



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

**Date: 27 October 2014**

**Location: Zagreb, Croatia**

**Audience: Government agencies and CSO/NGOs**

**Overview and Key Issues Discussed:**

Bank representatives welcomed the participants and presented an [overview](#) of the process undertaken to date on the review and update of the policies and presented the draft “Environmental and Social Framework: Setting Standards for Sustainable Development.” Participants were then invited to ask questions and express their views.

<b>Specific Feedback from Stakeholders</b>
<p><b>1. General Comments</b></p> <p><i>Clarifications:</i></p> <ul style="list-style-type: none"> <li>Clarification was sought on whether the new standards would facilitate streamlined implementation of medium and low risk projects and sub-projects (under Financial Intermediary loans), for example doing away with the requirement for preparation of Environmental Management Plans for projects involving simple rehabilitation works.</li> </ul> <p><i>Comments:</i></p> <ul style="list-style-type: none"> <li>A participant expressed concern that the new Framework is inapplicable to half the World Bank lending portfolio (i.e., non-investment loans)</li> <li>The participant also indicated a concern regarding the World Bank “outsourcing” of implementation and monitoring of environmental and social safeguards. This refers in particular to the provisions in ESS9 regarding responsibilities delegated to FIs, including the fact that ESSs 1-8 and ESS 10 only apply to High Risk subprojects, while for any others, FIs would only need to ensure they follow national systems. In this regard, the participant submitted to the World Bank consultation team a prepared statement entitled “Civil Society Statement on World Bank Safeguards,” which was signed by 360 CSOs (25 international organizations and organizations from 98 countries).</li> </ul> <p><i>Recommendations:</i></p> <ul style="list-style-type: none"> <li>A participant praised the quality of the document overall but felt that it is not sufficiently pragmatic or concrete, for example from the point of view of a government agency that is implementing a project also in the context of national laws and EU Directives. The participant also stressed the need for the World Bank to adopt a policy of engaging and strengthening local expertise.</li> <li>A participant suggested that there should be a standard/policy on debt forgiveness.</li> </ul>
<p><b>2. A Vision for Sustainable Development</b></p> <p><i>Clarifications:</i></p> <ul style="list-style-type: none"> <li>A participant sought clarification on the World Bank’s policy and approach in the case of a Borrower country that has not ratified the International Labor Organization’s conventions and/or</li> </ul>

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<p>not incorporated these provisions into national law.</p> <p><i>Recommendations:</i></p> <ul style="list-style-type: none"> <li>• A participant noted that EBRD, IFC and African Development Bank policies on labor and working conditions cover third party workers engaged by contractors and subcontractors and civil servants, and that the World Bank's ESS2 should be revised to do so as well. The participant also supported the ESS2 requirement that workers must be informed of their rights, obligations and applicable protections, but stressed that this information should be provided in writing. (Additional written comments will be provided through the consultation website).</li> <li>• A participant noted that EBRD and IFC policies call for countries to ratify the ILO conventions, and urged that the World Bank's ESS2 should cite the need to respect these conventions.</li> </ul>
<b>3. World Bank Environmental and Social Policy</b>
<b>4. Environmental and Social Standard 1 (ESS1): Assessment and Management of Environmental and Social Risks and Impacts</b>
<p><i>Clarifications:</i></p> <ul style="list-style-type: none"> <li>• A participant sought clarification on whether the World Bank's decision to include Croatia among the countries selected for public consultation on the draft ESS Framework was based (or might be perceived by creditors to be based) on an assumption that Croatia falls into the category of countries with inadequate environmental and social legislation and systems.</li> </ul> <p><i>Comments:</i></p> <ul style="list-style-type: none"> <li>• Several participants noted that Croatia, like a number of countries in the ECA Region, is a member of the EU and has harmonized its legislation (including environmental and social) with EU legislation and Directives, and asked whether this legal framework will be accepted by the World Bank as sufficient, without setting different or additional standards or requirements.</li> <li>• One participant further noted that it did not seem appropriate or useful to put EU countries and other countries with advanced legislation and institutions in the same category as less developed countries by applying the same "Safeguards" framework to them and requiring them to demonstrate that they meet basic standards such as prohibiting child and forced labor, protecting the health and safety of workers, human rights protection, etc.</li> <li>• A participant indicated that Croatia has a high level of human rights legislation and has accomplished a great deal in this regard, but also that difficult economic situations can undermine implementation of these good laws. Another participant expressed a similar view, stating that while Croatia's legislation is harmonized with EU the laws are not always followed in practice.</li> </ul>
<b>5. Environmental and Social Standard 2 (ESS2): Labor and Working Conditions</b>
<p><i>Clarifications:</i></p> <ul style="list-style-type: none"> <li>• Clarification was sought on the World Bank's policy and approach in the case of a Borrower country that has not ratified the International Labor Organization's conventions and/or not incorporated these provisions into national law.</li> </ul> <p><i>Recommendations:</i></p> <ul style="list-style-type: none"> <li>• A participant noted that EBRD and IFC policies call for the principle of compliance with core labor standards whether or not national laws completely protect these rights, and urged that the World Bank's ESS2 should harmonize its provisions with the labor standards requirements established at other MDBs, including the IFC, as regards compliance with the ILO's core labor standards.</li> <li>• A participant noted that EBRD, IFC and African Development Bank policies on labor and working</li> </ul>

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<p>conditions cover third party workers engaged by contractors and subcontractors and civil servants, and that the World Bank's ESS2 should be revised to do so as well.</p> <ul style="list-style-type: none"> <li>• A participant supported the ESS2 requirement that workers must be informed of their rights, obligations and applicable protections, but stressed that this information should be provided in writing. (Additional written comments will be provided through the consultation website).</li> </ul>
<b>6. Environmental and Social Standard 3 (ESS3): Resource Efficiency and Pollution Prevention</b>
<b>7. Environmental and Social Standard 4 (ESS4): Community Health and Safety</b>
<b>8. Environmental and Social Standard 5 (ESS5): Land Acquisition, Restriction on Land Use and Involuntary Resettlement</b>
<p><i>Comments:</i></p> <ul style="list-style-type: none"> <li>• A participant indicated that the World Bank's policy on Involuntary Resettlement (OP 4.12) has been very useful and expressed concern that it is being diluted in the new Framework.</li> </ul>
<b>9. Environmental and Social Standard 6 (ESS6): Biodiversity Conservation and Sustainable Management of Living Natural Resources</b>
<b>10. Environmental and Social Standard 7 (ESS7): Indigenous Peoples</b>
<b>11. Environmental and Social Standard 8 (ESS8): Cultural Heritage</b>
<b>12. Environmental and Social Standard 9 (ESS9): Financial Intermediaries</b>
<p><i>Clarifications:</i></p> <ul style="list-style-type: none"> <li>• Clarification was sought on whether the new standards would facilitate streamlined implementation of medium and low risk projects and sub-projects (under Financial Intermediary loans), for example doing away with the requirement for preparation of Environmental Management Plans for projects involving simple rehabilitation works.</li> </ul>
<b>13. Environmental and Social Standard 10 (ESS10): Information Disclosure and Stakeholder Engagement</b>
<p><i>Comments:</i></p> <ul style="list-style-type: none"> <li>• A participant indicated that public consultation is essential and is often not initiated at an early enough stage of project preparation, and that a one month period public disclosure and consultation (as is the practice in Croatia) is often not sufficient. At the same time, public consultations are sometimes used as platforms for expression of political concerns and complaints.</li> </ul>

Bank representatives thanked everyone for their inputs and encouraged participants to submit written input, in particular on topics that were the subject of much discussion during the consultation.

The address for submitting feedback is:

<https://consultations.worldbank.org/forums/forum-review-and-update-world-bank-safeguard-policies>

Additional information, including links to the policies, fact sheets on the Framework and a Q&A, can be found at: <http://consultations.worldbank.org/consultation/review-and-update-world-bank-safeguard-policies>