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Operations Policy & Country Services

# Setting Standards for Sustainable Development

## Road-testing the Proposed Environmental and Social Framework: Implications for Borrowers

Annual Meetings

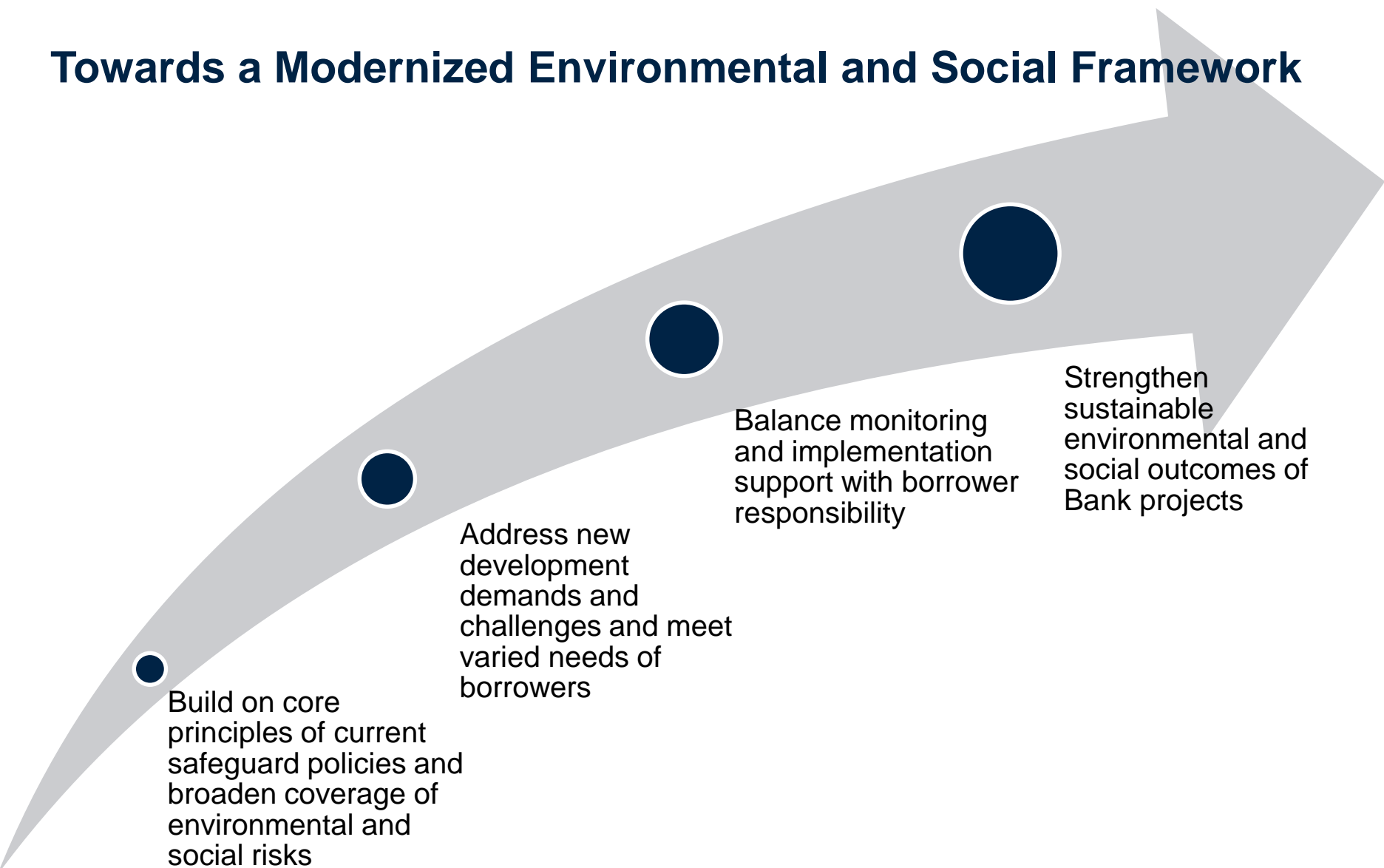
October 7, 2015

# Content

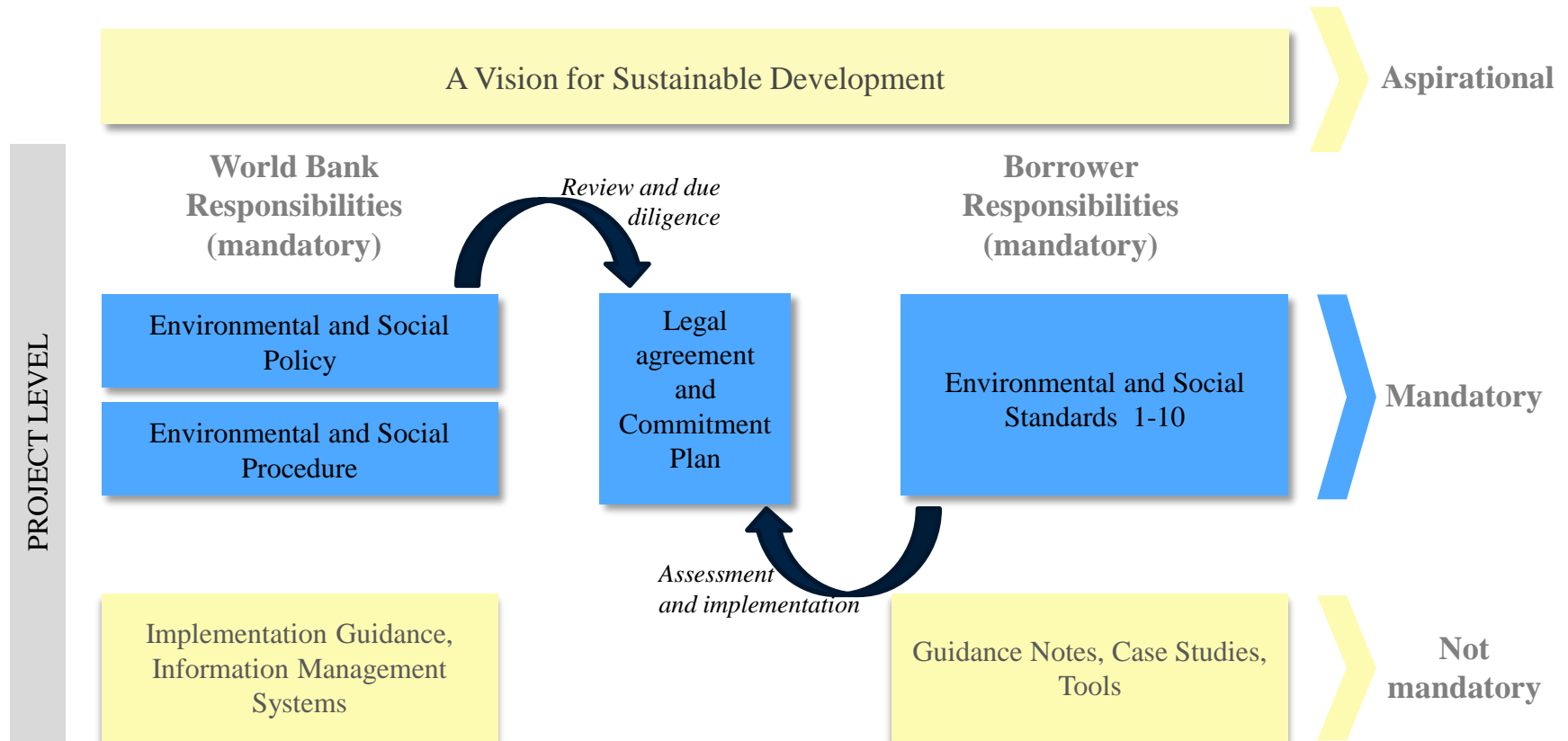
- **Context: Review objectives**
- **The proposed Environmental and Social Framework**
- **Road-Testing the ESF for operational implications**
- **Going forward**



# Towards a Modernized Environmental and Social Framework



# The Proposed Environmental and Social Framework



# Borrower Requirements: Standards

Standard	Building on	Modernizing & strengthening
ESS1: Assessment and Management of ESS Risks and Impacts	OP/BP4.01(Environmental Assessment)	Non-discrimination, adaptive management, time frame for compliance
ESS2: Labor and working conditions	OP/BP4.01 and EHS Guidelines	Prohibiting child labor and forced labor, focus on OHS, grievance mechanism
ESS3: Resource Efficiency and Pollution Prevention	OP4.09 (Pest Management) and EHS Guidelines	Efficient management of energy, water, and other resources and materials
ESS4: Community Health and Safety	OP/BP4.37 (Safety of Dams) and EHS Guidelines	Focus on risks and impacts on communities through design and safety of infrastructure, equipment, products, services, traffic, and hazardous materials
ESS5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	OP/BP4.12 (Involuntary Resettlement)	Greater clarity on treatment of state land, land titling, access to common resources, voluntary transactions, force evictions
ESS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources	OP/BP4.04 (Natural Habitats) and OP/BP4.36 (Forests)	Requirement to assess and mitigate impacts on biodiversity
ESS7: Indigenous Peoples	OP/BP4.10 (Indigenous Peoples)	Clearer definitions, introduction of FPIC in specified circumstances
ESS8: Cultural Heritage	OP/BP4.11 (Physical Cultural Resources)	Adopt chance find procedure, enhanced consultation with affected communities
ESS9: Financial Intermediaries	OP/BP 4.01	Establish E&S procedures commensurate with FI nature, risk level and impact
ESS10: Information Disclosure and Stakeholder Engagement	Consolidates WB engagement provisions	Meaningful consultation, access to information and grievance redress

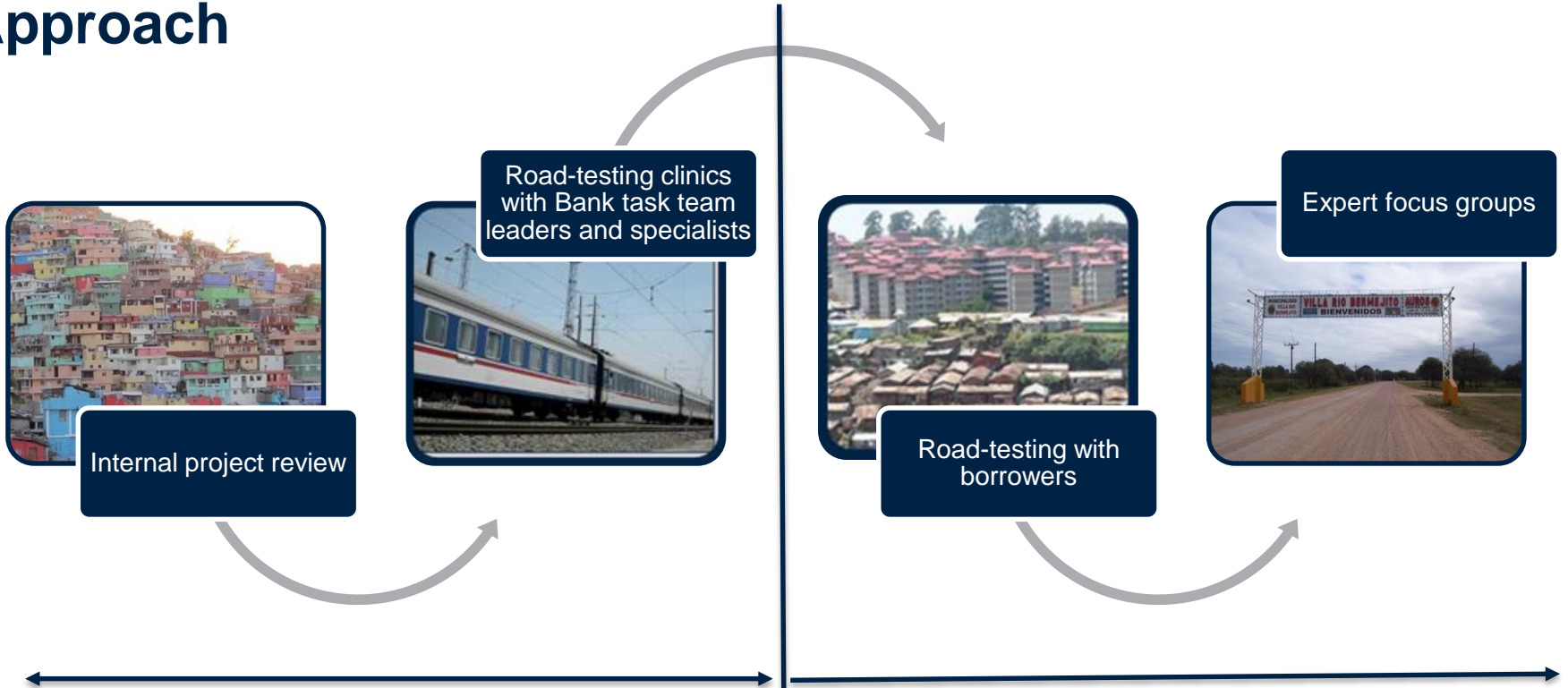
# Road-Testing the ESF for Operational Implications

## Objective

- Initial step towards understanding potential resource implications to identify
  - Implementation challenges
  - Aspects that require additional clarification
  - Need for additional operational guidance

# Road-Testing the ESF for Operational Implications

## Approach



- Reviewed 25 projects to evaluate operational implications of the proposed Framework for Borrowers and Bank
- More reviews to be added throughout consultation phase, including Inspection Panel cases

- Review projects with borrowers and experts throughout consultation phase

# Project Sample (as of October 2015)

1. India Rajasthan Agricultural Competitiveness Project
2. Zambia Livestock Development and Animal Health Project
3. Bangladesh Secondary Education Quality and Access Improvement
4. Democratic Republic of Congo Inga 3 and Mid-Size Hydropower Development TA
5. Indonesia Second Power Transmission Development Project
6. Burundi and Rwanda Lake Victoria Environmental Management Project
7. Myanmar National Community Driven Development Project
8. South Sudan Safety Net and Skills Development
9. China Guiyang Guangzhou Railway
10. Georgia Kakheti Regional Roads Improvement Project
11. Kenya Informal Settlements Improvement Project (KISIP)
12. Tunisia Northern Tunis Wastewater Project
13. Haiti Urban Community Driven Development Project (PRODEPUR)
14. Argentina Norte Grande Road Infrastructure
15. Peru Cusco Regional Development
16. Kazakhstan Forest Protection & Reforestation Project
17. Cambodia Land Allocation for Social and Economic Development
18. Nigeria Public-Private Partnership Program
19. Brazil QUALISUS-REDE Health Network Formation and Quality Improvement Project
20. Saint Lucia Hurricane Tomas Emergency Recovery Loan
21. Egypt Wind Power Development Project
22. Haiti Center and Artibonite regional development Project
23. Mexico Reducing Inequality of Educational Opportunity Project
24. Nepal Kabeli-A Hydro Electric Project
25. Tajikistan Review of Rogun Hydro Electric Power Assessment Process
26. Kenya Natural Resource Management Project
27. India Financing Public and Private Practices



# Haiti Urban Community Driven Development Project (PRODEPUR)

## Project facts

- **Objectives:** Improve access to basic and social infrastructure and services and access to income-generating opportunities for residents of disadvantaged urban areas
- **Financing (US\$):** 15.7M
- **Environmental Category:** B
- **Safeguards Triggered:** Environmental Assessment (OP4.01)
- **Safeguards Instruments :** Environmental Management Framework (EMF)
- **Approved:** 2008

## Context

- Client capacity constraints
- Fragile environment prone to natural disasters, request for additional financing after 2010 earthquake
- Neighborhoods with high social risk
- Multiple sub-projects

# Operational Implications of Proposed Framework: Haiti PRODEPUR

Environmental and Social Standard	Prospective Change in effort required
ESS 1: Assessment and Management of Environmental and Social Risks and Impacts	Moderate
ESS 2: Labor and Working Conditions	High
ESS 3: Resource Efficiency and Pollution Prevention and Management	Low
ESS 4: Community Health and Safety	Moderate
ESS 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	No change
ESS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources	Low
ESS 7: Indigenous Peoples	No change
ESS 8: Cultural Heritage	No change
ESS 9: Financial Intermediaries	No change
ESS 10: Stakeholder Engagement and Information Disclosure	Moderate

# Kenya Informal Settlements Improvement Project

## Project facts

- **Objectives:** Improve living conditions in informal settlements in Kenya municipalities by improving infrastructure and security of tenure
- **Financing (US\$):** 100M (with co-financiers)
- **Environmental Category:** B
- **Safeguards Triggered:** Environmental Assessment (OP 4.01), Physical Cultural Resources (OP4.11), Involuntary Resettlement (OP4.12)
- **Safeguards Instruments:** EMF, Environmental and Social Impact Assessments (ESIA), Resettlement Policy Framework (RFP, Resettlement Plans (RAP)
- **Approved:** 2011

## Context

- Includes land tenure regularization, urban growth planning, informal settlement infrastructure
- Fragile social environment
- Strong focus on community participation and gender
- Small displacement and relocation
- Locations prone to flooding

# Operational Implications of Proposed Framework: Kenya Informal Settlements Project

Environmental and Social Standard	Prospective Change in effort required
ESS 1: Assessment and Management of Environmental and Social Risks and Impacts	Substantial
ESS 2: Labor and Working Conditions	High
ESS 3: Resource Efficiency and Pollution Prevention and Management	Moderate
ESS 4: Community Health and Safety	Moderate
ESS 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	Low
ESS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources	No change
ESS 7: Indigenous Peoples	No change
ESS 8: Cultural Heritage	No change
ESS 9: Financial Intermediaries	No change
ESS 10: Stakeholder Engagement and Information Disclosure	Moderate

# China Guiguang Railway Project

## Project facts

- **Objectives:** The development objective of the Project is to provide additional transport capacity and reduce transport time between the less developed western region in southwest China and the relatively more developed Pearl River delta region.
- **Financing (US\$):** 300M IBRD
- **Environmental Category:** A
- **Safeguards Triggered:** Environmental Assessment (OP 4.01), Natural Habitats (OP4.04), Indigenous Peoples (OP4.10), Physical Cultural Resources (OP 4.11), Involuntary Resettlement (OP 4.12)
- **Safeguards Instruments:** EMP, EIA, IPP, RAP
- **Approved:** 2009

## Context

- Construction of a new electrified railway line, requiring significant number of access roads, financing of procurement of goods
- Six ethnic minority groups in project area
- 23,983 households, 100,190 persons and businesses affected by resettlement-related impacts
- Remote and lightly-populated area, limited number of major centers
- Seismic prone area, mountainous terrain with several conservation areas



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# Operational Implications of Proposed Framework: China Guiguang Railway Project

Environmental and Social Standard	Prospective Change in effort required
ESS 1: Assessment and Management of Environmental and Social Risks and Impacts	Substantial
ESS 2: Labor and Working Conditions	High
ESS 3: Resource Efficiency and Pollution Prevention and Management	Moderate
ESS 4: Community Health and Safety	Low
ESS 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	No change
ESS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources	Moderate
ESS 7: Indigenous Peoples	No change
ESS 8: Cultural Heritage	No change
ESS 9: Financial Intermediaries	No change
ESS 10: Stakeholder Engagement and Information Disclosure	Moderate

# Argentina Norte Grande Road Infrastructure

## Project facts

- **Objectives:** Improve integration and competitiveness of the Norte Grande Region through reducing transport costs for users of provincial roads, improved road quality and road asset management
- **Financing (US\$):** 400M
- **Environmental Category:** B
- **Safeguards Triggered:** Environmental Assessment (OP 4.01), Forests (OP 4.36), Natural Habitats (OP4.04), Pest Management (OP4.09), Indigenous Peoples (OP4.10), Physical Cultural Resources (OP 4.11), Involuntary Resettlement (OP 4.12)
- **Safeguards Instruments:** EMF, Environmental Impact Assessment (EIA), Environmental Management Plans (EMP), Indigenous Peoples Policy Framework (IPPF), Indigenous Peoples Plan (IPP), RPF
- **Approved:** 2010

## Context

- Rehabilitation, upgrading, reconstruction, maintenance of sections of existing provincial road networks
- Limited environmental impacts, but sensitive environmental and social context
- High capacity for safeguards management
- Sub-projects are under the jurisdiction of many provinces

# Operational Implications of Proposed Framework: Argentina Norte Grande Road Infrastructure

Environmental and Social Standard	Prospective Change in effort required
ESS 1: Assessment and Management of Environmental and Social Risks and Impacts	Low
ESS 2: Labor and Working Conditions	High
ESS 3: Resource Efficiency and Pollution Prevention and Management	Moderate
ESS 4: Community Health and Safety	Low
ESS 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	No change
ESS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources	Moderate
ESS 7: Indigenous Peoples	No change
ESS 8: Cultural Heritage	No change
ESS 9: Financial Intermediaries	No change
ESS 10: Stakeholder Engagement and Information Disclosure	Moderate



# Going Forward

- Road-testing with borrowers throughout consultation phase (August 2015 through early 2016)
- Add more projects for internal and borrower review
- Include Inspection Panel cases



## Review and Update of the World Bank Safeguard Policies


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### Environmental and Social Framework

### Consultations on the Second Draft of Environmental and Social Framework

On July 1, 2015, the Committee for Development Effectiveness (CODE) of the World Bank's Board of Executive Directors authorized a 3rd phase of consultations on a **revised (second) draft**. At their request, the 3rd phase will focus on feasibility of applying the framework in borrowing countries and on an **indicative list of issues** that require discussion. Now available: an **update** clarifying the process and issues for consultation.



More information available at:  
<http://consultations.worldbank.org/consultation/review-and-update-world-bank-safeguard-policies>