

Latin America Civil Society Organizations Statement related to WB Safeguards Review - Consultation Process

Lima, February 14th, 2013

Sir/Madam , Directors , World Bank Group

Dear Sir/Madam,

Please receive cordial greetings from the civil organizations subscribed below, who would like to express our concern regarding the scheduled agenda for the regional consult to review the World Bank's safeguards on February 14th in the city of Lima, as we consider that the format of these sessions is insufficient to gather the points of view and main concerns of the interested stakeholders. Therefore, we would like to present some points that we consider should be taken into consideration in this process:

1. REGARDING THE ARCHITECTURE OF THE NEW INTEGRATED FRAMEWORK FOR SAFEGUARD POLICIES

A discussion should take place on the opportunities and limitations of the different alternatives that the Bank is considering as a model for the new general framework for safeguards. This refers to discussing the IFC's model and its performance standards, with more delegation of responsibilities for compliance directly for the client. We believe that the current model of the Bank and other Multilateral Banks, with a structure in its safeguard policies which has clear responsibilities of the financial institution regarding the compliance of its policies (which is the responsibility of the government and which is the responsibility of the Bank) is the best option; **the responsibility for non-compliance of safeguards should not be delegated to the clients, as happens with the International Financial Corporation – IFC.**

2. WITH REGARDS TO THE REACH OF THE REVIEW AND UPDATING OF SAFEGUARD POLICIES

A discussion should take place regarding the opportunities and limitations of the reach of safeguard policies, that is, the expansion in coverage not only of the loan operations, but also of the range of financial tools that the Bank has (for example, DPLs, P4R, among others) and those which currently do not apply safeguards. The role and updating of other policies to support the implementation of safeguards should also be discussed, such as supervision, support to execution, monitoring and evaluation, cost/benefit analysis, as well as adopted or anticipated measures to improve application incentives, etc.

If the safeguard policies for the Bank's range of financial tools is unapplied, we would be discussing the change in policies of safeguards which would be applied in less than 50% of the Bank's loans, and, with the implementation of the P4R, this would be reduced to 33% or less in the future. In this manner, we do not find it efficient **to discuss policy reforms which only apply to a small part of the World Bank's general investment.**

3. THEMATIC ISSUES

Once the need for safeguard to be applied to all of the Bank's financial tools is determined, as well as the fact that the responsibility over implementation, compliance and monitoring of safeguards cannot be transferred to clients, we would like to present other issues that we believe are important to expand:

3.1 RESPECT TO THE RIGHTS OF INDIGENOUS PEOPLES AND PREVIOUS CONSULT.

It is necessary to **maintain an independent safeguard policy for Indigenous Peoples** , recognizing that they are bearers of rights and not only interested parties. Furthermore, it is necessary to include the guidelines of the Universal Declaration on the Rights of Indigenous Peoples and Convention 169 and guarantee the exercise of their rights of self-determination and free, previous and informed consent; legally recognize collective domain rights; establish efficient reparation measures; expressly prohibit involuntary resettlement; respect peoples living in voluntary isolation by stopping the funding of activities that may affect them; include due process in consultation processes; requires consent from peoples to project proponents; and adopts a developmental approach based on human rights, cosmivision and paradigms of “Good Living”.

3.2. IMPROVEMENT IN ENVIRONMENTAL ASSESSMENT . It is necessary to have a classification and analysis of risks for the Bank’s loan instruments, with clear criteria for the definition of influence and planning areas in all its operations. This policy must be enhanced with national experiences to improve socio-environmental management. In the case of Peru, a good example to strengthen environmental institutions is the creation of the National Service for Environmental Certification for Sustainable Investments (SENACE) or the design of preventive environmental management tools in the stage of public planning, and for the Bank itself, such as the Strategic Environmental Assessment or the Country Environmental Assessment.

3.3. STRENGTHEN MONITORING . If the IFC’s model is adopted, the largest responsibility regarding monitoring will be transferred to the client, which becomes a risk if there are no serious guarantees on the veracity or punctuality of the information offered. A typical example of why monitoring does not work can be found in monitoring missions which do not include specialists in social and environmental risks. Moreover, in the result framework, most projects do not include indicators for socio-environmental risks.

In this manner, **we would like for the World Bank to maintain the strong role it presently assumes for monitoring** , although with a necessary readjustment to ensure the real compliance of safeguards.

3.4. ESTABLISH SANCTIONS FOR SAFEGUARD NON-COMPLIANCE . Contracts signed between the World Bank and the States must include sanctions for non-compliance of safeguards and a robust system for remediation. Additionally, it must also include some incentives for their compliance.

3.5. PROPOSAL OF NEW ENVIRONMENTAL TOOLS . It is necessary to strengthen the World Bank’s loan system, limiting the loan and holding it to the need for safeguard compliance. Finally, from the analysis of previous experiences, it is evident that there is a need to generate a contingency fund for any eventual non-compliance or for the support in the application of safeguards.

We hope that these issues may be taken into consideration under an open approach to the application of safeguards to all of the Bank’s financial tools and through an institutional structure which enables reliable and efficient supervision of the application of safeguards.

We greatly appreciate your attention to this letter.

Sincerely yours,

Asociación Amazónica por la Amazonía, AMPA

Asociación Ambiente y Sociedad (Colombia)

Asociación Interétnica de Desarrollo de la Selva Peruana, AIDSESP

Asociación Nacional de Centros, ANC

Asociación para la Naturaleza y el Desarrollo Sostenible, ANDES

Asociación Pro Derechos Humanos, APRODEH

Central Ashaninka del Río Ene, CARE

Centro Amazónico de Antropología y Aplicación Práctica, CAAAP

Centro de Análisis e Investigación, FUNDAR (México)

Centro de Culturas Indígenas del Perú, CHIRAPAQ

Centro de Derechos y Desarrollo, CEDAL

Centro Latino Americano de Ecología Social, CLAES (Uruguay)

Centro para el Desarrollo del Indígena Amazónico, CEDIA

Centro Peruano de Estudios Sociales, CEPES

Confederación de Pueblos Indígenas de Bolivia, CIDOB (Bolivia)

Derecho, Ambiente y Recursos Naturales, DAR

Environmental Investigation Agency, EIA

[Federacion de Comunidades Nativas del Ucayali y Afluentes](#) , FECONAU

Forum Solidaridad Perú

Fundación Ecuménica para el Desarrollo y la Paz, FEDEPAZ

Grupo Propuesta Ciudadana, GPC

Instituto de Defensa Legal del Ambiente y el Desarrollo Sostenible, IDLADS.

Instituto Latinoamericano para una Sociedad y un Derecho Alternativos, ILSA (Colombia)

Organización Nacional de Mujeres Indígenas Andinas y Amazónicas del Perú

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