?**     Yes  No

The following were noted as the strategies used in the cultural aspects of this project. Please click yes on the item to evaluate it. If you believe there are others, please select them and the questions will drop down. This information will be used by OED to identify successful intervention approaches. Project ratings for individual projects will not be listed or compared.

**Physical rehabilitation of one or more material Cultural Heritage resources (e.g., buildings, landmarks)**  Yes  No

Did this strategy involve any of the following activities:

- Landmark and monument protection
- Historic area rehabilitation
- Urban development with Cultural Heritage aspects

At this stage of implementation, is the outcome of this strategy and its related activities:

- Satisfactory  Unsatisfactory

Is the sustainability of this activity:

- Likely     Unlikely     Uncertain

Was the Institutional Development Impact of this activity:

- Substantial     Negligible     Modest

**Promotion of tourism**     Yes  No

Did this strategy involve any of the following activities:

- Conceptually or comprehensively integrate tourism in a geographic area
- Investments in hotels
- Finance tourism amenities and related infrastructure
- Handicraft production (primarily for sale to tourists)
- Community-based tourism
- Information and communications (signage; information-sharing events and products)
- Site development for tourism investors

At this stage of implementation, is the outcome of this strategy and its related activities:

- Satisfactory  Unsatisfactory

Is the sustainability of this activity:

- Likely     Unlikely     Uncertain

Was the Institutional Development Impact of this activity:

- Substantial  Negligible  Modest

**Economic exploitation of cultural resources in a manner not directly related to tourism**

- Yes  No

Please specify activities:

At this stage of implementation, is the outcome of this strategy and its related activities:

- Satisfactory  Unsatisfactory

Is the sustainability of this activity:

- Likely  Unlikely  Uncertain

Was the Institutional Development Impact of this activity:

- Substantial  Negligible  Modest

**Enhance In-Country capacity for cultural resource management (including related training):**

Yes  No

Did this strategy involve any of the following activities:

- Establishment/management of protected areas  
 Site management  
 Integrated territorial conservation planning  
 Support for community-based CH management  
 Natural reserve management  
 Archiving and related collections management  
 Support for national or regional cultural institutions/agencies

At this stage of implementation, is the outcome of this strategy and its related activities:

- Satisfactory  Unsatisfactory

Is the sustainability of this activity:

- Likely  Unlikely  Uncertain

Was the Institutional Development Impact of this activity:

- Substantial  Negligible  Modest

**Non-management Cultural Heritage-related training and institutional development:**  Yes  No

Did this strategy involve any of the following activities:

- Teaching of skills and crafts (i.e. to builders and masons) required for physical conservation  
 Support for legislation and related regulations  
 Support for museums  
 Inventory of national capacity

At this stage of implementation, is the outcome of this strategy and its related activities:

- Satisfactory  Unsatisfactory

Is the sustainability of this activity:

Likely       Unlikely       Uncertain

Was the Institutional Development Impact of this activity:

Substantial     Negligible     Modest

**Support for the performing arts:**       Yes  No

Did this strategy involve any of the following activities:

- Establishment of arts centers; concert halls; other performance venues
- Promotion of festivals and publicly-practiced traditional rituals
- Promotion of self-management for arts groups

At this stage of implementation, is the outcome of this strategy and its related activities:

Satisfactory       Unsatisfactory

Is the sustainability of this activity:

Likely       Unlikely       Uncertain

Was the Institutional Development Impact of this activity:

Substantial     Negligible     Modest

**Poverty-focused Cultural Heritage intervention:**       Yes  No

Did this strategy involve any of the following activities:

- Land tenure
- Indigenous rights
- Promotion of labor-intensive job creation
- Activities directed specifically at low-income neighborhoods to improve incomes and/or quality of life.

At this stage of implementation, is the outcome of this strategy and its related activities:

Satisfactory  Unsatisfactory

Is the sustainability of this activity:

Likely       Unlikely       Uncertain

Was the Institutional Development Impact of this activity:

Substantial     Negligible     Modest

**Promotion of cultural identity or social cohesion through use of cultural resources:**     Yes  No

Please specify activities:

At this stage of implementation, is the outcome of this strategy and its related activities:

Satisfactory  Unsatisfactory

Is the sustainability of this activity:

Likely       Unlikely       Uncertain

Was the Institutional Development Impact of this activity:



Substantial  Negligible  Modest

**Other:**  Yes  No

Please specify strategy:

This strategy involved the following activities:

At this stage of implementation, is the outcome of this strategy and its related activities:

Satisfactory  Unsatisfactory

Is the sustainability of this activity:

Likely  Unlikely  Uncertain

Was the Institutional Development Impact of this activity:

Substantial  Negligible  Modest

Please add any comments about the cultural aspects of this project:

### **Part III GENERAL QUESTIONS ABOUT THE BANK'S WORK IN CULTURAL HERITAGE**

In this section we ask for your advice about which aspects of cultural heritage build upon the strengths (comparative advantage) of the World Bank.

1. While all countries have cultural assets and practices which must be preserved and protected, which of the items listed below permit the Bank to build on its strengths? Which of them represent areas where the Bank has little or nothing to offer?

<b>Cultural Heritage Activity</b>	<b>Activity Bank should pursue?</b>
Physical rehabilitation of one or more material Cultural Heritage resources, (e.g., Buildings, Landmarks)	<input type="checkbox"/> Yes <input type="checkbox"/> No
Promotion of tourism	<input type="checkbox"/> Yes <input type="checkbox"/> No
Economic exploitation of cultural resources in a manner not directly related to tourism	<input type="checkbox"/> Yes <input type="checkbox"/> No
Enhancement of In-Country capacity for cultural resource management (including related training)	<input type="checkbox"/> Yes <input type="checkbox"/> No
Non-management Cultural Heritage-related training and institutional development	<input type="checkbox"/> Yes <input type="checkbox"/> No
Support for the performing arts	<input type="checkbox"/> Yes <input type="checkbox"/> No
Poverty-focused Cultural Heritage intervention	<input type="checkbox"/> Yes <input type="checkbox"/> No
Promotion of cultural identity or social cohesion through use of cultural resources	<input type="checkbox"/> Yes <input type="checkbox"/> No
Other? Please specify :	<input type="checkbox"/> Yes <input type="checkbox"/> No

2. If you identified any area where the Bank has a comparative advantage (can build on its strengths), what type of resource or technical support would make the task less of a challenge for task managers?

3. What are the disincentives (whether due to Bank operations or in-country conditions) to identifying and working with cultural heritage elements in World Bank projects?
4. What partnerships would be most fruitful to explore further in working with cultural heritage?
5. What percentage of projects with cultural heritage components would you estimate comply with the Cultural Property Safeguard?

**Please add any other comments regarding the Bank's role in cultural heritage.**

THANK YOU FOR ANSWERING THIS SURVEY!

**The Country Director Survey—Social Funds (Low-Income) Countries**

The following reproduces the cultural heritage portion of a two-part survey that included questions on social funds. The purpose, as stated in the instructions, was to “seek information about the World Bank’s comparative advantage in cultural heritage.” Respondents were assured anonymity.

Are you a Country Director or Resident Representative? (Please circle as appropriate)

Region: \_\_\_\_\_

**Cultural Heritage**

<b>Question 5. While all countries have cultural assets and practices that must be preserved and protected, which of the items listed below permit the Bank to build on its strengths. Which of them represent areas where the Bank has little or nothing to offer.</b>		
<b>Cultural Heritage Activity</b>	<b>Bank HAS a Comparative Advantage</b>	<b>Bank does NOT HAVE a Comparative Advantage</b>
Physical rehabilitation of one or more material Cultural Heritage resources		
Promotion of tourism		
Economic exploitation of cultural resources in a manner not directly related to tourism		
Enhancement of In-Country capacity for cultural resource management		
Non-management Cultural Heritage-related training and institutional development		
Support for the performing arts		
Poverty-focused Cultural Heritage intervention		
Promotion of cultural identity or social cohesion through use of cultural resources		
Other (specify):		
<b>Question 6. If you identified any area where the Bank has a comparative advantage (can build on its strengths), what type of resource, technical support or other aspect would make the task less of a challenge in your country?</b>		
<b>Question 7. What are the disincentives (whether due to Bank operations or in-country conditions) to identifying and working with cultural heritage elements in projects in your country?</b>		

**Question 8. Please add any other comments regarding the Bank's role in cultural heritage.**

### The Country Director Survey—Non-Social Fund Countries (Middle-Income)

The following reproduces the survey used for country directors who did not receive the social funds survey. The purpose of the survey, as stated in the instructions, was as follows: “The first question seeks information about the World Bank’s comparative advantage in cultural heritage. The rest of the survey elicits your opinion about support needed, partnerships, disincentives, level of interest, and poverty impacts.”

<b>Question 1. While all countries have cultural assets and practices that must be preserved and protected, which of the items listed below permit the Bank to build on its strengths? Which of them represent areas where the Bank has little or nothing to offer?</b>	
<b>Cultural Heritage Activity</b>	<b>Bank HAS a Comparative Advantage?</b>
<b>Physical rehabilitation of one or more material Cultural Heritage resources</b> (landmarks, monuments, historic urban areas, etc.)	
<b>Promotion of tourism</b> (geographical integration, amenities and related infrastructure financing, handicrafts, signage, hotel investment, site development for investment)	
<b>Economic exploitation of cultural resources in a manner not directly related to tourism</b> (intellectual property rights, ethno-medicines and botanicals, manufacture of traditional crafts)	
<b>Enhancement of in-country capacity for cultural resource management</b> (establishment/management of protected areas, site management, integrated conservation planning, community-based CH management, natural reserve management, support for cultural institutions, archiving)	
<b>Non-management Cultural Heritage-related training and institutional development</b> (teaching of skills and crafts required for physical conservation, support for legislation and related regulations, and museum support)	
<b>Support for the performing arts</b> (art centers, concert halls and other performance venues, festivals, rituals, art group self-management)	
<b>Poverty-focused Cultural Heritage intervention</b> (land tenure, indigenous rights, promotion of labor-intensive job creation, CH activities targeted for income and/or quality of life improvements in low-income neighborhoods)	
<b>Promotion of cultural identity or social cohesion through use of cultural resources</b>	
<b>Other</b> (specify):	
<b>Question 2. If you identified any area where the Bank has a comparative advantage (can build on its strengths), what type of resource, technical support or other aspect would make addressing cultural heritage issues less of a challenge in your country?</b>	
<b>Question 3. What partnerships would be most fruitful to explore further in working with cultural heritage?</b>	

Question 4. What are the disincentives (whether due to Bank operations or in-country conditions) to identifying and working with cultural heritage elements in projects in your country?
Question 5. Using the following scale, indicate your country's level of interest in borrowing for cultural heritage: -definitely uninterested, -mildly uninterested, -ambivalent, -mildly interested, -highly interested, -not applicable/no opinion
Question 6. Are you aware of any Bank-financed cultural projects in your country that had any significant poverty impacts?
Question 7. Please add any other comments regarding the Bank's role in cultural heritage:

## Annex B. History of Bank Involvement in Cultural Heritage

The Bank's involvement with cultural heritage began with the very large-scale projects that dominated the Bank's portfolio following World War II. During the reconstruction of post-war Europe, the Bank financed the restoration of historic buildings and landmarks in many bombed and battered cities. Bank staff of this earliest period, with the best intentions but little knowledge of good conservation practice, would have been able to call on a well developed tradition in Europe of maintaining historic structures and a pool of technicians and skilled workers to carry out the conservation work required. The experiences of this period are buried deep in the Bank's archives and, in any case, would be of limited relevance to the Bank's current work in developing countries without such resources or traditions. This survey traces the Bank's involvement in cultural heritage through four eras.<sup>1</sup>

*The Era of Good Intentions.* During its early years, the Bank had no policy on cultural heritage, hardly ever made an attempt to create capacity in the country, and the long-term sustainability of cultural assets was not central to Bank thinking. The Bank had no policies or procedures for cultural heritage and, once the rebuilding of Europe was completed and Bank attention began to turn to developing countries, project staff who encountered unanticipated cultural properties had the authority, freedom, and budget to act as they saw fit. Apart from *ad hoc*, non-systematic actions, the Bank financed several massive infrastructure and tourism projects in the 1960s and 1970s. Some Bank-financed infrastructure and hydropower projects also included archaeological surveys, although they were not mandated at the time. Then, with the United Nations Conference on the Human Environment in Stockholm in 1972, the Bank, along with the rest of the world, began to develop an awareness of environmental issues. The procedures ultimately developed to protect the environment would also help to preserve cultural properties.

*The Environmental Era.* In September 1986, the Bank adopted its official general policy (OPN 11.03) on the management of cultural property in the development projects that it finances.<sup>2</sup> Soon after that, the Bank created the Environment Department, which produced the first Bank document expressly devoted to issues of cultural property: Goodland and Webb's *Management of Cultural Property in World Bank Projects* (1987).<sup>3</sup> The report introduced the subject to Bank staff and suggested procedures for incorporating cultural heritage into the design of relevant development projects. The department later produced Environmental Assessment Sourcebook Update No. 8 "Cultural Heritage and Environmental Assessment" (September 1994), which built on experience and aimed at helping Bank task managers and borrowers deal practically with cultural properties and cultural heritage issues. As environmental assessments came to be applied more routinely to Bank-financed projects, however, they revealed increasing evidence of the potential of Bank work to damage the environment and cultural heritage. Several lapses in the application of environmental assessments eventually pressured the Bank to be more systematic in its approach. Thus, in 1989, the Bank adopted its current environmental assessment policy (OP 4.01), which also referred to cultural properties as an internal element of the environmental assessment process.

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1. This text draws on numerous sources including D. Kapur, J.P. Lewis, and R. Webb, *The World Bank: Its First Half Century*, Washington D.C.: Brookings Institution, 1997); R. Goodland and M. Webb, "The Management of Cultural Property in World Bank-Assisted Projects," World Bank Technical Paper Number 62 (Washington, D.C.: The World Bank, 1987); "A Potted History of SA in the World Bank," in R. Goodland, *Social and Environmental Assessment to Promote Sustainability—An Informal View from the World Bank*, Environment Department Paper No. 74, (Washington, D.C.: The World Bank, January 2000); and R. Goodland and J-R Mercier, *The Evolution of Environmental Assessment in the World Bank: From 'Approval' to Results*, Environment Department Paper No. 67, (Washington, D.C.: The World Bank, 1999).

2. Where the cultural property was a tribal site, it was covered by the Bank policy "Tribal People in Bank-Financed Projects" (which became an Operational Directive 4.20, "Indigenous Peoples" in 1991).

3. Goodland and Webb, *op. cit.* See also (same authors and title in) Finance and Development, September 1987.

The Bank's project work in this period became more multidisciplinary and, where cultural heritage was involved, more professional. The Bank financed its first projects with specific cultural heritage objectives in the early 1990s. Environmental projects of this period also sometimes offered opportunities for cultural heritage-related activities. The Bank-financed development of National Environmental Action Plans (NEAPs) in borrower countries, for example, sometimes included investigations of the country's cultural endowments. Some of the most important cultural heritage interventions of the time were connected with urban environmental projects, such as the Punjab Urban Project. After 1994, the Global Environment Facility also became a tool for cultural heritage work, specifically for regional studies on the relationship between cultural heritage and biodiversity.

*The Social Development Era.* A deepening in the Bank's understanding of cultural heritage and its role and place in development began in the mid-1990s. This was facilitated by social scientists, particularly anthropologists, in the Bank<sup>4</sup> who began to explore the social implications of cultural heritage and broadened the scope of cultural heritage concerns in the Bank to include both cultural properties and living heritage and began to explore the link between them. Starting in the mid-1990s, Bank analysts increasingly used social assessments during project design to improve their understanding of what project beneficiaries value, how they view their environment, and in what way they may want to participate in conserving and using their patrimony. Around the same time, the Bank sharpened its focus on institutional development. Since then, many cultural heritage interventions have taken an institutional development approach. Among the activities that have been explored are adaptive reuse of historic structures or restored buildings, urban conservation, site management activities, museum upgrading, and improvement of national inventories.

The culmination of this era came in 1996, when President James Wolfensohn convened a Social Development Task Force to address the role of social assessment in Bank lending instruments and Country Assistance Strategies.<sup>5</sup> The task force aimed at integrating social analysis into operational work and led to many improvements in this area, mainly resulting in the elevation of the social division from inside the Environment Department to a full and freestanding Social Development Department. The raising of the status of social development within Bank operations signaled an important shift in cultural analysis, as it received more attention through the subsequent increase in social assessment publications.<sup>6</sup>

*The Search for a Sustainable Development Approach.* The 1998 initiative Cultural Heritage in Sustainable Development (renamed Cultural Assets for Poverty Reduction in late 1999) grew out of the convergence of several forces inside and outside the Bank. One of these was the UNESCO report called *Our Creative Diversity*, that attempts to encapsulate the culture-development dialogue in its "international agenda" as outlined by the World Commission on Culture and Development. The definition of culture put forth in this publication has now been adopted within the Bank: *Culture comprises the whole complex of distinctive spiritual, intellectual and emotional features that characterize a society or social group. It includes not only the arts and letters, but also modes of life, the fundamental rights of the human being, value systems, traditions, and beliefs.* This clearly extends well beyond concerns involving physical culture, and the current

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4. In 1980, the Bank had only 3 social scientists; by 1997, there were more than 200. By comparison, in 1987, when the Bank added the category of "environmental professionals" only about 5 people were in the category; by 1995, the number had grown to about 300 before leveling off to 256 in 2000.

5. Robert Goodland, "Social and Environmental Assessment to Promote Sustainability: An Informal View from the World Bank." Environment Department papers; paper no. 74. Environmental Management Series. (Washington, D.C.: World Bank, Environment Dept., 2000)

6. Maritta Koch-Weser claims this was the turning point in her "welcome" speech in Ismail Serageldin and Joan Martin Brown, editors, *Culture in Sustainable Development: Investing in Cultural and Natural Endowments* (Proceedings of the Conference on Culture in Sustainable Development held at the World Bank in Washington, D.C., September 28-29, 1998).



study does not attempt to evaluate this recent work. For this reason, OED will need to evaluate the Bank's cultural heritage work again once more of the work under the new approach has been completed.

Since 1998, the Bank has sponsored numerous conferences<sup>7</sup> and produced several publications dedicated to the role of culture in development. Chief among these publications is *Culture and Sustainable Development: A Framework for Action*, a document that describes an approach to cultural heritage that attempts to "mainstream" culture into Bank operations. The *Framework for Action* is an interim document.<sup>8</sup> While it provides some useful guidance for staff in cultural heritage, it is neither policy nor a sector strategy and, therefore, cannot be used as a benchmark against which to judge the development effectiveness of the full scope of Bank work involving cultural heritage, the bulk of which was implemented without its guidance. The *Framework for Action* has been given operational form through a variety of activities (see box).

The approach taken in the *Framework for Action* has its roots in linking culture to sustainable development and has more recently explored how "community-driven" development might use cultural means to alleviate poverty. For example, this document suggests that the Bank support information-sharing, including the dissemination of best practices, development of methodologies for "scaling up," support for community-based initiatives/social relationships, and the promotion of cooperation at the grass-roots level. The primary tool in this new approach has been the creation of small, "stand-alone" projects that can serve as flexible instruments for learning how to involve local traditions and cultural institutions in the development process. (These projects are distinctly different from the Bank's earlier stand-alone projects, which treated cultural heritage only as an adjunct activity to support mass tourism. See Annex E.) Mainstreaming cultural heritage concerns more broadly in the Bank's work has encountered difficulties, a consequence of budgetary constraints and uncertainty about the Bank's role regarding doing good in cultural heritage.

The "community-driven" programs that constitute the latest trend in cultural heritage activities may be an important step in learning about sustainable approaches to cultural heritage. They encompass microcredit financing programs for crafts and other forms of local cultural production in the arts, community-based tourism programs, and building local institutional capacity for the management of cultural heritage and subprojects of social funds projects. Community-based approaches to cultural heritage show particular promise for "building on the cultures of poor and marginalized groups," as called for in the *Framework for Action*.

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7. The major conferences have been as follows: Conference on Culture in Sustainable Development: Investing in Cultural and Natural Endowments, September 28-29, 1998, Washington, DC; Cultural Site Management Workshop, April 26-30, 1999, Washington, DC; Preserving the Architecture of Historic Cities and Sacred Places, May 3-6, 1999, Washington, DC; Culture Counts: Financing, Resources and the Economics of Culture in Sustainable Development, October 4-7, 1999, Florence; Conference on Cultural Heritage Management and Urban Development, July 2000, Beijing; and Conserving Cultural Heritage for Sustainable Social, Economic and Tourism Development: Learning from Bali Cultural Heritage Conservation and International Experiences July 9-13, 2000, Bali.

8. "This paper sets out the rationale and justification for the World Bank's integration of cultural dimensions into its work, as well as the criteria for World Bank financing of culture-based activities. It is an interim report on an early phase of work and will be followed in 18 to 24 months by stocktaking and development of a strategy paper for Board consideration. Findings by OED will be incorporated into this strategy paper. The strategy paper will evaluate the conditions under which the World Bank should be supporting the conservation of living culture linked to social development, and physical conservation of cultural sites linked to tourism development." (*Culture and Sustainable Development: A Framework for Action*)

### Box. Current Bank Initiatives in Cultural Heritage

The Cultural Assets for Poverty Reduction Group (CAPR) in the Social Development Department leads the Bank's program to integrate attention to culture in its development assistance. It works with operational staff in all regions and across networks. In its efforts to mainstream culture, the CAPR group has focused on community-driven development (especially in social fund projects), local language programs in the education sector, culturally appropriate infrastructure, and community-based tourism. The group also approves pilot projects as part of the Development Grant Facility.

***The Institutional Development Fund (IDF, Grants in Cultural Heritage):*** offers grants in cultural heritage to support institutional capacity building for cultural agencies, urban preservation, museum support, and other topics that fit the grant guidelines.

***Development Grant Facility for Culture and Sustainable Development:*** a grant and technical assistance fund for NGO pilot projects that impact poverty and enhance culture. Projects selected so far tend to support community-based tourism, crafts-based enterprises, intellectual property rights, and the development of the music industry.

***The Learning and Research Program on Culture and Poverty:*** demonstrates the relationships between culture and poverty reduction through well-documented research and demonstration pilots.<sup>a</sup> Its goal is to broaden the economic justification for investing in culture by researching effects on voice, income, security, and other aspects of growth or well-being.

***Artisan as Entrepreneur:*** This World Bank Institute-funded program focuses on ways in which countries might collaborate with the World Bank Group to help talented artisans earn their livelihoods with their art—thereby reducing poverty and keeping the tradition of high-quality, handmade crafts alive.

***The Indigenous Knowledge Program:*** supports resource centers across Africa (eight centers to date) that focus on identification and dissemination of indigenous knowledge and practices. The program also promotes the application of indigenous knowledge in Bank projects and in national development programs.

a. It is managed jointly by the CAPR group, the PRMPO network, and DEC.

### Policy Revision

A conversion of the Bank's Operational Policy Note into a full-fledged Operational Policy is underway and will be completed, according to the current timetable, by Fall of 2001. The policy seeks to make sufficient provisions for safeguarding cultural resources affected by Bank-financed projects. Supporting documents sent to the Committee on Development Effectiveness of the Bank's Board justify the policy on grounds that it will help mainstream compliance, avoid reputational risk to the Bank, encourage early physical investigation, improve screening, and introduce provisions for chance finds. The policy is tied firmly to the Bank's environmental assessment process and the recent introduction of the Integrated Safeguards Data Sheet aims to ensure that cultural heritage is duly considered during project appraisal. The policy revision will be accompanied by a Bank Procedures document and a sourcebook on good practices. ESSD has also recommended support for capacity-building within the Bank and full funding to ensure that safeguarding physical cultural resources is no longer an "unfunded mandate."

## Annex C. Survey of Activities (Lending and Non-lending) in the OED Cultural Heritage Database

### Completed Lending Activities

<i>Country</i>	<i>Project Title</i>	<i>Loan or Credit #</i>	<i>Approval Date</i>	<i>Approaches Used*</i>
Argentina	Flood Recovery	L3521	09/29/1992	1,2,3,9
Argentina-Paraguay	Yacyreta Hydro Project	L1761	10/16/1979	3
Belize	Belize City Infrastructure Project	L3667	11/23/1993	1,2
Benin	Urban Rehabilitation and Management Project	C2338	02/18/1992	1
Brazil	Bahia/Salvador Urban Development Project	L2681	04/22/1986	1,2,3,4,5,6,8
Brazil	NW Region Development	L2061, L2062, L2353, L2060	12/01/1981	4
Brazil	Carajas Iron Ore Project	L2196	08/13/1982	4
Brazil	Recife Metropolitan Region Dev. Project	L2170	06/28/1982	1,2,3,5
Colombia	Popayan Earthquake Reconstruction Project	L2379, L1958, L1726	02/02/1984	1
Cyprus	Transport Sector Project—Paphos Archaeological Site Improvement	L2906	02/09/1988	2
Egypt	New Land Development	C1083	02/02/1981	4
Egypt	Luxor Tourism Project	C909	05/17/1979	1,2
Fiji	Monasavu Wailoa Hydroelectric Power I	L1596, L1859	11/30/1978	4
Guatemala	Chixoy Power	L1605	07/21/1978	4
Honduras	Copan Tourism	L1673	06/25/1979	2
Honduras	El Cajon Hydroelectric	L1805, C989	03/27/1980	4
Honduras	First Social Fund Project	C2212	02/28/1991	7,8
India	Maharashtra Earthquake Reconstruction	C2594	04/06/1994	1,4,8
India	Narmada Irrigation and Hydropower	L2497, C1552	03/07/1985	4
Jordan	GEF Conservation of Dana & Azraq Protected Areas	GEF Project	05/01/1992	1,2,4,5,7,8,9
Jordan	Tourism Project	C639	08/12/1976	1,2,4,5,7
Kenya	Power V Kiambere Hydroelectric	L2359	06/28/1984	4
Korea	Kyongju Tourism	L953	01/04/1974	2
Lesotho	Highlands Water Engineering	L3393	07/23/1991	1,2,4
Mali	Second Urban Project	C1677	04/01/1986	1,2
Mali	Mining Sector Capacity Building	C2390	06/17/1992	5
Mali	Second Forestry Project	C1654	03/14/1986	4
Mexico	Mexico Earthquake Rehabilitation and Reconstruction	L2665	03/25/1986	1
Morocco	Fourth Hotel Development	L1943	01/22/1981	2
Nepal	Katmandu Valley Tourism	C0291	03/22/1972	2
Nicaragua	Earthquake Reconstruction	C389	06/06/1973	4
Niger	Industrial and Artisan Sector Employment Creation Project	C0809	05/30/1978	1,2,7
Pakistan	Lahore Urban Development Project	C1348	04/19/1983	1,2,3,4,5,6,8,9
Pakistan	Punjab Urban Development Project	C1895	04/12/1988	1,2,7
Panama	Colon Urban Development	L1878	06/19/1980	1,4
Papua New	Yonki Hydroelectric	L2722	03/16/1987	4

<i>Country</i>	<i>Project Title</i>	<i>Loan or Credit #</i>	<i>Approval Date</i>	<i>Approaches Used*</i>
Guinea				
Peru	Energy & Mining TA-MIGA	L3610	06/28/1993	Unknown
Senegal	Petite Cote Tourism Project	L1412	04/26/1977	2
Sri Lanka	Mahaweli Ganga Dev. III	C1166	06/23/1981	4
Swaziland	Third Power	L2009	05/25/1981	4
Tanzania	Kidatu Hydroelectric, Stage II	L1306	07/01/1976	4
Togo/Benin	Nangbeto Hydro	C1507, C1508	06/01/1984	4
Tunisia	Third Urban Development project	L2223	12/21/1982	1
Tunisia	Tourism Infrastructure	L858, C329	06/15/1972	4
Tunisia	5 <sup>th</sup> Urban	L3064	06/30/1989	Unknown
Tunisia	Fourth Urban	L2736	07/03/1986	Unknown
Turkey	South Antalya Tourism	L1310	07/09/1976	2
Turkey	Sir Hydropower	L2750	09/02/1986	4
Turkey	Istanbul Sewerage Project	L2159	05/27/1982	2
Turkey	Ceyhan Aslantas Multipurpose	L0883, C0360	03/22/1973	4
Turkey	Igdir-Aksu-Eregli-Ericis Irrigation & Farm Dev.	L2663 and L2433	03/30/1986	1,2,4,5,8
Turkey	Karakaya Hydropower	L1844	05/21/1980	4
Yemen	Second Urban Dev. Proj.	C1441	02/21/1984	7
Yemen	Marib-Safir Road	C1726	09/05/1986	2,4
Yemen	Port of Aden	C584	08/12/1975	4
Yemen	Sana'a Urban Development	C1202	05/01/1982	Unknown
Yugoslavia	Visegrad Hydropower	L2525	04/30/1985	1

\*Approaches Used:

1. Physical rehabilitation of one or more material cultural heritage resources
2. Promotion of tourism
3. Economic exploitation of cultural resources in a manner not related to tourism
4. Enhance in-country capacity for cultural resource management
5. Non-management cultural heritage-related training and institutional development
6. Support for the performing arts
7. Poverty-focused cultural heritage intervention
8. Promotion of cultural identity or social cohesion through use of cultural resources
9. Other

### Completed Grant Activities

Country	Project Title	Loan or Credit #	Approval Date	Approaches Used*
Albania	IDF Grant for Cultural Heritage	Grant	11/23/1993	4,5
Georgia	IDF Grant for Cultural Heritage	Grant	05/01/1996	1,2,4,5
Lithuania	Vilnius IDF	Grant	06/26/1995	1,2,3,4
Turkey	Patara Cultural Heritage, METAP Grant	Grant		2,4,7

\*Approaches Used:

1. Physical rehabilitation of one or more material cultural heritage resources
2. Promotion of tourism
3. Economic exploitation of cultural resources in a manner not related to tourism
4. Enhance in-country capacity for cultural resource management
5. Non-management cultural heritage-related training and institutional development
6. Support for the performing arts
7. Poverty-focused cultural heritage intervention
8. Promotion of cultural identity or social cohesion through use of cultural resources
9. Other

### Ongoing Lending Activities

Country	Project Title	Loan or Credit #	Approval Date	Approaches Used*
Argentina	Second Yacyreta Project	L3520	08/31/1992	1,4
Argentina	Fourth Social Protection Project	L4398	10/15/1998	4,7
Azerbaijan	Cultural Heritage Support Project	C3207	05/13/1999	1,4,5,8
Azerbaijan-Georgia	Early Oil	IFC Project		
Benin	GEF: National Parks Conservation and Management Program	GEF Project	02/24/2000	4
Benin	1st Decentralized City Management Project	C3234	05/13/1999	1
Bhutan	Urban Development	C3310	12/21/1999	1
Bolivia	Participatory Rural Investment	C3065	05/12/1998	8
Bosnia-Herzegovina	B-H Pilot Cultural Heritage Project	C32690	06/28/1999	1,2,3,4,5,8,9
Brazil-Bolivia	Gas Pipeline	L4265	12/18/1997	Unknown
Cambodia	Road Rehabilitation	C3181	03/23/1999	1,2,3,4,8
China	Second National Highway Project	L4124	12/17/1996	1
China	Yangzhou Thermal Power	L3718	02/22/1994	4
China	Xiaolangdi Multipurpose Dam	L4200	06/03/1997	4
China	Tianhuangping Hydroelectric	L3606	05/18/1993	1
China	Tri-Provincial Highway	L4356	06/23/1998	1
China	Sichuan Urban Environment Project	L4496, L3251	06/17/1999	1,2,4,5
China	Yunnan/Hebei Earthquake Reconstruction Project	C3078	05/29/1998	1,3,5,7
China	Liaoning Environmental Project	L3781	07/26/1994	1,3,4
China	Zhejiang Multicities Project-Ningbo	C2475	03/25/1993	1,3,4,5,8
China	LeFarge Cement Project	C3078		1
Colombia	Cartagena Water Supply, Sewerage and Environmental Mgmt.	L4507	07/20/1999	Unknown
Ecuador	GEF Biodiversity Project	GEF Project	12/29/2000	4

<i>Country</i>	<i>Project Title</i>	<i>Loan or Credit #</i>	<i>Approval Date</i>	<i>Approaches Used*</i>
Ecuador	Indigenous and Afro-Ecuadorian Peoples Development Project	L4277	01/29/1998	8
Egypt	Irrigation Improvement Project	L3832 and C2672	12/22/1994	Unknown
Egypt	Third Social Fund for Development	C3230	01/01/1999	5
Egypt	Private Sector Tourism Infrastructure and Environmental Management	L3605	11/20/1992	2,4
Estonia	Baltic Hotels-IFC project	IFC Project	05/20/1999	2
Ethiopia	Gilgel Gibe Hydroelectric	C3019	12/11/1997	4
Ethiopia	Road Sector Dev. Prog.	C3032	12/18/1997	2
Georgia	Cultural Heritage Project	C3156	02/13/1998	1,2,3,4,5,6,9
Guatemala	Reconstruction and Local Development	L4379	07/28/1998	1,4,5,7,8
Honduras	Fourth Social Investment Fund	C3118	07/14/1998	1,2,4
Honduras	PROFUTURO- Interactive Environmental Learning and Social Promotion	C3250	06/17/1999	1,2,4,5,7,8
Indonesia	Bali Urban Infrastructure Project	L4155	05/06/1997	1,4
Indonesia	Semarang-Surakarta Urban Development Project	L3749	06/07/1994	1,2
Iran	Sistan River Flood Works	L3478	05/28/1992	4
Jordan	Third Transport Project	L3568		1,4,9
Jordan	Second Tourism Development Project	L4214	07/31/1997	1,2,4,5
Kenya	GEF-Tana River Primate National Reserve	GEF Project		4
Lao PDR	Land Titling Project	C2832	03/21/1996	Unknown
Lebanon	Environment and Solid Waste Mgmt.	L3899	06/06/1995	4
Lithuania	Lithuania Municipal Development fund	L4481	05/27/1999	1
Macedonia	Lake Ohrid Management Project-GEF Grant	GEF Project	08/01/1997	2,4
Madagascar	Energy Sector Development Project	C2844	04/01/1996	1
Malawi	Second Social Action Fund Project	C2856	01/01/1998	6
Mali	Urban Development and Decentralization Project	P9790 (IDA), N0040	12/13/1996	1,2,4,5
Mali	Natural Resource Management Project	C2370	05/26/1992	4
Mauritania	Mauritania Cultural Heritage Project	C3401	06/12/2000	1,2,3,4,5,6,7,8
Morocco	Fes-Medina Rehabilitation Project	L4402, L4403	10/29/1998	1,2,7
Morocco	Water Sector Project	L4289	02/26/1998	4
Nepal	Khimti Kola Hydropower	IFC Project		4,8
Nepal	Third Arun Hydro Project			Unknown
Nepal	Road Maintenance and Development	C3293	11/23/1999	4
Nicaragua	Social Fund III	C3142	01/01/1998	7,8
Pakistan	Ghazi Barotha Hydropower	L3965	12/19/1995	4
Panama	Panama Social Investment Fund Project II	L4191	08/31/1997	7,8
Panama	Corredor Sur	IFC Project		1
Peru	Peru Indigenous and Afro-Peruvian Peoples Development Project	L4536	02/10/2000	4,8
Philippines	Mindanao Rural Dev.	L4522	11/08/1999	Unknown
Poland	Wholesale Markets Project I	L4377	06/15/1998	Unknown
Romania	Cultural Heritage Project	L4425	12/23/1998	1,4
Russia	Forestry Sector Partial Risk Guarantee		09/01/1999	Unknown
Russia	St. Petersburg Center City Rehabilitation	L4144	03/27/1997	1,6

<i>Country</i>	<i>Project Title</i>	<i>Loan or Credit #</i>	<i>Approval Date</i>	<i>Approaches Used*</i>
	Project			
Turkey	Bursa Water and Sanitation Project	L3565, L3566	01/29/1993	Unknown
Turkey	Turkey Protected Areas and Sustainable Resource Management Project	GEF Project	06/13/2000	2,5,7,8
Uganda	Protected Areas Management and Sustainable Use-GEF	GEF Project	09/01/1997	2,5
Uganda	Institutional Capacity building for Protected Areas Management	C3115	06/03/1998	2,4
Uzbekistan	Water Supply, Sanitation and Health Project	L4216	04/01/1997	Unknown

\*Approaches Used:

1. Physical rehabilitation of one or more material cultural heritage resources
2. Promotion of tourism
3. Economic exploitation of cultural resources in a manner not related to tourism
4. Enhance in-country capacity for cultural resource management
5. Non-management cultural heritage-related training and institutional development
6. Support for the performing arts
7. Poverty-focused cultural heritage intervention
8. Promotion of cultural identity or social cohesion through use of cultural resources
9. Other

### Ongoing Grant Activities

<i>Country</i>	<i>Project Title</i>	<i>Loan or Credit #</i>	<i>Approval Date</i>	<i>Approaches Used*</i>
Albania	Butrint National Park Management - IDF Grant	Grant	10/05/1999	1,2,4,6,8
Armenia	IDF Grant, Cultural Heritage Initiative	Grant	06/03/1999	1,2,3,4,5,7,8
Brazil	National Museum of Brazil IDF Grant	Grant	02/07/2000	1,5,7,8
East Timor	Community Empowerment & Local Governance	Grant	05/15/2000	6,7,8
Egypt	GEF Red Sea Coast & Marine Res. Mgmt.	GEF Grant		2
Eritrea	Institutional Framework for Cultural Heritage Management	Grant	04/27/1999	1,4,5,6,8
Gambia	Capacity Building of Nat'l. Council for Arts & Culture Grant	Grant	05/01/1999	1,2,3,4,5,6,7,8,9
Georgia	IDF Grant, Cultural Heritage Initiative	Grant	11/24/1998	4,5
Ghana	Music Industry Development Grant	Grant		3,6
Indonesia	Kalimantan Longhouse IDF Grant	Grant	1999	1,2,3,4,5,7,8,9
Indonesia	NGO Small Grants Program	Grant	1998	1,2,3,4,5,6,7,8,9
Mali	Grassroots Initiatives Project to Fight Hunger and Poverty	Grant		3,7,8
Romania	Crafts and Intl. Marketing C & D Grant	Grant	06/18/1999	3
Uganda	Cultural Heritage IDF Grant-DNCAM	Grant	06/26/1997	4
Ukraine	Crimea Cultural Tourism C&D Grant	Grant		2
West Bank/Gaza	Bethlehem 2000	Trust Fund	09/22/1998	1,2,4,5,6,8
West Bank/Gaza	Cultural Resources Management Project	Trust Fund		4,5,8

**\*Approaches Used:**

1. Physical rehabilitation of one or more material cultural heritage resources
2. Promotion of tourism
3. Economic exploitation of cultural resources in a manner not related to tourism
4. Enhance in-country capacity for cultural resource management
5. Non-management cultural heritage-related training and institutional development
6. Support for the performing arts
7. Poverty-focused cultural heritage intervention
8. Promotion of cultural identity or social cohesion through use of cultural resources
9. Other



## Survey of Economic and Sector Work Related to Cultural Heritage

<b>Country</b>	<b>Title</b>
Algeria	NEAP: Cultural Heritage Section
Bahrain	Urban Sector Work: Housing Study
Costa Rica	Cultural Heritage and Tourism study
Croatia	NEAP: Cultural Heritage section
Egypt	NEAP: Cultural Heritage Section
Egypt	Draft TOR for Luxor Planning Study
Global	Economic Analysis of Investments in CH
Global	Econ. Case Studies: Jordan, Fes, Split
Guatemala	Cultural Heritage and Tourism Study
Guatemala	Consultation for the Indigenous Dev. Plan
India	Background studies on CH conservation issues
India	Handmade in India
Iran	NEAP: Cultural Heritage Section
Lebanon	NEAP: Cultural and Archaeological Section
Morocco	NEAP: Cultural Heritage and Economics Section
Nepal	Urban Sector Study
Pakistan	Background papers on railway preservation
Pakistan	Studies on Multan's historic urban core
Regional-AFR	GEF Study on cultural heritage in areas of high biodiversity
Regional-EAP	East Asia Regional Cultural Heritage Strategy
Regional-EAP	GEF Regional Study on cultural heritage in areas of high biodiversity
Regional-ECA	Strategic Note: Culture in Transition in ECA
Regional-LAC	GEF Regional Study on cultural heritage in areas of high biodiversity
Regional-MNA	Env. Program for the Mediterranean Study on Cultural Heritage
Regional-MNA	GEF Study on cultural heritage in areas of high biodiversity
Regional-SAS	GEF Regional Study on cultural heritage in areas of high biodiversity
Syria	NEAP: Cultural Heritage section
Tunisia	National Env. Study: Volume on Cultural Heritage
Yemen	Historic Cities Project: Desk study of financing mechanisms



## Annex D. Participation

According to the recent OED Participation Process review, the Final Report of the Bank-wide Participatory Development Learning Group (1994), also known as the “strategy paper,” committed the Bank to a Participation Action Plan based on the following main actions:

- Promote a more enabling environment for participation within client countries increase participation in economic and sector work (ESW)
- Ensure that lending and ESW identify and involve relevant stakeholders
- Strengthen Bank capacity for participation work through training and recruitment
- Allocate resources and provide incentives to mainstream participation
- Monitor and evaluate progress toward achieving participation goals.

While there is no operational directive (OD) or policy (OP) on participation, the Bank defined participation in the strategy paper as follows:

*Participatory development is a process through which stakeholders' influence and share control over development initiatives, and the decisions and resources which affect them.*

The strategy paper, while recognizing the need for increased participation of the entire range of stakeholders, makes it clear that it is participation by directly affected, or primary, stakeholders which is at the core of the Bank's effort to increase participation in Bank work. This annex looks at some innovative participatory practices in cultural heritage. It is not intended to be representative of all work in this area and only highlights some experiences uncovered during research for this study.

### Communities, Culture, and Conservation

As the Bank has become more receptive to participation in its work—from participatory CASs to projects—and the ranks of social scientists have grown, cultural heritage activities have also adopted more participatory strategies. In cultural heritage projects, as in most other types of projects, involvement of project beneficiaries can range from consultation to cooperation to participation. The Project Concept Document and Project Appraisal Document now specifically require task teams to define actions undertaken in this regard.

The study team uncovered a number of innovative ways in which consultation and participation took place throughout the project cycle. During project identification, consultations with communities helped discover the nature of their cultural resources and attitudes towards their protection and use. During project preparation, project managers have consulted users in the design of a component to avoid cultural insensitivity about daily habits, real needs, or appropriateness in the use of resources. They have also gathered input on conservation activities from communities about their needs, using survey methods and public meetings also to improve the sense of “ownership” of the project, create an understanding of its benefits and impacts, and promote a shared vision of its outcome. In the implementation phase, training and employment of local residents as part of the project increases capacity in the long-term and provides a direct share of the benefits. And, finally, the monitoring phase of projects benefits from stakeholder participation in project management to avoid creating anxieties regarding the timing or other aspects of the process.

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1. The document defines stakeholders as any organization or person with a stake in a wide range of Bank activities.

Field visits by the study team pointed out that projects in which there was a concerted effort to involve local government and communities at an early stage in project design, as in the Bali Urban Infrastructure Project (BUIP), were more likely to achieve local support and often benefited from their creative problem-solving capacities and intimate knowledge of the area. These projects also seemed to be more likely to serve a catalytic role in the post-project phase. Projects that did not make such an effort to reach out to communities risked resentment by local people as they were perceived as imposed from outside and lacking in responsiveness to local needs. A high-tech (at the time) Soviet renovation of the flat-roofed towers of Shatili, Georgia proved inadequate when the towers began to fall down as a result of the freeze-thaw cycle. A more recent conservation of the towers provided a successful, low-tech solution that was easy for local families to apply and maintain.

Local community members can be agents of transformation, but they must be adequately mobilized and organized. Strengthening networks is critical to sustaining social cohesion, local dialogue, and mediation throughout the project cycle. Following are some examples of this process in Bank projects visited by the study team.

*Indonesia: Participation raises the community's commitment to preserve the urban environment*

*Kampung* are an integral part of the Indonesian urban scene. They are densely populated and primarily low-income neighborhoods. A component of the proposed Central Java LIL promotes the performing arts in these neighborhoods. Some pilot activities have already been undertaken for this LIL to raise the community's commitment to their historic and cultural assets and to increase the public commitment to preserving the urban environment surrounding them.

Most of the *kampung* residents are very tied to their neighborhood. It is the center of their lives and an increase in the number and quality of cultural activities translates into a significant improvement in quality of life. Cultural activities have a tremendous potential to raise awareness of shared problems and potential solutions. Most *kampung* in Indonesia put on a range of performing arts (*seni kampung*). *Kampung* performances, then, are not only an expression of community social life but also a means of community unification.

Although the local people were quite organized, they still needed outside support to motivate their participation in specific activities. Early pilot activities funded by the Bank's Small Grants Program (SGP) were intensely community-based. They included:

- The naming of a community mediator
- Selection of arts programs
- Assigning priority to activities
- Discussions with the community
- Community participation in the priority-setting
- Community awareness raising.

Through these preparation activities, the community helped shape an innovative and successful pilot project, the Kotagede Performing Arts Project. In this project, the under-used traditional houses in Kotagede and the historic urban environment around them were used as staging to the advantage of the *kampung* performing arts. One forward-looking aspect of the proposed component is the heritage inventory. The inventory was produced through field survey supplemented by the provision of secondary data from a number of stakeholders. Innovative revitalization suggestions from the community included the use of decayed historic buildings for small-scale non-polluting industries and tourism facilities. In order to celebrate the

Independence Day of Indonesia, a *kampung* performing arts festival was held in the open space east of the market. Heritage tours have been organized to raise residents' awareness of the wealth of cultural assets in the region and the importance of preserving them. For these tours, *Kampung* performing arts, the sale of traditional foods, and the guiding of the tour groups were managed by the local people.

By addressing cultural heritage issues from the outset, specialists in the Bali Urban Infrastructure Project (BUIP) could potentially collaborate to design a better product, one that considers the importance of cultural heritage as well as the realities of infrastructure building. The project team brought experts from the various sectors together during the design phase. This led to important synergies: the roads specialist could consult with the cultural heritage specialist so that road placement could be culturally sensitive as well as technically efficient. Most importantly, the integrated project team was able to develop a dialogue with various ministries, local government, NGOs, the communities, and relevant local experts. Not only could the project team improve the design of the project with local input, it also had the effect of making stakeholders more aware of the importance of taking cultural heritage goals into account.

*Georgia: Promoting community cohesion and tapping community knowledge*

In Tbilisi, Georgia, a LIL-funded cultural conservation project<sup>2</sup> was used to create stronger community cohesion. Residents were offered emergency repair funds to conserve their historic homes. To encourage neighbors to work together, incentives were established—individual grants were limited to a maximum of \$1500 while the collective ones could go as high as \$4500. The group applications were a new experience for the residents, who learned to work together in the process of preparing the proposals and plans. During the OED site visits, they stated that they were glad to now live in historic buildings and even happier to receive benefits for doing so, even though acceptance placed certain restrictions on the use of their properties.

The Georgia Cultural Heritage Project also financed work in the historical mountain village of Shatili. In that town the community's high enthusiasm and strong connection to the site ensured the project's success. Shatili possesses one of the country's unique architectural monuments. The village contains mostly flat-roofed towers—made of slate and using dry wall construction—that were continuously built from around the 8th to the 19th centuries. Recent conservation of several buildings was carried out under the Bank project, and some assistance was provided for urgent structural repairs using low-tech solutions that were easy to apply and maintain. Following these repairs, a team has been working on a site plan that will include the conversion of properties for tourism and dwellings.

The Shatili settlement and historic buildings are only part of a larger heritage ensemble that includes a pristine landscape and several religious sites that represent its identity (age, traditions, memory, legendary, spiritual, religious, patriotic), artistic, and educational values. The dozen or so families of Shatili feel very connected to the site, are raised to believe that it is their duty to maintain it, and have mapped their genealogical connection to the individual buildings in a design prepared by one of their own sons—an architect who is currently responsible for the site conservation plan. The families would like to move back into the towers once they are preserved and run some of the buildings as guest houses and a visitors' center and museum. Even though the tourism potential of Shatili is limited by its inaccessibility, and the fragility of the site will require special planning, the families of Shatili are very enthusiastic about the site's eco-, adventure-, and cultural-tourism potential. It could supplement other local economic activities in brewery, bakery, cattle raising, and butter and cheese production. Ignoring the importance of community inclusion

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2. Georgia Cultural Heritage Project, C3040 approved in 1998.

during the various phases of the project might mean losing community knowledge and assistance and might even risk turning the community against the project.

When local, skilled craftspeople and materials are not used, projects can run into problems. Many conservationists have studied material sciences to enable them to carry out laboratory analysis of materials and determine the best solutions for replacement materials. One principle that is often followed is to allow the maximum amount of existing material to be retained. It is important to recognize that there is no one specific solution for any cause of decay, since the environmental and human factors surrounding the use and forces acting on the material are never exactly the same in each case. The science of material conservation is also a rapidly changing field. Methods are often controversial and are regularly being debated and improved. That said, the study found many examples of assets that were damaged through the inappropriate application of Portland cement, modern paints, and other modern materials that did not match the asset's characteristics, and which required skills not found in the local community. Clearly, the community's knowledge of their cultural skills should have been tapped to avoid such disasters.

Indeed, by including the community in the implementation phase, projects can even provide employment for skilled resident craftspeople and, through training, conserve the living cultural assets/skills of the community. The Lahore project's need for craftsmen who practice traditional forms of building and embellishment has identified skills that were lost, notably fresco painting. It has also provided employment for those community members who do have traditional skills, and training for others. In some cases, the project has added to the understanding of old materials (traditional mortar mix) and helped re-establish some historic forms of construction.

*Brazil: Participatory management and post-project participation*

A Bank-supported activity in Brazil (running on Project Preparation Facility funds) consists of a mix of community-run cultural activities in Recife taking place in a well-known local landmark. The *Matadouro Peixinho* is a former slaughterhouse in Peixinhos, a very poor, neighborhood on the periphery of Recife. Several community groups have informally occupied this large, abandoned industrial facility to carry out their recreational, cultural, and (yes) criminal activities. There are dance troupes, a ballet school, theater performances, dances, etc. It is located in a kind of "no-man's land" where public officials and law enforcement personnel appear infrequently. The ensemble of buildings, originally composed of 15 different structures—some architecturally quite important—was designed to process meat, a function it fulfilled for nearly 100 years until 1976. The groups that occupy the *Matadouro* provided an opportunity to develop a community center with grassroots stakeholders whose interest and willingness to manage themselves could potentially help the project to succeed.

Involving the community in this way and to this extent was a very difficult task given the circumstances. Activities at the *Matadouro*, such as drug trafficking, soccer, squatters, and car washing, if not curtailed, relocated or otherwise controlled could threaten project objectives. Critical problems yet to be overcome include a lack of financial resources for maintenance, administrative discontinuity, and a lack of infrastructure to support current activities. Support for the eventual community management of the facility is provided by FIDEM and GTZ (under a Bank contract financed by the Project Preparation Facility). Slum dwellers find it hard to take a managerial perspective, the community lacks historic conservation skills, there may well be difficulty mobilizing support from the private sector for militant slum residents, and there is a lack of security and a general atmosphere of lawlessness at the site.

Getting from the current to the desired state of affairs is fraught: in participatory planning there is a risk of generating expectations within the community impossible to fulfill. And it will be difficult to maintain group consensus with the highly fluid local groups during the slow start-up that often characterizes Bank

projects as they go through the complex preparation process. On the positive side, there is currently quite a bit of enthusiasm for the participatory management that will characterize the operation of the scheme if all goes as planned. Local leaders argue that the *Matadouro Peixinhos* should be revitalized because it will make a huge improvement in the quality of life for families living in the surrounding area. A few of the more dynamic leaders have begun to assert some authority over activities at the site. Popular cultural movements have already been strengthened through the use of buildings in their current state. And revenue-generating activities are now in progress. Cultural activities in community building also help human development. For example, the dance program for young girls was an alternative to gang affiliation, it opened new vistas to them in relation to their lives in the *favelas*, and offered them a way to deal with many of the pressures of their difficult family conditions

Strong post-project participation occurred in the case of a reconstructed elementary school financed under a Bank loan in Salvador, Brazil. In contrast to the dearth of participation that characterized project design, post-project activities in the project areas are very community-based. The school not only provided education to the children living in the historic district, but it also contributed to local cohesion. The community has organized traditional dance and self-defense (*capoeira*) classes and other local events that meet in the building. Numerous cultural organizations are located in the historic center and their numbers seem to be increasing.

*Encouraging participation has disadvantages at times*

In the case of nonrenewable and often fragile cultural resources, expert advice on conservation and reuse options needs to be balanced with community preferences. Intensive community involvement in planning and project design may, in some cases, generate expectations that are impossible (or inadvisable) to fulfill, as they will damage the resource. In Lahore, community leaders overruled a proposal that the rehabilitated *Shahi Hammam* be used for offices. The community wanted a community center with a wedding hall. During restoration work, the project team realized that community activities (including weddings) were incompatible with the fragile nature of the historic interiors. And extensive lobbying had to be undertaken to persuade stakeholders to look for another use acceptable to the community. The *Hammam* was ultimately used for a women's vocational training school, the Punjab Tourism Development Corporation office, along with a craft exhibition space, library and a tourist information center. In another similar experience, local shopkeepers opposed plans to improve the street through the commercial area. To convince the bazaar's businessmen that street upgrading would be worth the inconvenience and possible short-term loss of business, the project piloted a small-scale upgrading in a nearby street. The shopkeepers were then brought to the upgraded area to see the advantages of the improvements for themselves. From their experiences with the street and the *Hammam*, involved staff concluded that renovated historic neighborhoods and buildings must have an active, socially productive and locally supported use.

Bringing the community into the conservation process can be a critical step toward a successful conservation project. This can be seen in the previous examples where community participation 1) raised the Indonesian *kampung* community's commitment to preserve the urban environment, 2) formed the source of "household heritage" conservation in Benin, 3) was linked to the social capital development of the *Maison des Artisans* project in Mali, 4) helped a community learn to cooperate and utilized the enthusiasm and vision stakeholders can give a project as in the Georgian cases, and 5) can aid a project's chances for success through the community's interest and willingness to manage themselves as in the Brazilian *Matadouro* example. Involving the community has its difficulties, such as lengthening the process and possibly raising expectations too high, but on the whole, the extra effort pays off in the end in the form of better designed, more sustainable, more beneficial projects.





## Annex E. Cultural Heritage and Tourism

Although far from the only economic use of cultural heritage resources,<sup>1</sup> tourism and recreation—for better or worse—do particularly well at maximizing their economic value. Attracting visitors, whether local or global, vacationers or pilgrims, day-trippers or sojourners, is for many countries highly attractive as development strategy. Tourism offers a way to enhance foreign exchange earnings, stimulate a variety of other economic activities, increase employment, and build national self-esteem for a relatively small public investment.

Visiting cultural heritage and historic religious sites has long been a motivating factor in tourism and the number of visitors to cultural sites is increasing throughout the developing world. Today, the international tourism market exhibits two main diverging trends. The first is an explosion in the number of tourists since the 1970s and the opening up of an enormous mass tourism market, not only for leisure, but for business and special-purpose travel. These tourists stay in any one place only a short time and they spend very little money in the community. Often, the only beneficiary is an international tour operator and an international hotel chain. The other kind of tourist has extended amounts of time and more disposable income than the average mass tourist. This is an expanding market and the one that the World Tourism Organization and its members are trying to capture. The emphasis in this market has been to take tourism “off the beaten path” not only to spread the benefits but also to increase the average length of stay in a given place.

Cultural heritage was recognized early in the Bank’s work in tourism projects as a valuable resource. The Bank financed projects in several major cultural complexes, including Antalya, Turkey; Copan, Honduras; Luxor, Egypt; Bali, Indonesia; and Petra, Jordan. Using world-renowned cultural heritage as the focal point of tourism investments has pitfalls, however, as it can be the quickest way to cheapen or even destroy the fragile resources they purport to market. Recent Bank projects, following the tourist industry trend, are more likely to focus on improving underutilized or less known sites, such as the archaeological ruins at Uplistsike in Georgia or Gilimanuk in Bali. As this form of tourism has expanded, conservationists have recognized that they can protect these sites through the income generated and the awareness of their value. The difficulty in developing and promoting this market is that it depends on preserving a more “authentic” environment that is antithetical to attracting mainstream investors. It is based on the idea that the small businesses and cultural activities of the place will not sell out or go under due to the homogenizing or monopolizing effects of mass tourism. Such investors exist, but they require more work to locate and cultivate.

The demand from borrower countries for assistance in tourism planning and infrastructure provision is quite uneven. Typically it is countries with an existing but poorly performing tourism industry that request cultural heritage conservation support, and improvements in revenue generation are assumed to be a sort of “collateral” for loan repayment. It is rare that countries without tourism aspirations willingly borrow Bank money for cultural heritage, as they find it difficult to convince their Ministry of Finance of sure sources for loan repayment.

### A Troubled History

The World Bank has had something of a love-hate relationship with tourism but has also found it difficult to ignore where cultural heritage is concerned. Some of the earliest projects involving cultural heritage

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1. Other significant socio-economic benefits related to cultural resource conservation include *inter alia* the adaptive reuse of historic structures, creation of small enterprises, and improved community organizational structures.

were part the Bank's work in tourism. Still, of all the various sector initiatives and new programs started by the Bank, the only one formally stopped was lending for tourism projects.

The Bank's Tourism Projects Department was created in 1969, when few lending institutions had any expertise in the tourism sector. By the mid-1970s this Department had a specialized staff of about 30 professionals involved in both project and analytical work. Its projects included not only support for cultural and natural sites but also infrastructure, lines of credit for hotel development, and hotel and tourism training. Tourism sector studies were done in about 31 countries and became an integral part of the Bank's work in macroeconomic development planning.

Difficulties with tourism investment were already apparent as early as 1971, when the *Annual Report* noted, "...helter-skelter development [of tourism] can degrade or destroy important cultural assets, including many on which its own viability rests. Displays of alien affluence in the midst of local poverty can be disruptive. With adequate foresight and planning, however, the worst of such ills can be avoided and the benefits of tourism further increased. In some cases tourism projects can bring positive environmental improvements."<sup>2</sup> In 1978, the Bank decided to close the Tourism Projects Department. The target of reaching the poorest populations in developing countries did not appear consistent with the financing of luxury accommodations for rich travelers. The literature on tourism of the period had become increasingly critical of the negative social and cultural problems associated with the rapid growth of tourism. The formal reason for ceasing work in tourism was the high staffing costs per country, and that the (tourism) private sector did not require Bank support. But image reasons also contributed to the Bank's decision to pull out of tourism. When the department closed, it had processed \$337 million in loans and credits for 18 projects in 14 countries. Over the last two decades, the Bank has continued to support tourism, but indirectly through strategically sited infrastructure projects.

Recently, the Bank has been examining ways of re-entering the tourism sector with an approach that is more community-based, oriented toward poverty alleviation, and environmentally and culturally friendly. The Community Driven Development programs being developed at the Bank are exploring the models of small business enterprise creation around hospitality, nature, adventure, culture, and products. The Development Grant Facility project for culture and recent conference on the subject brought together a number of very successful eco-, adventure, and cultural tourism entrepreneurs in this field who have pioneered ways of identifying and cultivating these "niche" markets with positive impacts for the communities involved. Another strategy to revive certain mass tourism activities by the Bank were paper on tourism was presented to the Board in mid-December 2000. Both areas of tourism have economic development potential. The challenge for the Bank will be to recognize the human development benefits of these and find the mechanisms for assisting the borrowers to realize them.

### Challenges

Protecting cultural resources in a tourism development context presents many challenges. Ensuring that some of the benefits of tourism are captured by local people and that buildings near cultural sites are compatible in materials and scale are common problems. Sorting out the roles and responsibilities of the public sector and those of the private sector are another set of issues with profound influence on outcomes. For example, most schemes for the development of cultural heritage for tourism rely heavily on private sector investment, particularly in the development of hotels and related service facilities. Controlling where and when those investments are made, however, can be critical to sustainable and appropriately scaled tourism development. The reliance on private sector investment can become a

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2. World Bank/IDA Annual Report, 1971, p. 15.

liability when comprehensive planning is weak, however. In such a climate, powerful interests can quickly bring over-development, encroachment on cultural properties or views, and loss of local control. In the area served by the Bethlehem 2000 Project, for example, a hotel and convention center project was approved within one of the most significant cultural landscapes in the West Bank and Gaza. Other seemingly good ideas, such as creating enclaves for tourists that are set apart from the attraction they come to see, as was done in Bali in the 1970s, can end up distorting local economies and, ultimately, detracting from the object of the tourism if they are not done sensitively.

The development of cultural heritage for its tourism potential can have benefits for the heritage as well as for the broader economy. The revenues generated can help to offset the cost of restoring and maintaining historic structures and give people an incentive to continue cultural practices that might otherwise disappear. The inherent danger is that those revenues can be seen as an end in themselves and be pursued to the detriment of cultural heritage, leading to an overwhelming focus on beautification at the expense of effective conservation, and to empty pageantry that poses as authentic culture. In the cases of fragile sites such as Petra or Wadi Rum in Jordan, the rush of tourists can encourage rapid development and visitors that overwhelm and pose the risk of damaging the site itself.

Cultural tourism development demands careful planning not only for the tourist object but also for the surrounding region. It also requires a clear legal and policy framework. Most of all, it depends on the existence of strong governmental and non-governmental institutional structures that are capable of overseeing, managing, and maintaining not only the tourist object but also the wider physical and social context that supports tourism.

### **Legal and Policy Framework for Tourism**

World Bank cultural heritage-related projects with significant tourism objectives nearly always focus some degree of effort on the legal and policy framework, comprehensive planning, or institutional capacity building. The degree the legal and policy frameworks for tourism development takes into account the special requirements of cultural heritage and are conducive to its protection and utilization varies greatly from country to country. In some countries site visits made quite obvious that a lack of communication exists between agencies responsible for cultural heritage and tourism, and there is very little joint action. Key points of intersection in tourism and cultural conservation policies are:

- Provisions are required (according to the fragility of cultural resources) for buffer areas
- Respect for the significance of heritage may need incentives or legal protection (sacred and/or secret aspects)
- Adequate access (both physical and intellectual) needs to be ensured, as do the interests of neighboring communities and other areas stakeholders when developing tourism projects—accessibility effects visitor flows and the length of their stay
- Agreement on budgetary priorities for site management
- Coordination between agencies responsible for tourism, transport, and culture/antiquities to agree on priorities and avoid conflicting actions
- Political commitment to enforcement of land use regulations that encourage conservation and development

Cultural policies must also show flexibility in accepting the benefits that tourism development can bring to the economy, and introduce good business practices into the financial operation of cultural sites. Purist notions of reserving cultural heritage for research purposes only, for example, often defeat efforts to generate adequate financial support to maintain sites.

Clear lines of authority also need to be drawn to avoid overlapping responsibilities and contradictory objectives or approaches. The Petra Regional Planning Council was set up to coordinate many competing authorities and interests for the Petra site. Chaired by the Minister of Tourism, the council includes representatives of the department of antiquities, the ministries of finance, planning, labor, health, local government, and irrigation, the environmental department, local communities, and a conservation NGO. This coordination process was not easy, but it is leading to a shared vision and coherent actions to protect Jordan's most visited and fragile site. Ultimately, authority over cultural heritage sites must balance the economic potential of a site with its well-being and sustainability. In some cases, the institutional framework itself creates a conflict of interest. For example, when tourism and cultural heritage are under the same ministry (as they are in Turkey, Jordan, and West Bank/Gaza) there need to be checks and balances to prevent poor site and visitor management or resist the temptation to allow unrestricted uses in and around the site for revenue generation. Of course, perverse incentives can crop up when culture and tourism are in different ministries also. In many cases, ministries of culture are not as well funded as other ministries.

Tourism ministries are often not funded in any relation to the earnings from tourism—one of the leading revenue generators for many countries. Despite the large revenues generated by cultural heritage sites, relatively few resources tend to be channeled back into their protection. The study repeatedly observed that sites with good management capacity—which requires an investment of time, some amount of money, a reasonable strategy, and some political commitment—can attract more visitors and generate longer visits because they increase the quality of the visit and the variety of offerings.

Weaknesses in other policy areas may also have consequences for tourism development. In Jordan, for example, most of the country's major and secondary cities have tourism potential, but the rapid economic growth that has characterized the development of Amman has not spread beyond the capital. The centralization of public institutions, authority, and economic power in Amman tends to work against the development of these other cities in a manner that would enhance their ability to support increased tourism without harming the tourism object, although one could argue that they are best left until good policies are developed.

### **Government Spending as De Facto Policy?**

The study found no conclusive evidence that showed that more public spending always translated into better heritage protection or the reverse, that little spending means poor protection. (Although this subject was not looked at systematically, it appears that quality work can be done on a modest budget, but there is a threshold and some resources are always needed). What is important appears to be the strategic choices made, which has more influence than the amount of money spent. Variability in this area was considerable in the few countries examined in any detail. The government of Jordan spends only 50 cents per tourist each year to attract visitors, by comparison, Egypt spends \$3.40 and Israel \$16.70.

Tourism is not cheap from an institutional development perspective and from the perspective of sectoral coordination. Under-investment has a real cost also, too few resources invested into public infrastructure that could help move tourists into and through the country and offer them comfortable amenities that might ensure longer stays, translates into large revenue streams forgone. Where weaknesses abound the service sectors, tour guides are ill trained, and there is little in the way of a service-orientation in business dealings, it is hard to generate the funds to preserve cultural resources. A good cultural heritage management plan can make the difference between whether visitors enjoy and learn from a site or become frustrated with the lack of information, guidance, and facilities. The amount of tourists that can be sustainably managed depends upon whether the various interests make claims on the site from outside or the well being of the site sets the rules of operation.

The economic impact of heritage-based tourism can be quite large. In 1980, tourism accounted for 1 percent of Indonesia's GNP (about US\$139 per capita). By 1991 (the latest date for which figures are available) this figure had doubled to 2 percent of GNP (US\$416 per capita). Foreign tourists spent an average of about \$1,130 each during a typical sojourn between 1994-98. Government spending on tourism, per tourist, was US\$0.84 per tourist.<sup>3</sup>

The study found that sustainable tourism exploitation of heritage assets required careful attention to visitor management and economic analysis, as well as comprehensive planning that identified a given site's carrying capacity under a range of conditions. This lesson was taken on in some places more than others. In some cases there was resistance from clients about restricting visitor access as officials considered such a policy as unnecessarily restrictive to income streams.

### Carrying Capacity

A key concept in effective planning for tourism that involves cultural heritage is *carrying capacity*, a term first applied in ecology. In cultural heritage management, carrying capacity is determined by a study of the type and level of visitor use that can be accommodated while sustaining both the resource itself and the social conditions that complement the purposes of the site and its management objectives. Management reforms that take place over the life of a project may allow changes in the carrying capacity, as greater management abilities may facilitate better visitor movement and management. Site management plans are the principle vehicle for implementing visitor management and site control.

Maximizing returns from a fragile asset only takes place when projects do not ruin that asset in the process. Comprehensive planning, therefore, should seek to balance careful management of the cultural heritage itself with efficient and thoughtful management of the flow of tourists to, from, and through the area.

Study visits to Indonesia indicate, for example, that the ability of Bali to support tourism may have been overestimated. The indicators for this include urban sprawl, destruction of farmland and social tensions. Too big of a strain on the island could destroy its very attraction. Over-concentration of private investments on businesses that cater to tourists coupled with (some Bank-financed) public investments focused on *infrastructure improvement* intended to benefit areas/businesses catering to tourists and especially a lack of good land use planning drive away the tourists they are intended to attract—particularly in a place like Bali, which is famous for spiritual/religious practices and an attractive ambiance of lodging that is in harmony with nature.

Carrying capacity is not a fixed number, however. The most evident problem in Bali is not just the numbers of tourists that come, but inadequate visitor and commercial management. Visitor management is necessary both inside and outside the cultural heritage site to increase a site's carrying capacity.

At Petra, the Jordanians long resisted the Bank's advice about charging an entrance fee to the site, but they were convinced after surveys found that the average tourist was willing to pay \$25 to enter the site. The government, based on the urging of UNESCO, later agreed to commit 25 percent of the proceeds back to the site. Most recently, with an incredible surge of tourists in the past decade, they have recognized the value of an operating plan that restricts access to the site as a measure of protection of this valuable, income-earning, but very fragile asset. The D'ana site in Jordan took an even more radical approach. The demand to visit the place is so great that they have begun to take reservations, limiting the number of daily visitors to limit the impact. The site does earn an income, and the return on investment for this project is generated through a diverse set of activities, including value-added agriculture and new crafts production, but the impacts on the site itself are controlled.

3. 2000 Country data from the Country Data web page: [http://eap.worldbank.org/indonesia/country\\_data/country\\_data.htm](http://eap.worldbank.org/indonesia/country_data/country_data.htm)

In Brazil, which has relatively well developed planning systems, the Salvador project (discussed above) took into account work (geographically and intellectually) distant from Pelourinho. Not only did physical improvements to the historic city center include necessary infrastructure—streetlights—and services—sanitation, the project also addressed the maintenance of beaches and related facilities at the city's edge. It was understood that increasing regional tourism potential would increase the return on investments in Pelourinho. Within the historic area, financing was provided not only for physical restoration<sup>4</sup> of its colonial architecture, but subsidies were given to popular festivals as well. Once it was clear that Pelourinho depended upon recreational commerce, recreational activities throughout the region received attention.

A similarly broad conception of planning facilitated culture-related work in Indonesia under the Bali Urban Infrastructure Project (BUIP). Urban roads and traffic management, water supply, drainage and flood control, solid waste management, sanitation and sewerage, neighborhood and market improvement, transportation terminals and parking areas were all part of the effort, as were private sector development and the social and cultural aspects. Although not a cultural heritage loan, BUIP has had a cultural heritage component from the beginning and its planning was actually integrated with the planning for other sectors in the project. The broad approach used in Bali was based on lessons learned under an earlier project, Nusa Dua. The lesson from Nusa Dua is that over-concentration of infrastructure investments in too small an area coupled with an almost inevitable reaction of the Balinese who relocated to be closer to the economic opportunities associated with a large increase in tourism diluted the potential project benefits. BUIP spread out its investments much more broadly, creating a number of tourist facilities, which, it could be supposed, would lead to a smaller population shift and fewer associated problems.

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4. In Salvador, the World Bank opted not to finance the building restorations.

## Annex F. Institutional Development and Institutional Learning

One way to assess institutional development impact is to measure learning in borrower institutions. The study attempted to do this through a survey of 34 in-country managers of urban projects. The survey participants were asked (by the Gallup Organization, as part of a larger OED survey on learning in urban projects) how much they had learned about cultural heritage in development projects through their Bank project experience (the survey instrument used is in Annex A). The results are presented in the box.

### Box. Borrower Staff Learned about Cultural Heritage

Sixty-three percent of the respondents to the borrower staff survey learned about various cultural heritage topics either modestly or substantially while only 37 percent had negligible learning experiences.

The percentages below represent those who learned (substantially or modestly), excluding those who marked don't know or refused.

- The effects of cultural assets on social cohesion and inclusion (67 percent)
- What cultural assets contribute to economic development (67 percent)
- Understanding incentives and disincentives for preserving cultural heritage (67 percent)
- Assessing the political will for and against the preservation of cultural heritage (67 percent)
- Sustaining the long-term management of cultural assets (63 percent)
- How to select cultural assets to be preserved by an urban development project (59 percent)
- How to identify and select cultural assets to be preserved (56 percent)
- What cultural assets contribute to poverty reduction (54 percent)

More than half of the study participants learned something (a substantial or modest amount) about cultural heritage in their work. The fact that this proportion of managers encountered cultural heritage issues in their projects suggests that many Bank urban projects deal in some way with cultural heritage. The most substantial learning took place in the area of the effects of cultural assets on social cohesion and inclusion. Survey results also suggest that borrower staff have learned more about the general importance of cultural heritage than they did about the more practical matters of identifying and selecting assets for conservation. These managers' perceptions are important information, but ascertaining whether what they learned would lead them to support the inclusion of cultural heritage issues in the Bank's work would require further study.





## Annex G. Management Response to the OED Report

### I. INTRODUCTION

1. In industrial countries, historic sites and structures are increasingly recognized for their economic value, and they are an integral part of urban and rural development activities. In developing, transitional, and post-conflict economies, such cultural resources may represent an even greater share of the national resource base, and they are often either inhabited by the poor, or located in economically depressed areas. Use of these resources can stimulate local community and economic development, revitalize inner cities and rural areas, promote private sector investment, generate revenue from tourism and cultural enterprises, and foster pride, identity, and community mobilization.

2. *History in the Bank.* The OED report under review, one of a series of studies that examine the implementation of the Bank's safeguard policies, notes that Bank support for cultural heritage is not new; indeed, cultural heritage interventions by the Bank date back to its reconstruction financing role in postwar Europe. The report states further that since the 1970s, more than 200 of the Bank's loans, credits, and grants have included investment in cultural resources.<sup>1</sup>

3. *Assessment of the Policy.* The OED report refers to Operations Policy Note (OPN) 11.03, *Managing Cultural Property in World Bank-Funded Projects*, as the governing document for the Bank's work in cultural property. The report sets forth a dichotomy between the "do no harm" and the "do good" aspects of the policy. It finds the OPN to be relatively clear in terms of "do no harm," and notes that the OPN is now being converted to Operational Policy/Bank Procedure (OP/BP) 4.11, *Physical Cultural Resources*. Concerning the "do good" aspects, the report finds the OPN less clear. It notes that the Bank's current approach to "doing good" is articulated in *Cultural Heritage and Development: A Framework for Action*, which identifies the objectives of providing new economic opportunities for poverty alleviation, catalyzing local-level development, and generating increased revenues.<sup>2</sup>

### II. SUMMARY OF OED FINDINGS WITH MANAGEMENT'S COMMENTS

4. The report's findings cover various aspects of the Bank's investments, grants, and activities related to cultural property. They may be summarized and discussed in four groups: track record, effectiveness, capacity, and strategy.

#### A. Track Record

5. *The Bank has a long history and extensive experience in both doing no harm and doing good in cultural heritage, involving the development and application of good practices. In the process, the Bank has adopted innovative approaches and has developed valuable partnerships.*

This is a fair assessment. In particular, the period from April 1999 to August 2001 has been one of sustained progress in responding to client requests for investment in historic sites and structures as part of an economic development strategy. These projects emphasize community participation and benefits, while strengthening institutions charged with cultural resource protection and management.

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1. See *Cultural Properties in Policy and Practice: A Review of World Bank Experience*, OED, 2001.

2. See *Culture Heritage and Development: A Framework for Action*, World Bank, Environmentally and Socially Sustainable Development Vice Presidency, 1999.

- Twelve projects under implementation, representing aggregated total project costs of approximately US\$200 million, are focused on investments in physical cultural resources. An additional five projects are being prepared.
- Seven large ongoing infrastructure projects, and one under preparation, have components supporting rehabilitation of historic structures and care of cultural resources.
- Two Institutional Development Facility grants are intended to improve the management of economically valuable cultural resources.

## **B. Effectiveness**

6. *The outcome of Bank activities involving physical cultural heritage has been satisfactory, with an estimated success rate higher than the Bank's average. However, aspects needing attention are sustainability, institutional development, and the relationship to poverty reduction.*

Management agrees with these findings. Issues of sustainability, institutional development, and poverty reduction are now being addressed in the emerging Regional strategies (see section D below).

7. *Too often the Bank has not ensured that the projects it finances do not harm cultural property.*

Projects reviewed in the report antedated a clear policy framework. Management notes that it is in an advanced state of revising OPN 11.03 in the OP/BP format, to provide a clearer framework to guide Bank practice and ensure implementation. A Physical Cultural Resources Sourcebook will complement the revised policy. The OP/BP will be disseminated to Bank staff and borrowers through a proactive outreach and training program. In addition, in order to better integrate physical cultural resources into overall safeguard policies work Bank-wide, the “do no harm” functions were assigned to the Quality Assurance and Compliance Unit (QACU) on July 1, 2001.

## **C. Capacity**

8. *In the Bank and among its borrowers, the state of knowledge about cultural heritage is not strong, but it is improving. However, resources and capacity for cultural heritage activities are in short supply.*

Management concurs with this finding. However, the process of converting the safeguard policies to the OP/BP format, and the associated consultations, are contributing to increased awareness and knowledge, both in the Bank and among borrowers. New sourcebook material to be published by the Bank will add further to this knowledge. Borrower capacity constraints are being alleviated as cultural authorities increasingly work in collaboration with other environment and infrastructure authorities, and with participating communities. Management will encourage the inclusion of cultural authorities in the development and improvement of systems and services such as databases, mapping, and information systems, which traditionally have bypassed the cultural sector, thereby improving the cost-effective implementation of the OP/BP. In addition, Bank involvement typically attracts additional resources such as trust funds and cofinancing, which may be used for capacity-building purposes.

9. *Among borrowers, the desirability of “doing good” is not always self-evident. Many do not recognize the potential value of cultural resources to socioeconomic development.*

Management agrees that such recognition has been slow in some countries; however, awareness of the socioeconomic potential of cultural property is increasing at both national and international levels, and is

reflected in some of the Bank's new regional strategies. Clients are also increasingly requesting investment in cultural assets.

#### D. Strategy

10. *The Bank has never articulated a corporate strategy for cultural heritage based on a careful assessment of both demand for Bank assistance in cultural heritage and the Bank's comparative advantage relative to other donors and institutions.*

The Management notes that the corporate position focuses on "do no harm." This is embodied in OP/BP 4.11, *Physical Cultural Resources*, expected to be submitted for Board approval in FY02. Meanwhile, "do good" strategies need to be responsive to the particularities of the context, and hence are being developed at the regional level. Recognizing the value of physical cultural resources for economic development and poverty reduction, four of the Bank's Regions have articulated strategies or are conducting consultations to develop strategic priorities and parameters for Bank assistance. The other two regions continue to address these issues in their urban development programs.

- Acknowledging that cultural resources contribute to effective economic growth rather than merely consuming budgetary resources,<sup>3</sup> the Middle East and North Africa Region (MNA) has issued a framework for action, including guidelines for utilizing cultural resources as major assets in client countries. Furthermore, in Morocco, the Comprehensive Development Framework process resulted in a Country Assistance Strategy that provides for investment in decaying historic urban enclaves.<sup>4</sup>
- Recognizing clients' interest in borrowing for projects intended to protect, manage, promote, and use their cultural patrimony, Europe and Central Asia Region (ECA) conducted an analysis and developed guidelines for lending and grant making. ECA is orienting its cultural resources assistance to support community-driven development.<sup>5</sup>
- Responding to client requests, the East Asia and Pacific Region (EAP) convened conferences—two national and one regional—to elicit priorities for investments involving cultural assets, provide training, and evaluate experience.<sup>6</sup>
- The Africa Region (AFR) is planning to convene a consultative workshop in November 2001, with representatives of 14 countries, to elicit priorities and formulate strategies for investment in cultural resources for economic development.

The other two regions are addressing these priorities as part of their overall work, notably in urban areas.

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3. See *Cultural Heritage and Development: A Framework for Action in the Middle East and North Africa*, Orientations in Development Series, Middle East and North Africa Region, The World Bank, June 2001.

4. See Memorandum of the President of the International Bank for Reconstruction and Development and the International Finance Corporation to the Executive Directors on a Country Assistance Strategy of the World Bank Group for the Kingdom of Morocco, Report No. 22115-MOR, May 7, 2001, Annex B3, p. 1/2.

5. See "Cultural Assets in Support of Transition in the Europe and Central Asia Region: An Operational Perspective," Europe and Central Asia Region, The World Bank, 2000.

6. For the proceedings of the three conferences, see "Culture and Sustainable Development: East Asia and Pacific Working Group Proceedings," in *Culture Counts: Financing, Resources, and the Economics of Culture in Sustainable Development*, Proceedings of a Conference in Florence, Italy, co-sponsored by the Government of Italy and the World Bank, October 1999; *Cultural Heritage Management and Urban Development: Challenge and Opportunity*, Proceedings of international conference at Beijing, co-sponsored by The World Bank, China's State Department for Cultural Heritage, and UNESCO, July 2000; "Conserving Cultural Heritage for Sustainable Social Economic and Tourism Development: Learning from Bali Cultural Heritage Conservation and International Experiences," Denpasar, Bali, July 2000.

- The South Asia Region (SAR) has a number of projects that support the management of physical cultural property in the context of urban infrastructure rehabilitation. It has also been active in addressing these issues in the design and implementation of lending operations for road upgrading and rehabilitation since many sites are located in historic transportation corridors.
- The Latin America and Caribbean Region (LCR) has a tradition of addressing physical cultural property issues in the context of urban development programs, including its well known work in Mexico City associated with the earthquake reconstruction program. It has also taken measures to more effectively address these concerns in the context of its safeguards review and monitoring processes.

The Bank's commitment to culture in development is designed to leverage the participation of other institutions and organizations as partners. Several examples follow.

- Bank-financed projects have attracted participation by public and private investors, bilateral donors, and organizations dedicated to cultural asset conservation and management.
- With 16 other institutions, in May 1999 the Bank convened a symposium, "Preserving the Architecture of Historic Cities and Sacred Places." Cosponsors included governments and governmental agencies, multilateral organizations, professional institutes, nongovernmental organizations, and foundations.<sup>7</sup>
- In October 1999, the Bank joined the Government of Italy and UNESCO in organizing an international conference in Florence on the economics of culture in sustainable development.<sup>8</sup>
- The Government of Italy is providing grant assistance for Bank-financed projects and related activities through the Italian Trust Fund for Culture and Sustainable Development, jointly administered with the Bank.<sup>9</sup>
- The Government of Norway is providing grant assistance for development of lending operations and client country consultation in Africa.
- A workshop on the management of cultural sites, convened by the Bank in 1999, included international experts, Bank staff, and participants from Bank client countries.<sup>10</sup> This workshop led to the decision to develop a manual on physical cultural resources management, now under preparation, in collaboration with the World Heritage Centre at UNESCO.

## E. Other Areas

11. *The Bank's portfolio has been evolving toward areas in which past performance has been weak.*

The focus of the OED report is on the Bank's protection of physical cultural heritage. We agree that the Bank's portfolio is moving into newer areas of non-physical cultural assets. There is not enough evidence to say whether Bank performance is weak or strong. Management agrees that it makes sense to evaluate the Bank's performance in taking cultural issues and intangible resources into account as a mainstreamed

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7. See "Preserving the Architecture of Historic Cities and Sacred Places," Draft Proceedings of a Symposium held at the World Bank, Washington, D.C. May 3-6, 1999. See also Ismail Serageldin, Ephim Shluger and Joan Martin-Brown, eds., *Historic Cities and Sacred Sites: Cultural Roots for Urban Futures*, (Washington, D.C.: World Bank, 2001).

8. For proceedings of this conference, see *Culture Counts: Financing, Resources, and the Economics of Culture in Sustainable Development*, op. cit.

9. See Administration Agreement, "Italian Trust Fund for Culture and Sustainable Development," September 12, 2000.

10. See Summary Report of the World Bank Cultural Site Management Workshop, April 26-30, 1999, available at <http://www.iisd.ca/linkages/sd/culturalheritage> by the International Institute for Sustainable Development.

feature of its operational work. An appropriate time may be when OED evaluates implementation of the upcoming Social Development Strategy.

12. While the OED review addresses mainly conservation and management of physical cultural resources, the Bank's broader work on culture has now been integrated into the Bank's corporate priorities of empowerment and social inclusion. In July, at Mr. Wolfensohn's invitation, a group of external advisers met with Bank staff to discuss ways of engendering empowerment, cultural pluralism, and civic engagement in the Bank's development assistance. A report on this meeting, and the work evolving from it in several Networks, is planned for presentation at a Board seminar early next calendar year. An appendix to that report will be an update on the Bank's implementation of *Culture and Sustainable Development: Premises and Work Plan*, which was discussed by the Board in April 1999.

### III. SUMMARY OF OED RECOMMENDATIONS WITH MANAGEMENT'S RESPONSE

<b>OED recommendation</b>	<b>Management response</b>
<p><i>The Bank should focus more systematically on safeguarding cultural properties.</i></p>	<p>Management agrees with this recommendation, and has already taken action. Originally spelled out in OPN 11.03 (1986) and OP 4.01, <i>Environmental Assessment</i> (1990), this safeguard policy is being stated more explicitly in the conversion of OPN 11.03 to OP/BP 4.11, <i>Physical Cultural Resources</i>. OP/BP 4.11—drafted in consultation with Bank staff, Management, and a panel of technical experts—is consistent with worldwide practice of safeguarding cultural resources in development projects through the Environmental Assessment process, and includes provisions for management of cultural artifacts discovered by chance during project implementation. The policy is an integral part of the Bank's safeguard compliance regime.</p> <p>Following discussion at the Board's Committee on Development Effectiveness in early 2001, external consultations are underway in a sample of the Bank's client countries, as well as with major cultural and environmental organizations and the general public. New implementation guidelines in the form of a sourcebook are in preparation. Management expects to send the revised policy for Board approval in the second half of FY02.</p> <p>Management agrees with the OED report that adequate central capacity should be maintained so that compliance with this safeguard policy is ensured. Implementation of OPN 11.03 and the forthcoming OP/BP 4.11 has been assigned to QACU in order to have this work integrated into the Bank-wide safeguard policy implementation program. A network of focal points for safeguard aspects of physical cultural property is being established at the Regional level. A training program for Bank staff and borrowers is being prepared which will be supported by the Physical Cultural Property Sourcebook, also under preparation.</p>
<p><i>The poverty-reduction effects of cultural resource activities need to be documented</i></p>	<p>Management believes that the same planning and monitoring of poverty impacts that apply to all infrastructure-based projects should be applied to those that involve conservation and use of physical cultural resources. In addition, work underway at the Regional level will contribute to a better understanding of the poverty reduction aspects of cultural resource activities.</p>

<p><i>The Bank needs to define more clearly its approach to the “do good” aspects of cultural heritage.</i></p>	<p>Management agrees that there is a need for sustained improvement in this area, but points out that the process is already underway, with four of the six regions already well advanced in this respect, while the other two regions continue to support these activities, mainly in the context of urban development programs.</p> <p>Management also agrees with the OED report that there is a need for practical guidance on responding to client country requests for investment in cultural assets, and for this purpose there should be a central advisory function in the Bank. Discussions are underway within ESSD to address how to most effectively address “do good” aspects of cultural heritage in cooperation with the Regions. This would complement the work being undertaken by QACU and the Regions in relation to “do not harm” issues linked to the safeguard policies program.</p>
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December 13, 2001

CODE2001-0102

# Report from CODE

## Committee on Development Effectiveness

### *Cultural Properties in Policy and Practice: A Review of World Bank Experience & Draft Management Response*

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1. On November 14, 2001 the Committee on Development Effectiveness (CODE) discussed the OED report *Cultural Properties in Policy and Practice: A Review of World Bank Experience* (CODE2001-0068) and the *Management Response* to the report (CODE2001-0097). The Committee's discussion focused on the importance and priority of cultural heritage, in light of the many demands on Bank resources and capacity. The Committee complimented OED for a comprehensive review of a difficult but important issue, and it broadly supported the report's findings and recommendations. The Committee also welcomed the Management Response and expressed strong support for Management's proposed regional approach to cultural resources rather than developing a corporate strategy.

2. ***OED Review Findings.*** The OED review discusses the Bank's work with physical cultural property and assesses its effectiveness, including with respect to "do no harm" and "do good". Major proposals were made by OED for improving the Bank's performance in support of cultural-heritage interventions. They included the need to: (i) focus more systematically on safeguarding cultural properties, including expediting the conversion of operational policy note (OPN) 11.03 *Managing Cultural Property in World Bank-Funded Project* to OP/BP 4.11; (ii) have more consistent monitoring of the poverty-reduction effects of cultural-resource activities; and (iii) have a clearer definition of the Bank's approach to the "do good" aspects of cultural heritage, delineating under what circumstances the Bank will consider requests for assistance in this area.

3. Management was in broad agreement with the report's findings and recommendations, including the need to focus more systematically on assuring that projects financed by the Bank would do no harm to physical cultural property. Management reiterated that cultural heritage issues at the strategic level also warranted attention. Management, noted, however, that in its view, there was still inconclusive evidence to support OED's conclusion that the Bank's portfolio in this area is evolving towards areas of weak performance.

Among the issues raised by the Committee were the following:

4. ***Cultural Resources and Bank Strategic Priorities.*** The Committee agreed that cultural heritage was important, but noted that it was not a corporate or global priority under the Bank's strategic-directions framework. Members stressed that the Bank's engagement in work on culture should be justified by its contribution to the Bank's efforts to reduce poverty. They added that the Bank's approach to cultural resources should be on generating awareness of the context in which the Bank operates, and not on trying to address cultural heritage as a single, separate corporate priority. One member further pointed out that the tourism industry provides a strong link between poverty reduction and cultural heritage. Management noted that cultural heritage was a starting point for addressing the cultural aspects of development. OED noted that there was a lack of hard information linking cultural interventions, cultural heritage, and poverty reduction, and suggested that this was an area for further investigation (whether by the Bank or by other donors).

5. ***Support for a Country and Regional Approach.*** While noting that cultural properties and heritage was not a corporate priority, members acknowledged that it would still be important to address them as part of the Bank's work. The Committee supported Management's approach of addressing cultural resources through country and regional strategies, rather than through a corporate strategy or establishment of a central advisory function. Some members also supported OED's recommendation that a corporate decision was needed as to

whether the Bank should remain engaged in the area of cultural heritage at all, while others considered that no decision was needed and that the Bank should adhere to the corporate priorities already decided. Speakers emphasized the importance of country ownership and local involvement in country strategies to ensure that proposals for consideration were demand-driven. Management, noting the contextual and site-specific issues, believed a regional approach was the most appropriate, and noted that work on cultural strategies within some of the regions (ECA, MNA and AFR) was already underway.

6. ***Scope of the Policy.*** The Committee agreed with OED on the need for the Bank to address the “do no harm” aspects of cultural resources within the scope of the Bank’s safeguard policies and to provide more practical guidance to staff with respect to applying “do good” aspects. The Committee, however, was cautious about extending the scope of the Bank’s work into “do good” activities, including the more complex area of intangible cultural resources, except under very clear circumstances where they contributed directly to poverty reduction, such as through the development of tourism. Some members believed that the policy was ambitious with respect to the application of “do good” activities; They noted the limited resources and weak capacity in poorer countries to support comprehensive programs in this area and proposed that in such countries, “doing no harm” to physical cultural heritage should be considered an important first step. One member felt that addressing cultural issues through education and other social areas could be a logical and appropriate area of focus. OED underlined the need, at the country level, for clearer criteria regarding when and how the Bank should be engaged. Management said that the report corresponded to the OPN and therefore covered the immovable physical aspects of cultural heritage and safeguard aspects, but agreed that it was important to distinguish between the narrow needs of physical immovable, and the broader areas considered “intangible”.

7. ***Monitoring and Evaluation.*** Several speakers noted that although the report was informative, information gaps and the lack of systematic M&E had presented a challenge to the study. One speaker especially noted the reliance by OED on self-evaluations for the report. They noted the weak capacity of many national institutions charged with managing cultural properties, and suggested that better M&E was needed, particularly for non-physical cultural assets. OED said that the study drew on more than task manager self-evaluations, and included field visits and a literature review, but acknowledged that the review was challenged by the lack of attention to cultural-heritage activities in Bank documentation.

8. ***Status of Conversion Process of OPN 11.03.*** A member asked about the status of the conversion of OPN11.03. Management noted that the conversion process is well advanced and would be key in providing greater clarity to staff on how to integrate physical cultural resources effectively into the preparation of environmental assessments in this area. It also informed the Committee that a Bank-wide network had been established on cultural heritage which would propose how the Bank should proceed in this area. The outcomes of the consultations would be consolidated, and management anticipated coming to CODE and the Board with a converted policy for review and discussion during the second half of this fiscal year.

9. ***Next Steps.*** OED will issue the report with the Management Response. The review findings will inform the on-going conversion of OPN 11.03 to OP/BP 4.11 *Physical Cultural Resources* and the Committee will review the revised OP/BP 4.11 in the second part of FY2002 following the completion of external consultations.

Pieter Stek, Chairman

### ***Distribution***

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