



Review and Update of the World Bank's Environmental and Social Safeguard Policies Consultation with Government Representatives Pretoria, February 18, 2013

The consultation meeting was held on February 18, 2013 with the Department of Public Enterprises (DPE) and the Department of Environmental Affairs (DEA). After a brief presentation by the World Bank Safeguards Review Team on the background, intended scope and process for the review, the floor was open for participants' input and comments.

INPUT TO THE REVIEW

- Important to clarify if there is a formal relationship between the World Bank Safeguard Policies and the United Nations Global Compact (UNGC). Eskom joined the Compact in 2000 while other companies joined more recently.
- There is a need for coherence between what has to be done at facilities/project level and at state level (and each level may require a different dialogue). We know what is needed at the project level. Projects need prescriptive rules (and indicators, etc) as this is where the risks are. They need to comply with national law, apply the same standards, so that there is coherence between facilities. But we need to look into what the state must do. For example, the state will be asked to step into a guarantee role. The state needs a set of principles. The public and the private sectors need to work together under common principles. The principles need to be globally based, and not prescriptive. For example one could look at a set of 15-20 principles.
- How should the Bank support South African country systems? The Bank works with different parts of the government and its approach needs to be coherent across sectors and areas. For example, coherence is needed between what the Bank is doing with cities, the energy sector, the environment, and the safeguards. Internal coordination inside the Bank would be crucial to ensure coherence across different Bank programs and the Country partnership Strategy (CPS).
- On the State Owned Enterprises (SOEs) – and lessons learned from Use of Country Systems, i.e., the “Eskom Gap” – we need to ensure a consistent approach across sectors and across areas within a sector.
- The South African Government is not always consistent in its approach to the private sector. We are in a transitional period; and it would be important to have guidelines appropriate to create the right interfaces. As the Bank is also working on private sector participation, it would be good to have some guidance on good practices and experiences from other countries.
- One example of an innovative approach is a streamlined Environmental Assessment process agreed between the Department of Public Enterprises (DPE) and the Department of Environmental Affairs (DEA) so as not to cause delays for large infrastructure projects. This streamlined timeline is based on information sharing between DPE and other regulators so that licenses are not delayed. DEA and Water Affairs are asking the same for water and now the integration of water licensing and EA are under consideration. This is called the integrated permitting system. This approach is in place for SOEs only – not for non-SOE projects. Smaller developments at municipal level should perhaps be streamlined too.

- Global principles of a new generation of safeguard policies will help the government in its interaction with the private sector and ensure accountability and protection of vulnerable stakeholders.
- Another key question is how the government agencies complement each other and work effectively with communities. Communities want immediate development and return on development. How do we stop mining in our protected areas (which are privately owned but managed by the government on behalf of the people) and ensure that there is sufficient payback for communities? There are some successful examples, e.g., platinum mine in the north, but the economics do not always work out for copper, coal and other resources.
- One role that the Bank should consider playing is to help emphasize the national environmental function, the national mandate we have and the national assets for the people. Environmental management is a concurrent function – sometimes, issuance of provincial/municipal environmental licenses conflict with the national approach. Also, if a project is a provincial project, the Environmental Assessment (EA) review function is performed at the provincial level and not by the center, and the project will go ahead (without proper compensation for loss if there is no offset at regional/local level). The EA case officer will send EA to national level if it involves a national park, and to the province if a provincial park. We want a requirement that the center must endorse provincial/municipal EAs or that they report to the national government about their activities and that they take into account the national mandate and national assets.
- On the emerging area of land tenure, this is a key issue in South Africa for environment, and also for other sectors. Most land in South Africa is privately owned. In other countries the state owns land, and it can lease it to the private sector. South Africa's land reform/restitution undertaken in the 1990s has not resolved all challenges. There have been instances where claims for restitution of land were won by local communities and the land was inside existing parks/protected areas. One way National Park Services tries to deal with this is by offering to manage land on behalf of the communities (through a nature conservation trust) with benefits to locals, and asking them to refrain from exploitation. Another way is to buy the land for conservation – but resources are limited, plus negotiations take time and once those are concluded, originally budgeted funds may already be allocated elsewhere.
- South Africa needs a long term strategy for protected areas. There is no land strategy at the national level – only at the municipal level.
- While South Africa has a strong regulation body at the national and local levels, it is less so at the provincial level. Reforms are currently underway to reach more consistency between decisions/policies/licensing at national and local levels.
- Urban densification where land can be expropriated for public purpose and given to city housing can sometimes be an effective tool provided that there are policies on how land can be transferred from public to private.
- On protected areas, it is key to be able to stop poaching effectively and efficiently.

ON THE PROCESS FORWARD

- Moving forward, the World Bank should engage in a deep discussion with other policy departments, on Human Settlements as well as the new ministries on Gender and Youth, and Labor, and the Ministry of Energy and Mining.