



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

Date: October 22, 2014

Location: Manila, Philippines

Audience: Government and agencies

Overview and Key Issues Discussed: Key issues covered included: technical assistance to borrowers in implementing the Framework; climate change impact and disaster risk management; cost implication; ESS2 and national legislation on equal opportunity and non-discrimination; and methodology for risk classification.

Specific Feedback from Stakeholders
1. General Comments
<p><i>Clarifications</i></p> <ul style="list-style-type: none"> • Clarification was sought on the time frame to complete this review process, and how often the Bank would update safeguard policies. It should be noted that the government itself changes frequently and national priorities change accordingly. • Clarification was sought on whether technical assistance will be provided as part of a grant or part of the loan proceeds of a project. Note that to be compliant with the proposed framework, additional requirements such as the GHG emission computation/quantification should be addressed. However, the technical competency of the government to comply with the additional requirements is currently limited. • A question was raised on the hierarchy among the ESSs, and whether ESS1 is the most important standard. • The newly proposed procurement policy includes a non-mandatory environmental indicator. Clarification was sought on the background of this. <p><i>Comments and recommendations</i></p> <ul style="list-style-type: none"> • Technical assistance in the form of grants is strongly recommended to strengthen the technical competency of the government and to appropriately comply with the Framework's requirements. • In the Philippines, climate change impact and disaster risk reduction and management are serious issues. An act on disaster risk reduction and management was put in place after Haiyan and other typhoons and disasters. The country is working on disaster risk management tools such as transparent monitoring, outcome-based approach, and disaster risk financing. The use of these localized tools should be considered in the Framework. • In the feedback summary for the phase 1 consultation, there has been no response from the Bank. For the phase 2 consultations, it is suggested that the Bank provide responses for all feedback received. • Consistency between the proposed Framework and the Philippine National Development Plan is vital. • The National Economic and Development Authority is consolidating comments on sectoral concerns

and will submit them to the Bank in writing.
2. A Vision for Sustainable Development
N/A
3. World Bank Environmental and Social Policy
<p><i>Clarifications</i></p> <ul style="list-style-type: none"> Regarding the risk-based approach, clarification was sought on whether community based projects - including those involving Indigenous Peoples - are considered to be high risk. Clarification was sought on the methodology used to establish level of risk, in particular high risk. <p><i>Comments and recommendations</i></p> <ul style="list-style-type: none"> An appeal mechanism should be in place where the Borrower and other relevant stakeholders are able to appeal/influence the Bank's risk classification. Climate change adaptation and mitigation, as well as disaster risk reduction and management should be better articulated in the core principles of the policy.
4. Environmental and Social Standard 1 (ESS1): Assessment and Management of Environmental and Social Risks and Impacts
<p><i>Clarifications</i></p> <ul style="list-style-type: none"> There are costs associated with monitoring and verification of the implementation of the ESCP. Clarification was sought on who would monitor the implementation of the ESCP, whether third party monitoring would be required, and the implications for the legal covenants that the country signs. <p><i>Comments and recommendations</i></p> <ul style="list-style-type: none"> While the Bank is currently the least cost partner for the Philippines, the Bank should clarify the cost implication of rolling out the ESCP and the proposed Framework as a whole.
5. Environmental and Social Standard 2 (ESS2): Labor and Working Conditions
<p><i>Clarifications</i></p> <ul style="list-style-type: none"> ESS2 requires the Borrower to comply with the principles of equal opportunity and non-discrimination. A question was raised on whether this requirement is consistent with competency and merit-based employment. Clarification was sought on how to address the situation when national legislation differs from this requirement.
6. Environmental and Social Standard 3 (ESS3): Resource Efficiency and Pollution Prevention
N/A
7. Environmental and Social Standard 4 (ESS4): Community Health and Safety
N/A
8. Environmental and Social Standard 5 (ESS5): Land Acquisition, Restriction on Land Use and Involuntary Resettlement
N/A
9. Environmental and Social Standard 6 (ESS6): Biodiversity Conservation and Sustainable Management of Living Natural Resources
N/A
10. Environmental and Social Standard 7 (ESS7): Indigenous Peoples
<p><i>Clarifications</i></p> <ul style="list-style-type: none"> Clarification was sought on who will determine the existence of circumstances requiring FPIC.
11. Environmental and Social Standard 8 (ESS8): Cultural Heritage

N/A
12. Environmental and Social Standard 9 (ESS9): Financial Intermediaries
N/A
13. Environmental and Social Standard 10 (ESS10): Information Disclosure and Stakeholder Engagement
N/A