



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

Date: December 3, 2014

Location: Bern, Switzerland

Audience: Government

Overview and Key Issues Discussed: A presentation of the proposed Environmental and Social Framework was followed by a discussion between World Bank staff and members of the State Secretariat for Economic Affairs (SECO), the Swiss Agency for Development (SDC) and the Federal Office for the Environment (FOEN). The discussion included clarification of questions on the content of the proposed Framework; general comments and substantive suggestions provided by the government representatives present for improving the proposed Framework; and an overview of the timeline for the next steps in the review and update process.

Specific Feedback from Stakeholders
<p>1. General Comments</p> <p><i>Comments:</i></p> <ul style="list-style-type: none"> Implementation issues were discussed, in particular monitoring and supervision resources and capacities, including capacity building needed for Bank staff and Borrower countries. <p><i>Clarifications:</i></p> <ul style="list-style-type: none"> Clarification was sought on the extent to which these new “high” standards may make the Bank less competitive as a financing option, compared to, e.g., the BRICs bank for financing infrastructure in developing countries. This issue is not only relevant for the Bank but also for contractors, e.g., a Swiss infrastructure company. A more detailed definition of “financial feasibility” is needed. <p><i>Recommendations:</i></p> <ul style="list-style-type: none"> There should not be any dilution of existing safeguards. Safeguards should remain a “yardstick” for other institutions; this should be done by enforcing coherence and consistency within the Framework and with IFC Performance Standards.
<p>2. A Vision for Sustainable Development</p>
<p>3. World Bank Environmental and Social Policy</p> <p><i>Recommendations:</i></p> <ul style="list-style-type: none"> The new Framework should apply to all Bank instruments, not only investment lending, and include

any future instruments.

- There seems to be a lack of clearly defined limits or “redlines” determining when the risks are too high to proceed with a project; ex-ante compliance should be a redline; redlines/limits must be linked to the Bank’s twin goals.

4. Environmental and Social Standard 1 (ESS1): Assessment and Management of Environmental and Social Risks and Impacts

Comments:

- There is an impression that there is an over-reliance on the Borrower’s country systems.

Clarifications:

- The ESCP is responsibility of the Borrower; the Bank’s responsibility during implementation should be clarified. Participants wished to have more information on non-compliance scenarios.

Recommendations:

- The ESS is defined in terms of the risks the project poses to the environment, however, potential environmental risks that may impact the project should also be considered, e.g., within the context of natural hazards and climate change.
- In Paragraph 2, Footnote 1 on contractors, the responsibilities for implementation of the Borrower, contractors, and potential sub-contractors need to be clearly stated.

5. Environmental and Social Standard 2 (ESS2): Labor and Working Conditions

Comments:

- The ESS lacks a reference to the Core Labor Standards; they are now the international baseline.

Recommendations:

- Where possible, the language on child and forced labor should be aligned with language in the Core Labor Standards, as in, e.g., IFC and AfDB standards.
- There was broad support for IFC’s PS2; this ESS could be harmonized with it.

6. Environmental and Social Standard 3 (ESS3): Resource Efficiency and Pollution Prevention

Comments:

- It is good that greenhouse gas (GHG) emissions are included in the Framework.

Recommendations:

- The ESS says the government should monitor GHG emissions but it is important to also specify why the monitoring is being done and how the information will be used in order to promote low carbon activities.
- Similarly to ESS1, within the context of climate change, ESS3 needs to be defined in terms of the potential of impacts of the project on the environment as well as natural hazards that may impact the project.

7. Environmental and Social Standard 4 (ESS4): Community Health and Safety

8. Environmental and Social Standard 5 (ESS5): Land Acquisition, Restriction on Land Use and Involuntary

Resettlement
<p><i>Clarifications:</i></p> <ul style="list-style-type: none"> • The draft document does not put in perspective in a clear manner the various stakeholders and their respective roles and responsibilities. The complex role of the Borrower in land acquisition, restrictions on land use and involuntary resettlement needs to be clarified. The redline between “involuntary resettlement” and “forced evictions” also should be clarified (with reference to Voluntary Guidelines on the Governance of Tenure of Land, Fisheries, and Forests (VGGT), General Principles 3A and 4.5, 7.6 and 16). • The list of exemptions from ESS5 is not straightforward: a clearer definition of (c) “management of refugees, IDPs”, but also the scope of (d) land titling / regularization, (e) regional land use/zoning among others, is needed.
9. Environmental and Social Standard 6 (ESS6): Biodiversity Conservation and Sustainable Management of Living Natural Resources
<p><i>Recommendations:</i></p> <ul style="list-style-type: none"> • Explanation of critical habitats should be included in the main ESS text.
10. Environmental and Social Standard 7 (ESS7): Indigenous Peoples
<p><i>Recommendations:</i></p> <ul style="list-style-type: none"> • Other vulnerable groups should have the same protections as Indigenous Peoples under ESS7.
11. Environmental and Social Standard 8 (ESS8): Cultural Heritage
12. Environmental and Social Standard 9 (ESS9): Financial Intermediaries
13. Environmental and Social Standard 10 (ESS10): Information Disclosure and Stakeholder Engagement