

Review and Update of the World Bank's Safeguard Policies Consultation Feedback Summary

Meeting with Implementing Agencies, Jakarta, Indonesia March 21, 2013

A consultation meeting with Implementing Agencies was held on March 21, 2013 in Jakarta to discuss the World Bank Safeguards Review and Update process. 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' questions and comments. Suggestions are outlined below.

Bank policies are complex and convoluted. There are often project delays and mistakes
and it takes two years to fulfill requirements. This is also because the policies are not
aligned with the laws in the country. If we comply with Bank policies, we risk breaking
some Indonesian laws. As country laws evolve, this problem will become more acute,
thus it needs to be addressed during the review.

At times the reverse is true also. For example, resettlement has no clear legal umbrella in Indonesia and just following the policies is not sufficient. Institutional capacity building is critical to achieve sustainability. The review of the policies is an opportunity to think of ways to reconcile Bank policies and standards with country laws. Resettlement compensation is one area where an alignment with country laws is needed.

- The social and environmental safeguard policies are particularly complex with regard to land acquisition. The process of project implementation for land acquisition is locally handled. While the technical side is easier to handle, preparation always presents challenges. This is an area where more help from the Bank is needed.
- Going forward with the review of its policies, the Bank should consider the following recommendations:
 - The Bank should put sustainable development at the center of the policies and include guidelines to help institutions and project executing agencies involved in

the project have a coherent understanding of what safeguards entail. Harmonization with other donors will be critical.

- Safeguard policies must be simplified so that they can be implemented.
- Clear commitments are needed between central and local governments, and clearer roles and responsibilities of the Bank and the governments need to be established.
- The Bank should adopt more country systems and integrate the policies in a more coherent way. Safeguards should be flexible, have enough room for local laws and regulations. This would help to smooth project implementation and deliver results. Country system policies should not be generalized across countries. In moving towards country systems, the Bank should support the specific country's law, systems and institutions.
- Because many entities involved in project implementation often do not have a clear understanding of the social and environmental safeguard policies and their requirements, more capacity building at all levels, including local governments, and awareness raising are needed.
- Familiarization with safeguards should also be strengthened among communities, beneficiaries and project affected people. More effective outreach to parliament and public figures at grassroots level should be included in these awareness raising efforts since a country is effectively run by parties, not bureaucrats. These efforts should include engagement with policy makers and law enforcers.
- There is a need for better inter-departmental/ministerial coordination as well as more effective communication with the private sector and other stakeholders. The role of the Bank should be to act as a bridge to facilitate these communications and to help share lessons-learned and knowledge across projects and sectors.
- The Bank should consider promoting international safeguard standards to which countries could be obligated.