



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

Date: October 22-23, 2014

Location: Manila, Philippines

Audience: Development Partners, including ADB, USAID, JICA, EU and UN agencies

Overview and Key Issues Discussed: The Bank held two separate meetings with ADB and other development partners. Key issues discussed included inter-agency coordination in the Borrower country; traditional knowledge; Bank due diligence; risk classification; ESCP and its flexibility; child labor; stand-alone resettlement project in ESS5; “alternative approach” in ESS7; and disclosure requirements.

Specific Feedback from Stakeholders
1. General Comments
<p><i>Clarifications</i></p> <ul style="list-style-type: none"> • Clarification was sought on whether the proposed Framework is linked with accountability in the Post-2015 development agenda. • Although ADB has a single safeguard policy for public and private operations, it is struggling to reconcile the differences between them. It would be interesting to know how and whether the World Bank and IFC will further integrate their safeguard policies. • It is unclear how the issues related to traditional knowledge, including those in the Biodiversity Convention, will be treated under the proposed Framework. <p><i>Comments and recommendations</i></p> <ul style="list-style-type: none"> • One of the reasons for the Bank Safeguard Policies Review was to reduce transaction cost and preparation time. It is questionable whether the proposed Framework will lead to rationalization and simplification.
2. A Vision for Sustainable Development
N/A
3. World Bank Environmental and Social Policy
<p><i>Clarifications</i></p> <ul style="list-style-type: none"> • The proposed Framework gives the impression that thorough Bank due diligence will only be conducted for high risk projects. Clarification was sought as to whether this is the case. • It needs to be clarified how to “right-size” Bank due diligence with project risk. There should be a risk-based approach in the Framework, where the extent of assessment and monitoring will be calibrated depending on the seriousness of the risk. <p><i>Comments and recommendations</i></p> <ul style="list-style-type: none"> • Many Borrowers and ADB have introduced the ABC categorization system in a harmonized manner. There is a concern about the potential impact the proposed new risk classification will have on

Borrowers and donors.
4. Environmental and Social Standard 1 (ESS1): Assessment and Management of Environmental and Social Risks and Impacts
<i>Clarifications</i>
<ul style="list-style-type: none"> Clarification was sought regarding what is meant by the ESCP being a “living document” and the boundary of its flexibility.
5. Environmental and Social Standard 2 (ESS2): Labor and Working Conditions
<i>Comments and recommendations</i>
<ul style="list-style-type: none"> Family farming unavoidably involves children. It is important for the Bank to consider how to address the reality on the ground and operationalize the proposed requirements on child labor.
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
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"> ESS5, para 35, allows for the financing of resettlement projects without financing the main investment that makes resettlement necessary. It should be clarified to what extent the Bank is accountable in such a case.
9. Environmental and Social Standard 6 (ESS6): Biodiversity Conservation and Sustainable Management of Living Natural Resources
<i>Comments and recommendations</i>
<ul style="list-style-type: none"> Inter-agency coordination is a key challenge when the ESSs cut across the responsibilities of different Borrower institutions. For example, some governments do not have a single unit, such as a biodiversity management bureau, to make a biodiversity assessment. In other countries, there are several units in charge but they do not coordinate with each other. This will be a challenge.
10. Environmental and Social Standard 7 (ESS7): Indigenous Peoples
<i>Comments and recommendations</i>
<ul style="list-style-type: none"> Many Borrowers have inadequate national laws/decrees on the protection of Indigenous Peoples. This needs to be taken into account when applying the “alternative approach.”
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
<i>Comments and recommendations</i>
<ul style="list-style-type: none"> The disclosure requirements should be more clearly provided. In particular, clarification is needed as to whether the current disclosure practice of 120 days prior to Board approval for Category A projects will be maintained under the proposed Framework.