



Review and Update of the World Bank's Environmental and Social Safeguard Policies Phase 2 Feedback Summary

Date: 16 January 2015

Location (City, Country): Manila, the Philippines

Audience (Government, CSO, etc.): Multi-sectoral

Overview and Key Issues Discussed:

During the consultation on the WB Safeguard Policies review, held last 23 October 2014 at Astoria Plaza Hotel in Pasig City, participants from the basic sectors and civil society organizations (BS/CSOs) called for broader, sector- and grassroots-based consultations. Some members of the NAPC Basic Sector Councils who were present in the gathering also put forward the suggestion for the World Bank to tap the NAPC mechanism.

After a series of meetings between the WB Philippines Country Team led by Ms. Leonora Gonzales and the NAPC Office of the Vice Chair for Basic Sectors (OVCBS) headed by Atty. Marlon J. Manuel, it was agreed that the NAPC Basic Sector Council meetings would serve as the venue for the consultations and that these would be expanded to the broadest groups possible.

A total of six (6) sectoral and regional consultations, covering seven sectors were conducted, which included the following: (1) NCR-based and national NGO networks, held on 26 November 2014 at the Luxent Hotel in Quezon City; (2) Cooperatives sector held on 4 December at the Philippine Cooperatives Center in Quezon City; (3) Indigenous Peoples (IP) sector held on 13 December 2014 at the University Hotel, UP Campus, Diliman, Quezon City; (4) Farmers sector held on 19 December 2014 at the BSP Hotel, Los Banos, Laguna; (5) Women and Persons with Disabilities (PWDs) held on 22 December 2014 at the University Hotel, UP Campus, Diliman, Quezon City; (6) Multisectoral consultation held on 7 January 2015 at the Pinnacle Hotel in Davao City.

A pre- conference process to firm up the recommendations was also held in the morning of 16 January 2015 at the Crowne Plaza Galleria Hotel in Ortigas Center, Quezon City, before the formal dialogue with the Bank officials took place in the afternoon. As a final step, a drafting committee was formed and met on 16 February 2015 at the NAPC Office to finalize the recommendations, which were, again, routed to all participants who attended the consultations. In total, 275 basic sector/civil society leaders, including NAPC secretariat staff (106 males, 169 females) representing the 14 NAPC basic sectors, which participated in the consultation process.

This summary is subject to change by review and comments from consultation participants.

Specific Feedback from Stakeholders
<p>1. General Comments</p>
<p>This paper presents the summary of the key comments and recommendations from the series of consultations that were conducted on the WB-ESS (Environmental and Social Safeguards), culminating in the dialogue with the World Bank officials that was held on 16 January 2015.</p> <ul style="list-style-type: none"> • It should be noted that the recommendations put forward in this document do not represent the views of the entire civil society community in the Philippines, which are diverse and have differing opinions on World Bank policies and operations in the country. • Some groups call for the shutdown of operations of the WB in the Philippines, while still others have put forward their critique that the updating of the safeguard policies is an attempt to dilute the existing safeguards and reinforces the lack of accountability of the Bank in promoting human rights and inclusive development. • The NAPC OVCBS, with the Sectoral Representatives' Council (SRC), nevertheless, posits that with or without the participation of the BS/CSOs in the review process, the formulation and approval of the World Bank Safeguard policies will proceed to guide the development projects that it will support in the Philippines. With or without the engagement of the BS/CSOs, these development projects will impact on communities and peoples. • Maximizing the space to participate in the WB-ESS review process, through the NAPC mechanism, provides the BS/CSO community the opportunity to influence the outcome of the policy document. Cognizant that not all recommendations will find their way into the approved policy document, the NAPC Basic Sectors will continue to constructively engage in holding the World Bank and the Philippine Government accountable on the development outcomes of programs and projects towards adherence to human rights standards as well as protection of environmental integrity and realization of full human development.
<p>2. A Vision for Sustainable Development</p>
<ul style="list-style-type: none"> • Development should not be defined only in economic terms, but should also consider people's well-being, environmental sustainability as well as social and cultural upliftment. • There is a need to recognize the interlink between economic and political empowerment of the poor and marginalized; interlinkages between poverty, disaster risk reduction and climate change. • Development programs, projects and services (regardless of sources of funds) should ensure social inclusion, i.e., maximum economic and social benefits for and empowerment of all sectors. • Economic growth is necessary but it is not sufficient for poverty reduction. Poverty reduction strategies and programs should be integrated into the over-all development plan with the following essential elements: asset reform, social protection, delivery of basic human services, sustainable livelihood and employment, and participation in governance. • "Securing the long-term future of the planet and its resources" means veering away from extractive industries to tapping into renewable resources and energies to support the basic consumption of goods and services.

<p>Specific Feedback from Stakeholders</p> <ul style="list-style-type: none"> • Good governance (transparency, accountability and meaningful participation of all stakeholders) is an important component of a genuine sustainable development. • All World Bank-funded projects should not be isolated from the overall development context.
<p>3. World Bank Environmental and Social Policy</p>
<p><i>Comments and recommendations</i></p> <ul style="list-style-type: none"> • Consider the 4Ps (People, Planet, Poverty reduction and Peace). • The Environmental Impact Assessment (EIA) should be revisited and strengthened; its integrity ensured, especially with regard to the following: <ul style="list-style-type: none"> ○ Install a meaningful and transparent consultation process with the stakeholders; ○ Precautionary principle should be a major element in any impact assessment for bank-funded projects; ○ A thorough cost-benefit analysis should be undertaken; • All projects to be funded by WB should go through the strengthened EIA system before a commitment plan can be undertaken. The existing World Bank safeguard policy on EIA should be retained. • The World Bank safeguard policies should not be less than country systems where safeguard laws or policies (such as the Labor Code, Magna Carta of Women, IPRA and UDHA in the Philippines) are in place. In country systems with weak safeguard policies, international human rights treaties and conventions, such as the Universal Declaration of Human Rights (UDHR) and ILO conventions should be the guiding safeguard. • Conflict- and gender-sensitivity tools should be used so that negative impacts on women and other vulnerable groups will be avoided. • Take into account the diverse and multi-ethnic demographic and socio-cultural landscape of a region (e.g. Mindanao) and build capacities of the project implementers in the following knowledge, skills and perspectives: cultural sensitivity, mediation, peace-building and conflict resolution, to equip them in competently and effectively understanding, addressing and resolving identified issues, problems and complaints. • In cases where initial studies of a proposed project show potential adverse impacts to the community, the proposal should be rejected outright. In the same way where monitoring and evaluation of projects under implementation are found to be deficient, suspension/moratorium of the project should be explored rather than simply having it re-designed to minimize inherent risks.
<p>4. Environmental and Social Standard 1 (ESS1): Assessment and Management of Environmental and Social Risks and Impacts</p>
<p><i>Comments and recommendations</i></p> <p><i>Meaningful Consultation and Participation; Maximum Benefits</i></p>

Specific Feedback from Stakeholders

- People affected by the project should be considered as partners of the World Bank. They should be accorded primacy because they are the first in line in experiencing the impacts of a particular project. In this regard, they should have greater involvement and participation in all phases of the project management from the conceptualization and planning phase, to the implementation, monitoring and evaluation. Moreover, benefits or incentives should also be provided to residents of the community where resources are tapped for utilization of a particular project.
- Full disclosure of information on the details of the project should be provided to affected communities, at least two (2) months prior to the conduct of community consultations. The rationale of this is to supply the affected communities reasonable time with which to prepare for engagement on the project. These could include the conduct of forums with technical experts who could provide the necessary information and expert opinion on the possible environmental and social impacts of the project on the community and its people.
- Consultations should be "meaningful," as indicated by the following: (1) rigorous analysis and assessment of the project and (2) broad social acceptance of the project based on informed consent.
- For the World Bank to institutionalize policy studies and researches to review current safeguard laws and policies for their relevance and applicability to changing contexts and conditions, which could include learning sessions on progressive laws and best practices among its member-countries. Whenever possible, the World Bank should support the enactment of new laws and policies as well as repeal of those that are outdated.

Monitoring/Grievance and Redress

- Institutionalize Third-Party Monitoring by tapping civil society organizations to possibly conduct the following: 1) verification of compliance to full disclosure and meaningful consultation as prerequisite for project approval by the World Bank; 2) ocular visits to project sites for assessment of compliance to safeguard policies.
- Strengthen grievance and redress mechanisms; and on this aspect, enhance the capacity of the project implementers to effectively address and respond to complaints, grievances and issues that arise during the implementation process of a project.

5. Environmental and Social Standard 2 (ESS2): Labor and Working Conditions

Comments and recommendations

- Ensure compliance to the ILO core labor standards, specifically ILO Convention Nos. 87, 98, 151, 186 and the new 2011 OECD guidelines, among others.
- Set up monitoring bodies and build capacities to inspect and assess compliance to human rights standards as well as develop monitoring standards and instruments.
- Expand policies on labor and working conditions to include protection against child exploitation, worst forms of child labor, and sexual exploitation of women. Preventive measures against child labor, exploitation and trafficking, especially at the community level, should be

<p>Specific Feedback from Stakeholders</p>
<p>put in place. At the same time, cultural sensitivity should be applied. In Indigenous Knowledge Systems and Practices of IP communities, children traditionally take part in the work life of their parents.</p> <ul style="list-style-type: none"> • Provide for nondiscriminatory and inclusivity policies, as a whole, without prejudice to merit and competence. • Discourage subcontracting labor or employment and similar working arrangements in the guise of “cooperatives.” • The local workforce in the area where a WB-assisted or funded project is located should be considered as “indispensable labor” and accorded primary preference in employment for the project. When necessary, skills training/upgrading/retooling should be undertaken to equip the locals with the skills and work ethic needed for the type of work to be done. Nonetheless, migrant workers may also be recruited when their skills and expertise are required in vital work processes. • In cases when World Bank-funded/assisted projects should involve privatization of a government entity, the existing work force should be retained or absorbed into the new management instead of being laid off or replaced, without prejudice to merit and competence. • There should be alternatives to decent work employment, such as social entrepreneurship. Government agencies should take the initiative to come up with plans for workers’ post-retirement. • If a worker's employment has ceased due to the ending of the life span of a project, there should be government intervention so as to provide the worker with some form of safety net or continuity of having a means of livelihood. Such consideration should be included in planning.
<p>6. Environmental and Social Standard 3 (ESS3): Resource Efficiency and Pollution Prevention</p>
<p><i>Comments and recommendations</i></p> <ul style="list-style-type: none"> • World Bank-funded and/or assisted projects must comply with national laws on resource efficiency and pollution prevention. • The country borrower should ensure that the local and national academe will play a lead role in research regarding pollution prevention, mitigation, monitoring and compliance to national laws. This can include studies, which assess potential damage caused by projects. • For the World Bank to provide financing and make available competent technical knowledge and expertise so that Borrowers are able to make informed decisions regarding how natural living resources can be tapped in a project without damaging the long-term viability of the resources and the environment.
<p>7. Environmental and Social Standard 4 (ESS4): Community Health and Safety</p>
<p><i>Comments and recommendations</i></p> <ul style="list-style-type: none"> • Ensure active involvement of consumer watch groups in World Bank-funded projects involved in production of and/or trade in consumer products.

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<ul style="list-style-type: none"> • The Borrower/grantee should ensure that community safety is not compromised in its security arrangements of World Bank-funded and/or assisted projects. • Ensure full compliance to occupational safety and health standards for all workers involved in World Bank-funded and/or assisted projects. • Ensure the accessibility of persons with disabilities and provide gender- sensitive facilities in all infrastructure projects.
8. Environmental and Social Standard 5 (ESS5): Land Acquisition, Restriction on Land Use and Involuntary Resettlement
<p><i>Comments and recommendations</i></p> <ul style="list-style-type: none"> • Land acquisition and restrictions should be anchored on a national land use policy. • Local laws and its implementation mechanisms should be recognized and respected by World Bank-funded and/or assisted projects. • Ensure strict compliance and enforcement of environmental and social protection laws, policies and other measures. • Land tenure and resource use should preferentially be in favor of long-time occupants in the community. Renters or structure owners should equitably benefit in resettlement and compensation packages. • Project-affected people should participate meaningfully in the formulation of the Resettlement Action Plan (RAP). The planning process should not be limited to the Borrower (i.e., national government agencies, or local government units). • Ensure baseline standards are improved so that informal settlers and workers (urban and rural poor) properly benefit from the resettlement plan. More inclusive definition of households or families should be employed in order to address biases. • As much as possible, explore in-city resettlement as a primary option; and in this regard, undertake inventory of government lands that could be utilized for this purpose. • Require the establishment of industries or business firms in the resettlement sites so as to make economic opportunities more readily available. Lack of viable economic opportunities can prompt housing beneficiaries to sell or transfer their rights to non-beneficiaries and return to their original area of settlement. Moreover, resettlement areas should be furnished with amenities for basic services. • Promote the formation of housing cooperatives as an option for living arrangements for resettlers to mitigate instances of transfer or sale of rights by individuals. • Before occupancy in the resettlement area, housing beneficiaries should be primed for the new living arrangements so that they can learn to cooperate with their co-settlers for their mutual concern and benefit.
9. Environmental and Social Standard 6 (ESS6): Biodiversity Conservation and Sustainable Management of Living Natural Resources
<p><i>Comments and recommendations</i></p> <ul style="list-style-type: none"> • Selection and approval of projects to be funded by the World Bank should be guided by the “precautionary principle.” • World Bank-funded projects must comply with national laws as well as customary beliefs, laws and traditions regarding the protection and preservation of biodiversity.

Specific Feedback from Stakeholders

- The World Bank should finance the conduct of pre-feasibility studies on projects that have a relation to resource efficiency and biodiversity conservation.
- Protected areas should be considered *high-risk*.
- The World Bank should set explicit guidelines for the assessment of a Borrower's capacities for implementing a project effectively and for looking into the ramifications of the project on the existing biodiversity and natural resources in the area and its economic and socio-cultural effects on the local community, particularly the marginalized sectors (farmers, fisherfolk and indigenous peoples).
- Regulate mining activities, including small-scale mining. Moreover, there should be payment made for all minerals extracted from the land.
- Identify NO GO ZONES for mining, large-scale logging, large dams and other extractive industries, particularly in watershed areas, protected areas, culturally conserved areas, specially designated areas and the like.
- Renewable and sustainable energy projects should be pursued and financed.
- Clearly define sustainable development and the vital role played by biodiversity and natural ecosystems.
- Strengthen the integration of ecosystem services (along with biodiversity) as key for sustainable development, and a value that ESS 6 seeks to conserve and enhance.
- Provide more detailed objectives, which better capture the specific provisions of ESS 6, thereby ensuring that borrower countries are held to appropriately high standards when using Country Systems.
- Ensure full inclusion of natural resource dependent local communities (all sectors) and Indigenous Peoples by: including relevant provisions in the scope of the policy, including areas of socio-cultural and economic importance to local communities as “critical habitat,” strengthening language on consideration of local communities in assessment, requiring participation of local communities in all stages of the project cycle, and ensuring appropriate inclusion/coverage of Indigenous Protected Areas.
- Expand the definition of critical habitat to include a wider array of natural areas and values.
- Expand the scope of the policy to include modified habitats, in recognition of the important biological, socio-cultural, and economic role of many modified natural areas.
- Clarify and limit the conditions under which projects may develop or impact critical habitats, including no conversion or degradation of critical habitats.
- Strengthen language on the mitigation hierarchy and remove biodiversity offsets as a safeguard mechanism.
- Include language, which sets limits on conversion of natural habitats that are not included in one of the three categories of “sensitive” habitats.
- Ensure that Biodiversity Action Plans are substantive and reflect existing knowledge.
- Recognize importance of, and include additional protections for, Wetland (including ricelands, etc), Coastal and Marine Areas.
- Incorporate a standard on monitoring and evaluation.

<p>Specific Feedback from Stakeholders</p>
<ul style="list-style-type: none"> • Make provision for considering climate impacts on biodiversity and living natural resources, as well as recognition for the vital role that biodiversity and living natural resources play in climate change mitigation and adaptation. • Strengthen language on supply chains to include clearer requirements and actions. • Promote the use of ecosystem-based management.
<p>10. Environmental and Social Standard 7 (ESS7): Indigenous Peoples</p>
<p><i>Comments and recommendations</i></p> <ul style="list-style-type: none"> • There should be mandatory compliance with the Free, Prior and Informed Consent (FPIC) principle and it should be based on each community's accepted system and practices and there shall be no alternative measures or options other than the FPIC process. • The integrity of the FPIC should be forcefully ensured and duty holders who “sell” FPIC in order to accommodate projects that bring about adverse impacts should be penalized. • There should be clear guidelines for the consultation processes and for the obtainment of consent. Consent for NCIP guidelines should be secured from genuine members of the IP community, rather than from "alien" ones. • The NCIP should not be tasked with securing FPIC where such a move would appear self-serving or where there could arise a possible conflict of interest. Instead, an accredited NGO can carry out the task with observation from NCIP and LGUs. • Mechanisms for financial and capability assistance for IPOs should be developed. • Simplify the requirements for the identification and delineation of ancestral domains. Native titles to be used as bases, in place of an archival document, which could be lost due to lack of preservation or care, should be accepted as a requirement. As a principle, the IPs should exercise self-delineation. • Support the formulation of ancestral domain plans and programs which should serve as the basis of World Bank-funded and/or assisted programs and projects. These plans should be regularly enhanced and updated so as to keep them relevant and responsive to changing contexts and conditions. • IP use of natural resources within ancestral domains should be tax-free. • Project-affected people or communities should be resettled in government lands. It is especially important to avoid resettling displaced persons and communities in lands owned by IPs because situations where IPs are resettled in other IP lands could lead to conflict. • Consider Indigenous Peoples as Co-Owners of Production. Though investments derive from other parties, they possess ancestral/communal domains upon which an investment takes place.
<p>11. Environmental and Social Standard 8 (ESS8): Cultural Heritage</p>
<p><i>Comments and recommendations</i></p>

<p>Specific Feedback from Stakeholders</p>
<ul style="list-style-type: none"> • Recognize, respect and protect sacred burial grounds and cultural heritage areas. Identify cultural heritage areas located within ancestral domains through public declarations and landmarks. • Ancestral domains declared as tourist areas should be identified as NO GO ZONES.
<p>12. Environmental and Social Standard 9 (ESS9): Financial Intermediaries</p>
<p><i>Comments and recommendations</i></p> <ul style="list-style-type: none"> • The World Bank should be meticulous in the selection of partners in projects. It should consider not only a prospective partner's integrity and capacities, but also the existence of a credible track record. Moreover, they should also evaluate whether a subcontracting party under their partner also possesses the same. In addition, the subcontracting party should not be an organization that is simply created ad hoc for the project. There should also be no underlying political motives in its selection. • There should be right or proper allocation of the endowment of projects, programs and institutions. • Pertinent information regarding the project should be published. This should include expenditures, established time frames and the rights of people affected. • Financial Intermediaries should conduct consultations with affected sectors or communities regarding the environmental and social risks of their proposed projects. • With regard to GOCCs and GFIs, salary standardization should be instituted in alignment with other governmental agencies. • World Bank should explore other FIs (central funds, coop federations) as fund conduit. • Approved project funds to be channeled direct to partner cooperatives.
<p>13. Environmental and Social Standard 10 (ESS10): Information Disclosure and Stakeholder Engagement</p>
<p><i>Comments and recommendations</i></p> <ul style="list-style-type: none"> • Full disclosure of information should be the policy - from the formulation of the country assistance strategy to loan agreements and conditionalities. These include loans and/or assistance extended to private institutions by the Bank. There should be no distinction made between public and private institutions. • Information should be accessible and comprehensible for everyone. Translation in the local languages should be made available. • The World Bank should provide technical assistance in the implementation of the Stakeholder Engagement Plan (SEP) so that the application of the SEP can be truly inclusive and meaningful for stakeholders. • Pertinent information regarding the project should be published in various media (not only through websites). This should include expenditures, established time frames, and the rights of people affected. This should be made available especially for project- affected people and communities.

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- On-site informational documents regarding projects should be made available in order to provide access to project information to people concerned who cannot or do not have access to Internet services.
- The term "affected community" should be so defined as to include those communities *directly* and *indirectly* impacted by the project.
- The World Bank should accept complaints given in anonymity and/or written in the local languages.
- CSOs should have representation in the Project Grievance Committee.
- Establish learning mechanisms for region (i.e. Asia, Southeast Asia) and in-country sharing for knowledge and information exchange as well as innovations on social development
- Provide regular updates on the consultations conducted and projects/programs implemented.
- Ensure multi-sectoral participation, particularly, women, senior citizens, persons with disabilities (PWD), girl-children, and LGBT (lesbian, gay, bi-sexual, transgender) groups in all phases of the project cycle.
- Exacting Accountability
 - Institutionalize mechanisms for exacting accountabilities of key officials and personnel in cases of failed projects, in the form of penalties and sanctions;
 - Accountability of the World Bank itself should be established, especially, in cases where a particular project has led to negative impacts of the environment and its people. This could be in the form of reparations and penalties and sanctions for officials and personnel found to have a direct hand in the approval or management of such project.