



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

### Phase 2

### Feedback Summary

**Date: November 10, 2014**

**Location (City, Country): Brussels, Belgium**

**Audience (Government, CSO, etc.): Civil Society Organizations and Academia**

#### **Overview and Key Issues Discussed:**

On November 10, the World Bank hosted a consultation meeting with representatives of civil society and academia at the World Bank office in Brussels. Charles di Leva, Chief Counsel, and Colin Scott, Lead Social Development Specialist, presented the proposed Environmental and Social Framework to stakeholders. The discussion focused on human rights, land, labor, Indigenous Peoples, and environmental and social assessment. For purposes of conciseness, the following summary highlights comments and recommendations that were provided by individual representatives; collective comments and recommendations are noted as such.

#### **Specific Feedback from Stakeholders**

##### **1. General Comments**

- Stakeholders criticized the consultation process organized by the World Bank and asked that CSOs get more time to prepare for consultation meetings and consult with their constituencies. CSOs should also have consultation meetings together with government officials, not separate. Information on who was invited should be provided and the World Bank should have clear criteria for selecting countries and stakeholders for consultations. The World Bank should also be careful not to hold consultations on days between a weekend and a holiday.
- Some stakeholders felt that many inputs provided by CSOs, IEG, Inspection Panel, and internally in the World Bank have not been taken into account in this draft. This makes CSOs doubt the integrity of the review process and the usefulness of their participation. The next draft of the framework will need to show major changes to account for the feedback received.
- The safeguards review should cover Development Policy Lending (DPL) and Program for Results (PforR).
- The mandatory nature of the proposed Environmental and Social Standards should be reflected in the legal agreement between World

Bank and borrowing countries. Vague language on what is required makes this mandatory framework appear to be about expectations rather than requirements.

- Some of the crucial but difficult issues (including human rights) may not be resolved in this reform, but they need to stay on the World Bank's agenda and need to be taken up again in the near future.
- The role of the Inspection Panel under the new framework needs to be clarified.
- A participant handed over a statement signed by 360 CSOs, expressing strong objections to the proposed framework. The statement can be accessed [here](#).

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

- Human Rights are an integral part of sustainable development and should be included in the framework. Otherwise the framework would undercut international human rights standards and best practices among international institutions. It is insufficient to address Human Rights only in the vision statement, as this is not enforceable.

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

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

- A full impact assessment is most useful before consultations on a project and before a project is presented to the World Bank's Board of Executive Directors for approval. Quick approvals aimed at serving client needs as well as the lack of resources for a detailed assessment before Board approval often lead to problems with projects later on.
- While it is understandable that the World Bank needs to be more flexible in Bank-financed projects, the World Bank must have remedies in cases when Borrowers do not fulfill the requirements laid out in the proposed framework.
- World Bank supervision and monitoring must be improved, including budget allocated to these activities.
- The proposed ESS1 suggests more reliance on country systems. This should be carefully considered for countries with weak rule of law. Relying on Borrowers for risk assessment poses a large risk for World Bank projects.
- Participants asked for more clarity on the implementation of non-discrimination.
- The experience from client countries with good practice with regard to LGBT issues should be brought to other client countries to help improve their practices. Donor country practices are likely to be less relevant.

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

- Participants welcomed the inclusion of a labor standard, in particular the provision against child labor. It was pointed out, however, that children's rights require more than child labor requirements.
- The scope of ESS2 was seen to be too narrow as it does not include sub-contractors. Child labor and forced labor among indirect workers and civil servants also need to be addressed.
- The World Bank should provide protections against discrimination in the work force even in countries with discriminatory national laws. In such cases, relying on national law will not be sufficient.

- Freedom of association and collective bargaining should be included in ESS2. Very few countries oppose those two principles, even if they are not guaranteed in national law.
- The occupational health and safety provisions in ESS2 should address workers' rights.

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

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

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**8. Environmental and Social Standard 5 (ESS5): Land Acquisition, Restriction on Land Use and Involuntary Resettlement**

- Participants pointed out that the World Bank is committed to adhering to the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security in Bank-financed projects. However, participants perceived that ESS5 was not compatible with the Voluntary Guidelines. The World Bank should take into account an analysis provided by CSOs on the compatibility of ESS5 with the guidelines.
- The World Bank should make the Voluntary Guidelines mandatory for Bank-financed projects. At the very least, the proposed standards should be consistent with the broad content of the guidelines.
- Stakeholders asked for clearer definitions of and specifications on evictions, expropriations, and the notion of public purpose. These concepts are defined in the Voluntary Guidelines.
- ESS5 should include land titling. The exemption of land titling is putting vulnerable communities, especially Indigenous Peoples, at risk especially where land grabbing is frequent.
- Involuntary Resettlement plans need to be established a significant amount of time in advance of the resettlement and before the project is approved.

**9. Environmental and Social Standard 6 (ESS6): Biodiversity Conservation and Sustainable Management of Living Natural Resources**

- ESS6 should include a set of circumstances where offsets are not allowed, such as critical habitats. It should also include more specific guidance on implementation of offsets.
- Participants questioned the use of offsets overall, arguing that there is no scientific evidence to demonstrate that they are effective.
- Forest People should be mentioned in ESS6.

**10. Environmental and Social Standard 7 (ESS7): Indigenous Peoples**

- The notion of Free, Prior and Informed Consent (FPIC) is stronger in the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security because the guidelines refer to the UN Declaration on the Rights of Indigenous Peoples.
- The definition of Indigenous Peoples should not include language use as a necessary criterion.
- The risks foreseen in the alternative approach are hypothetical. Who determines the risk of serious civil strife caused by the definition of

certain populations as Indigenous Peoples? Stakeholders expressed concern that client countries could choose this approach without sufficient justification.

**11. Environmental and Social Standard 8 (ESS8): Cultural Heritage**

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**12. Environmental and Social Standard 9 (ESS9): Financial Intermediaries**

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

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