Setting Standards for Sustainable Development

Update and Review of the World Bank’s Safeguard Policies

3rd Consultation Phase – Report Out

Spring Meetings
April 15, 2016
Content

- Consultation: Scope and Timeline
- Meetings: Teams, Format, Content
- Consultation: Facts and Figures
- Key Messages from Consultations
- Next Steps
- Looking Ahead
Outstanding Issues for Consultation

- List of 52 issues identified by Management and Board for further discussion, including:
  - Approach to Human Rights
  - Labor (freedom of association, collective bargaining, etc.)
  - Climate change and GHG emissions
  - Implementation of Indigenous Peoples standard in complex political and cultural contexts and where national constitutions do not recognize Indigenous Peoples
  - Criteria for establishing and implementation of Free, Prior and Informed Consent (FPIC)
  - Specific aspects of non-discrimination principle (list of vulnerable groups, application in complex social and political environments)
  - Use of borrower frameworks
  - Aspects of adaptive risk management (timing of actions and disclosure of documents)
  - Treatment and rights of informal occupants
  - Client capacity building and implementation support
Consultation Timeline

- **August 2015**: Consultation opened: Aug. 4
- **African Caucus, Angola**: Aug. 27-28
- **October 2015**: China
  - Oct. 26-29
- **November 2015**: India
  - Nov. 5-6
- **St. Lucia, Nov. 4-6**: Annual Meetings, Peru, Nov. 9
- **Bangladesh**: Nov. 9-10
- **November 2015 Cont’d**: Peru
  - Nov. 16-17
- **Saudi Arabia, Nov. 23-24**: South Africa
  - Nov. 30
- **December 2015**: South Africa
  - Dec. 1
- **Uzbekistan, Dec. 2-3**: Madagascar
  - Dec. 3-4
- **Tajikistan**: Dec. 7-8
- **December 2015 Cont’d**: Mexico
  - Dec. 8-9
- **Lebanon, Dec. 9-10**: Afghanistan
  - Dec. 13-14
- **Jordan/Iraq (by VC)**
  - Dec. 13
- **December 2015 Cont’d**: Niger
  - Dec. 15-17
- **Nigeria**: Dec. 16-18
Special Events/ Expert Focus Groups

• **Labor**: USA, September 18

• **Environmental and Social Integrity**: USA, September 22

• **Non-Discrimination** (disability and gender): Japan, February 4

• **Indigenous Peoples**: Ethiopia, February 11-12

• **Financial Intermediaries**: Brazil, March 2

• **Religious Concerns and Considerations**: USA, March 8
Consultation Facts and Figures

- 223 days = 7.5 months (August 4, 2015 – March 15, 2016)
- 72 meetings in 31 countries
- 2,911 participants from 93 countries
- 64 consultation meetings with governments and other stakeholders in countries, 6 expert focus groups, 3 online consultations
- 307 Bank staff working on preparing and running consultations
- Four CODE Seminars (Dec 1/15, Jan 19/16, Mar 16/16 and Apr 4/16)
- Informal CODE Working Groups Convened by CODE Chair and Vice-Chair
Consultation Facts and Figures

Participants by Region

- Africa, 1,166
- North America, 176
- Europe & Central Asia, 317
- East Asia, 358
- South Asia, 429
- Latin America & Caribbean, 277
- Middle East & North Africa, 188

Participants by Group

- Government, 1,800
- Civil Society, 750
- Private Sector, 109
- Academia, 106
- Development Partners, 146
- Private Sector, 109

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Consultation Meetings With Borrowing Governments*

Top 10: Most discussed issues**

1. Land acquisition and involuntary resettlement
2. Labor and working conditions
3. Indigenous Peoples
4. Climate change and GHG emissions
5. Assessment and management of environmental and social risks and impacts
6. Use of Borrower’s Environmental and Social Framework
7. Client capacity building and implementation support
8. Stakeholder engagement
9. Non-discrimination and vulnerable groups
10. Biodiversity

Least discussed issues

- Human Rights
- Disclosure
- EHSG and GIIP

Main discussion point: Discrepancies between national law and bank policy, including on informal occupants.

*Includes staff of line ministries and PIUs

**Based on number of comments recorded in consultation meetings. Volume is representative of emphasis of discussions.
Multi-Stakeholder Meetings* In Borrowing Countries

Top 10: Most discussed issues**

- Land acquisition and involuntary resettlement
- Indigenous Peoples
- Labor and working conditions
- Stakeholder engagement
- Non-discrimination and vulnerable groups
- Climate change and GHG emissions
- Use of Borrower’s Environmental and Social Framework
- Assessment and management of environmental and social risks and impacts
- Human Rights
- Client capacity building and implementation support

Main discussion point:
Resettlement impacts on vulnerable groups

Least discussed issues

- Adaptive risk management
- Co-financing/ common approach
- EHSG and GIIP

*Includes CSOs, Think Tanks, academia etc., for Lebanon, this also includes government

** Based on number of comments recorded in consultation meetings. Volume is representative of emphasis of discussions.
Consultation Meetings in Donor Countries*

Top 10: Most discussed issues**

1. Biodiversity
2. Land acquisition and involuntary resettlement
3. Labor and working conditions
4. Stakeholder engagement
5. Climate change and GHG emissions
6. Human Rights
7. Indigenous Peoples
8. Non-discrimination and vulnerable groups
9. Assessment and management of environmental and social risks and impacts
10. Adaptive risk management

Main discussion point: Offsets/ No-go areas

Least discussed issues

1. Cultural Heritage
2. Client capacity building and implementation support
3. EHSG and GIIP

*Includes Government, development partners, CSOs, Think Tanks, academia etc.

** Based on number of comments recorded in consultation meetings. Volume is representative of emphasis of discussions.
Key Messages: Expert Focus Groups

Labor and Working Conditions (Sep. 18, USA)

- **Concerns** that some provisions of the draft ESS 2 are inferior to the labor safeguards of other MDBs that have *referenced the ILO standards* and that this will create confusion instead of harmonization.
- **Discrepancy** between existing procurement of works standards and the draft ESS 2.
- **Workers’ organizations** should be treated like any other stakeholder under ESS 10.
- Bank should establish an international labor advisory group for implementation of ESS 2

Ensuring Environmental and Social Integrity in Development Outcomes (Sep. 22, USA)

- **The Bank has to strike a balance** between aspirational elements in its vision statement and provisions operable under a multilateral framework.
- **In the policy**, the approach is “prevent, minimize, mitigate, and compensate;” but adapt should also be included.
- **An outcome-based approach** and adaptive risk management must have some degree of assessment to allow for modification.
- **In addressing adaptive management and planning**, the challenge is balancing outcomes vs. process
Key Messages: Expert Focus Groups

**Non-discrimination (Feb. 4, Japan)**

- Need for **in-depth social assessment with disaggregation of data on disability**
- **Strengthening of monitoring and evaluation mechanisms with specific indicators** for gender and disabilities is critical to the implementation of the non-discrimination principle.
- The Bank should **consult with disabled communities from the earliest stages of project preparation** to inform the project design. Gender consideration need be factored into project design.
- **Capacity building for the borrower should be promoted at all levels**, including policy makers and project implementers on gender and disability.

**Indigenous Peoples (Feb. 11-12, Ethiopia)**

- Suggestion for title of ESS7: participants suggested that one possible approach to reflecting the African context could be to modify the title to read: “*Indigenous Peoples and Historically Underserved Traditional Local Communities*” and modify the text of ESS7 to reflect this title.
- Participants suggested to clarify that **FPIC should be operationalized** in the same manner as free prior and informed consultation leading to broad community support
- Participants suggested to **add the following elements in establishing FPIC**: (i) the mutually accepted process between the Borrower and Indigenous Peoples and Historically Underserved Traditional Local Communities, which **could include nationally accepted processes** for engagement; and (ii) **outcomes from meaningful consultations**, which **may include formal or informal agreements as well as dissenting views**
Key Messages: Expert Focus Groups

Financial Intermediaries (FI) (March 2, Brazil)

- Clarity needed on what type of operations the FI standard (ESS9) would apply to, and to what extent co-financing using WB funds would dictate standards at the subproject level.
- Concerns about managing differences in requirements with IFC, other MDBs, and the Equator Principles framework.
- Requirements in ESS9 for stakeholder engagement conducted by FI are challenging to implement and should be revisited.

Religious Concerns and Considerations (March 8, USA)

- Religious groups (especially religious minorities) should be accurately mapped in Social Impact Assessments.
- ESF should address situations where discrimination may be based on religion.
- ESF should address discrimination against different castes.
- Need for ongoing assessment of monitoring and evaluation of non-discrimination on religion.
- Need for linking religion to country strategy, sector analysis and policy lending.
Next Steps

• Support informal CODE Working Groups
• Analyze Working Groups’ views to inform third draft ESF
• Analyze all consultation feedback to inform third draft ESF
• Prepare third draft
Looking Ahead

Communication and Change Management Plan
Capacity Strengthening Plan

**Strengthening the Bank Capacity and Systems**
- Informational Sessions
- Guidance Materials
- Strengthening Bank internal systems, processes and organizational arrangements
- Enhancing Information Technology Systems and Tools
- Establishing a Professional E&S Risk Management Accreditation System
- Strengthening existing professional development and talent management
- Planning for transition

**Sustained support to Borrowers**
- Capacity Building of Borrower Framework
- Guidance Materials
- Project Implementation support. E.g. Targeted Advisory Services

**Strengthening Strategic Partnership**
- Actions to build on Bank’s role as standard setter through strategic partnership with key international & regional organizations

**Resource Implications (Bank)**

**Monitoring & Evaluation Program**

**Resource Implications (Borrowers)**

**Risk Management**
Consultations on the Second Draft Framework Concluded

Consultations on the second draft Environmental and Social Framework concluded on March 15, 2016. Since the review process began in 2012, the World Bank team has consulted with a wide range of stakeholders from governments and implementing agencies, civil society organizations involved in advocacy and service delivery, the private sector, as well as academia and applied research institutions. The comments and recommendations received during this consultation phase will inform the final draft framework proposal. A summary of all feedback received will be made available on this website in the coming months.

More information available at: