



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

Date: February 2, 2015

Location (City, Country): Sydney, Australia connected via videoconference with Timor Leste, PNG and Solomon Islands

Audience (Government, CSO, etc.): Government officials

Overview and Key Issues Discussed: Key issues discussed include: risk-based approach; resources for safeguard requirements; government partnership; harmonization with other donors; alignment with international instruments; GIIP; capacity development of the borrower; and monitoring.

Specific Feedback from Stakeholders
1. General Comments
<p><i>Clarifications</i></p> <ul style="list-style-type: none"> • Clarification was sought on how the Bank will coordinate with other donors in the Pacific to harmonize their safeguard standards. • Clarification was sought on how the safeguard issues affect the economic rate of return. • Clarification was sought on the policy flexibility in emergency cases such as natural disaster and conflict. <p><i>Comments and recommendations</i></p> <ul style="list-style-type: none"> • The Framework should also consider the responsibility, accountability and emergency response to incidents that may occur during project operation phase after project completion. • Good International Industry Practice (GIIP) is an important venue to ask the Borrower to apply the good international practice where the national law does not exist. GIIP should be incorporated not only in ESS6, but also applied in ESS2 (occupational health and safety) and ESS4 (community health and safety).

<ul style="list-style-type: none"> • The introducing of the Framework should be made in the spirit of partnership between the Bank and the borrower. Otherwise the Framework will become just a checklist. • While the inclusion of various social agendas in the Framework is welcome, the Bank should align with international instruments such as disability, child protection and gender. • A comprehensive capacity assessment of the borrower should be made in introducing the Framework. This would help identify the challenges in each sector. • The Bank should consider ways to ring-fence the resources for environmental mitigation measures, such as biodiversity conservation or offsets. When the engineering costs overrun, re-adjustments to resources for environmental measures are often requested. The mechanism of due diligence against this, such as third party monitoring, should be strengthened. • The Bank should learn lessons from ORAF in introducing the risk-based approach. • The Pacific has been weak in applying the safeguards. The Bank should make the Framework the best standards, so that the Pacific countries are motivated to apply them.
<p>2. A Vision for Sustainable Development</p>
<p>N/A</p>
<p>3. World Bank Environmental and Social Policy</p>
<p><i>Comments and recommendations</i></p> <ul style="list-style-type: none"> • Regarding risk-based approach, risk is very subjective. It is unclear whether and how the Bank will quantify these risks. • The Framework does not specify how the Bank will mentor and nurture the borrower's capacity. This should be clarified. • While ADB and CSOs are moving towards capacity enhancement of the government to use their own country framework, the Bank should also promote the use of borrower's framework.
<p>4. Environmental and Social Standard 1 (ESS1): Assessment and Management of Environmental and Social Risks and Impacts</p>
<p><i>Comments and recommendations</i></p> <ul style="list-style-type: none"> • The proposed third party monitoring requires capacity development. While the methodologies to monitor infrastructure and education projects differ, both require on the job training. • Auditors should talk to people who are engaged in day-to-day project monitoring and integrate their feedback into the auditing report. • While the introduction of non-discrimination is very appropriate, the question is how to apply this principle. The mechanism to apply the principle should be clarified. The context and existing laws in each country need to be considered.
<p>5. Environmental and Social Standard 2 (ESS2): Labor and Working Conditions</p>

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
<i>Comments and recommendations</i>
<ul style="list-style-type: none"> • HIV should be addressed in the Framework.
8. Environmental and Social Standard 5 (ESS5): Land Acquisition, Restriction on Land Use and Involuntary Resettlement
<i>Comments and recommendations</i>
<ul style="list-style-type: none"> • As in ESS5, para 19, follow-up mechanism such as the audit and monitoring report is important to verify progress in fields where the the borrower capacity is weak such as in the Pacific.
9. Environmental and Social Standard 6 (ESS6): Biodiversity Conservation and Sustainable Management of Living Natural Resources
N/A
10. Environmental and Social Standard 7 (ESS7): Indigenous Peoples
N/A
11. Environmental and Social Standard 8 (ESS8): Cultural Heritage
N/A
12. Environmental and Social Standard 9 (ESS9): Financial Intermediaries
N/A
13. Environmental and Social Standard 10 (ESS10): Information Disclosure and Stakeholder Engagement
N/A