



**Review and Update of the World Bank Safeguard Policies  
Phase 2  
Feedback Summary**

**Date: December 16, 2014**

**Location: Brasília, Brazil**

**Audience: Civil Society**

**Main Comments Received:**

**Specific Feedback from Stakeholders**

**1. General Comments**

- Participants mentioned that several civil society organizations strongly oppose the process of review and update of the World Bank Safeguards Policies. The main criticisms were explained in the *Civil Society Declaration on the World Bank Safeguards* and one of the participants in the meeting read the letter to the group.
- Participants claimed that internationally and nationally **civil society questions whether this is a broad, transparent and participatory process**. They mentioned that the World Bank should take into consideration that 2014 was an atypical year for Brazil, with the World Cup and the elections and now we are close to the end of the year break. They claimed it would be impossible for Brazilian civil society organizations to send comments on the Environmental and Social Framework (ESF) by March **and they requested more time and more transparency in this process**. The organizations criticized that they were not given access to the summary of the consultations with private sector and the government, not only in Brazil, but also in other countries. The participants claimed that, based on experience, their contributions would be cited, but not considered. For these reasons, **participants requested to discuss the consultation process before discussing the content of the standards**.
- Participants mentioned that since the 80s, the World Bank has been criticized by NGOs for their involvement in the formulation of unsustainable policies and support for controversial projects with large environmental impacts. They stated that the Bank has **lost the opportunity to conduct a conceptual discussion of what is development and poverty**. For example, **the Framework**

**does not delve in gender inequality and the impacts of projects on women's lives.** The impression is that with this proposal the Bank is starting from scratch and did not include the NGO's structural criticism about the safeguards.

- Participants questioned **whether the review process was motivated by the emergence and growth of new actors in development financing**, such as the Brazilian National Bank (BNDES) and the BRICs Bank, which have more lax social and environmental requirement, and whether the World Bank would be concerned of losing its market. The impression is that the **World Bank would be lowering its social and environmental standards to remain competitive.**
- Participants claimed that since the first phase of the consultation process, civil society organizations sent comments to the World Bank and made a concerted effort to present their concerns. However, **participants claimed that these criticisms are not reflected in the proposed ESF and that this raises the question of whether the World Bank is truly interested in listening to civil society organizations and strengthening its safeguard policies or whether the intention is for the World Bank to remain competitive.**
- Participants mentioned that **the proposed standards should be applicable not only to Investment Project Financing projects (IPFs), but also to Development Policy Loans (DPLs).** In Brazil and in many other countries, DPLs correspond to more than 50% of the World Bank's portfolio. The DPL is an instrument intended to influence policies and, for this reason, it would make sense to apply the safeguards policies to this type of financing. In Brazil, for instance, the Sustainable Environmental Management DPL was the largest loan ever granted by the World Bank to the Brazilian government.
- Participants mentioned that **this meeting should not be considered a consultation with Brazilian civil society and requested more time to analyze the ESF and disseminate the document among their networks.**
- Participants mentioned that **several civil society movements should have been included in the meeting.**
- Participants suggested **the use of technology to ensure the participation of the organizations that could not be physically present at the meeting.**
- Participants requested **the support of the World Bank country office to convey the position of the Brazilian civil society to the management of the World Bank.**
- Participants suggested that the **consultations on the safeguards should be combined with a discussion on DPLs in Brazil.** In addition, **participants requested to discuss the portfolio of the World Bank in the country.**

<b>2. World Bank Environmental and Social Policy</b>
N/A
<b>3. A Vision for Sustainable Development</b>
N/A

#### 4. *Environmental and Social Standard 1 (ESS1): Assessment and Management of Environmental and Social Risks and Impacts*

- Participants mentioned that the proposed Framework should include more specificity on the topic of violence, which is extremely important for countries like Brazil, especially issues such as genocide and execution of vulnerable populations by police officers.
- Participants mentioned that **historically the World Bank has been reluctant to adopt human rights standards**, by claiming that their articles of agreement prohibits it. However, the articles of agreement should be interpreted considering the current context and not the context of the 40s. The World Bank should not stay in the sidelines of the international human rights regime. The way the World Bank has addressed the issue of human rights is extremely fragmented. The World Bank through the Nordic Trust Fund has some activities in this area. However, **the proposed Framework does not include fundamental human rights issues. The document uses vague language in terms of human rights** by saying that the World Bank is supportive of human rights. However, **the proposal lacks an element that operationalizes the human rights rhetoric in the document.**
- Participants mentioned that there is a **lack of clarity in the ESF about the responsibility of the World Bank and the Borrowers in the human rights area.** The document is not clear about who is accountable and it seems that the World Bank could not be held accountable for human rights violations. It is not acceptable to have this vacuum of accountability in cases of misconduct.
- Participants mentioned the ESF adopts a **selective approach about which human rights will be protected.** As a specialized UN agency, the World Bank cannot shy away from the international human rights regime, which states that all rights are indivisible and interrelated.
- Participants mentioned that **the World Bank sets the international standards and is a model for other international financial institutions.** For this reason, it is extremely important to ensure that the competition from other financial institutions does not translate into a race to the bottom on human rights standards.
- Participants mentioned that it is essential that the World Bank **ensures the non-discrimination in all its projects and incorporates the requirement of human rights due diligence in the ESF.**

#### 5. *Environmental and Social Standard 2 (ESS2): Labor and Working Conditions*

N/A

#### 6. *Environmental and Social Standard 3 (ESS3): Resource Efficiency and Pollution Prevention*

N/A

#### 7. *Environmental and Social Standard 4 (ESS4): Community Health and Safety*

N/A
<b>8. Environmental and Social Standard 5 (ESS5): Land Acquisition, Restrictions on Land Use and Involuntary Resettlement</b>
N/A
<b>9. Environmental and Social Standard 6 (ESS6): Biodiversity Conservation and Sustainable Management of Living Natural Resources</b>
N/A
<b>10. Environmental and Social Standard 7 (ESS7): Indigenous Peoples</b>
<ul style="list-style-type: none"> <li>• Participants mentioned that <b>the free, prior and informed consent (FPIC) of Indigenous Peoples must be guaranteed and criticized the alternative approach</b>, given that more than 140 countries have endorsed the UN Declaration on the Rights of Indigenous Peoples.</li> <li>• Participants shared the situation of Indigenous Peoples in Brazil that face challenges in the implementation of projects financed by the Brazilian National Bank.</li> </ul>
<b>11. Environmental and Social Standard 8 (ESS8): Cultural Heritage</b>
N/A
<b>12. Environmental and Social Standards 9 (ESS9): Financial Intermediaries</b>
N/A
<b>13. Environmental and Social Standard 10 (ESS10): Information Disclosure and Stakeholder Engagement</b>
N/A
<b>14. Agreed Next Steps</b>
<ul style="list-style-type: none"> <li>• The World Bank will share the minutes of the consultations with the government and private sector as soon as they are validated by the participants.</li> <li>• The World Bank will share with the participants the list of organizations that were invited to participate in this meeting.</li> <li>• The World Bank and the participants agreed on a tentative date for a second consultation, which would take place at the last week of February.</li> <li>• Participants agreed to consult with their networks about their availability to participate in the second meeting in February, even though they expressed concerns about a meeting in February, given the proximity to the summer and Carnival holidays.</li> </ul>

- Participants committed to confirm their availability for the second meeting by January 15, 2015.
- Participants agreed to send to the World Bank suggestions on how to improve the consultation process to ensure a broader, more representative and participatory process.