



UPDATE ON THE SAFEGUARD POLICIES REVIEW – PUBLIC MEETING

Washington, DC, April 12, 2014

A video recording of the meeting is available on the Safeguards Review [website](#)

TRANSCRIPT

Note: This is a transcription of the public update on the Safeguard Policies Review held during the 2014 Spring Meetings in Washington, DC. The update focused on a proposed outline of environmental and social policies and standards. After presenting the update, the panelists opened the floor for questions and comments.

Safeguards Panel: Stefan Koeberle, Mark King, Charles Di Leva, Una Meades, Ida Mori

Meeting Facilitator: Sumir Lal

[SUMIR LAL]: Good morning, everybody, and welcome to this update on the Safeguards Review Process. We're very, very happy that all of you have turned up on Saturday, the weekend of the Spring Meetings—particularly, a very warm welcome to those who are following us online. We are really looking forward to a very interesting three hours. We've got a lot to present to you, and then we'll have a conversation with you after that and hear from you.

Let me just go through a little bit of the housekeeping, and then we'll just plunge straight into our program. As I mentioned, this session is being webcast. It's also being video recorded. The recording will be posted later on the website. The session today is in English, but the transcript which will be posted will be in six international languages. The way we'll have this session is that we'll have the panel present, and I'll just go shortly into how they're going to do that, and then we'll just open it up for questions, comments, conversations. It's a three-hour session, so at some point in the proceedings we will decide to take a little break, perhaps near the two-hour mark.

Really what we are looking forward to in this session is letting you know how far we've come along in our thinking about the next generation of our safeguard policies and then just get your response, and also hear from you on the best way to keep this engagement going.

Let me introduce the panelists. We have Stefan Koeberle, who's our Director for Operations Risk Management. He'll actually in a way start the session off with his thoughts of what the vision of this whole effort is and how he sees it developing and how he sees the way forward. We'll then have Mark King, who's the Chief Officer for Environmental and Social Standards, who will make the actual presentation. Mark joined us in January this year and has been in this field for more than 25 years and is quite the specialist in this area of environmental and social standards in investment. We also have on the panel Charles Di Leva, Chief Counsel, who carries all the institutional memory of safeguards in this

institution. Una Meades, next to him, is Senior Counsel, and Ida Mori, right here, is from our External Relations Department and is the one who's been guiding the consultation process and especially asked me to tell you all that she's a very nice person, and you will meet her after this session.

Immediately after Stefan's opening remarks and then Mark's presentation, that's the point, at which we'll open it up. The rest of the panel will really be part of the conversation once it starts. So with that, Stefan, let me hand it to you, and then we'll follow that with Mark.

[STEFAN KOEBERLE]: Good morning, everybody. It's very nice to see so many of you here, and a very warm welcome to everybody who's watching us online. I'm sorry you're missing all the beautiful spring flowers in this wonderful morning here. Thank you for joining us today for the Update of the World Bank Safeguards Policy Review. Many of you know that this has been a very rich week of Spring Meetings in Washington. You've had many informative, very thought-provoking sessions at the Civil Society Policy Forum on issues relating to safeguards, which were organized by many of the groups that are present here today. The members of our team participated in several of those sessions, and we benefited greatly from the thoughts that were presented in those sessions.

At our last update at the Annual Meetings in October 2013, which several of you attended, we shared the feedback we heard in the first round of our Global Consultative Process and our initial thinking on the next generation of what we'd like to propose as the Safeguards Policy Framework in the future. Today, we'd like to share with you our current thinking on the proposed approach going forward on different elements where we've made progress in our thinking.

I have to apologize for those of you who have already looked at the version that has been posted by several NGOs on their websites. I hope we're not repeating something that you have already seen, but as you know, I think this sort of underpins our transparency in the institution—that it's very hard for us to keep any deliberative documents to ourselves. Maybe that's a point I'd like to emphasize—that we're still very much in the deliberation phase.

As you know, we're planning to present the proposed framework for consideration to our Executive Board, or more narrowly speaking, to the Committee on Development Effectiveness in late June. It's only when the committee endorses the proposal that we can then officially go to the next phase of the review, which includes, of course, a very focused round of stakeholder consultations—the second round of stakeholder consultations—where we then hope to engage very formally on the proposal endorsed by CODE.

I hope that after Mark's presentation today you will agree that we've made good progress over the last few months in our thinking and in trying to bring together all the inputs that we've received from the many different constituencies. Our team—many of the members are assembled here today—they're putting together a very comprehensive framework that takes account of many of the substantial and, as you know, often conflicting concerns from the multiple groups of stakeholders. These concerns that have been raised range from the 188 governments which own the World Bank, which in themselves are a very diverse group, as you can imagine, to the people who are directly affected by projects on the ground, to Indigenous Peoples, and to concerned citizens and advocates like yourselves.

Let me just, before we get into the substance of this, really thank you for all your perspectives, all your ideas, all your concerns that you've shared directly or indirectly with us, formally or informally. We've

benefited greatly from this, and we would really like to see your continued engagement in this process. We very much welcome that, and it's really helped us shape the ideas.

As you hope will attest to what you're hearing from Mark, we're very much taking into account the lessons learned from our own experience and ways forward shown by other international financial institutions. Notwithstanding the variety of different views that we heard, I think what's important to emphasize is that at the end of the day this is about values. I think what's guided us in processing many of the inputs is basically the fact that we all share a common vision of a socially inclusive and environmentally sustainable world. I think this, at the end of the day, is what we all have in common, just by different approaches to this. At the World Bank, I think we believe very much that our goals of ending extreme poverty and promoting shared prosperity can be achieved only by securing the long-term future of the planet and its resources, and by ensuring social inclusion, eliminating the economic burdens of future generations. At the end of the day, that's sort of the core vision that we want to have as a key guiding principle for everything that comes after it in terms of the Policy Framework.

We're therefore globally committed to environmental sustainability and recognize this as essential in a world of finite natural resources. Equally, inclusion is very much at the center of all our development interventions. For us, inclusion means empowering all citizens to participate in and to benefit from the development process. Inclusion also encompasses policies to promote the equality of opportunity by improving the access of poor and disadvantaged people to education, health, infrastructure, financial services, and productive assets. It also embraces action to remove barriers against those who are often excluded, such as women, children, the disabled, elderly, sexual, racial, religious and other minorities, and to ensure that the voices of all citizens can be heard in this process of development.

In this proposed framework that we want to sketch today, we're very much looking to bring these global aspirations to the context of the project level. The overarching principle that we want to pursue here is that the Bank will look beyond doing no harm to people and the environment to maximize the development opportunities for all, particularly the poor and vulnerable, and the well-being of all natural and living resources. This Policy Framework includes existing environmental and social requirements and expands their coverage to enable the Bank to assert its position as a force for good in sustainable development.

We look at how most appropriately to address adverse impacts of discrimination and exclusion, including a broader range of areas such as labor and working conditions, community health and safety, the causes and consequences of climate change, gender, land issues, and free, prior, and informed consent of Indigenous Peoples, along with how to cover vulnerable and disadvantaged groups. In the same spirit, we recognize that in the projects we fund, all voices and affected communities must be sought, heard, and taken into account, and that participation, transparency, accountability, and non-discrimination are essential to the work we do. In this way, we integrate the universally agreed principles of human rights in our work on the ground.

At the same time, our proposal is for a strengthened Policy Framework that is clear to understand, clear to implement, and clear in holding us to account. We aim to raise the bar by ensuring clearer lines of accountability between the Bank and our client countries, the borrowers, with better defined and reinforced responsibilities for each partner and enabling the appropriate provision of resources in relation to risk to people and the environment. I think this is a key core guiding principle and the way we want to set out the framework.

Hence, we're working on a proposal for a comprehensive policy and implementation framework with a strengthened set of environmental and social standards. That should be a framework that does the following: it absorbs existing requirements, but in addition, it holds ourselves to broader and more explicit requirements and reinforces our responsibility. It's a framework that will make us more accountable, will enhance decision making and provide a tailored approach, which takes into account the country and sector context. It should be a framework that allows, where and when appropriate, for less front-loading at the preparation stage, provided there's more investment and effective monitoring and supervision for the realization of agreed project commitments during implementation. It should be a framework that promotes a project-based approach by focusing on outcomes rather than a borrower country-based approach, and a framework that helps countries implement social and environmental standards—in this scenario monitoring will be key.

We recognize very much that the importance of the role of third-party monitoring, including by ourselves and other citizens, should be very much emphasized in this context.

The proposed Policy Framework will be accompanied by an internal effort as well. This internal effort is designed to strengthen the oversight, to boost staff skills, and to improve our own due diligence mechanisms. The lessons learned everywhere, including from our own Internal Evaluation Group, show clearly that these aspects cannot be overlooked if we want to deliver on social and environmental sustainability in the projects we finance.

I hope that in the discussion that will follow the presentation by Mark we can underline the point that we, as the World Bank and World Bank Group, wish to play a full, responsible, and leading role along with our development partners to further the cause of sustainable development.

Now that I've sort of sketched some of the thoughts that I think will guide our interventions, let me turn to Mark, who will present more details of where we currently are in the process. Then I look forward very much to your reactions in the conversation, which I hope we can agree can be inspired by the vision that I just laid out.

[MARK KING]: Thank you, Stefan, and a warm welcome from me to everyone here and to all our colleagues listening online. Stefan alluded to the lovely weather here, but he didn't mention the high pollen count, which is causing havoc with me today, but hopefully we'll get through this okay.

What I propose to do today is to give you an update on the Review Process, an overview of the proposed framework, and consider some of the next steps. Now, in undertaking this review, as you know, we've had an extensive period of consultation with stakeholders around the world, with governments, with sister financial institutions, and other parties. We've also been able to benefit from the revisions that many financial institutions have done in the last five or six years, notably the Asian Development Bank, African, IFC and so on. Also, in this process we've been able to talk to our own internal staff and to the Board and get their perspective on issues and the challenges that they've seen in our project work.

The first thing to note from the desk study: we have indeed carried out a comparative review of our requirements against the other multilaterals. A few things that we've noted are: firstly, the coverage of issues is, of course, not so extensive within the Bank's current suite of documents as compared to other institutions. The procedural approaches that are provided for by other institutions are clearer than we have in place ourselves. That's highlighted one particular issue for us, which is the clarity and

accountability of what we're required to do as an institution and what we expect of our borrower institutions also.

A few of the issues related to the existing suite of policies: firstly, as many of you know, over the years the policies have been developed—some of them are quite old now—in a very ad hoc reactive fashion. A long time ago, there was a problem with forests, so we developed a forest policy; a problem with dams, so we developed a dam policy. What that means is that we don't have a comprehensive set of documents which cover the full range of environmental and social issues that financial institutions are expected to cover in today's world.

A problem with the documents that we currently have is also that it's not often clear who is responsible for doing what and to what extent issues and actions should be carried out, which leads to a lot of debate internally and also with borrowers about what needs to be done next on projects in a practical sense.

A final point on this slide is that there's been a great deal of focus on so-called front-loading in terms of project preparation, getting everything ready before Board, and then not actually following through in terms of monitoring and supervision to see what have been the outcomes on the ground. Many parties, including Bank staff, have highlighted the need for a better effort in terms of monitoring and supervision.

As Stefan said, what we're proposing is a strengthened Policy Framework that is undiluted in terms of the coverage of issues and the standards we currently have; a framework which provides better alignment with other financial institutions and also within the Bank Group itself, and this, of course, helps in situations of co-financing. It certainly helps with borrowers when they can deal with one set of requirements rather than having to deal with several sets of requirements.

Along with the Policy Framework, we would be enhancing internal skills and capacity, and bringing about a culture change in the way in which we deal with environmental and social issues within the Bank. The aim is to have a framework which is clear to understand, that is clear to implement, and it's also clear for you and for the Board and others to hold us accountable.

Now, to talk about the framework in a little more detail in the subsequent slides: first of all, there will be an overarching statement which sets out the broad aspirational picture—what we are trying to achieve through this Policy Framework. Secondly, there will be an environmental and social policy which outlines the Bank's broad objectives in terms of environmental and social issues, and also describes the roles and responsibilities of the Bank itself in bringing about environmentally and socially sound development with our projects.

Then with regard to borrowers, countries and projects, there will be 10 environmental and social standards. These outline in a broad way what we expect from clients, from projects, in terms of environmental and social outcomes. I'll come to these in more depth in a moment.

Both the policy and the standards will be supported by annexes, which will be mandatory-level documents and will prescribe in even more detail some of the aspects that are covered within the policy and the standards. So, for example, in terms of supervision and monitoring, there will be much more explicit coverage about what the Bank is expected to do.

Underlining all these requirements will be a set of best practice notes, guidelines, and tools to help ourselves and borrowers to meet the requirements and deliver the outcomes on the ground.

This diagram shows the overall framework, and what's key to this is the relationship between the Bank and the borrower. This model might be different from the model envisaged in other institutions, where they also have standards and a policy, in that here we are trying to emphasize the partnership between the Bank and its borrowers. It's not simply a matter of handing over a set of standards to a borrower, to a client and saying, okay, get on with that and come back when you've finished.

Because we're working with a range of borrowers that include fragile and conflict states, it's imperative that we work in a partnership with our borrowers to help them understand our requirements and to meet our requirements over a period of time, if necessary. In our project appraisal, we'll be discussing with borrowers how practically they can meet our requirements, what is needed on a specific project to meet our requirements, and capturing those actions, capacity building, or mitigation measures that are required in a commitment plan, which will be agreed between ourselves and the borrower and will be attached to the loan agreement. So, it will be a binding requirement.

The standards that we propose absorb all the existing operational policies and Bank procedures. Just to talk through some of these in general terms, first of all, and then perhaps in a little more detail in the subsequent conversation that we'll have.

The first standard, Environmental and Social Standard No. 1, outlines the overall procedural approach that we expect to be followed in appraising Bank projects. It also talks about requirements, expectations for post-Board in terms of monitoring and supervision, and it's in this standard that we outline the requirement for a robust social and environmental appraisal of projects. It is in this way that we will begin to look at issues such as discrimination and identify ways in which discrimination can be addressed.

The second standard, Labor and Working Conditions, outlines the requirements we expect with regard to worker conditions of employment, but also occupational health and safety in the workplace.

The third standard deals with general environmental management issues, pollution management, pollution abatement and resource efficiency. There's also a focus on climate change and adaptation.

The fourth standard looks at how our projects affect the broader community.

The fifth standard deals with involuntary resettlement.

The sixth, on biodiversity, takes a broader approach to the current OPs, which deal with forestry and with natural habitats, and it treats biodiversity in a broader sense. Indigenous Peoples, Cultural Heritage, you're familiar with from the existing standards. Then we added two other standards: ESS9 on Financial Intermediaries and Sub-projects; and ESS10 on Stakeholder Engagement.

The reason we've added these is that there has been a lot of concern over the years from a variety of parties—from CSOs, Board members, countries—about these issues in particular. With regard to financial intermediaries, as many of you know, there's always been the concern that money is going out in a way that is not subject to any environmental and social considerations. We hope to focus in this standard on that issue and give some comfort that we're putting in place a process by which any

financial partners that we work with will be required to look at environmental and social issues and take appropriate actions to ensure that we have outcomes that satisfy our requirements on the ground with the end borrower.

The last standard is also a key document, and in fact, ESS1 and ESS10 provide the bedrock of how we expect sound, responsible, environmental and social assessment and management to be carried out. ESS10 is the standard that outlines in a comprehensive way how we expect stakeholder engagement to be carried out. It begins with: identification of the environmental and social issues; identification of the stakeholders for projects. It involves developing a stakeholder engagement plan for engaging with those stakeholders. It involves providing stakeholders with enough information so that there can be meaningful consultation, and that has to be done in a culturally appropriate manner. It allows for the very act of consultation, of stakeholder engagement. This process should continue beyond Board approval. It's not enough to just consult with people up until the point a project becomes approved by the Board. It's important to continue dialogue with stakeholders to find out if the outcomes that we anticipate are actually happening on the ground and to determine if there are any adverse impacts arising that need to be addressed through adaptive management.

To talk a little bit about the benefits of this approach, I've mentioned some of these already: firstly, more emphasis will be placed on monitoring and supervising actual impacts on the ground; there will be less emphasis on front-loading and preparing documents that may in reality not be necessary; focusing at the project level to ensure that we are working in a tailored fashion with borrowers to address the issues at the project level and to determine what the outcome should be at the project level; focusing on the outcomes from the projects, rather than simply the procedural hoops that have to be gone through in getting a project through the Board; prioritizing and highlighting the key issues and dealing with them appropriately.

Our approach will be more harmonized, more convergent with that of other financial institutions, which will certainly ease the burden on borrowers, not only in project appraisal but also in terms of monitoring and supervision. We'll be relying to a large extent on the existing regulatory framework. The model envisages, as I've said, a partnership between ourselves and the borrower country, the project. From the very beginning of a project, we will have conversations with the borrower to talk about the range of environmental and social issues that can be expected from a project and what needs to be done to characterize those and address them. We'll also be talking to the borrowers about the regulatory framework and the competent authorities, the resources that they have in place that can help our projects deliver the environmental and social outcomes we expect. Where we identify that, where we agree with the borrower that they have in place robust systems that we can rely on, then we will rely on those. Where we identify that there may be areas of concern, and typically these can be in the area of, let's say, occupational health and safety or community health and safety, then we will work with the borrower, the project entity, to build capacity in those areas to ensure that we achieve the outcomes we expect.

This work at the project level—identifying the regulatory framework, building upon it within the project framework and strengthening areas that need additional attention—it's also complemented at the most strategic national level by our engagement with countries in the partnership frameworks. At that strategic national level, we will also be having conversations with countries about the environmental and social challenges that they face and how we the Bank can help them address some of those challenges. In essence, we're working from the bottom up in terms of our project work and also from the top down, working with countries addressing issues at the strategic level.

As you know, we work in many fragile and conflict states, in states that are poorly resourced in terms of staff and financial resources, and it's important that we reflect upon that and ensure that we work with those borrowers, those projects, to ensure that they can meet the outcomes we expect over a period of time based upon their existing resources. This very much emphasizes the project-level tailored approach that we will be taking forward.

The final point here: it's very important in this risk-driven world in which we now live that we make sure that we deploy resources where they are required. The Bank has done much lately to strengthen its risk management processes internally, and part of that is to give us the tool to determine how and where we deploy our resources and ensure that projects that require people and resources get them.

Just a few more words: I know this is quite a lot to take into our brains on a Saturday morning, but I'll just run through some of these standards in a little more detail and cover a few of the issues I know have been raised by stakeholders, by CSOs, in the meetings that we've had this week.

The President has spoken of the need to be inclusive, for us to hold up the value of non-discrimination. As I've said, it's ESS1 that we look to provide the basic mechanism by which we begin the process of inclusive social and environmental development. The definition of non-discrimination of vulnerable groups will reflect a broad range of issues: sexual orientation, religious minorities, racial minorities, gender, the elderly, children, disability, and the infirm. All these issues will be covered, and we will expect a Social Impact Assessment to look at these issues and identify them and deal with them as appropriate.

As I've said, the key is to look at existing institutions and processes within countries and build upon them, not try to reinvent the wheel. In labor and working conditions, again, non-discrimination is a key point here, focusing on issues such as no child labor and, again, building upon national requirements as appropriate. Many of our countries have signed/ratified ILO conventions. So, basically all we're doing is expecting countries to meet the obligations they've already signed up to in many respects.

ESS3 focuses a lot on resource efficiency and pollution control. It talks about water use, water efficiency, as well as greenhouse gases. But of course, this ESS links into the work that the Bank is also doing in terms of climate change and adaptation in other regards. That's a key point really—that these standards are providing the main safeguard cover in terms of environmental and social issues, but they're only part of the bigger jigsaw of how the Bank deals with environmental and social issues. We have various initiatives on gender, health and safety and so on throughout the Bank, and the safeguards complement and add to the work covered in those areas.

ESS4, for example, builds on the work that's being done by the Bank and other MFIs in terms of improving road safety, fire and life safety issues in buildings, particularly where people work, emergency preparedness and response, and in dealing with security issues where personnel are deployed to protect project assets, for example.

In terms of involuntary resettlement or physical and economic displacement—we haven't quite resolved the title of this yet—we are building upon the existing policy and clarifying language, particularly in relation to issues such as voluntary resettlements. There are still a few issues that we haven't quite resolved yet. This is very much a work in progress.

In terms of biodiversity and sustainable management of living natural resources—forestry, fisheries and so on—we are reflecting on the need for the mitigation hierarchy to be followed, or in other words, trying to identify projects' impacts and prevent, mitigate and finally, if need be, to offset impacts. The standard itself gives, as I said, broader coverage of biodiversity issues and reflects upon the different types of habitat and the special considerations that apply to protected areas and critical habitat. With regard to sustainable use of resources, the standard is emphasizing and underlining the importance of sustainable harvesting of resource.

In terms of Indigenous Peoples, we are retaining a stand-alone Indigenous Peoples Policy. However, we are trying to reflect the regional distinctions and variations that occur. It's no great secret that in many areas, the existing policy is not favored. There are some regions of the world where they feel it's inappropriate to label people as indigenous, and it can be divisive. We need to take into account those considerations from concerned groups and our shareholder governments. We are moving to free, prior, informed consent, and we're providing clarity on issues such as pastoralism and voluntary isolation, and forced eviction is not acceptable.

In terms of cultural heritage, we're providing some clarity on the procedures and processes and in terms of intangible cultural heritage also.

As I mentioned, in terms of ESS9 on financial intermediaries and 10, the idea is to strengthen very much the way in which the Bank works in these areas, setting out very firm requirements and expectations for financial intermediaries and ourselves and our borrowers in terms of stakeholder engagement.

The framework itself, the overarching statement, the policy, and the standards are simply part of the solution. We also have to think about how we develop the operational procedures to make sure this happens in a practical way, provide staff and borrowers with the necessary tools, train staff, train borrowers so they understand the requirements. Also, we have to build internally an oversight process within the Bank, so that we can ensure that due process is being followed by Bank staff and also at the borrower level.

In terms of capacity building within the Bank, we are strengthening within our own Vice Presidency the ability to provide policy guidance and advice to our own staff and also to borrowers. We are developing tools and approaches that clarify, in terms of accountability and decision making, who is responsible for doing what within the institution. We are ensuring that people take into account a risk-driven approach, and we are strengthening staff capabilities, particularly in the areas that haven't historically been addressed much, such as occupational health and safety, labor issues. We have to build capacity of staff in this area.

We also have to strengthen staff accreditation. What that means is we already have in place a process by which all staff engaged in safeguard work have to be accredited; in other words, they have to be given a license, if you will, to undertake that safeguard work. We'll be strengthening that process and introducing a risk element to that so people will be accredited to different levels, which is very much akin to a driving license where you can drive a car, and if you want to drive a heavy goods vehicle, then you need a special license. We'll be taking that approach here, so only the staff with the greatest deal of experience and expertise will be deployed on the projects with the highest risk. The Advisory Group that I've mentioned will sit in the OPCS Vice Presidency. In that location it will be able to provide advice to the Global Practices that are carrying out a great deal of the project work on the ground and to the Regional Vice Presidencies also.

In summary, we hope to address a number of the existing concerns and deficiencies, if you will, within the existing set of policy standards and operational practices of the Bank. Many of them are listed on this slide. The idea is to, in a broad sense, up the game of the Bank across the board, to provide greater clarity on what we're required to do internally, and also externally, for you to hold us accountable in a better way.

With regards to the time frame, we will be going, as Stefan mentioned, to our Committee on Development Effectiveness on the 25th of June with this broad framework and, following that, we will then either go back to the drawing board, or we would begin the second round of consultation. My colleagues will say a little bit about that in a moment.

The question that I always get asked is, when will this all be finished? Well, it's like saying, how long is a piece of string? I think the key element here is the CODE meeting, and then that will give us some indication of where we go and how long things will take from there on.

Would you like to say a little bit about pre-consultation? We'll perhaps come to this in a little more detail soon. But once we've got the go ahead in terms of CODE, before we actually begin the next round of meetings, we'll have a period of pre-consultation where we'll provide information through dialogue, through webinars or whatever, to stakeholders, so that we can help to clarify some of the issues within documents and any questions you may have. So, when we actually do come to sit down face-to-face, you're much more informed and we can have a better discussion of the issues. Thank you very much.

[SUMIR LAL]: Thanks, Stefan and Mark. We'll open it up right away into the questions and conversation part of the meeting. Just a reminder, we'll go with the flow, and at some point we'll take a short break. What I'll request is that whoever wants to ask a question or make a comment to just line up behind these mics, and we'll go in turn to each of them. Please introduce yourself. What we might do is also take questions or comments in a bunch just to keep the flow going, but we'll make sure that they all get addressed by the panel. With that, we can start with Chad.

[CHAD DOBSON]: Chad Dobson, Bank Information Center. It's nice to be here, and it's hard, having heard Stefan's words, to not be excited about what's happened and where we are. That was the good part I'm going to say. I should also say that I wish the Bank were to understand how information flows a little bit better and that it is very difficult to deal with the number of slides we've had presented here today. You all know that because Ida has done an extraordinary piece of work on how to do presentations and consultations with communities. I'm pleased that after this material was circulating within the Bank, it became publicly available outside because it's very hard for folks here to come here and see it for the first time. I think it would be useful for you to figure out how to do this a little bit better so that BIC doesn't have to do this because it doesn't make any sense.

The second thing I'd like to say is that this is a complex set of rules, and it's quite extraordinary and wonderful. But my concern is that because it pertains to projects, what you're really going to see again is a drive to other mechanisms like DPLs and things that are not necessarily covered here. I remember the discussion in the Bank around SCOM, when the SDN Vice President suggested it should be done as a DPL as opposed to a project, because it would make things a lot easier. I suspect that when countries and your partners start looking at this list of things, they're going to look for other mechanisms. Now, that may not happen, but I would be doing that if I were looking at this.

The other thing that I'm concerned about, because we've just had a group of vulnerable folks here, specifically meeting with the Bank around SOGI and LGBTI issues: you've got 85 partner countries where homosexuality is illegal. We would argue that these people are in fact among the most extremely impacted by economics and poverty in their country. You know that the average age of death of a transgender woman in Central America is 35 years and that there are more than 400 murders in Brazil, a country where homosexuality is not criminalized, last year. This is a population that's an extraordinarily difficult population. I would argue that there are other populations within the Bank. I'm glad to see that the advisor for the indigenous people is here. I don't think we have named yet the advisor for disabilities at the Bank. But there are a number of areas where there are profound problems and where, I would say, that the Bank is not particularly up to speed on what the issues are, which means that the consultations are going to be very important.

The question is, I don't believe, if you've got 85 countries, much of Sub-Saharan Africa, I don't know how you can have a consultation in those countries on the needs of these people and guarantee the security of folks. It's going to be a difficult problem. In fact, even having people attend a meeting around this puts people at risk. If you don't have the internal expertise—which I would argue because there isn't a single individual at the Bank identified who's responsible for SOGI—on doing it and you have to defer to what you're going to get from consultations or other kinds of things and you have a criminalized population who are not able to meet and talk to you, it's going to be very complicated about how you do this.

Generally, in the past we've had maybe 35 different consultations over a period of time in different countries. Quality of those varies extraordinarily because of the ability of the Bank to do it, the ability of our population to do it. I remember the one on information policy, the one in Moscow was horrible, which was the first one; the one in Lima was great. I think it's very important—and I'm glad, Sumir, that you and Ida are here—that you identify at least half a dozen of these things where you're going to do best practice: that means Indigenous Peoples, that means language, that means women, because we don't do a good job on women either, disabilities. The first meeting we had on safeguards here, there was no ability to handle disabled people even in Washington. We don't do this very well, so I'm just saying that as we look forward—you designed the thing, you're going to go to CODE—I'm hoping that you have been able to think about how you're going to do that. Because, like I said, I don't think you know in some of these areas what needs to be done. I don't think the way it's designed traditionally you'll be able to get that information and feed it into the system. But anyway, we're here to work with you. I think it's an exciting thing and, if it works, it's going to be great. We plan to make sure to point out where we think it could be better. But anyway, we're glad here.

[SUMIR LAL]: Thanks, next please.

[TED DOWNING]: Thank you. It's always fun to follow Chad. I'm Ted Downing. I'm President of the International Network on Displacement and Resettlement, that's displacement.net, the Professional Association of Resettlement Specialists around the world, the only one actually. I'm just going to put mine in terms of questions instead of statements, okay?

There are three areas that I am concerned about when I heard the presentation. Thank you very much for it; it was a very clear presentation. Hopefully, the policy will be as clear as all the presentation was just now.

Social environmental change has its own clock and own time, which sometimes doesn't match the project cycle. Because of that, we've run into all kinds of accountability problems where the issues come up, but then the financing has finished, and these people are left or the environment's left in a lurch. I did not hear and I'm concerned about the question of moving away from front-loading when it may involve not financing these areas. Many of the projects have been under-financed because they've been under-assessed. Because they've been under-assessed, we discover these problems later. So front-loading financing should not be ignored. That's the first one.

The second one has to do with timing. That is, because of the delays in environmental and social changes, which don't match the project cycle, you've got a mismatch right from the beginning out of nature; it's not something that we're all doing. There should be sensitivity as the assessment goes—just have someone sitting there watching the clock and saying, what are the clocks running here? This may look good on paper; it may sound good as assessment.

Third thing is the position of these agreements within the legal agreement, including transparency of the legal agreement on the social safeguards. Some of you remember my violation of human rights charge years ago. That had to do with the fact that the people involved don't know what the agreements are being made by their governments or by private sector on these people. We have to get those out and a requirement for transparency behooving those of us in the civil sector to try to be transparent. We can't even get access to this information. How can we expect them to know it?

Then a final one: flexibility. We just did a survey internally, looking at all the projects we could identify within voluntary resettlement, and noticing a very dramatic shift towards using two instruments—really there's three—but two that are used: the resettlement plan versus using a Resettlement Policy Framework. There's no question since 2004, the Bank staff has been moving towards using Resettlement Policy Frameworks. These are kind of trust-me agreements, where rather than knowing what's going to happen, assessing how many people are in the way, you say, we're going to find that out as we run into them. In mining, it's particularly egregious. As you can see, I just finished a report on Kosovo on the lignite mine, where it's horribly egregious. But the question here is: how are you going to deal with that? In terms of that flexibility, when you say flexibility, I get really nervous because I don't know quite what that means. I understand that staffs need to work because I've been on that side as a consultant, to be flexible and have flexibility in time. But you also have to be very clear as to what is the policy instrument that's going to be used. I think we have to shift. It's not front-loading, it's something in between. I hope for great ingenuity on the part of the staff as they dream this up, listening to us over in the civil sector, listening to people. Hopefully, we can always come up with something better. I've been around this game long enough. This is a third or fourth iteration. But I think each time hopefully it gets a little bit better. Thank you very much for your time.

[SUMIR LAL]: Maybe the panel should respond to these two sets of issues first because they've both been so rich, and then we'll come back to the questions. So, Stefan, why don't you distribute.

[STEFAN KOEBERLE]: Very good points made by Chad. In your criticism of the process, I heard a nugget of praise. I liked it, I think. So that's good. We fully subscribe to your notion that we need to do a very good job on the consultations, and we very much look forward to working with all of you in trying to identify the right groups and doing this in the right way. I wonder if Ida might want to say a little bit more about the way we're thinking about this.

[IDA MORI]: Yes, definitely. We can continue the conversation beyond this meeting today in the next four or five weeks, engaging a little bit more with you on how to make that practical. You, Chad, pointed out some issues we were thinking about—how we’re reaching out to certain groups that we need feedback from, considering security constraints, and who can we partner with to do that, rather than do it all ourselves. Your point is well taken, we will do that. As we were saying in the presentation, the consultation model we want to follow is first to allow for a period of clarification, questions and answers. There are big policies here and there’s legal language that people will have to go through: how can we unpack that; how can we make it that people can also understand it better while accessing the full set of policies; and then getting into the consultative framework. Very likely, we will need to partner with groups on the ground who can have easier access to ensure security for different groups, including the SOGI communities but other communities that are there, sexual workers, etc., so definitely your point is taken. We can continue the conversation in the next few weeks. Thank you.

[STEFAN KOEBERLE]: Maybe just a quick note: you mentioned the concern that as we ratchet up many of the requirements, there is sort of what others have called arbitration. I think that’s not a valid concern in the sense that what we hope to achieve is that while requirements in certain areas will be new, such as labor, for instance, which we haven’t had before, clearly there are new requirements. What we hope to balance in the other side is a much clearer Policy Framework that helps us to reduce the current churning that we often have because the current policies, of course, have the disadvantage that they’re not explicit in who’s responsible, and often that leads to delays because it requires us to turn to our Legal Department for advice on how to interpret it exactly. I think that will be a major achievement of the policy if we have greater clarity on this one.

We’ve actually in the past not seen any instrument arbitration across that. I think the point that Mark made is very important—that we’re focusing here on investment projects. This is very much targeted to what’s investment project, and I think what we need to bear in mind is that this is one intervention that the Bank has in conjunction with its other instruments. We place very heavy emphasis, of course, on the dialogue that occurs in other fora, including through the Partnership Framework. Typically, I think every instrument has its advantage and disadvantage in its particular approach. In the best cases, where we have full engagement with a country, we can use the whole range of instruments, all the way from analytic work, to hands-on work, to investment projects. It’s the conjunction of all these instruments where I think we can bring the best to bear that the Bank has to offer. Typically, that is where we’re most effective in supporting change at the country level. I think it should not be looked at in isolation. Maybe Mark can say a little bit more about the point on the project timing and the project cycle, which was an important one.

[MARK KING]: Yes, it is a very important point and one that we’re very, very conscious of. You have to monitor projects over a period of time actively to see if people are being adversely affected in a way you didn’t even think of, perhaps, on the ground. The time frame is obviously important. The rollouts of outcomes’ impacts to people on the ground often takes place over a longer period of time than many of the environmental issues, for example. So the key message is, we have to stay engaged, we have to monitor, we have to talk to the affected communities, and we have to deal with issues as they emerge.

With regard to the move that you’ve noted to a more framework approach, this is something we can perhaps talk about in a little more detail. Certainly, in some circumstances, when we go to Board with a project, we know everything about who is to be resettled and how and so on; the work has been done. But in many cases, that needs to be rolled out over a period of time if it’s not quite sure where a road would exactly be located, for example. It’s important to have in place before Board an understanding of

the commitments and the standards that a borrower would be held to in deriving the detailed aspects of the Resettlement Action Plan. There's a role for both approaches, as I'm sure you're aware, the framework approach and the detailed plan. But the balance is clearly an issue that we need to think about. But at the end of the day, people are going to be asked to give their views on projects. They have to have enough information to give their views on projects, and that's something that we have to address. I look forward to working with you on this. The Professional Association of Resettlement Specialists—it sounds awesome, so we can work together and talk about that in more detail. Thank you.

[STEFAN KOEBERLE]: Just like you, the word flexibility also makes many of our shareholders very nervous. So, it's actually a word we typically try to avoid because I think it leads us in the wrong direction in our discussion. It's a good point, yes. I think it's a good point to make. Can I maybe just ask Charles quickly to get to this point on the position within the legal agreements that was raised?

[CHARLES DI LEVA]: Ted, you asked about the transparency of the legal agreements. I think we've been pleased that, in contrast to some other international financial institutions, we've always been able to publish all of our legal agreements. Maybe what we can look into is how they're made publicly available to see that we can enhance access to local communities because that is actually the intent. These are agreements that are signed between the Bank and their state, and they should have access to those agreements. That's been the rule, but whether it's actually been...and that includes all what we are referring to now as the commitment plan—that also would be publicly available.

[DAVID PRED]: Thanks. David Pred with Inclusive Development International. I was quite pleased to hear you say, in relation to labor, Mark, that you will be expecting, requiring, borrowers to respect the ILO conventions that they have ratified. That's certainly a significant development for the World Bank. By the same logic, I would expect that you would also be requiring borrowers to live up to the other international treaties that they have ratified: International Covenant on Economic, Social and Cultural Rights, International Covenant on Civil and Political Rights, for example. Charles, perhaps, can comment on that.

In relation to land and involuntary resettlement, I was wondering if you could provide some further clarification on what you mean by more comprehensive treatment of land. As we've made clear in our submissions, there are a whole range of adverse impacts on land tenure and tenure systems caused by World Bank projects which do not amount to involuntary resettlement. I'm curious on how you can address these sorts of impacts in a policy on involuntary resettlement.

Finally, I was quite concerned to hear you mention a prohibition on forced evictions only in relation to Indigenous Peoples in the Indigenous Peoples Policy. As Charles will know, the prohibition on forced evictions is a treaty obligation of the vast majority of countries that have ratified the International Covenant on Economic, Social and Cultural Rights, and it's most likely a matter of customary international law. So, this should certainly be a requirement across all Bank projects and applicable to all people, not just indigenous people. Thanks.

[SUMIR LAL]: Thanks. Let's take her, she's been waiting longer, then we'll come to you.

[GAIA LARSEN]: Thank you. Gaia Larsen from the World Resources Institute. I did see many promising things in the presentation, which I think are interesting. But in the tradition of these things, I will focus on the ones where I had some questions or concerns. First off, there was a mention a couple of times of staffing and training of staff, and I think that's great. But one question I had was oftentimes I don't know

that it's necessarily the lack of capacity or lack of knowledge, but rather lack of staff looking at the different projects and being able to consistently maintain a relationship with that project and understand what's happening, what has happened previously versus now if time has passed. I understand that this is a policy discussion and the money is maybe somewhat different. But at the same time, they go hand in hand very closely. So, however we can fix that I think would be great.

The second actually related point is, if we're relying more and more on or cooperating more with country systems, I do believe that's actually a good idea and especially in a way that supports their development towards being more strong. I wonder if there is conversation around providing financial resources in that direction, too. I know that ADB in its Safeguard Policy created a trust fund or proposed the creation of a trust fund that then later supported the development of country safeguard systems. Relatedly, I don't believe that any of the other institutions have done this, but—this relates to Chad's question—one of the reasons I think why it's difficult to have consultations sometimes is that there's lack of capacity of civil society on the ground to make it to the consultations, not because of security reasons, but because they don't have money to get there and other kinds of things. The World Bank doesn't traditionally give money so much to civil society, but it does seem like an area where it doesn't help the Bank by not doing that when you're trying to engage with them.

My last point is related to climate change essentially, but I'll frame it as a question around the relationship between ESS1 and several of the others, but especially ESS3. Presumably, under ESS1 you'd be looking at the risks, to pollution, and all these things. One way I can think of in my mind is under ESS1 you're assessing it and under ESS3 you're saying this is what you're not allowed to do in relation to that. But I'm not sure that's how you're looking at it. In terms of climate change, I thought it interesting that you had that under ESS3, including adaptation. ESS3 is efficiency and pollution. Obviously, greenhouse gas emissions are a pollution thing, but adaptation is quite different and doesn't really have to do with pollution or efficiency of resources necessarily; it's more of how you design the project and look at the risks into the future.

[DEREK MACCUISH]: Thank you. Good morning. My name is Derek MacCuish. I'm with the Social Justice Committee of Montreal. The way this building is placed, we have this post here, and we do have a line of people who have been waiting. But we're difficult to see, we're difficult to identify, and so there's a risk that we get overlooked in these discussions. Be aware there are people behind me. It was awkward to stand at the microphone when you were talking with Chad. I'll talk about people who get overlooked. But first I'll start with a nugget of positive things to say.

There are a lot of interesting things in the presentation we saw, particularly the work on discrimination. It's a good first step. A good way to go is to identify the discrimination. Also another good thing is the move towards free, prior and informed consent, also progressive.

That said, the discrimination as it's laid out there, brings with it some dangers in terms of implementation. You provided a list of certain groups. It's sort of an ad hoc list—reference to minorities, for example. In many places in the world, it's not the minority that's the oppressed, it's the majority. We're talking about a place like Guatemala. What are we talking about? Well, we're really talking about who has the power. Who has political power? Who has the money? Who has the guns, right? You have to place discrimination into a bigger framework. The other danger is that the discrimination approach can be more reactive than proactive; there's a possibility to slip back into a do-no-harm kind of thinking, whereas I believe what you want is to be more pro-poor in an active way.

The question is: how do you do that? One of the key items of discussion in the consultative process has been that of human rights, and yet there is almost no reference to human rights in your discussion and no reference to international human rights standards, no reference to international human rights law. There is a reference to ILO in terms of labor, right? But it's surprising that that happened because the only place I could see objection to human rights taking place was in consultation in Beijing when Chinese authorities were reluctant to have that come as an emerging issue. Yet China does have a progressive, clear, detailed Human Rights Action Plan for 2012-15. It seems that it should be possible to work with a government that may be reluctant to bring human rights discussion into the World Bank. That the World Bank still is reluctant to get into this area is rather astonishing to me. I think you need a Human Rights Framework for the discrimination work; you need something comprehensive like the human rights standards that have evolved over the last 70 years—very detailed, broadly agreed globally.

When you do your Social Impact Assessment, it needs also to be a human rights impact assessment; it needs to bring in rights-based thinking. You need to move to rights-based development. In terms of this process and the reluctance to bring human rights dynamics into the draft, I find that kind of surprising also because it seems that the decision on dealing with rights should not really be made at this level. This is a governance decision. This should go to the Board. The Board should be making the decision on whether the Bank will take on supporting international human rights laws and the country obligations that they sign onto. That's the decision that has to go to the Board, and if the members of the Board are reluctant to take it on, well, so be it. But it would be good to see who is reluctant to take it on and why that reluctance is there. It should not really be done at this level. You should move it forward to the next level. Thank you.

[SUMIR LAL]: Stefan, I think maybe that set of issues.

[STEFAN KOEBERLE]: I think these are excellent questions that clearly have been raised before, and we are working on very directly. The question on the definition of land and broader definition of land, and then also reference to the international treaties and how they're being respected, maybe, Charles, that's for you.

[CHARLES DI LEVA]: Following the Land Consultation that David and others participated in, we've been looking at the guidelines. We've been looking at including land tenure, and our proposal is to be more explicit on including land tenure as something that needs to be looked at as part of the Environmental and Social Impact Assessment, so part of the ESS1 approach. When it comes to dealing with resettlement or displacement: recognizing that there are a broader set of circumstances that need to be considered, such as looking at impacts on food security, which are not currently included. So, we've been looking at the guidelines, and I think we're moving in a more progressive and inclusive basis that way.

One of the things that we've done is study what all the other international financial institutions have done in terms of requirements at the legal level. There is this relatively common refrain of requiring the borrower to comply with applicable national law, including the applicable international obligations. That's something that it's not for us to say ex ante what that includes; it will be done on a project-specific basis as what is the relevant applicable legislation to apply. Clearly now we have a standard on labor; that's seen as part of something that's relevant to the Bank's type of activities and mandate. Then we would have to see what other kinds of legal instruments would be relevant on a case-by-case basis, and that's the way we'll have to do it going forward. This is a new requirement that we're proposing.

[STEFAN KOEBERLE]: Mark, could you perhaps comment on two excellent points: the point that was made that when we talk about minorities, obviously this needs to be set in a broader context of power relationships. Clearly there can also be oppressed majorities rather than minorities, a very important point. And of course, human rights have figured very prominently now in our discussion. As I mentioned, we've remained very committed to this. Mark, can you explain a little bit how we've been thinking about how to realize that in the draft itself?

[MARK KING]: The first thing to say is that today we are very much tied up to that old adage: the devil is in the detail. We're talking here in a general sense. We're talking about a proposal, a framework that we're putting to our Board, the Committee on Development Effectiveness, in June. It's very difficult to talk about specific details yet because they haven't been approved by the Board, and I think we'd like to keep our jobs for a while. At some point in the future, you will have these standards to look at, and you will see how we're addressing some of these issues in much more detail.

But in terms of the notion of power and who's the vulnerable group: is it the majority or the minority? This, of course, is a key issue that needs to be considered in any Social Impact Assessment. You're right to point out it's not necessarily the minorities that are vulnerable, disadvantaged. That needs to be looked at in a Social Impact Assessment, that's for sure.

In terms of rights, again, this is an area where we are in deliberation. Of course, the Board will provide the steer, the approval in the way we move, and we're in discussions with the Board about that. All I'll say at the moment is that we've attempted as much as possible to cover as many issues as we can through the existing standards that can be classified by some as rights issues. As you can see, we've dealt with them largely as social impact issues, and it's up to the Board to endorse or not that approach.

There was a question on climate change and where it's dealt with. Where has Chad gone? Chad's run away now. Anyway, we've had discussions with Chad and others about the need to have a standard specifically on climate change or on gender or some other issues, but we've taken the view that many of these are issues that need to be mainstreamed through all the standards. Gender is something that pervades all the standards, as does climate change. So, yes, climate change will be identified as an issue in ESS1, but it's also a valid point that needs to be considered in all the standards, and that's certainly something that we'll be doing.

With regard to resources, this is an issue that we need to consider, of course. It's not just the training of staff. You can build capabilities within people, but if you don't have enough people, then that's an issue. Of course, that'll be something that we will be looking at in the detailed phase, but at the moment you're following the normal deliberative process. We have to look at what we're going to do, and then once that's approved, then we can work out how we do it and get the resources for that.

[STEFAN KOEBERLE]: Maybe the one point to emphasize I think that you mentioned at the beginning that's very, very important to us is the accreditation of staff. That's something where we find we've probably not done as well as we could have. As you know, we've also been very much divided into sort of a separation between environmental and social safeguards, and in the Bank also that's being handled by essentially two different groups. In the future, as we go forward, we don't really see this sharp distinction anymore. It's very clear to us as we implement then the standards, we will have to have staff who are fully trained, accredited and, as Mark said, we are also thinking very much of a risk-based allocation of staff so that it's clear that the most complex projects have the most experienced and trained staff. That's something we need to come to, particularly, as you know, we're in a resource-

constrained environment. There's a lot of talk about being more efficient. In that environment, it's even more important for us to have a dedicated cadre of staff who are fully assigned to the right projects so that the most junior staff are not sent to the most complex projects. It's very important for us.

[SUMIR LAL]: Okay, let me favor that side.

[PETER BAKVIS]: Thank you. My name is Peter Bakvis. I'm the Washington representative of the International Trade Union Confederation. Let me say first that we welcome the intention of the Bank to adopt a comprehensive updated safeguards policy. I certainly agree with a couple of previous questioners, who talked about what's really key—issues of implementation, monitoring, transparency, accountability, enforcement. The real worth or value of the policy will, of course, be determined by how it's applied. We'll be interested to see as it develops what exactly will be the specific implementation mechanisms that the Bank intends to adopt.

I have a specific question on ESS2, which is obviously the topic that interests us the most, but not to the exclusion of others. Firstly, for the past couple of years that the Bank has been engaging in consultations, labor and occupational health and safety were indicated as the emerging issue. Recently in fact, the African Development Bank adopted an operational safeguard on labor and health and safety, I think they call it. But anyway, it's clearly occupational health and safety. Now we're talking about labor and working conditions. Mark, you did mention verbally that it would also include occupational health and safety, but it didn't appear on the slide. I'd be interested to learn a bit more about what the intention is to include there. I appreciate there were four lines describing it, and you didn't have space to go into detail, but that applies to my other question, too, which is that you refer to issues such as non-discrimination, no child labor. All of the Regional Banks that have adopted labor safeguards or performance requirements or whatever they call them, refer to the ILO's core labor standards, which are actually four standards; you mentioned two of them. The two you didn't mention are forced labor and freedom of association. They'd certainly at the ILO be considered a package. Since 1998, they've been a de facto condition of membership. All ILO members, whether they have ratified the eight conventions in question, covering four themes, have been obligated to deliver regular reports on them. Given that precedent that's been at the other Banks, I'd like you to explain if indeed the intention is to cover the eight fundamental rights conventions that have been adopted in the Regional Bank safeguards. That's it, thank you.

[CARLA GARCIA ZENDEJAS]: Good morning. I'm Carla Garcia Zendejas working at CIEL, the Center for International Environmental Law. First, just to congratulate your efforts, Mark. We know that this is not an easy task. We appreciate the moments this week for great conversations and discussion. If they become heated, it's because we're all very passionate about these issues, and ultimately we're speaking about people's lives.

I wanted to focus a little bit on the Indigenous Peoples Policy and how you mentioned the fact that free, prior and informed consent is something you're looking to include in the future. That, I believe, is a wonderful thing, but my question would be what happens when there is no consent? The legal standards from the Inter-American Court of Human Rights—the jurisprudence is there. The Columbian Court, Constitutional Court and several interpretations of what that consent entails means that if the indigenous community does say, we don't consent, what happens? Does the project, therefore, stop? Do you not go forward? Because in many cases, that's what they have ruled. So that would be my concern. Also, just a short plug: you've been hearing about the Bank on Human Rights Coalition, and we appreciate also the opportunity to keep the dialogue going. There's fantastic expertise not only in this

room but around the world, and it's just trying to continue the dialogue with you and hopes to see what comes out of these discussions reflected in the final policy. Thank you.

[GILBERTO AMAYA]: Good morning, my name is Gilberto Amaya. I'm a D.C. representative for Afro-Descendant Organizations from Central America. I'm also Garifuna from Honduras and an Afro-descendant—all of you can see that. We are also protected under the Indigenous Peoples Policy as Garifuna from Honduras, but we are a tiny proportion of the entire Afro-descendant population in Latin America. At this point, we're happy that the Bank is reviewing the safeguards and all these things, but our question is: when will the Bank look at Afro-descendants as a differentiated population in a region which is subject to a lot of discrimination? Chad was talking about criminalization of LGBT communities in southern Africa. In our case, it's discrimination and racism. It ends up curtailing development in the same way. So that's our question. When will the Bank look at these issues?

The other one is that the Bank was involved in many of the land titling programs in the region. Lands were allocated to Afro-descendant communities, but there were a lot of conditionalities. They're collective lands, you can't sell your parcel, you can't get funding because you cannot use it as collateral. There are a lot of restrictions that have left those lands empty and vulnerable to land grabs, which is ongoing right now, and some of the Bank projects are involved in those situations.

The last one is: when is the Bank going to look into the issue of hiring more Afro-Latinos to work in the Bank and look after the interest of these populations in some way? Because I've been coming back and forth from the Bank in the last 20 years, and I still have to run into one. This is a conscious effort that the Bank has to do in reaching out to these communities who understand and live this situation daily, and they can contribute a lot to the Bank's effort in this area. We are happy to be involved in this process, and we can work with you to see how we can address these issues. Thank you.

[SUMIR LAL]: Yes, let's take one more.

[JESSICA EVANS]: Good morning. I'm sorry did you want to take it?

[SUMIR LAL]: Go ahead.

[JESSICA EVANS]: I'm Jessica Evans from Human Rights Watch. Thank you again for this morning's discussion. I want to echo welcoming the emphasis on discrimination, which I think is absolutely key going forward. One concern is that the list that you did include up there is not consistent with international human rights law, and I want to really urge you to ensure that the prohibited grounds of discrimination is consistent with international law. Otherwise, people would be left out, and we'll have further problems. One ground which is missed is the ground of political opinion or other opinion, and I think that's something that we see quite often in development projects around the world. It's important to include that as well as the other grounds that are missing.

Mark's emphasis on looking at these issues at the country strategy level, I think, is incredibly important, but I wonder how we're going to address the problems we've seen in the past here. Just last year with the Burma Interim Strategy Note, we saw the ethnic cleansing against the Rohingya and other Muslim minority groups dismissed as recent localized instances of communal violence with no actual mention of the ethnic cleansing that was going on there. How are we going to make sure we cover those gaps that we've seen in the past?

Charles, you mentioned with respect to David's question that international legal obligations will be looked at on a case-to-case basis. I'd love to hear a bit more about what that means with respect to international human rights obligations. As you all are very aware, together with the Bank on Human Rights Coalition and many other groups in this room, we have been advocating strongly for a requirement for the World Bank not to finance activities that would exacerbate or contribute to or cause human rights violations or human rights abuses.

I'd also like to hear more about community security and what that safeguard is actually going to include. Echoing the concerns that Chad raised this morning, we see in a number of projects people do face reprisals for bringing complaints or even for attending consultations with World Bank staff. How are we going to actively prevent that from the very beginning?

Finally, on stakeholder consultation, I'm very glad and strongly welcome the standard of free, prior and informed consent for Indigenous Peoples. Is there a standard for consultation that you are going to include when it comes to non-Indigenous Peoples, and will that be included in the final safeguard? Thank you.

[MARK KING]: Yes, I'll draw a few points together here in saying two things. Firstly, we've been, as I said in the very beginning, looking at what other Banks have been doing in various areas and drawing from them to build something that we think is appropriate for the World Bank. We're not simply lifting from some of the other institutions; we're developing things that we think work for the World Bank.

On the question of Afro-descendants, I'm very glad that that came up because it underlines the importance for the Social Impact Assessment to identify, to look for all aspects of vulnerability and discrimination and to deal with them through the process of Social Impact Assessment. On the questions we had today related to that and others, I hope we're getting across the message that it's a robust Social Impact Assessment that is the key to insuring we get sound environmental and social outcomes from projects.

I'm not going to comment on the hiring issue. The list of issues that I put up on the slide: you'd appreciate that this was a very short PowerPoint; I didn't want to bore you to death with pages and pages of PowerPoint. As I said, there is a lot of detail behind this, but we can't go into it at this point in time. So that list was not meant to be exhaustive; it was meant to be illustrative. I'll now ask Charles to comment on a few of the issues related to labor, core labor issues and, again, causing or contributing to human rights abuses.

[CHARLES DI LEVA]: Right, that question on FPIC, too. One of the points relates to the question that Jessica just raised about how the legal framework would be applied. What I think Mark said and what we're proposing is to focus at the project level. If we're looking at whether there's discriminatory impacts in a country or whether it's a violation of an ILO-ratified treaty on child or forced...

[SUMIR LAL]: Charles, can you just speak closer to the mic?

[CHARLES DI LEVA]: ...child or forced labor in a country that's ratified that convention, we're not going to look in all 38 provinces of a country. We're going to look at where we are financing our activities. I think everybody would understand that that's just the only rational way to do development finance. That's what we're financing, and it's what we're financing that has to come up to our standards. When it comes to issues like FPIC, if the country has been ordered by the Inter-American Court on Human Rights

to comply with its obligations under ILO 169, then I would read our standard as saying you must comply with your national and international obligations. Related to that in the FPIC context is the fact that we have to recognize that there is diversity amongst 188 countries about how they view FPIC. One of the great challenges that the World Bank has that none of the Regional Banks have is to try to create standards that can be accepted by 188 countries that have very different views on many of these agreements. The three most populous countries in the world have not ratified a series of key ILO conventions. We will try to address these issues to the greatest extent we can, but in each case what we're saying is, we expect you to live up to your national framework and your international obligations that are pertinent to the project. We have to take in mind that our projects are there to address poverty reduction, shared prosperity within the responsibilities of the World Bank.

Also related to this, and I think it's the last point that when Jessica, where is Jessica? Where did she go? Sorry. About ensuring that we don't finance projects that would exacerbate conflict, that's exactly what it is that we're pointing out in Standard 1 and what I think we're trying to point out in Standard 7. Because I would agree very much with what Derek said before, that we're going to be in some countries where, in fact, it may be the majority that's being persecuted or there may be some countries in which, if we try to identify groups as distinct, you can exacerbate conflict. We know that genocidal conflict that's taken place in countries around the world where tribal identity has not led to better outcomes for anybody. This is what we need to try to address in a way that enables these to cover the various issues that we're talking about, but be sensitive to the project-specific context as well.

[STEFAN KOEBERLE]: While you're calling up the next one, I think it goes without saying, but I think it's clear that despite the fact that we need to deal with 188 different countries and make basically rules that apply to all of them, it's worth unambiguously stating that the Bank, of course, doesn't condone or finance or in any way support any violations of human rights. I think that it goes without saying, but it's probably worth repeating that again.

[NADIA DAAR]: Hi, I'm Nadia Daar. I'm with the Bank Information Center's Middle East and North Africa Program. I'm pleased to hear you talking about a robust Environmental and Social Impact Assessment in Standard 1, and my question, I have three, but my first one is about how we get to that stage. In the current safeguards regime, as I understand it, there's a screening process to determine categorization of risks. If it is Category A or B, only in that case would 4.01 apply. I'm wondering, given that now we're talking about more inclusion and non-discriminatory aspects, are you also going to look in the screening process at questions such as: are there communities who could be benefiting from these projects who might not be benefiting if we don't consider them, and then maybe Standard 1 would apply, for example, persons with disabilities?

My second question is on the new—and I'm excited about—the new Stakeholder Engagement Standard. I'd like to hear more about it. Will it build on the work that Ida Mori did last year, for example? Is there a connection with this new Citizen Engagement Strategy that we're hearing about? Is it going to be throughout the project cycle, or is it just consultations at one stage, or is it also about feedback throughout and monitoring and evaluation?

Then my third question is about upstream assessments and whether you see any role for upstream level environmental and social assessments at the time of the Bank's new systematic country diagnostic tool that we're hearing a lot about and the standardized operational risk rating tool at the CPF level, and if you're coordinating with the teams working on those instruments.

[SAS THILAKASIRI]: Thank you. Hi, I'm Sas Thilakasiri from Oxfam. Good morning and I appreciate the dialogue and appreciate the effort so far. I think it's moving in the right direction. Nadia, her third question was close to what I want to ask. But it certainly does pivot a lot to this discussion around looking at just the project level or more upstream strategic level. This is somewhat cross-cutting. Whether we're looking in terms of land tenure, are we're looking in terms of climate integrated resource planning? You could almost say to a project when things go horribly wrong is we don't understand the overall country context. I apologize. I missed the start, so I would also really appreciate to know to what extent you see there is relevant overlap with the Country Partnership Framework discussions and these upstream assessments. Thank you.

[SUMIR LAL]: Let's take one more from behind the pillar.

[KORINNA HORTA]: Okay. Good morning, everyone. My name is Korinna Horta. I'm with Urgewald, a German NGO, and I also want to express my...

[SUMIR LAL]: Can you get closer to the mic?

[KORINNA HORTA]: ...appreciation for this interesting session this morning. Thank you for your presentations. Thank you also to my colleagues for the very important questions that they have raised already. I very much appreciated to hear that there's going to be a lot of emphasis on monitoring, evaluation, supervision, including third-party independent monitoring in the future. This has been a serious shortcoming in the Bank, documented by the IEG and the OED for 20 or 30 years. It's very good that something will be done about this. What I'm concerned about, what I seem to hear here is that there is a tradeoff between the front-loading and then the monitoring and supervision part of it. There should not be this kind of tradeoff. I cannot imagine how it's possible to have this kind of tradeoff if we are serious at the same time about doing proper consultative processes and so on. How would it be possible to make projects up as we go along, on where the road is going to be built or how many people are going to be resettled? How can you have consultations that are meaningful on these kinds of things if there is not a lot of emphasis on the up-front, too and then, of course, followed by excellent monitoring and hopefully third-party verification as well?

My other point is about the tension between what is mandatory and what is tailored to specific situations. I think there needs to be very, very clear lines about what is mandatory. I was a bit concerned about what was said about the Indigenous Peoples Policy or about the different attitudes towards Indigenous Peoples of different regions in the world. Somebody mentioned it's no secret that some regions claim that they don't have any Indigenous Peoples on their territory. Would that mean that in a tailored approach, the Bank would accept that if a country claims or a continent claims that they have no Indigenous Peoples that the Bank would accept this instead of having some mandatory other type of requirement on Indigenous Peoples, independent of what maybe a borrower thinks? Thank you.

[SUMIR LAL]: Thanks. Let's take one more from this side.

[ORCHIDA RAMADHANIA]: I'm Orchida Ramadhania from Ecological Justice Indonesia. I agree with Korinna that, while it is important to increase the monitoring and supervision from the Bank, also I'm here to raise my concern about Indonesian forests. It is a difficult situation, even for our government, to deal with the forest issue in Indonesia. I cannot imagine if the Bank wants to involve an Indonesian forest and then you say that we're not going to take too much time on the design, on the planning

phase, we're not going to be too heavy on front-loading. It's going to be heavy for Indonesian forests because it's a difficult situation even for us.

Number two is: I heard one of our colleagues here mention the country system approach. I think for our Indonesian context, what is best is that the Bank should have a principle that we should always uphold the highest standard.

So that's number two, and the last one: you mentioned mitigation as one of the strategies for the forestry sector for doing offset. For the Indonesian forest context, I think this is also a very serious issue. No offset I think is allowed for now in Indonesian forests and also no support for industrial logging. We are having a complicated situation. Thank you.

[SUMIR LAL]: Let's take this set of issues.

[STEFAN KOEBERLE]: Do you want to talk about maybe the screening process, how we get to the categorization of risk and the link to upstream strategic engagement? I think there was also the question of is there any tradeoff between upfront and implementation. I think that's an important issue.

[MARK KING]: While it is important to say that every project needs to be considered on a case-by-case basis, there are no golden rules about how much front-loading you need and how much rear-end loading or whatever, for the want of a better term, is required on a project. It's very project-specific. One of the key things is to make sure that people have enough information and the Board has enough information up front on the environmental and social aspects of a budget to allow them to make decisions. It could be that there is a sound reason why a framework approach would be put forward if there is a road component and we're not quite sure where that road would be. But if we're putting forward that proposal for the issues to be dealt with in more detail in a subsequent phase, it has to be very clear what the rules are for that. Just because you have a framework approach, it doesn't mean that things can't be dealt with as expected when you come down to working out exactly the elements of a Resettlement Action Plan after Board approval. The requirements remain the same. They may take place at a different point in time, but they remain the same. We have to get this balance right, and it's very difficult to kind of generalize here without raising alarm bells, and alarm bells this side of the table as well as that side of the table. But the idea is: the outcomes that we expect on the ground have to be the same. Whether we're talking of front-loading, rear-loading or whatever, we have to have the same outcomes on projects that we'd expect. We just have to be pragmatic that in some cases it may be more appropriate to have some studies done at a later point in time after Board approval, but it depends on the circumstances.

Related to that, it's important throughout that we are very clear about what's mandatory and what is not mandatory. Even though we may have an outcomes-based approach, that isn't fluffy language for flexibility and opening doors; it means that we have to be very clear about what the outcomes are and what are the mandatory elements.

Related to that, in terms of the standards, of course, the Bank has its standards. I've said we've had this initial conversation with borrower countries to determine what their regulatory framework is and their competent authorities and the extent to which we can rely upon them. Of course, if the borrower country has higher standards than the Bank, then we will go with the higher standards—that's definite. We uphold the highest standards.

The Indigenous Peoples, do you want to do it or should I do it?

[CHARLES DI LEVA]: That was to Korinna's question.

[MARK KING]: In terms of Indigenous Peoples and the perception of Indigenous Peoples, I think we have to be mindful, as Charles said, that we have 188 countries, we have a wide variety of opinions, and the message that we're getting from Africa, in particular, is that the Indigenous Peoples Policy is not appropriate in Africa. This is what we hear. We know in this room that there may be voices who have a different opinion. We have to listen to a whole range of stakeholders and our shareholders, and this is something that we need to discuss. But rather than focus on the labeling of people, whether someone's indigenous or not, I think what is more important to focus on is the outcomes that you expect from a project. Nobody should be worse off from a project, and everyone should be able to benefit in an equitable way from the benefits of a project. I think it was Jessica that asked earlier on how project benefits would be dealt with. Well, there is a need to identify not only the downside, the risks, when we carry out project due diligence, but also the project benefits and make sure that we are distributing those benefits in a fair and equitable manner also. I think there was one other point, but I've forgotten, related to Jessica.

[SUMIR LAL]: The question on Standard 10.

[MARK KING]: Stakeholder engagement consultation runs through the life of the project, so it's important to develop a stakeholder map to identify who the stakeholders are at the very beginning of a project and make sure that we have an appropriate manner of dealing with different types of different groups of stakeholders. That process needs to continue through the life of a project because it's only by listening to stakeholders and project-affected communities that we can find out if what was anticipated before Board approval is actually realized after Board approval. Where we see that adverse impacts are rising, where we see that people are being disproportionately affected post-Board, then we need to recognize that and react to it in changing our commitment plan or other courses of action that will bring about the outcomes that we need.

[SUMIR LAL]: So maybe I'll take a quick...

[NADIA DAAR]: Could you address the question on screening and on the upstream assessment?

[SAS THILAKASIRI]: and Country Partnership Framework?

[MARK KING]: In terms of screening, I think coming in as a relative newcomer here, I think there's been too much focus, from my perspective anyway, on triggering different policies. In the future, all policies, all standards are applicable, but some will be more relevant than others. If there are no Indigenous Peoples in a certain country, then there are no Indigenous Peoples in that country, and so that standard is not as relevant as it might be elsewhere. But all the standards will be applicable, so we don't have to trigger something to have action on it. We assume that they're all applicable, so we don't get into this churning initially on projects of whether we trigger this policy or trigger that policy. What was the related aspect to that?

[STEFAN KOEBERLE]: The risk-based screening and the categorization.

[MARK KING]: The current categorization of ABC FI is something that we're also looking at. The thing with categorization, it doesn't really convey the "riskiness" of projects from an environmental and social perspective, and people within the MFI world often talk about little B projects and big B projects. I think what we need to recognize is that it's more important to focus on the risk aspects of projects and deal with those appropriately rather than on the categorization of projects. We haven't actually come to a firm conclusion on this yet, but one of the options is to move from having a categorization system based on letters to a risk-driven categorization and have four levels of risk, which is what the Bank has generally: substantial being the highest level of risk, then high, then moderate and low risk. It might be more appropriate to move to that model as a better signifier of how we and stakeholders see the riskiness of projects.

[SUMIR LAL]: This would have been the point where we would have taken a break, but I think there's very good momentum in the conversations. If people are okay, we can keep going through. I hope the panel is okay, and people can just walk in and out as you require. If that's okay with everybody, let's just keep going. Okay.

[FRANCESCA CORBACHO]: Good morning my name is Francesca Corbacho. I'm with Human Rights Watch. Thank you all, and I would echo what many of my colleagues have already said. I'm very encouraged by some of the things that I've heard here today. I've been doing a lot of work on resettlement over the past few years in several contexts, including looking at the Bank's previous policy on involuntary resettlement. My questions are related to that. In keeping with the idea of moving beyond the doing-no-harm standard, in the old involuntary resettlement policy there is repeated quite often: to improve or at least restore living conditions of resettled people. My concern with that is that very frequently you see people, before a project even begins, already living in situations where their fundamental economic, social, and cultural rights are not being fulfilled. I would encourage language to be put in the new policy that sets some sort of minimum core requirement for the fulfillment of fundamental economic, social, and cultural rights for project-affected people.

My other two questions have to do with the applicability of international agreements, particularly with respect to resettlement and how the Bank—and maybe this is a question more for Charles, I'm not sure—would view the applicability of the ICSCR in the context of resettlement, given the profound implications on that?

Sorry, can you hear me now? Okay. Then just a clarifying question: Charles, you mentioned for example that an Inter-American Court decision would trigger the Bank saying, yes, this particular convention is applicable to you. Can you just elaborate a little bit more on what the standard would be for the Bank recognizing the applicability of a treaty? Is it ratification? Is it a court decision with that? Thank you.

[STEPHANIE FRIED]: Hello, my name is Stephanie Fried. I'm with the Ulu Foundation, but I'm also here on behalf of Friends of the Earth U.S. I have a number of questions, but I'm still a little bit in shock right now from just hearing that an entire continent might be exempted from the application of one of the Bank's safeguard policies, for example, the indigenous policy. Hopefully that's not what we just heard. I'm hoping that same thing couldn't happen with any of the other policies. The mandatory nature of safeguards is quite important.

One of the things that was rather alarming to me today was the use of the term front-loading as a bad, nasty thing. If I want to drive a car or if you want to drive a motorcycle, basically, a lot of front-loading is going to happen. I've got to prove that I can do it without carnage, without hitting pedestrians on the

side of the road, and all of that is front-loaded before I'm allowed to get behind the wheel. I don't get a permit unless I can demonstrate those kinds of safeguards, and there are big penalties for getting it wrong. If I drive drunk or kill someone, even if I didn't mean to kill them or hurt them, I face criminal penalties and could lose my license and get thrown in prison. So, I don't understand why we're seeing what I consider a boogie man of front-loading, whereas it's actually just making sure that there are clear mandatory standards.

There is good language about harmonization, but I don't hear upward harmonization. What is quite alarming...

[SUMIR LAL]: Upward what?

[STEPHANIE FRIED]: Upward harmonization. What is alarming is mention of the fact that in some of these we can defer as to yet undefined aspects of project assessments. We know that the EBRD is proposing deferring certain parts of project assessment until after Board approval. That for us is a very dangerous model. How can people be properly consulted with? How can you have a 60-day consultation period with communities that are likely to be impacted by a project and that data brought before the Board and the Board make an informed decision on the basis of a robust consultation period? How can you do that if unnamed aspects of the project are deferred until after Board approval? That's quite concerning and quite frightening.

We're concerned about what seems to be a move towards borrower self-assessment, borrower-driven systems, with a lessening of categorization, monitoring, assessment, and oversight by the Bank. If you want to learn from other financial institutions, we look at the Asian Development Bank, which clearly stated that it does maintain substantial oversight, especially over projects that could have significant impacts. This is quite important, and I think it would be instructive to learn from a recent presentation by the IFC, given on April 4th, showing how things really went off the rails, leading to some of the worst projects that we've seen since safeguards were put in place to prevent these sorts of things, like the Dinant project, etc., by depending on a client-driven approach. A lot of alarm bells are going off about the built-in conflict of interest depending on that.

Again, upward harmonization. We look towards President Kim's commitment to no policy dilution. Anything that makes these policies non-mandatory is a direct dilution. Anything that says, well, we don't have to do these things, these aren't requirements—that is a distinct dilution. Exempting a continent from Indigenous Peoples Policy is a staggering dilution.

The focus on outcomes rather than procedural hoops that proponents have to jump through: we all want positive outcomes. The struggle is in getting there. Procedural hoops include robust consultation, robust practices of due diligence. The IFC has pointed out one of its lessons learned in that little slide show from last week was they forgot to pay attention to the security forces, and they're recommending guidance on what happens with the use of security forces. You have to know that. This is the danger, again, that the IFC has belatedly recognized of a project-focused approach where the context is lost. If you have a context where you really can't have a proper consultation system because you have members of the military or armed forces in attendance, you have a big problem. As one of our speakers pointed out earlier, who came all the way from Indonesia to make some input, if you're operationalizing what are called country systems, everybody supports robust national systems. There's actually some very good language that the Bank has put in an odd place, the Indonesian Forest Investment Plan, which stipulates that the Bank will use a national system only to the extent that it's stronger than a Bank

system. We don't see that language anywhere else, but it testifies to the use of the highest of both systems. That's a very, very important point.

I would just say there are also concerns about the architecture and the scope. If 40% of the lending, for example, in a high-conflict sector like forestry is in DPLs, and the safeguards don't apply to DPLs, how do you capture that? We're spending a lot of time honing these tools. Well, if you're going to have so many interventions in high-risk areas outside of them, it's difficult.

Obviously, a big failure on the support for industrial logging. Learning from the IEG lessons learned: the IEG has actually called for an entire review of what the Bank did in terms of industrial logging because they found it was not positive and sustainable. We would call for that same review that the IEG called for.

I just received a text here, actually from a colleague in Indonesia who is watching this online and who wanted to participate. This is from Titi Soentoro of AKSI, and she says from the Safeguard Team presentation and discussion, my concern is about the lack of gender consideration in the Policy Frameworks. Of course, I'm getting a message now, and this isn't my iPhone, and I can't read the rest of it. I don't know how to use this, but the concern was addressing gender issues. Thank you.

[SUMIR LAL]: Okay, do you want to respond to this whole set and then we'll keep moving?

[STEFAN KOEBERLE]: We can respond specifically, but I think that the general point is that all the issues that Stephanie just mentioned were very much at the forefront of what I think we're trying to address. We were trying to be extremely clear in the presentation, but I think we can emphasize all the points again. Most of the issues you mentioned, clearly, we have in the forefront of our minds. Clearly, we will retain very much substantial oversight. There will be absolutely no policy dilution. We are not forgetting about security forces. We will not rely on country systems when they're weaker than the Bank's standards, and obviously gender considerations are at the forefront of what we do. We would just like to re-emphasize all of these points and address the concerns that she has raised. I think Mark may want to say a few things again about the notion of where we mentioned front-loading, certainly not a bad thing and certainly highly important, where appropriate. If you're building a dam and you're resettling people, absolutely, you must be 100% sure that you have addressed all the technical considerations, all the resettlement considerations, before you start filling up the dam. That goes without saying, but maybe, Mark, you want to emphasize that again?

[MARK KING]: Thanks, Stefan, I think we've covered these general points quite well several times this morning, but just to emphasize again. An outcomes-based approach does not mean dilution; it does not mean dropping our standards because they're happening post-Board. There are circumstances when it is appropriate to go forward with a framework. That happens in Multilateral Banks all over the place, and there's nothing wrong with that. If you don't understand exactly who will be resettled on a stretch of road at this point in time, but you have the framework which sets the procedural requirements and standards to which that resettlement will be carried out, most Boards will consider that acceptable.

A good example from another sector would be oil-spill response planning with an oil project. If oil is not going to be produced until, say, two or three years after Board, then there is no need to have in place at the time of Board approval the full oil-spill response plan. What you need at the time of Board approval is the anatomy, the standards, the requirements which will govern that plan; but you don't need a plan at the time of Board approval.

The important thing is to go to Board with an understanding of what is required and how that will be delivered, and then a robust monitoring and supervision tied to conditionality that will ensure that all the elements of the commitment plan are delivered as and when expected.

[CHARLES DI LEVA]: On Indigenous Peoples Policy, it might be worth remembering that the World Bank established a stand-alone policy for Indigenous People in the 1990s. I think it was one of the first institutions to do that. When it was updated in 2005, there were calls from different places, different regions, to make it an Indigenous People and Vulnerable Groups Policy, but that didn't happen. They continued to have a stand-alone policy here on Indigenous People, and that's the commitment still. I don't want any question that I can understand Stephanie raising to indicate that, for some reason, Management does not continue to believe that there should be a stand-alone policy on Indigenous People. At the same time, we're aware that there was a long discussion at the Board of the African Development Bank on this topic, and the African Development Bank decided not to have a policy on Indigenous People. We are dealing with different regional perspectives, as Mark pointed out, and we want to ensure that there is coverage that's provided under the policy to Indigenous People. But we may need to look at certain situations and address the sensitivities that deliver the same results, but are also not going to somehow exacerbate conflict. I just want to make that point clear.

On the issue of the international covenant and how these rights would be looked at, again, as Mark pointed out, we believe that we're moving toward a set of policies that is socially inclusive in a way and carried out in a way that addresses the key human rights principles that we all believe are essential to good development. When a project is proposed, it is up to the borrower to carry out the assessment in a way that's consistent with the 10 standards. Those standards are what we then have to do our due diligence against. Those standards require that the borrower tell us how that project meets the relevant national framework. I mentioned the Inter-American Court situation because it's very obvious that if we were dealing in Nicaragua with the Awas Tingni situation, there is a decision there. It would just seem to a social scientist sitting at the Bank or a lawyer sitting at the Bank that when they're doing that due diligence in a project in Nicaragua affecting those people, that the borrower would include the relevant decision that applies to that particular situation. But that's the borrower's responsibility to carry out that assessment, and it's not up to the Bank to judge whether a borrower is in compliance with its obligations. That's something for a court system or the borrowers or the International Court of Justice to deal with. Our obligation of compliance is with our standards, and we're held to account through our accountability mechanism to be sure that we comply with our standards. I think that's how we would look at it. If it's relevant, then the country should include it in its assessment, and if civil society, by the way, thinks somehow that the borrower has left out relevant elements of that framework, civil society can raise that. Certainly, that's their prerogative, and that's happened in many instances. You can ask our colleagues from the Inspection Panel sitting behind you.

[XAVIER GODINOT]: I am Xavier Godinot from the International Movement ATD Fourth World. Thank you very much for this excellent session. I would like to follow on the issue of human rights, and I would like to suggest that World Bank staff involved in the design of the safeguards take a careful look at the Guiding Principles on Extreme Poverty and Human Rights. These Guiding Principles are very little known, yet they were adopted by the United Nations Council of Human Rights in September 2012, and they were welcomed by the General Assembly of the United Nations in December 2012.

I would like to underline three features of these Guiding Principles. First of all, they are the result of a very, very long process that lasted for 20 years, which means that it was extremely difficult to get a

consensus on this topic; yet this consensus has been achieved in 2012, and I think we need to make this known, and I think we need to build on this.

The second feature I would like to underline is that these Guiding Principles were built in consultation with people trapped in extreme poverty. We as a movement were deeply involved in organizing consultations with a special reporter, with experts, and with people trapped in extreme poverty on several continents, and I think this gives more relevance to these Guiding Principles.

The third issue I would like to underline is that these Guiding Principles address the issue of discrimination due to extreme poverty. We have talked of three different kinds of discrimination. I would like to insist that extreme poverty is linked to shame and blame, and this provokes a kind of discrimination that needs to be taken into account in the World Bank Group in World Bank projects. Thank you very much.

[GRETCHEN GORDON]: Thanks, this is Gretchen Gordon with Bank on Human Rights. As Mark said, the devil is in the details, so I want to drill down into a little bit of details here. Stefan, I appreciate your comment that the Bank does not support projects that violate human rights. Will there be an explicit statement in the new environmental and social safeguard policies that the Bank will not support projects that violate human rights or contravene borrower countries' human rights obligations?

Then on the question of social assessment, there is a lot of good practice and a lot of not-so-good practice within Bank projects. Since the social assessment is done by country consultants, are there going to be minimum standards laid out in the policy for the quality and scope of social assessment, and will that include human rights aspects?

Then, Charles, relating to your comment just now about what is the borrower's responsibility versus the Bank's responsibility. How do you ensure that the assessment of a legal framework and whether the domestic legal framework is adequate to prevent harm? What's the mechanism within the new policy to translate that into project design? Because, although the borrower will do that assessment, the Bank is still responsible for overseeing whether the risks have been anticipated and whether they will be mitigated. What's the clear mechanism for making sure that happens?

[SHAYDA NAFICY]: Good morning, everybody, Shayda Naficy from Corporate Accountability International. I would echo a number of the comments that have been made earlier about the scope of application, and I was just wondering if you could give a broad overview of the scope of application in these standards to begin with? A couple of other colleagues have mentioned how there are a couple of development vehicles that would be exempted or not applied. If you could speak to that, that'd be great.

The other question is I'd be interested to learn more about the detail of the Financial Intermediary Standard and how you plan to apply that as far as you know at this point.

Then, finally, the comments that have been made about non-discrimination: I work on water, and one of the statements that the UN Special Rapporteur on Water has made is about how some of these, especially private water systems have ultimately led to discrimination against low-income communities because of affordability considerations. I just wanted you to speak to, in that broader, perhaps, in the first standard how you are thinking about incorporating those kinds of considerations, particularly the impact on private sector development on low-income households. Thank you.

[SUMIR LAL]: Should we take one more?

[ISABEL LAVADENZ]: Good morning, my name is Isabel Lavadenz. I was until very recently the ombudsperson for projects at IDB, precisely in the accountability mechanism. I have this morning a couple of points to make. First of all, let me say that, looking at this panel, I can't help it, but I totally recognize the commitment and the effort. There is great hope, and I hope that my hopes can be contagious to my colleagues here.

The first observation is: when you had the slide with the chart and the different responsibilities, you actually had something very small, which I encourage you to highlight and maybe explain a little bit better, which was the commitment letter with the borrower in terms of the compliance with the safeguards or the standards. I think that it's worth explaining that a little bit better because that will give us some comfort, and I hope a lot of comfort, as to how mandatory is this. Because when you talk about standards, we can't help it to associate these standards with other standards which are not necessarily very mandatory. From the accountability point of view, though, what is giving us a little bit of discomfort at this point, but I'm sure you can help us, too, is the outcome-based approach. That means that, let's say, a community will come to the Inspection Panel only five years down the road? The outcome of a project is not immediate always. You have some immediate outcomes at the beginning, at the design stage sometimes, or even before you start a project, when the government starts relocating people just because they want to leave the area clean before the project comes. I have a number of examples of that. But the issue is how can we ensure that we are still applying our accountability standards, which are, as you know, associated but not the same as your 10 standards. How can we make sure that the borrower now has this obligation of social and environmental compliance with, let's say, the Standard 1, is still subject of your oversight as an institution, in this case Inspection Panel's oversight, when we are talking about an outcome-based approach? I know there is an answer for it, but I encourage you to elaborate for that because this is maybe what is calling for some confusion at this early stage, and you do not want to carry this confusion further. Thank you.

[STEFAN KOEBERLE]: Let me just take the question on what you called the applicability and scope of application. Essentially, the Bank has three financing instruments. It has the traditional investment project financing, it has development policy financing, and program for results, P4R. What we're talking about here is, of course, the policies that will apply to investment project financing. The P4R currently is still a new instrument for the Bank; it's under review. We have a two-year review where we look very closely at the application of the environmental and social standards for P4R, and that's currently ongoing and will be presented to the Board in the summer. Environmental and social considerations are a very important part of that.

Development policy financing: the environmental and social considerations there are governed by OP 8.60. Just to repeat that again, it's a mistake or misperception to say that there are no environmental and social considerations for policy-based lending. They are governed by OP 8.60. When the Safeguards Review is completed, we will be engaging in a Development Policy Retrospective, which looks at different aspects of the application of OP 8.60, including, of course, the application of environmental and social considerations to see whether the policy has been applied as intended. We will also then update the Staff Guidance on Development Policy Financing in light of the issues that have been covered by this Review of Safeguards that will apply to investment project financing.

[MARK KING]: A few questions related to social impact assessment. Will we have minimum standards? Yes, we will have to produce a note which indicates what is to be covered in a Social Impact Assessment to lay out the methodology. It'll be important that such assessments are carried out by qualified, experienced experts. That's something that we would look at when we sit down with a borrower and determine that a Social Impact Assessment is needed on a project. We'd then go through the process of hiring consultants. Obviously, we will want to see the CVs of the experts and make sure that we're comfortable they can do the work; that's key.

One of the things that needs to get covered in a Social Impact Assessment is the element of impacts on the poor. Somebody mentioned the issue of water, water tariffs, and that's a key element to be considered. If we're financing a privatization or something that involves access to water, then it's important to look at the affordability elements and deal with those through Social Impact Assessment also.

The commitment plan is a mandatory document. It's the fruit of a discussion between the Bank and the borrower on the environmental and social issues that need to be addressed in the project and how they will be addressed. The commitment plan will specify exactly what needs to be done, who needs to do it, when it will be done, where the resources will come from to finance, to deliver the commitment plan. It's a key document. It's also a more practical approach, I think, to working with borrowers that may be, as I've said earlier, fragile and conflict states. It's a simpler, more practical approach than you see in some other situations, where borrowers or clients are required to have an environmental and social policy, an environmental and social management plan, an environmental social action plan, and various other plans. What we're trying to do here is make it very simple and easy for the borrower to understand and take on board what's required and for us to be able to monitor that plan. Because it's disclosed, you will also be able to monitor the implementation of that plan. That plan will have some elements which are outcome-based, and there will be time frames attached to those outcomes and also, for want of a better word, performance targets. We need to specify how things are implemented. As the President says, he likes to talk about the science of delivery. We need to be scientific in the way we talk about outcomes and how we monitor whether outcomes have been successful or not on projects. We're looking to ways to make that more scientific, for want of a better term.

I think I've covered most of the points. The problem is, the more questions you build up, the less my memory can cope with that.

[SUMIR LAL]: There's one on human rights.

[STEFAN KOEBERLE]: On human rights, obviously, we've touched on this a number of times. Again, I think it's without question that the Bank will unambiguously not engage in anything that is financing or in other ways condoning anything that's harmful to human rights. Obviously, we're discussing this with our Board, and we'll need to find the right formulation to do this. As Mark explained, we will have different ways of capturing this. It is very clear that the vision statement will refer very explicitly to this, and we'll convene discussions with our Board, how to enshrine this properly.

[SUMIR LAL]: Can we move to you?

[JOCELYN MEDALLO]: Thank you, my name is Jocelyn Medallo. I'm with the Center for International Environmental Law, and we're also a Steering Committee member of the Bank on Human Rights Coalition. Thank you for the comments, Stefan, about the explicit commitment. We urge the Bank and

are hopeful that the Bank will adopt an explicit commitment to respect human rights in its activities and not to fund projects that exacerbate, cause, or contribute to human rights. I wanted to touch on just three comments from the presentation.

The first is: we welcome the emphasis on non-discrimination. We think that's a good first step, but I would echo what others have been saying in that not linking this policy to International Human Rights Standards runs the risk of excluding people inadvertently. So, again, we think this is the place where human rights provide a good framework for non-discrimination.

Similarly, I really like the emphasis on scaling up environmental social impact assessments. We know the Bank already carries out social impact assessments, but we've had issues with the scope and its narrowness. We'd like to emphasize, again, that in this context, the Human Rights Framework provides good indicators as well to ensure that impacts, both direct and indirect and those probably inadvertently done or inadvertently resulting, are comprehensively taken into account.

The issue, as you know, is with traditional environmental social impact assessments. They don't often adequately assess the multiple dimensions of discrimination: the use of coercion, the risks of violence, repression. These are some of the issues that we want to make sure that the Bank, as it moves forward into the future, really looks at, eyes wide open when it looks into a project. I'd emphasize again that the Human Rights Framework provides a good indicator for that.

You mentioned the note that you would provide—the guidance note or some kind of note on how social impacts would be done. If you could provide any more elaboration on that: what kind of document it would be? How or to what extent civil society would feed into it? That would be something I'd be interested in hearing. What I'm concerned about is that even with scaling up the Social Impact Assessment, that it still remains somewhat ad hoc or siloed. So, I think that's the concern there.

Finally, also very interested in hearing more about the stakeholder engagement policy and, in particular, I was wondering if, as part of the meaningful consultation, if the borrower client would be required to disclose the Inspection Panel, the existence of it, and its procedures and how communities can access it. I think that's key. Strong standards are really important, but the accountability mechanisms and people's access to them have to also be strong. To the extent that we can increase that access, I think this is a good opportunity. Thank you so much.

[JOSH KLEMM]: Hi, I'm Josh Klemm from the Bank Information Center. My question maybe doesn't deal directly with the Safeguard Review, but I think is very pertinent and relevant to it. I'm given to understand that OPCS is developing a proposal to rewrite the process for how waivers are obtained for operational policies. Of course, operational policies cover any number of things, but the safeguards are an important part of that. So, I was wondering if you could provide a bit of information about that process and how it might deal with the safeguards because I would reflect on what you'd said, Mark, earlier about how certainly all safeguard policies would be applicable, but the waiver question is in my mind now. Thanks.

[SUMIR LAL]: Thanks. Let's take one more.

[DAVID PRED]: David Pred, again, with Inclusive Development International. My question was actually asked basically a moment ago over here, but I didn't hear an answer. So, I'm going to try asking again, maybe in a little bit of a different way. I guess what worries me most when I look at the presentation

and particularly the slide that's on the screen right now is the nature of the line that is drawn between the World Bank responsibilities and the borrower responsibilities. Is that going to be a straight, hard, bold line, or is that going to be kind of a dotted line? Because, as you know, currently, the safeguard policies are binding both on the Bank and the borrower, and that's incredibly important. I understand the rationale for having differentiated responsibilities between the Bank and the borrower. I think that makes sense. But at the same time, I think it's incredibly important that the Bank itself is bound by the same standards that the borrower is bound by. I think having that in place now with the current safeguards has helped to perpetuate a type of culture at the World Bank that has led to better compliance than, say, you find over at your sister Bank at the IFC, where the Performance Standards Model has been in place. The presentation looks an awful lot like the Performance Standards Model, and our perspective on that model has been it's perpetuated a kind of anything-goes culture at IFC. That's kind of for two reasons. One, there's this flexibility that's built into the borrower's requirements in terms of compliance, but also because IFC itself does not feel bound by the standards. I'd really like to hear you comment on that and reassure us that the World Bank is not going to go in that direction, because that would be an incredible step backwards and, in fact, a massive dilution of what you have in place right now. Thanks.

[SUMIR LAL]: Yes, Stefan.

[STEFAN KOEBERLE]: Can we just take this one because I think it's an important question?

[SUMIR LAL]: Yeah, sure.

[STEFAN KOEBERLE]: Again, just to re-emphasize the importance of no dilution. When we emphasize the distinction between borrower and Bank responsibility, I think it comes from the experience that we've had unnecessary delays in projects to the detriment of beneficiaries and borrowing governments when we ourselves got caught up in internal churning just because the policy wasn't clear on who was supposed to do what. These are often the types of issues we discuss with the Inspection Panel when the policy itself is not unambiguously clear about what the responsibility is. Having said that, I fully agree with your point, absolutely, that it's very important for the Bank to be held to the highest standard, and our responsibility extends to the same extent to make sure that the issues set out in the standards apply to the Bank. But I think the distinction is not one of dilution; the distinction is one of achieving greater clarity. That also is, I think, the issue on the policy on waivers. It's not a substantial change, but I think we've had in the past some ambiguity often of who is supposed to approve a waiver and when a waiver is applicable. The actual driving force behind that is not so much a change in our approach to waiver policy, but it's a new policy framework that applies to all new rules in the Bank, including this one, where you will see a clear distinction between what is the overarching policy, what is then the staff directive, and what is the procedural approach. That is how all new policies in the Bank will be written, and in the same way, the waiver policy will set out very clearly what is approved by the Board, what is approved by a Managing Director, and what is approved by the relevant Vice President. There's a hierarchy of different policies that right now is not 100% clear. That's what we're trying to make clear.

[CHARLES DI LEVA]: Going back to the slide here, it's the Bank's obligation to monitor the compliance with that legal agreement and commitment plan, and it's the borrower's obligation to implement it. These are just fundamental distinctions between the two roles, and I think that's what we're trying to clarify in this process. I think that goes a little bit to what Gretchen was asking before. The legal agreement will incorporate by reference the commitment plan, so that is the obligation. That's the hard line, yes.

[LADD CONNELL]: Hi, Ladd Connell with Conservation International. I want to thank you for this opportunity and for a lot of the good things that we see here, including more integration of environmental and social standards. At CI, we do take a rights-based approach to conservation, which includes protecting human rights and protecting the vulnerable. We also take an ecosystem-based approach to development, and that involves more upstream planning and looking at cumulative and indirect impacts. I know this upstream planning issue has been raised, but I'm not sure I heard a full answer, or maybe it wasn't the answer that I wanted. Let me just give an example. We had a workshop on sustainability of hydropower and dams, and one of the points that came out of that workshop was that you cannot have a sustainable dam if it's planned in isolation. You really need to look at the whole watershed. This is why you can't necessarily achieve sustainability on a project-by-project basis. So, I would like to hear about how you're going to address that issue and also the relationship with the Country Partnership Framework. Thank you.

[DELPHINE DJIRAIBE, translated from French into English by Serge Selwan]: Thank you. My name is Delphine Djiraibe. I'm a human rights lawyer from Chad, working with the Public Interest Law Center. I would like to make two points, one on human rights and one on Indigenous People, but I would like to make them in French, and Serge has kindly accepted to translate.

As it pertains to human rights, I would like to stress on the need to make a human rights assessment prior to the approval of the projects, taking into account lessons from previous projects, such as the Chad-Cameroon Pipeline that the Panel investigated. There have been a lot of lessons made out of that project.

Quick facts on the Chad-Cameroon Pipeline: The project had all the guarantees needed initially, yet Chad is still one of the three poorest countries in the world. People have not benefited from any basic services, including access to water, education, etc.

A quick word about Indigenous People: in Chad, we refer to them as local peoples, and the government's perspective is totally different from that of our own perspective as for the categorization of these people.

If you go to the oil production area today in Chad, there are three villages in the middle of all the oil structures, including large electric poles. They have nowhere to go, they're stuck. They don't have access to the water. Everything's controlled by the military in the area.

That's why we take stock with government's perspective on Indigenous People because it's often used as an excuse to safeguard the government position and not sharing the benefits. Thank you, Serge, and thank you.

[DOUG NORLEN]: Hi, I'm Doug Norlen with Pacific Environment. Thanks very much for taking what's almost three hours today, it's great. On the issue of front-loading or back-loading or requiring things at the point of Board approval, in terms of decisions that must be made after Board approval, I think that we all realize that there's some fine tuning and adaptation that needs to be made after Board approval, and so no qualms there. But I think that there's a great concern about things that really need to be decided at the point of Board approval or before, and so it's concerning to hear that oil-spill response plans, for example, might be something that is sort of just naturally done later. Whether an oil-spill response plan is adequate or not, or whether it can ever be adequate or not based on the client's

capabilities or whether it's such a delicate environment that perhaps nobody could do it right, that's the kind of fundamental thing that we think needs to be done before Board approval and not something fine-tuned later. I can give you an example in the World Bank context. It's actually IFC, the Jubilee Field offshore Ghana, where there was not an oil-spill response plan prior to Board approval. They were using an old rust-bucket, single-hulled tanker to serve as a floating storage off-loading facility tanker there. We were told an adequate oil-spill response plan, that's something we can do later, no big deal. Well, the US government responsibly abstained from that project, and we commented and others did. But the Board approved the project. Well, sure enough, there was a spill. So, I think that's just one example of a decision point that needs to be before Board approval. I'm wondering at what point in the process will you outline what fundamental processes or decisions will be before Board approval versus something that's relegated to later when the Board's not really focused on that? Thanks.

[SUMIR LAL]: Thanks. Okay, I think that's the last one, so we might as well take it.

[DYLAN TROMP]: Last, but not least. Hi, my name's Dylan Tromp. I'm an adviser to the Bank on Human Rights Coalition. I'm a human rights impact assessment practitioner. I've done a couple of large-scale human rights impact assessments for projects in high-risk environments. I just wanted to perhaps help the Safeguards Team with some thinking on the human rights aspect of ESS1 in that regard.

First and foremost, I see no technical problem with assessing and addressing human rights in the context of any project or operation. The practice has been there for a decade. BP did it in West Papua in 2002 and published the findings publicly here in the US and also in the UK with disclosure—not the full report, but the findings. Full human rights assessment reports have been disclosed.

There's no technical problem with doing it. The question is how to do it best, how to do it smart and how to integrate it into ESS1, I think. I really want to just front-load some thinking on that now.

The other thing is, this Bank is a new sort of entity for me, but I have done a desktop review and reviewed some of the evaluation documents as well. I think I'll try to target what I have to say in relation to, for example, what the IEG has found around the assessment pieces and all the things that are familiar to you and some of the things the Inspection Panel picked up on in their submission in the consultation.

I think the most important thing I want to stress is that because assessment is done by a consultant to the borrower, ESS1 or an annex to ESS1 will have to spell out in very clear and comprehensive detail exactly what the minimum scope elements of the social assessment component are, particularly because it's new. So, you will generate an industry of people, hundreds of people, who will go out and do social assessments for the World Bank-supported projects, whereas before they did an EIA or an EA. Now they have to do an ESIA. There is a community of practitioners out there, but you will create demand. So, you need to specify what those people need to do for each project proposed for funding.

In that regard, I know that you've surveyed practice of IFIs and MDBs. I just really want to draw your attention to the European Investment Bank approach from December 2013, as encapsulated in their Environmental and Social Handbook, particularly Standard 1, which is on the assessment of environmental and social risks and impacts in the context of projects proposed for financing to the EIB. In my opinion, the significance criteria set out in that handbook are best in class. Also, the scope and scale of assessment in terms of things such as induced impacts, upstream and downstream induced impacts of project components financed by the Bank, also cumulative impacts, of course, interacting

secondary impacts, and some of these things—best in class. Its language that should be, logically, in an annex to ESS1, if not in the full text of ESS1 itself.

I don't know where you are with drafting of ESS1, but if operative language like this is very, very helpful to the European Investment Bank, I think it will also be very, very helpful to you. By significance criteria, I just mean obvious things—the number of people affected, the probability that the impact may occur—but also some things that are more idiosyncratic to human rights and will help you to get the human rights principles that Charles has been talking about into the standard, even if you don't want to call out the rights by name, things like: the remediability of impacts, which is a phrase that John Rogge used when he had to go about his mandate, and other things that are not so obvious that are not normally, or not now included in OP 4.01. The speed of onset of a social impact is really important because it relates to when the mitigation measure needs to be ready and also the preparedness of the community. If you close the sluiceway of a dam in the monsoon, it's different from doing it in the dry season, and the project design should specify that.

All of that detail is in the EIB Handbook. I feel like I should be selling copies this week. I hope you have one, Mark, and your team should look into specifically the assessment standards, and you may find some other gold in that as well.

The other thing I just wanted to say is Bank on Human Rights—we're a coalition of organizations. We have a lot of people and a lot of excellent organizations in our coalition that are really experienced in looking at project-affected communities. We also have human rights impact assessment expertise, so please draw on us. We want to have good conversations with you to make sure that the new framework is best practice. Thank you.

[SUMIR LAL]: Thanks. Since we have one final questioner, this will have to be the final question. Let's take that, and then we'll answer the set of questions. Then, Stefan, you can also give some closing thoughts at the end.

[WERNER KIENE]: Thank you. I'm Werner Kiene. I used to be Chairman of the Inspection Panel. This was the most interesting and important morning for me to see how we might go. I have just a question. Will there be any implications of this new way of structuring it? Charles, you made the point, what is the responsibility of the borrower, what is of the Bank. The Inspection Panel traditionally looks at the responsibility of the Bank. Will there be any implication for the role and the way the Inspection Panel will have to address and deal with this? This might not be the moment to get into it, but I would welcome another discussion at one point to look into this. But maybe you have a general view of this, because it will be important. I suffered a lot in my roles before by having, essentially, a battle on undecided things. What is it that the Inspection Panel can go into? What should it not go into? Everybody wants to do the best. I think this should also be cleared and discussed up front. Thank you.

[SUMIR LAL]: Okay, over to the panel.

[MARK KING]: This may sound a little disjointed because I'm going to pick up a few points that we've failed to cover previously. The note on social impact assessment: we will prepare a note, not sure what we'll call it yet, probably not a guidance note, but we'll prepare something on social impact assessment. It will reflect the fact that social impact assessment should not be—I think the phrase used was—siloed. We very much see environmental and social issues enmeshed, so we'll be looking to comprehensive environmental and social impact assessment, rather than a separate social assessment and a separate

environmental assessment. It's important to look at the issues, how they interrelate to each other, particularly when we think about issues such as gender, biodiversity, climate change and adaptation, etc.

In terms of impacts on projects and how they affect people, what I neglected to mention early on, and I think we've touched upon it once or twice since, is that we expect to see a grievance mechanism at the project level on projects, which will allow people to raise issues and concerns about how they're affected by projects, whether they received, in their view, sufficient compensation or whatever. That project-level grievance mechanism would have to be developed in a fit-for-purpose way. We will look to see how these perform over time. We're also looking at an intermediate-level mechanism which will build upon the pilot work we did with the dispute resolution and prevention mechanism a few years ago. So, there will be also an intermediate level of grievance, referral, and resolution that will be more at the Bank level rather than at the client or borrower project level, where the first grievance mechanism lies. Of course, people have the option to go through these mechanisms, or people can go straight to the Inspection Panel with an issue. We're not saying in any way that there is a hierarchy which one must pass through if one has a grievance; people are perfectly within their rights to go straight to the Inspection Panel if they want to on a grievance issue. But we feel that it's important to embed within the project this grievance mechanism to give a sense of ownership to the borrower, that there are issues raised about the borrower's project and they need to be dealt with by the borrower in the first instance before they're elevated to Washington to deal with.

There were a few questions related to conservation. We're running out of time, so I'll try to be very brief here. It's important that we take into account the broader ecosystem perspective within projects and, of course, in circumstances we will need to look at cumulative impacts, and the example of multiple dams is a good one. That's clearly a case where cumulative impact assessment needs to be looked at. Of course, there are wider watershed issues that need to be taken into account. Rather than tying ourselves up in definitions of what's area of influence or what's not, what's associated facility or what's not, I think what we need to recognize is that for each project we need to look at the range of direct and indirect impacts that pertain to that project and look at those that may be cumulative also, and engage in the higher-level, more upstream work that's needed sometimes, which is, of course, strategic environmental assessment, which links into the country partnership work also.

We could spend all day talking about what is needed before Board and what's after. Doug and I had lots of discussions about this in the past. I think it's important to emphasize that going to Board with a request, and it is a request for the Board, to have some issues developed further downstream should be considered more the exception than the rule. We're not saying that automatically now the floodgates need to open and everything can be done tomorrow. It's not the case. There needs to be a sound business case for this. That's something we need to focus on, and I hope that addresses some of the concerns on this issue. I'm not going to comment on other financial institutions' projects, but clearly there are issues that need to be dealt with and addressed way before Board approval.

[SUMIR LAL]: If I could just ask Stefan to quickly...before we lose the online audience at 12:00, so...

[MARK KING]: Can I just, one final point, in terms of learning from tools of others. Yes, we've been talking to EIB. We're very much aware of what EIB has. We've asked all the other financial institutions if they're happy with us using the tools, checklists, guidance notes and whatever they've developed. I had recent conversations with EIB and am meeting them today, Asian Development Bank on Monday. The

thing is not to reinvent the wheel, but to draw on everybody's resources and build a model that's appropriate for the Bank, not simply taking off-the-shelf models of other institutions.

[STEFAN KOEBERLE]: I know we're running out of time, but I, first, let me just thank all of you for your very serious and earnest contributions. I think it sort of underlines the point that I wanted to make at the beginning that while you are very supportive of some of the issues that we've put forward, I think many of you also have tried to encourage us to push it further and go further. We very much welcome that. We particularly welcome very constructive, specific lessons from your experiences that we'd like to take on board.

Just bear two things in mind as we go through this process. One is we, of course, are subject to the approval of our Board, which represents all our different countries that are very different in their requirements, in their expectations and so on. Our job is to help put the best job forward, the best policy forward that is acceptable and applicable to all our client countries. That is a very difficult task, as you probably imagine, and we very much encourage your support in this process.

Secondly, I think what also came out clearly today was that I think you're broadly supportive of some of the issues we've put forward; you'd like us to go further on some issues. In this discussion, you should never have a doubt about our commitment to, what I mentioned at the beginning, our common shared vision of a world that is environmentally and socially sustainable. I think that is what we are trying to do with this Policy Framework.

We want to stay engaged with you in this debate, and we look very much forward to a continued discussion as we go through the process. So, thanks again.

[SUMIR LAL]: Thank you, everybody. As we said, we'll be posting this recording. We'll be posting a transcript. We may not have an occasion for this sort of an event until after the paper now goes to CODE, but we are open and happy to engage with anyone and everybody. Thank you once again.