



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

### Phase 3

### Feedback Summary

**Date:** December 9 & 10, 2015

**Location:** Beirut, Lebanon

**Audience:** Ministries, Implementing agencies, Municipalities & CSOs

**Overview:** Consultations were held over two days. The first day consisted of both Government and CSOs representatives, while the second day was aimed at implementing agencies representatives.

ESF	Issue	Items	Feedback
Vision	Human Rights	<ul style="list-style-type: none"> <li>Approach to human rights in the ESF</li> </ul>	<ul style="list-style-type: none"> <li>Participants wanted to know how the Bank will monitor the issues of Human Rights and to clarify the measures taken in case of violation (e.g. Evictions).</li> </ul>
ESP/ ESS1	Non-discrimination and vulnerable groups	<ul style="list-style-type: none"> <li>Explicit listing of specific vulnerable groups by type/name (age, gender, ethnicity, religion, physical, mental or other disability, social, civic or health status, sexual orientation, gender identity, economic disadvantages or indigenous status, and/or dependence on unique natural resources)</li> <li>Specific aspects of the non-discrimination principle in</li> </ul>	<ul style="list-style-type: none"> <li>Participants requested more information about how the Bank would ensure inclusiveness of all vulnerable groups during scoping and implementation of projects.</li> </ul>

		complex social and political contexts, including where recognition of certain groups is not in accordance with national law	
Use of Borrower's Environmental and Social Framework	<ul style="list-style-type: none"> <li>• Role of Borrower frameworks in the management and assessment of environmental and social (E&amp;S) risks and impacts where these will allow projects to achieve objectives materially consistent with Environmental and Social Standards (ESSs)</li> <li>• Approach for making decision on the use of Borrower frameworks, including the methodology for assessing where frameworks will allow projects to achieve objectives materially consistent with the ESSs, and the exercise of Bank discretion</li> <li>• Role of Borrower frameworks in high and substantial risk projects</li> </ul>	<ul style="list-style-type: none"> <li>• Participants asked for further clarification about the role of the Bank in deciding when to use the Borrower's framework and whether the agreement reached between Borrower and Bank would be reflected in the ESCP. There was also interest in knowing whether the Bank will assess the country's environmental and social situation before deciding on which framework to adopt.</li> </ul>	
Co-financing/ common approach	<ul style="list-style-type: none"> <li>• Arrangements on E&amp;S standards in co-financing situations where the co-financier's standards are different from those of the Bank</li> </ul>		
Adaptive risk management	<ul style="list-style-type: none"> <li>• Approach to monitoring E&amp;S compliance and changes to the project during implementation</li> </ul>		

	Risk classification	<ul style="list-style-type: none"> <li>• Approach to determining and reviewing the risk level of a project</li> </ul>	<ul style="list-style-type: none"> <li>• The Bank was requested to provide further information on the criteria used for defining risks, and how the risk classification relates to SORT.</li> <li>• For the use of Borrower systems, there should be consistency in terms of risk classification between the Bank and the Borrower.</li> </ul>
ESS1	Assessment and management of environmental and social risks and impacts	<ul style="list-style-type: none"> <li>• Assessment and nature of cumulative and indirect impacts to be taken into account</li> <li>• Treatment of cumulative and indirect impacts when identified in the assessment of the project</li> <li>• Establishing project boundaries and the applicability of the ESSs to Associated Facilities, contractors, primary suppliers, FI subprojects and directly funded sub-projects</li> <li>• Circumstances under which the Bank will determine whether the Borrower will be required to retain independent third party specialists</li> </ul>	<ul style="list-style-type: none"> <li>• Under the current safeguards system, the ESMP is part of the Bidding documents for most infrastructure projects. The participants asked whether the new standards would result in a different approach.</li> </ul>
	Environmental and Social Commitment Plan (ESCP)	<ul style="list-style-type: none"> <li>• Legal standing of the ESCP and implications of changes to the ESCP as part of the legal agreement</li> </ul>	<ul style="list-style-type: none"> <li>• The participants requested clarification about the ESCP. The Bank was asked whether the ESCP is a stand-alone document or part of the legal agreement, who would sign it on behalf of the Borrower and how easily it could be revised, given that implementing agencies are not usually signatories of Loan Agreements.</li> </ul>
ESS2	Labor and working conditions	<ul style="list-style-type: none"> <li>• Definition and necessity of and requirements for managing labor employed by</li> </ul>	<ul style="list-style-type: none"> <li>• Participants felt it would be difficult to ensure compliance of suppliers and subcontractors with the proposed standards. Hence,</li> </ul>

		<p>certain third parties (brokers, agents and intermediaries)</p> <ul style="list-style-type: none"> <li>• Application and implementation impacts of certain labor requirements to contractors, community and voluntary labor and primary suppliers</li> <li>• Constraints in making grievance mechanisms available to all project workers</li> <li>• Referencing national law in the objective of supporting freedom of association and collective bargaining</li> <li>• Operationalization of an alternative mechanism relating to freedom of association and collective bargaining where national law does not recognize such rights</li> <li>• Issues in operationalizing the Occupational Health and Safety (OHS) provisions/standards</li> </ul>	<p>questions were raised about how compliance can be monitored under ESS2.</p> <ul style="list-style-type: none"> <li>• Lebanon ratified International Labor conventions with respect to child labor but does not have the capacity to inspect and monitor compliance. Accordingly, the Bank was asked for clarifications on inspection mechanisms to ensure contractors are compliant with those conventions and ESS2.</li> <li>• Despite a general agreement among the participants on the principles of ESS2, there were concerns about the implementability, complexity/cost of implementation of this standard in practice, and at the project level, particularly with respect to informal labor.</li> <li>• Participants were concerned about adding more burden on implementing agencies with respect to monitoring compliance of contractors and subcontractors. They believed that it is not fair to put full onus on implementing agencies and that contracts should have remedial action and Labor issues should be dealt with through the pre-qualification/Procurement process, not necessarily safeguards.</li> <li>• Although the Grievance Redress Mechanism (GRM) is a useful tool to register complaints at the project level, it may not be used to the fullest as informal workers may fear layoffs or retribution. The Bank was asked for guidance on ways to manage this standard for all types of workers, including informal workers.</li> <li>• The Borrower generally signs contracts with direct contractors not with subcontractors. Accordingly, the participants reiterated that it would be difficult to ensure compliance with ESS2. They asked for Bank guidance on how to manage contractors in case of noncompliance.</li> <li>• With respect to OHS, the participants urged the Bank to ensure that health risks are taken into account such as communicable diseases and that toxic/harmful materials are managed and some like Asbestos are not used.</li> </ul>
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			<ul style="list-style-type: none"> <li>• The Bank was asked to clarify how the freedom of association and collective bargaining are reflected in the new standards.</li> <li>• It was acknowledged that monitoring project implementation is crucial and that ESMPs are a good monitoring tool. It was agreed that the provisions on worker's health and safety be included.</li> </ul>
ESS3	Climate change and GHG emissions	<ul style="list-style-type: none"> <li>• The relation between provisions on climate change in the ESF and broader climate change commitments, specifically UNFCCC</li> <li>• Proposed approaches to measuring and monitoring greenhouse gas (GHG) emissions in Bank projects and implications thereof, in line with the proposed standard, including determining scope, threshold, duration, frequency and economic and financial feasibility of such estimation and monitoring</li> <li>• Implications required for the Borrower of estimating and reducing GHG emissions for Bank projects, in line with the proposed standard</li> </ul>	<ul style="list-style-type: none"> <li>• The participants asked if there was a coordination mechanism with other international organizations in the area of climate change particularly following COP21.</li> <li>• The participants noted that the provisions on climate change in the ESF would have cost implications for the Borrower. There were concerns about the added burden on the Borrower both in terms of human and financial resources</li> <li>• Participants requested more information regarding the acceptable methods for measuring GHGs.</li> <li>• A question was raised regarding the impact of Bank projects on climate change and how the Bank can measure impacts of its projects on climate.</li> </ul>
ESS5	Land acquisition and involuntary resettlement	<ul style="list-style-type: none"> <li>• Treatment and rights of informal occupants and approach to forced evictions in situations unrelated to land acquisitions</li> </ul>	<ul style="list-style-type: none"> <li>• Participants stated that in the case of expropriation, there is a contradiction between national Lebanese legislation and Bank policies. Moreover, and contrary to the Borrower's legislation, Bank policies allow squatters to be compensated for land take resulting in a Bank project. This has resulted in delays of project's implementation. The Bank was therefore asked how to avoid such</li> </ul>

		<ul style="list-style-type: none"> <li>• Interpretation of the concept of resettlement as a “development opportunity” in different project circumstances</li> </ul>	<p>situations and in case of discrepancy, confirm which standard prevails.</p> <ul style="list-style-type: none"> <li>• When PAPs are not satisfied with compensation for land take, they are entitled to appeal in accordance with Bank policies. The participants raised concerns about illegal PAPs who have no titles and whether the Bank guarantees their right to appeal, and the implications of this.</li> <li>• According to participants, the Bank would need to make sure the compensation paid to PAPs is distributed fairly and equally.</li> </ul>
ESS6	Biodiversity	<ul style="list-style-type: none"> <li>• Operationalization of the provisions on primary suppliers and ecosystem services, especially in situation with low capacity</li> <li>• Role of national law with regard to protecting and conserving natural and critical habitats</li> <li>• Criteria for biodiversity offsets, including consideration of project benefits</li> <li>• Definition and application of net gains for biodiversity</li> </ul>	<ul style="list-style-type: none"> <li>• Participants requested clarification between living natural resources and natural resources.</li> </ul>
ESS7	Indigenous Peoples	<ul style="list-style-type: none"> <li>• Implementation of the Indigenous Peoples standard in complex political and cultural contexts</li> <li>• Implementation of ESS7 in countries where the constitution does not acknowledge Indigenous</li> </ul>	

		<p>Peoples or only recognizes certain groups as indigenous</p> <ul style="list-style-type: none"> <li>• Possible approaches to reflect alternative terminologies used in different countries to describe Indigenous Peoples</li> <li>• Circumstances (e.g. criteria and timing) in which a waiver may be considered and the information to be provided to the Board to inform its decision</li> <li>• Criteria for establishing and implementation of Free, Prior and Informed Consent (FPIC)</li> <li>• Comparison of proposed FPIC with existing requirements on consultation</li> <li>• Application of FPIC to impacts on Indigenous Peoples' cultural heritage</li> </ul>	
ESS8	Cultural Heritage	<ul style="list-style-type: none"> <li>• Treatment of intangible cultural heritage</li> <li>• Application of intangible cultural heritage when the project intends to commercialize such heritage</li> <li>• Application of cultural heritage requirements when cultural heritage has not been legally protected or previously identified or disturbed</li> </ul>	<ul style="list-style-type: none"> <li>• The Bank team was asked about the coordination mechanism with other international organizations (ex: UNESCO) with respect to the Convention for the Safeguarding of the intangible cultural heritage</li> </ul>
ESS9	Financial Intermediaries	<ul style="list-style-type: none"> <li>• Application of standard to FI subprojects and resource</li> </ul>	

		<p>implications depending on risk</p> <ul style="list-style-type: none"> <li>• Harmonization of approach with IFC and Equator Banks</li> </ul>	
ESS10	Stakeholder engagement	<ul style="list-style-type: none"> <li>• Definition and identification of project stakeholders and nature of engagement</li> <li>• Role of borrowing countries or implementing agencies in identifying project stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>• There should be further guidance on how to ensure that stakeholders are properly identified, selected and included in consultations and stakeholder engagement</li> </ul>
General	EHSG and GIIP	<ul style="list-style-type: none"> <li>• Application of the Environmental, Health and Safety Guidelines (EHSGs) and Good International Industry Practice (GIIP), especially when different to national law or where the Borrower has technical or financial constraints and/or in view of project specific circumstances</li> </ul>	
	Feasibility and resources for implementation	<ul style="list-style-type: none"> <li>• Implementation and resource implications for Borrowers, taking into account factors such as the expanded scope of the proposed ESF (e.g., labor standard), different Borrower capacities and adaptive management approach</li> <li>• Mitigation of additional burden and cost and options for improving implementation</li> </ul>	<ul style="list-style-type: none"> <li>• Participants highlighted that it is very important for the Bank to take into consideration that the new ESF would require more resources and an increase in the level of work for the Borrower.</li> </ul>



		efficiency while maintaining effectiveness	
	Client capacity building and implementation support	<ul style="list-style-type: none"> <li>• Funding for client capacity building</li> <li>• Approaches and areas of focus</li> <li>• Approach to implementing the ESF in situations with capacity constraints, e.g., FCS, small states and emergency situations</li> </ul>	<ul style="list-style-type: none"> <li>• Participants asked the Bank to determine the mechanisms according to which the Borrower can assess its needs for capacity building.</li> </ul>
	Disclosure	<ul style="list-style-type: none"> <li>• Timing of the preparation and disclosure of specific environmental and social impact assessment documents (related to ESS1 and ESS10)</li> </ul>	
	Implementation of the ESF	<ul style="list-style-type: none"> <li>• Bank internal capacity building, resourcing, and behavioral change in order to successfully implement the ESF</li> <li>• Ways of reaching mutual understanding between Borrower and Bank on issues of difficult interpretation</li> </ul>	
Other issues			<ul style="list-style-type: none"> <li>• Participants highlighted the fragility of the region in that some countries are in some of form of conflict and/or impacted by serious capacity constraints. Accordingly, there was a request for further clarification about whether the new standards take into account the specificity of each country context.</li> <li>• Further clarification on processing emergency projects under para.12 of OP 10 was requested.</li> <li>• Concerns were raised about how long it is taking for the review and update of the safeguards policies.</li> </ul>

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|  | <ul style="list-style-type: none"><li>• Participants raised questions related to procurement and safeguards policies. They were concerned with the disconnect between the Procurement and Safeguards' Reform Processes given some areas of intersection. They asked for better linkages and a positive list for specifications. They also wanted to know whether procuring goods would be subject to certain environmental specifications/requirements. The example of the procurement of project vehicles was raised to highlight whether there would be E&amp;S specifications.</li></ul> |
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