



**Review and Update of the World Bank's Environmental and Social Safeguard Policies
Phase 2
Feedback Summary**

Date: November 24, 2014

Location (City, Country): Dhaka, Bangladesh

Audience (Government, CSO, etc.): Development Partners, including ADB, JICA, ILO and UNDP

Overview and Key Issues Discussed: Key issues discussed include: weakness in ESS2; cumulative impact and transboundary impact; support for the Borrower's implementation and need for monitoring and evaluation; discrimination; land issues; ecosystem services; and climate change. **This summary is subject to change after review and comments from consultation participants.**

Specific Feedback from Stakeholders
1. General Comments
<p><i>Clarifications</i></p> <ul style="list-style-type: none"> In Bangladesh, JICA will finance Matarbari Ultra Super Critical Coal-Fired Power Project. With this technology, the climate change impact can be well mitigated. Clarification was sought on whether and how the Bank would continue to support coal-fired power generation projects. <p><i>Comments and recommendations</i></p> <ul style="list-style-type: none"> Implementation is critical to the success of the proposed ES Framework. Monitoring and evaluation should be strengthened and integrated into the Framework. The implementation capacity of the government needs to be carefully assessed. Even if the proposed Framework is approved, unless the national law is updated accordingly, the Framework will not be implemented in key areas such as resettlement.

<ul style="list-style-type: none"> • The proposed Framework is too ambitious for Bangladesh. The national standards are far below international standards. Requirements on clean energy that would need super critical technologies have cost implications, and cannot be implemented. The Bank should conduct an equivalence test between the Framework and the national standards. • The affected communities are the minority for all stakeholders in development projects. While the Framework focuses on the affected communities, it is important to ensure that the welfare of the majority will not be sacrificed for that of the minority. A more holistic approach would be necessary.
<p>2. A Vision for Sustainable Development</p>
<p>N/A</p>
<p>3. World Bank Environmental and Social Policy</p>
<p>N/A</p>
<p>4. Environmental and Social Standard 1 (ESS1): Assessment and Management of Environmental and Social Risks and Impacts</p>
<p><i>Clarifications</i></p> <ul style="list-style-type: none"> • Clarification was sought regarding whether environmental and social assessment considers cumulative and transboundary impacts. <p><i>Comments and recommendations</i></p> <ul style="list-style-type: none"> • It is important to ensure that the assessment of the broad social risks on equality and equity is operationalized. • In Bangladesh, there are a lot of refugees and migrant workers. The discrimination against these groups should be addressed. • The Bank should require the Borrower to comply with international and multilateral environmental agreements.
<p>5. Environmental and Social Standard 2 (ESS2): Labor and Working Conditions</p>
<p><i>Comments and recommendations</i></p> <ul style="list-style-type: none"> • Eight fundamental ILO conventions are critical to achieve the Bank’s twin goals. The elimination of forced labor and child labor and the non-discrimination and equal opportunity for employment seem to be well reflected in the proposed ESS2. However, the freedom of association and the right to collective bargaining are very weak, and should be strengthened. • In the scope on application of ESS2, “project worker” is too narrowly defined as “people employed or engaged directly by the Borrower”. In reality, 95% of workers are indirectly employed or engaged by the Borrower. This scope of application needs to be improved. • There are requirements on compliance with national law in para 5 (working conditions and management of worker relations) and para 11 (worker’s organization). There are many cases in which the signatory of the ILO conventions has national laws that are inconsistent with or

<p>unacceptable for the conventions. Thus, compliance with national law would not be sufficient. ILO supports the countries in complying with the conventions.</p>
<p>6. Environmental and Social Standard 3 (ESS3): Resource Efficiency and Pollution Prevention</p>
<p>N/A</p>
<p>7. Environmental and Social Standard 4 (ESS4): Community Health and Safety</p>
<p>N/A</p>
<p>8. Environmental and Social Standard 5 (ESS5): Land Acquisition, Restriction on Land Use and Involuntary Resettlement</p>
<p><i>Clarifications</i></p> <ul style="list-style-type: none"> ESS5, para 35, allows for the financing of resettlement project without financing the main investment that makes resettlement necessary. It should be clarified when the project completion is in such a case, the completion of resettlement project or that of the main investment project. <p><i>Comments and recommendations</i></p> <ul style="list-style-type: none"> The information on compensation package, including replacement land valuation, is disclosed. This gives opportunities that lead to price hike of the market value of the land. This is a critical issue that makes the project cost higher than originally evaluated. ADB and WB's current resettlement policy requires 100% payment of compensation prior to physical resettlement. The proposed Framework allows the Borrower to proceed with project activities with partial payment of compensation in exceptional cases (paras. 12 and 13). In Bangladesh, a tremendous effort on the part of resettled communities is required in order to receive 100% of compensation payments. It is important to ensure that the partial payment does not affect the policy compliance by the Borrower.
<p>9. Environmental and Social Standard 6 (ESS6): Biodiversity Conservation and Sustainable Management of Living Natural Resources</p>
<p><i>Clarifications</i></p> <ul style="list-style-type: none"> Clarification was sought regarding how the impact on ecosystem services from development projects, such as housing projects near biodiversity areas, will be evaluated and the compensation calculated. In Bangladesh, there is no tool for this.
<p>10. Environmental and Social Standard 7 (ESS7): Indigenous Peoples</p>
<p>N/A</p>
<p>11. Environmental and Social Standard 8 (ESS8): Cultural Heritage</p>

N/A
12. Environmental and Social Standard 9 (ESS9): Financial Intermediaries
<i>Clarifications</i> <ul style="list-style-type: none">• Clarification was sought on the key features of ESS9.
13. Environmental and Social Standard 10 (ESS10): Information Disclosure and Stakeholder Engagement
N/A