



## **The World Bank**

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

#### **Multistakeholder Safeguards Consultation Meeting at the Ministry of Foreign Affairs, The Hague, The Netherlands**

The consultation meeting held on December 6, 2012 was chaired by the Ministry of Foreign Affairs in The Hague. Participants were primarily from civil society organizations, including representatives of Dutch, Belgium and German CSOs (see Annex).

Comments and questions from the participants included the following:

- Since World Bank policies affect workers worldwide, there should be a comprehensive labor standard safeguard as part of a clear integrated approach, based on the ILO core labor standards. Regarding the issue of coherence, demands on the public and private sector should be equal, and standards equally high. The Safeguards should comply with OECD guidelines, and the UN guiding principles on business and human rights which include ILO standards. These are minimum standards and the World Bank should not go below them. It is hard to understand that IFC imposes higher standards on the private sector than the Bank does on the public sector.
- Labor standards should also apply to procurement guidelines, and would help secure value for money.
- How will the update of the Safeguards benefit communities and environments outside the framework of project lending over which the World Bank has some control? How can a transition be made from limited application of good safeguards to an overall public good impact?
- Human rights need to be included in full, clearly and explicitly, and Bank staff need to be trained and onboard. Respecting human rights is also risk management. The new Safeguards should abide by UN standards. For resettlement, including FPIC, these should be above and beyond IFC standards. The scope should go beyond lending, and also include advice etc. The World Bank Group should not participate in a “race to the bottom.” It was argued that the Bank can fully respect non-political interference, and still decline to participate where human rights are not respected.
- As regards Indigenous Peoples, the World Bank's current standards do not conform to UN conventions. IFC standards are not far reaching enough as regards FPIC; this should be addressed in an expert group on FPIC.
- The adoption of UN conventions is not sufficient to protect Indigenous Peoples. Bank Safeguards need to be strengthened following the 2005 UN General Assembly resolution.

- The IEG evaluation showed that the cost of safeguards is lower than the benefits. This supports the argument to strengthen them. The ambition should be for the Bank and IFC to be standard bearers. This means that the Safeguards have to be as clear as possible and enforceable. The standards should clearly spell out what is expected from borrowers, without leaving room for interpretation.
- The Bank could refer to IFC standards when updating its policies, but only if they are improved and strengthened. It was asked which standards the Bank would apply when supporting private sector projects in partnership with IFC.
- Safeguard policies should: apply to all forms of lending; stay relevant for the Bank as an institution; and constitute a global public good.
- The Bank was asked how it intended to ensure that the Safeguards review process is balanced; to provide clarity on how members of the “Expert Groups” on emerging issues are nominated, and what mandate they have; how consultation input is treated and how this can be demonstrated; and to specify reasons when it is unable to apply recommendations from the Safeguards review consultations.
- The Safeguards review should specify how recommendations from previous reviews and sector assessments are incorporated and considered. Specifically the IEG report on Safeguards, the World Commission on Dams and Extractive Industries Review.
- When taking the IFC Performance standards as a model for the safeguards, it is essential for the Bank to rethink the way biodiversity is handled: there should be a clear specification of no involvement in biodiversity hotspots or otherwise defined no-go areas.
- Stigma is a major problem as regards disabled people, especially in developing countries that do not have equal access to health, education, jobs, etc. Therefore policies should be adapted to be inclusive. It is essential that people with disabilities are consulted throughout the process. The Bank should – to be inclusive in its development – make sure to bring disability in, through mainstreaming Safeguards or in other ways. Human rights should inform the Safeguards approach. It is important to note that physical and mental disabilities are not the same. Bank Group staff also need to be trained.
- The Bank loses its accountability when mandatory requirements shift to guidance notes, as some thought had happened during the Investment Lending reform process – this leaves no means of control.
- Since currently developed national policies and legislation in various countries are actually undermining the rights of Indigenous Peoples, and since there is still a big gap in the implementation of these rights, a strong Bank safeguard to protect their rights as stated in the UN Declaration on the Rights of Indigenous Peoples (2007) is very much needed.
- Community consent should be the approach regarding the right of Indigenous Peoples to FPIC. Research is needed to determine if the same standards should also apply to communities that do not necessarily consider themselves Indigenous Peoples, but who are

still vulnerable, in particular to establish when this is justified, to identify a basis for this in international law and to determine when it may be in conflict with the right of Indigenous Peoples to FPIC. There was support for building on and strengthening IFC standards.

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- Communities often have weak land tenure – therefore working on addressing this is important: some saw merit in developing a stand-alone safeguard on land tenure, and suggested that the FAO/Bank guidelines could be adopted/shaped into a safeguard.
- The Inspection Panel has demonstrated that the Bank has failed to disclose important information at times. How can the revised Safeguards ensure transparency and accountability?
- The intention of “learning from other existing social and environment frameworks” was questioned, with some participants worried that this could lead to reliance on third parties in implementing the Safeguards, which might in turn lead to their being weakened.
- Children and how they are affected by projects and policies is rarely taken into consideration. One should note that children have unique vulnerabilities and there are many direct impacts from projects affecting them. Climate change and catastrophes affect children disproportionately. An assessment is required to identify different impact aspects.
- The climate change issue needs to be addressed more broadly and thoroughly by the World Bank Group than it is today, be it through Safeguards or other instruments, to ensure that all WBG activities take climate change into account.
- Several participants were skeptical of the use of country systems, and did not see these as being as rigorous or robust as Bank Safeguards.

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Reference was also made to the joint Civil Society Statement co-signed by a number of organisations.

The NCIV (the Netherlands Centre for Indigenous Peoples) promised to share the guidelines recently developed for FSC on implementing FPIC. Guidelines are attached below.



FSC Guidelines for  
FPIC\_Version 1.pdf



