

## Review and Update of the World Bank's Environmental and Social Safeguard Policies

## Consultation Meeting with Government Representatives Tbilisi, March 20, 2013

The consultation meeting was held on March 20, 2013. After a presentation by the World Bank Safeguards Review Team on the background, intended scope and process for the review, the floor was open for participants' input and comments.

- It was noted with regard to country systems that Georgia's national legislation would require more amendments to meet Bank standards. There was concern that harmonization with country standards could lead to a dilution of Bank requirements. Bank technical assistance and training to make national legislation more compatible with Bank policies would contribute to the process of improvement in national legislation, which will be beneficial for the country.
- Georgia is working on an Association Agreement with the European. Part of that process is bringing national environmental legislation into harmony with European standards. It will be interesting to see whether harmonization with European standards on the one hand and with Bank policies on the other is possible. The Bank team noted that although the EU has no involuntary resettlement operational policy, in EA and other aspects, the European standards and World Bank requirements are similar.
- Some criticize the policies as being too passive and focused on avoiding damage instead of on making positive impacts. The safeguard policies should be more proactive.
- It is difficult to create universal policies that are broad enough to fit all countries and yet specific enough to keep governments accountable. It will be interesting to see whether the new safeguard policies will include concrete indicators and goals at the national level.
- OP 4.04, Pest Management, has a good combination of principles both to avoid damage and make positive impacts. That policy requires not only banning the use of unregistered and/or toxic chemicals and observing safety rules during the use of pesticides, but it also actively encourages the introduction of integrated methods of plant protection.
- National management of involuntary resettlement processes has improved. It is important to make Georgian legislation more compatible with Bank standards as far as resettlement and rehabilitation of resettled population are concerned. Unregistered and informal land use is one of the areas where the most difficulties have occurred, but there have been some improvements. There have been cases where compensation activities were agreed with the donor, but were impossible to carry out due to legislation in force; certain normative acts had to be published in order to meet the requirements of the project.
- Safeguard policies have played an important role in protecting cultural heritage. Unfortunately, these policies were not fully taken into consideration, for example in Kakheti, where national

legislation was not observed either, as a result of which local communities were left dissatisfied, cultural heritage was damaged and the project was impeded. Although during project preparation, cultural heritage was fully considered and the policy was applied, during implementation quality control was weak. Use of resources and efforts must be balanced between the project preparation and implementation phases, because good safeguard policies and national legislation alone are not a guarantee of good implementation.

- Several projects have been implemented over the years in which the Bank assisted Georgia in improving legislation concerning plant protection, elaboration of effective methods of pest management etc. Unfortunately, the good examples were not followed in practice for a variety of reasons. The Bank could help to promote good international practice in pest management in Georgia through its Pest Management policy, in particular through requirements regarding integrated protection of plants. Technical assistance would also be needed along with the requirements.
- In order to implement environmental assessment policy successfully, countries need to make a strategic evaluation of their environmental situation and economy. As Georgia is a small country where many financial organizations and donors operate, projects implemented by those organizations sometimes overlap geographically and have competing interests. For example, one project is directed at protecting nature while another involves construction of a power station in the same area; or one organization is protecting wetlands whereas another is fighting malaria by drying up those same wetlands. Therefore, elaboration of a strategic development document should be a requirement of international donors. Strategic environmental assessment, the assessment of impacts that sectoral and regional development as well as programs have on the environment, is still not part of national legislation, but should be. National environmental assessment and identification of critical issues is another matter, which would help all the donors in their assistance programs.
- While the Ministry of Culture has a group that monitors application of requirements for physical cultural resources, the Ministry of Environment Protection noted that lack of material and human resources remain a constraining factor in environmental inspection.
- The importance of the environmental impact report for all the activities that are included in national legislation (24 types of activities) was emphasized. It must include area evaluation, environmental impact caused by the activities and the planned actions that will minimize the impact. As for procedures, the requirements included in the national standards differ from the Bank's requirements and investors complain that they have to prepare two documents. It is hoped that this problem can be minimized.
- It would be good if the World Bank participated in the evaluation of the state of the environment in Georgia.
- The Bank's cooperation with the Municipal Development Fund was appreciated. A framework and guidance is being prepared for all projects, including environmental protection and restoration framework documents, which include guidelines and requirements on how to raise public awareness and involve people in the process. Raising workers' awareness in order to improve the observance of safety rules is also important.
- Regarding land use and land management policy in Georgia, this is managed by the Ministry of Economy. An initiative concerning the creation of a Land Code is being prepared. A new, clear policy needs to be elaborated. There is legislation, including the Law on Soil Protection, but as there are no corresponding institutions, the law is not fully enforced.