



## **Review and Update of the World Bank's Environmental and Social Safeguard Policies**

### **Consultation Meeting with Multi-Stakeholders**

### **Colombo, Sri Lanka, April 2, 2013**

### **Feedback Summary**

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The consultation meeting with multi-stakeholders was held on April 2, 2013 in Colombo, Sri Lanka. After a presentation by the World Bank Safeguards Review Team on the background, intended scope and process for the review, the floor was open for participants' comments and recommendations.

#### WHAT HAS WORKED WELL IN THE CURRENT SAFEGUARD POLICIES

- WB safeguard policies are very useful.
- WB safeguard policies are stringent.
- WB is stringent on monitoring.
- The area of biggest weakness in projects is on managing contractors. The WB is more tuned to this than others.

#### ISSUES & CHALLENGES IN THE APPLICATION OF THE SAFEGUARD POLICIES

- Why have 2 sets of standards for the IFC and WB.
- No compulsion to adopt the policies.
- The enforcement is only on the initial phase of implementation. There is no continuation of enforcement.
- In cases where people lose some part of their land or some property, like a tree, there is no set compensation package and no set valuation for the property. So compensation is a problem.
- Most WB projects are integrated with larger development projects, but the WB focus is only on its own specific project and does not look at the wider environment even in large ecosystems like wetlands and the Metro Colombo project.
- There is a case of ring fencing.
- Involuntary resettlement is carried out using Government funds. Therefore, there is no legal binding to pay appropriate compensation.
- In the North and East Local Services Improvement Project, the front loading on policy is excellent but the WB was not very flexible in implementation. When there are situational

changes between design and implementation, people may not be in agreement anymore. But the WB does not have any recourse for that.

- Transparency and accountability should be looked at through the lenses of corruption. Any dilution of safeguards occurs because corruption kicks in at some point of the chain. So look at how to reduce corruption.
- In some cases there was recalcitrance to engage with the state. Resettlement action plans have become just another item. There was a project that asked for a resettlement action plan within 3 months, which is not practical.

#### ASPECTS OF THE ENVIRONMENTAL & SOCIAL SAFEGUARDS POLICIES THE BANK CAN IMPROVE

- Policy 4.01 on the disabled should be extended to built environments.
- The WB websites and documentation should be accessible to all, including the disabled and blind.
- Have prior informed consent.
- Develop cumulative impact assessments. Many projects are implemented in the same ecosystem, but we don't have a cumulative impact assessment.
- Need transparent grievance mechanisms. The Southern transport system under the ADB had a grievance mechanism but it was not transparent. Some people were very well compensated but some people still have not got compensation.
- The safeguard policy should talk about both voluntary and involuntary resettlement, as there is a lot of forceful resettlement. Treat both cases equally.
- WB is long on the environment safeguards but very short on social safeguards. Look at how you can relate to broader policies in a country. Most interventions are project specific. So look at not just projects but also at policies. Have a broader framework, where interventions can have a bigger impact.
- Design guidelines depending on the project and place. Be more insistent on some safeguards and less on others.
- WB safeguards should not be below that of the ADB. It must be the same or beyond. Go for less policy prescriptions and more of a policy cocktail that caters to specific areas and projects. Change policies according to the types of people.

#### COUNTRY SYSTEMS & CAPACITY BUILDING

- Perhaps improving the country systems is the way forward, given the level of low enforcement of policies.
- Two thirds of economy is in the informal sector where you cannot have any impact without the State. So broader policies by the WB are very important.
- Third party monitoring to carry out continuous monitoring of safeguard compliance.
- Perhaps WB can help Sri Lanka legalize Strategic Environmental Assessments.
- Strengthen or identify areas that can push the authorities to enforce environmental standards.
- Develop compensation packages for losses such as trees, which should be paid before the project starts.
- CEA regulations on ground water extraction need to be revised.

- Involuntary resettlement needs to be addressed. It is done with government funds and there is no uniformity in how this is done. Compensation is not legally binding. So in many instances the exact amount is not paid. There is a big question mark on how much and who will pay.
- Any local community (be it indigenous or not) should receive free, prior and informed consent.

#### EXAMPLES OF ENVIRONMENTAL & SOCIAL ASSESSMENT & RISK MANAGEMENT APPROACHES

- In USAID projects, monitoring is allocated to 2 organizations.
- ADB policy on prior informed consent.

#### RECOMMENDATIONS REGARDING THE EMERGING AREAS

- Remove barriers to access; when removed, opportunities arise and safety increases; provide all people with equality of access; disabled people are the most vulnerable in society.
- Change how you look at gender and other issues, and have different policies/guidelines according to the type of people – women, children, rural, urban.
- There is no attempt to address practices in the private sector such as construction, environmental management and employing old people at low wage. The private sector has a bigger impact on emerging areas like labor and working conditions and social protection.
- WB policies frame the disabled as an exclusive group instead of adopting the social model of diversity in ability. WB funds are not designing inclusive structures, creating dependence as a result.
- Some issues like occupational health and safety are adequately addressed by the IFC. So it may be prudent to use IFC information.
- What is the WB's child protection policy, and is it properly implemented?
- Be cautious about moving away from the rights discourse in a situation where we are trying to mainstream rights and not differentiate people.
- What is the benchmark to select new and emerging subject areas? What is the methodology?
- Sustainability is not evaluated properly. Climate change should be considered in evaluations.

#### ADDITIONAL COMMENTS OR SUGGESTIONS

- Most prescribed projects do not do EIAs, but they are also not WB funded. So how can we improve environmental accountability?
- What can the WB do if the client totally disengages from the process? (Colombo Wetlands Project)
- What can the WB do about studies that are conducted but are then just put aside (report on land tenure, study on how to improve environmental laws and institutions)?
- To what extent does the WB want to engage with external actors in going beyond the WB's own standards? How far are you willing to go?
- Where do you see the WB being relevant in the country's development?

- Can the WB start a dialog on the kind of policies needed for very large, complex projects like the Mahaweli project?
- On WB projects the WB is stringent on monitoring, but in the case of other projects that go through the CEA, monitoring does not happen.