Safeguards Policy Review Team  
The World Bank  
Washington D.C., 20433, USA  
Via email: safeguardconsult@worldbank.org  

Dear Sir/Madam,  

We welcome the World Bank’s efforts to engage with stakeholders to secure input into their safeguard policies and framework - the ‘Environmental and Social Framework. Setting Environmental and Social Standards for Investment Project Financing’ dated 1 July 2015.

Please find below UNEP-WCMC’s comments on the Environmental and Social Framework. Our comments focus on the following two elements of the standards:

- Environmental and Social Standard 1. Assessment and Management of Environmental and Social Risks and Impacts
- Environmental and Social Standard 6. Biodiversity Conservation and Sustainable Management of Living Natural Resources

We recognise the challenges in balancing the disparate views of different stakeholders, but would like to encourage the Bank to address the priority issues listed below in the next version of the standards.

Thank you for the opportunity to comment on these standards. Please come back to me if you require any clarifications.

Yours faithfully

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Priority comments

1. **In some parts of the framework there is an implicit assumption in the standards that development should proceed:** for example, in the preamble to the standard, paragraph 6, it states that the standard “addresses how the Borrower can sustainably manage and mitigate impacts on biodiversity and ecosystem services throughout the project’s lifecycle”. The word ‘avoid’ should be inserted in this sentence. It needs to be made clear throughout the document that the option of not developing must be properly and thoroughly considered. Limits regarding unacceptable projects/impacts need to be clearer.

2. **The scope of impacts under consideration needs to be made consistent throughout:** under paragraph 10 of ESS 1, the reference to direct and indirect impacts should also refer to cumulative impacts. Although the need to consider such impacts is referred to later in the document, consistent application of the term throughout the document is required. More broadly there needs to be a shift away from focusing on the direct project impacts to considering how the project sits within the landscape and the implications this have for users of ecosystem services.

3. **Definitions and requirements around protected areas and important areas of biodiversity:** there is a focus on regional and international priorities with no reference to priority areas for indigenous peoples or local communities, nor of national priorities. Under legally protected areas there is a line on enhancing conservation aims where appropriate (28, d) – positive gains in such areas should be essential and highly feasible given how under resourced many protected areas are. Under internationally recognised areas of biodiversity importance, it is not clear if this would extend to KBAs that have no protection status or management plan, and if it does how the conservation values of those sites should be protected. The term ‘internationally recognised areas of biodiversity value’ needs definition through a foot note with examples of such areas provided, our resource the A to Z of biodiversity could assist in this regard, see [here](#).

4. **Forests:** reference to forests as critical habitats to conserve is limited and does not recognise the significance of forest habitats for delivery of ecosystem services.

5. **Insufficient emphasis of the role of ecosystem services:** throughout the document there is limited reference to ecosystem services (although it is mentioned in the initial sections of ESS6, this reference is not followed through). This fails to reflect current thinking on the issues addressed within the standards and needs to be incorporated to ensure the full range of project risks and impacts are considered in the development decision.

6. **Use of the mitigation hierarchy:** the mitigation hierarchy is referred to in different ways throughout the document. There is a need to review it for consistency. Furthermore, the full mitigation hierarchy should apply in all habitats (including modified)

7. **Over emphasis on the use of biodiversity offsets:** there is a heavy focus on offsets without detailing the issues, challenges and guidelines around offset implementation. This creates a risk that offsets are seen as a given, and that development proceeds without being challenged as to whether a no project scenario might deliver more social benefits.

8. **Consistency with existing safeguards:** Given the increasing prominence of IFC Performance standard 6 in industry, there is a need to review the World Bank standards to ensure they are consistent with the IFC standard, currently there are some inconsistencies and this has the potential to create uncertainty and delay the approval and implementation
of projects. The Critical Habitat definition is very similar to that of IFC – but it is not clear if the World Bank will adopt the same thresholds. Given that expertise is being generated around the world to carry out critical habitat assessments based on the IFC definition, adopting the same thresholds is advisable.

9. **Need for more detailed guidance:** overall there is a need for a guidance note that underlies the ESF that provides more detail on how it can be implemented, this can signpost developers to tools and guidance, such as that produced by the Cross Sector Biodiversity Initiative on the mitigation hierarchy, the Business and Biodiversity Offset Programme and Hayes et al (2015) Strengthening Implementation of the mitigation hierarchy: managing biodiversity risk for greater conservation gains.

10. **Some requirements are open to interpretation:** in several places within the document, it refers to the extent of the assessment will be proportionate to the risks and impacts’. This language is open to interpretation by different users and guidance will be required.

**Detailed comments on Environmental and Social Standard 1.**

- Under objectives, d) if offsets are not technically or financially feasible and avoidance of impact is not possible, there needs to be some provision that triggers a consideration of not progressing with the development.
- Under 11b) ‘materially consistent’ needs to be defined to avoid inconsistency of activities
- Paragraph 13: needs to refer to the duration of the project impacts (not just the project lifecycle)
- Paragraph 25: where offsets are not feasible, need to consider the no project option
- Annex 1, A5, b) environmental and social audit should be a review of compliance with standards rather than an identification of areas of concern.
- Annex 1, D, refer to ecosystem services in addition to biodiversity

**Detailed comments on Environmental and Social Standard 6.**

- Paragraph 9: should apply to ecosystem services also
- Paragraph 17 should refer to nationally recognised areas of biodiversity value also.
- Paragraph 18: The following statement is made “Certain adverse residual impacts cannot be offset, particularly if the affected area is unique and irreplaceable from a biodiversity standpoint “ Further guidance on the impacts that cannot be offset needs to be given and the phrase ‘unique and irreplaceable’ from a biodiversity standpoint should be defined.
- Paragraph 22: States “biodiversity of greater importance” – it is not clear what this refers to, greater importance than what? The line needs redrafting to make the meaning clearer.
- Paragraph 23, f) forestry and agriculture are referred to, this should apply to any industry sector. The term ‘significant’ needs to be defined – many would argue that no habitat defined as critical, by definition, is permissible to destroy.
- Paragraph 24, b) should be and national law, not ‘or national law’, ‘in and adjacent’ should read ‘in, near or adjacent to’.
- Paragraph 24, g) and Paragraph 25 ‘significant’ must be more clearly defined to be consistently applied.
- Paragraph 27, should refer to protected areas of national importance and to associated infrastructure, indirect, direct and cumulative impacts of development rather than just project impacts.
- Paragraph 41, c, the term ‘significant’ is open to interpretation and needs defining and d) ‘within a timeframe agreed by the bank’ should be added.