



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

**Date:** March 19, 2015

**Location:** Washington DC, USA

**Audience:** Experts on Issues Pertaining to Social Risk Management

**Overview and Key Issues Discussed:** On March 19, 2015, the World Bank held a consultation meeting with experts on issues pertaining to social risk management. Some of the key issues discussed were factors that increase social risk in projects, and the importance of identifying, mitigating and preventing adverse social impacts.

<b>Feedback from Stakeholders</b>
<b>1. General Comments</b>
<p><i>Inquiries</i></p> <ul style="list-style-type: none"> <li>• When writing impact assessments (IA), how do you ensure that alternatives to the actions proposed in an IA are realistically developed and considered?</li> <li>• How will the World Bank ensure that Civil Society Organizations effectively participate in the design, implementation, and monitoring of development projects?</li> <li>• Regarding application effectiveness: is the Bank open to considering, adopting, or endorsing national safeguards legislations?</li> <li>• Why isn't there guidance on information management? That should be mandatory.</li> <li>• What actions are taken by the Bank to ensure that its safeguards requirements do not increase project approval time?</li> <li>• Stakeholders' interests in projects can be very diverse; how do you reconcile interests to ensure that diverging interests do not impact project appraisal time?</li> <li>• Where do you see the proposed framework handling the risk of project affected peoples being criminalized, put in danger, or sidelined for expressing complaints about World Bank-financed projects?</li> </ul>

### *Comments*

- A coherent safeguards framework is welcome.
- Placing social risks at the same level as environmental risks is welcome.
- If the safeguards reform process increases the complexity of the Standards, then efficiency may be negatively impacted due to an increase in borrowing and appraisal time.
- It is likely that disability will not be included in the post 2015 agenda and that is something that is not beneficial for the disabled community.

### *Recommendations*

- The World Bank should support research on the cost-effectiveness of inclusion so that more people can understand how and why communities considered to be vulnerable can also be key contributors to development, and aren't just beneficiaries.
- "Interpretative negotiations," that is, the process of explaining the constraints of working on projects and negotiating with the on-the-ground reality in mind, can help reach positive outcomes in negotiations where there are diverging interests.
- The Bank needs to improve how it enforces its safeguards requirements, as well as how it mitigates the risk of non-compliance.
- The Bank should take the following variables into account when determining sources of social risk: vulnerability, discrimination, and social exclusion. Furthermore, all sources of risk need to be defined through a proper due diligence process that identifies sources of risk by country and project.

## **2. A Vision for Sustainable Development**

### *Inquiries*

- How will the World Bank ensure that standards are met in a "timely manner," without losing or diluting the quality of outcomes, particularly relating to disability and inclusion?
- How does the Bank ensure that the borrower engages with stakeholders in an appropriate manner? Where would that fit into the proposed Environmental and Social Framework (ESF)?

### *Comments*

- Participants expressed concern that human rights were only included in the vision statement.

### *Recommendations*

- Vulnerable groups must be identified prior to project design and implementation. The identification process needs to be professionalized so that there is no bias.
- Vulnerable people identification and mapping needs to happen in a transparent fashion.
- Consultations must happen in an inclusive, accessible, and meaningful way.

### **3. World Bank Environmental and Social Policy**

#### *Recommendations*

- Stakeholders should provide continuous input as projects are implemented. Elements that may have not been foreseen during project design can come up at different stages of project implementation.
- The proposed ESF should outline how project beneficiaries and project affected communities will participate in the monitoring and implementation of a project.
- The World Bank should be more proactive in helping borrowers improve their capacity to produce social assessments.
- The World Bank should treat disabled people as contributors of socioeconomic development and not just as beneficiaries of development.
- The World Bank should include references to the different conventions on human rights and disabilities in its new ESF.

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

#### *Inquiries*

- How are other ESSs connected to ESS 1?
- If ESS 1 is an “umbrella” standard, how do the other standards fit in?

#### *Recommendations*

- Stakeholders need to be involved in determining the risk rating of a project, and should stay involved throughout the life of a project so that the risk rating can, if necessary, be redefined.
- The current wording of the ESF makes it seem as if though the only projects that have a formal risk rating are those identified as high risk. The process of risk identification needs to be clearer.

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

#### *Comments*

- The inclusion of non-discrimination as a principle is welcome, however, we lament the exclusion of some sources of discrimination, such as discrimination on the basis of political ideals and language.

#### *Recommendations*

- The World Bank should adopt a definition of discrimination that includes discrimination due to political beliefs. Furthermore, it should take into account the following elements when drafting its definition:
  1. Discrimination can be institutionalized, but there are also less clear, cognitive, and indirect forms of discrimination that must be identified and taken into account.
  2. A useful means to prevent and mitigate discrimination is to include affirmative action measures such as quotas.

<b>6. Environmental and Social Standard 3 (ESS3): Resource Efficiency and Pollution Prevention</b>
N/A
<b>7. Environmental and Social Standard 4 (ESS4): Community Health and Safety</b>
<p><i>Comments</i></p> <ul style="list-style-type: none"> <li>• Project security needs to be addressed better in the proposed Framework.</li> </ul> <p><i>Recommendations</i></p> <ul style="list-style-type: none"> <li>• The proposed Framework asks that a security evaluation be undertaken for every project, which is equivalent to asking that the state evaluate itself. That is not realistic because the state will not criticize its own security effectiveness and efficiency.</li> <li>• The language in the ESF should change from provide security as “appropriate” to as “mandatory,” because it is mandatory for countries to provide security.</li> </ul>
<b>8. Environmental and Social Standard 5 (ESS5): Land Acquisition, Restriction 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>
<p><i>Inquiries</i></p> <ul style="list-style-type: none"> <li>• How will Indigenous People’s definition of development be included in Bank instruments?</li> </ul>
<b>11. Environmental and Social Standard 8 (ESS8): Cultural Heritage</b>
<p><i>Recommendations</i></p> <ul style="list-style-type: none"> <li>• The UNESCO Convention for the Safeguarding of Intangible Cultural Heritage should be studied by the Bank to help improve the way that intangible cultural issues are dealt with.</li> </ul>
<b>12. Environmental and Social Standard 9 (ESS9): Financial Intermediaries</b>
<p><i>Recommendations</i></p> <ul style="list-style-type: none"> <li>• Stakeholder engagement must be an iterative process.</li> </ul>

### **13. Environmental and Social Standard 10 (ESS10): Information Disclosure and Stakeholder Engagement**

#### *Recommendations*

- ESS 10 should include a section on circumstances where the Bank will have to take the lead of ensuring that consultations are meaningful, transparent, and open. This is particularly important when the borrower is a “closed” state.
- Stakeholder consultations need to take place from project start to finish, and should not be limited to having conversations about projects.
- Project documents should be available for all stakeholders and beneficiary communities so that they can review them.
- Communities need to be consulted one last time at the end of the project cycle to close the “feedback loop.” The last consultation should be used to show communities how their feedback was taken into account, and for them to report back if their expectations were met.