



THE WORLD BANK

IBRD • IDA | WORLD BANK GROUP

Operations Policy & Country Services

Setting Standards for Sustainable Development

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

Why the Review?



World Bank Group Commitment

*“The World Bank Group is committed to supporting countries in reducing poverty and building shared prosperity in a sustainable manner.”**

- To **end poverty and promote shared prosperity** all aspects of social and environmental sustainability must be taken into consideration
- **Protecting the environment and the world’s poorest and most vulnerable people** in our projects are central to this vision

A Changing World

- Issues our clients face have changed dramatically over the last 20 years
- Many clients' as well as the World Bank's ability to manage these issues have significantly improved
- World Bank modernization effort
- 2010 IEG evaluation [*Safeguards and Sustainability Policies in a Changing World: An Independent Evaluation of World Bank Group Experience*](#)
- 2012/2013 multi-stakeholder consultation underlined need for change

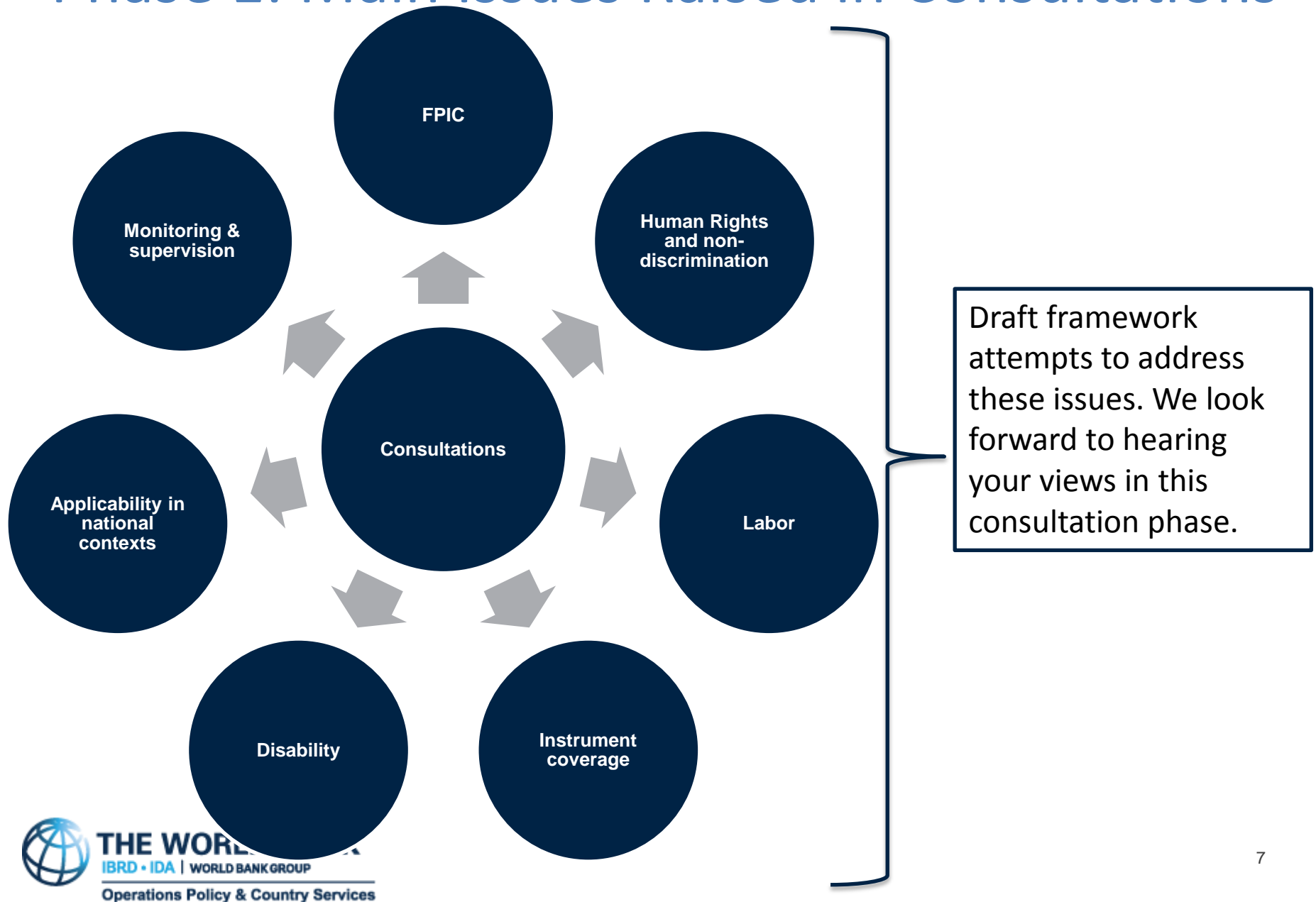
Consultations



Phase 1: A Look Back to 2012/2013

- Views from stakeholders from over 40 countries (civil society, government, private sector, academia, development partners etc.)
- Written submissions from civil society organizations, governments, academia etc.
- Expert focus groups on 7 emerging areas
 - Land Tenure and Natural Resources
 - Free, Prior and Informed Consent of Indigenous Peoples
 - Labor and Occupational Health and Safety
 - Climate Change
 - Human Rights
 - Disability
 - Gender
- Dedicated Indigenous Peoples Dialogue
- Dialogue with project-affected communities

Phase 1: Main Issues Raised in Consultations



Phase 2: Consultation Process

- 37 countries planned (TBC), incl. 25 borrowing countries
 - **Consultation phase extended**
 - Indicative country consultation schedule online, most countries confirmed
 - Dedicated **Indigenous Peoples** consultations
 - Topical **expert consultations**: labor, biodiversity, vulnerable groups
 - Synergies with large international meetings (e.g., World Conference on Indigenous Peoples, Civicus International Civil Society Week)
 - Bilateral meetings on request (email safeguardconsult@worldbank.org)
 - Possibility of online public consultations in January
 - Consultations and workshops with development partners (e.g., other MDBs) and international organizations (e.g., ILO)
- Meeting summaries and participant lists to be published on [website](#)
- Additional feedback channels (forum, comments on individual Standards) through [website](#)

Proposed Framework



Our Goal

Communities to receive **broader and enhanced protection** for their livelihoods and environment.

Implementers' projects to have **better development results** through outcomes-focused approach, improved design and improved implementation measures.

For the Bank, **stronger accountability** and new rules that will add **more social and environmental protection**.

The Proposed Framework

- Builds on existing safeguards and **preserves Bank core values**
- Presents a **modernized, risk-based, outcomes-focused** approach to protecting the environment and people
- Puts strong emphasis on risk management and **achieving sustainable development outcomes** over the life of the project
- Broadens social assessment and management of **environmental and social risks**
- Provides greater **clarity** of the roles and responsibilities of the World Bank and Borrower
- Increases **harmonization** with development partners and recognized good international practices
- Renews and strengthens **partnership with borrowers**

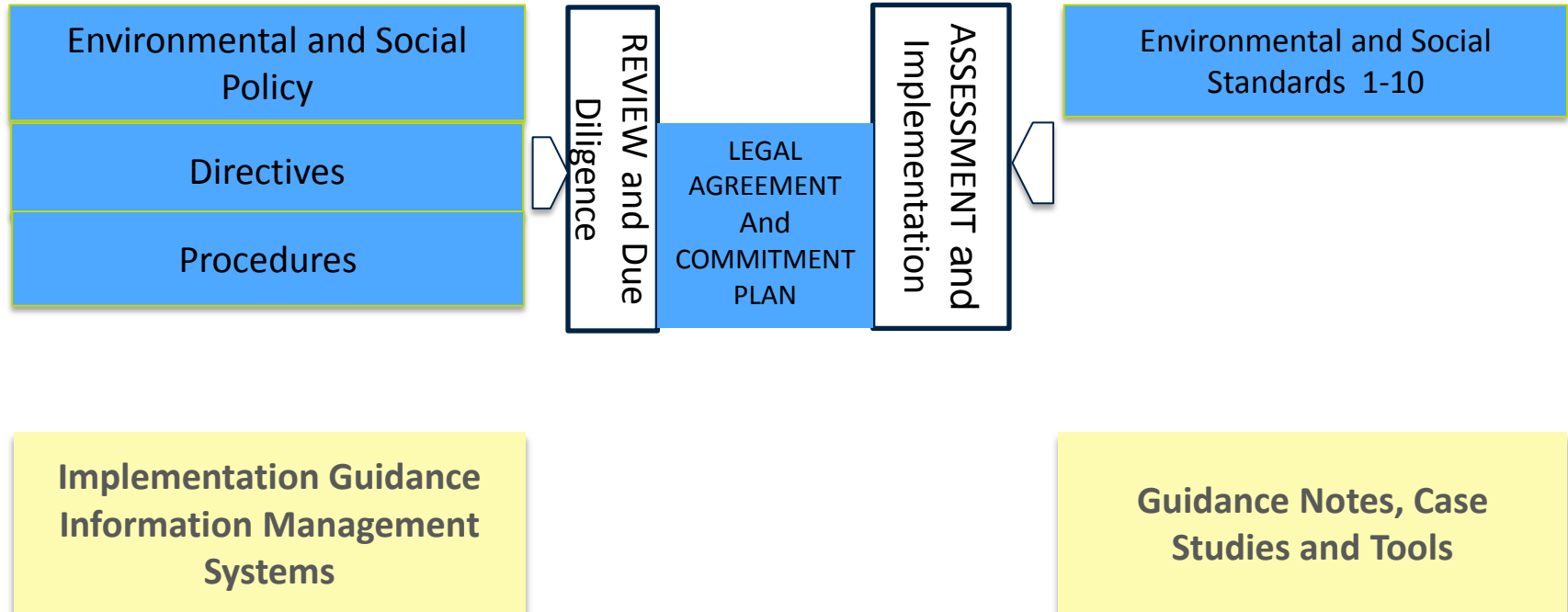
Framework Structure


World Bank Vision Statement on Sustainability


World Bank Responsibilities

Borrower Responsibilities

PROJECTS



 Mandatory elements of the proposed Framework

 Non-mandatory elements of the proposed Framework

Bank and Borrower Roles

The Bank's role:

**Detailed in the proposed policy.
Bank responsible for:**

- Reviewing assessments and helping Borrower to develop measures and actions required for compliance with standards
- Strengthening/ promoting use of Borrower's environmental and social institutions and laws
- Agreeing with Borrower on the measures/ actions in the ESCP
- Supporting rigorous implementation of commitment plan

Borrower's Role:

Specified in the 10 Environmental and Social Standards.

- As now, borrowing country is responsible for assessing, managing and monitoring environmental and social risks and impacts in Bank-financed projects
- Based on E&S assessment, Bank and borrower would agree on specific Commitment Plan to mitigate risks (with clear timelines)

Main issues raised in consultations*	Draft Framework
Free, Prior, and Informed Consent (FPIC)	Introduces FPIC
Address children's rights	Prohibits child labor in Bank-funded projects, introduces enhanced social due diligence
Labor protections according to international models	Introduces labor standard with elements of ILO International Labor Standards
Non-discrimination as principle	Establishes non-discrimination as core principle
Integrated approach to disability issues	Includes disability in non-discrimination principle, introduces enhanced social due diligence
Integrated approach to gender issues	Includes gender in non-discrimination principle, introduces enhanced social due diligence
Integrated approach to SOGIE issues	Includes SOGIE in non-discrimination principle, introduces enhanced social due diligence
Instrument coverage	Introduces Standards that will apply to 75% of all World Bank operations; World Bank to conduct separate review of PforR and DPL with special attention to safeguards
Enhanced stakeholder engagement and better grievance mechanisms	Proposes dedicated Standard on stakeholder engagement, incl. grievance mechanisms, throughout project cycle

Main issues raised in consultations*	Draft framework
Human rights	Includes provisions throughout to help borrowers meet their human rights obligations and aspirations (while respecting that the World Bank cannot use the safeguards to enforce human rights)
Protect biodiversity	Introduces dedicated Standard on biodiversity protection and sustainable management of living natural resources
Address pollution and climate change issues	Introduces requirement for resource efficiency and pollution abatement, provides focus on greenhouse gas emissions
Capacity building and institution strengthening	Builds capacity through working with and improving Borrower environmental and social frameworks
Strong risk management approach	Introduces risk rating, requires adaptive risk management throughout project life cycle, enhances ability to identify and address risks that may arise after initial assessment
More focus on supervision and compliance	Introduces stronger focus on supervision and compliance, enhances project management and supervision requirements
Clearer roles and responsibilities of Bank and Borrower	Clearly defines roles/responsibilities of Bank and Borrower in each Standard
Harmonization	Increases harmonization with other MDBs and across WBG

Complex issues



Non-Discrimination

Proposal

- Establishes non-discrimination as **core principle** in accordance with commitment to protecting the poor and other vulnerable groups from adverse impacts caused by World Bank-financed projects
 - Provides for stronger assessment of **discrimination toward individuals or groups**
 - Addresses discrimination
- Non-discrimination principle addresses **gender**, physical or mental **disability**, **sexual orientation**, and **gender identity**, among other issues

Labor and Working Conditions

Proposal

- Requires Borrowers to explicitly address **key labor-related issues**
- Prohibits **child and forced labor**
- Builds on national requirements
- Incorporates principle of **non-discrimination/equal opportunity** in employment in Bank projects
 - Employment of project workers based on the principle of equal opportunity and **fair treatment**

Indigenous Peoples

Proposal

- Moves from Free, Prior, Informed, Consultation to Free, Prior and Informed **Consent** in key circumstances
- Addresses issues requested by Indigenous Peoples stakeholders:
 - **Voluntary Isolation**
 - **Pastoralism**
 - **Risk of internal conflict**
- Introduces alternative approach to help avoid internal conflict:
 - **Exception** rather than the rule, context specific, **open and accountable** process for consideration, approval of alternative approach by **World Bank Board**, Protects IPs using other ESSs

Land and Involuntary Resettlement

Proposal

- Maintains strength of current policy; land issues addressed in several of the proposed Standards
- Acknowledges potential adverse impacts through project-related land acquisition and restrictions on land use
- Makes all types of potential conflicts concerning land access an explicit focus of environmental and social assessment
- Builds on existing protections and clarify protections related to land and involuntary resettlement
- Commits to supporting **land rights of Indigenous Peoples**
- **Avoids or minimizes involuntary resettlement; no forced eviction; and mitigates any adverse impacts** through compensation and assistance

Biodiversity

Proposal

- Integrates existing safeguards on forests and natural habitats
- Strengthens existing safeguards through introducing **more specific and stringent** requirements for biodiversity conservation
- Introduces more **clarity** and **more stringent requirements** for how risks and adverse impacts on natural habitats must be mitigated
- Ensures that Bank funds will not be used to finance or support projects that would involve a **significant conversion or degradation** of critical habitats
- Allows offsets only in exceptional circumstances and as **last resort**

Human Rights

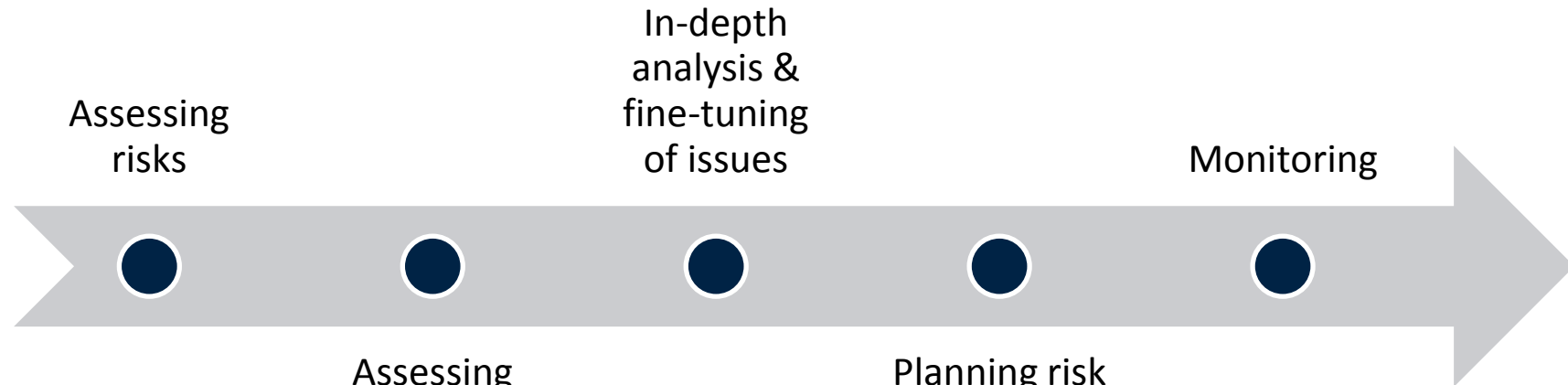
Proposal

- Makes clear that World Bank operations **support human rights** by enlarging the scope of the proposed standards through required assessment of a range of **issues that directly relate to human rights concerns** (such as non-discrimination, gender, disability, and children)

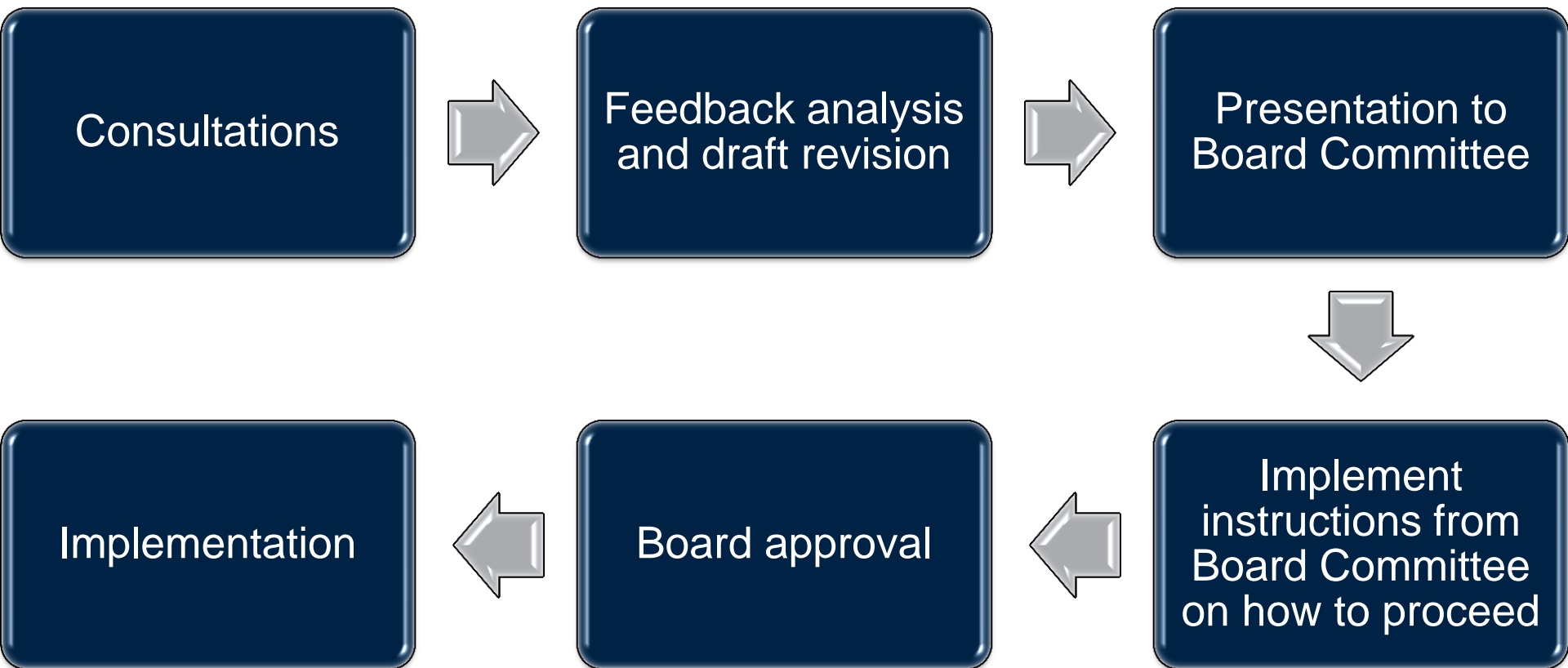
Adaptive Risk Management

Proposal

- Always requires **rigorous upfront assessment** to determine the scope and significance of environmental and social impacts
- Recognizes that for some large and complicated projects, the assessment of certain risks can be carried out **over time** (but well **in advance** of any activities that could have adverse impacts)
- Requires Bank and Borrower to agree on Borrower environmental and social requirements in legally binding, time-bound **commitment plan**
- Requires that commitment plan is **fully developed and consulted on** prior to any project initiation with adverse impact
- Allows better risk management for **projects without physical footprint**



Next Steps



Discussion

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<http://consultations.worldbank.org/consultation/review-and-update-world-bank-safeguard-policies>

