



THE WORLD BANK

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Operations Policy & Country Services

Setting Standards for Sustainable Development

Update and Review of the World Bank's Safeguard Policies

Civil Society Policy Forum

Annual Meetings 2015

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- **Objectives and ambitions**
- **Timeline**
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- **Approach to consultations**
- **Unresolved issues**

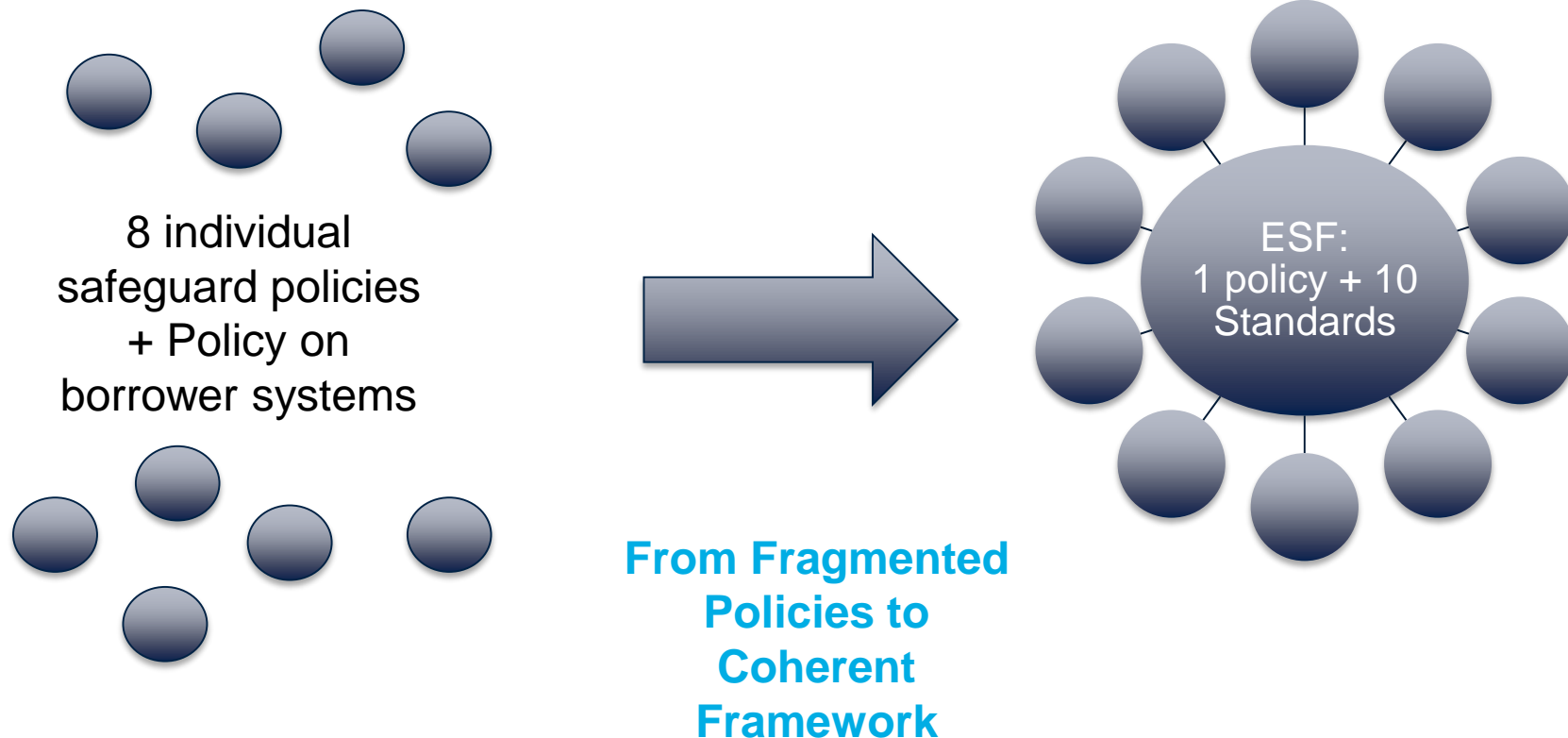


Reminder: Why are we doing this?

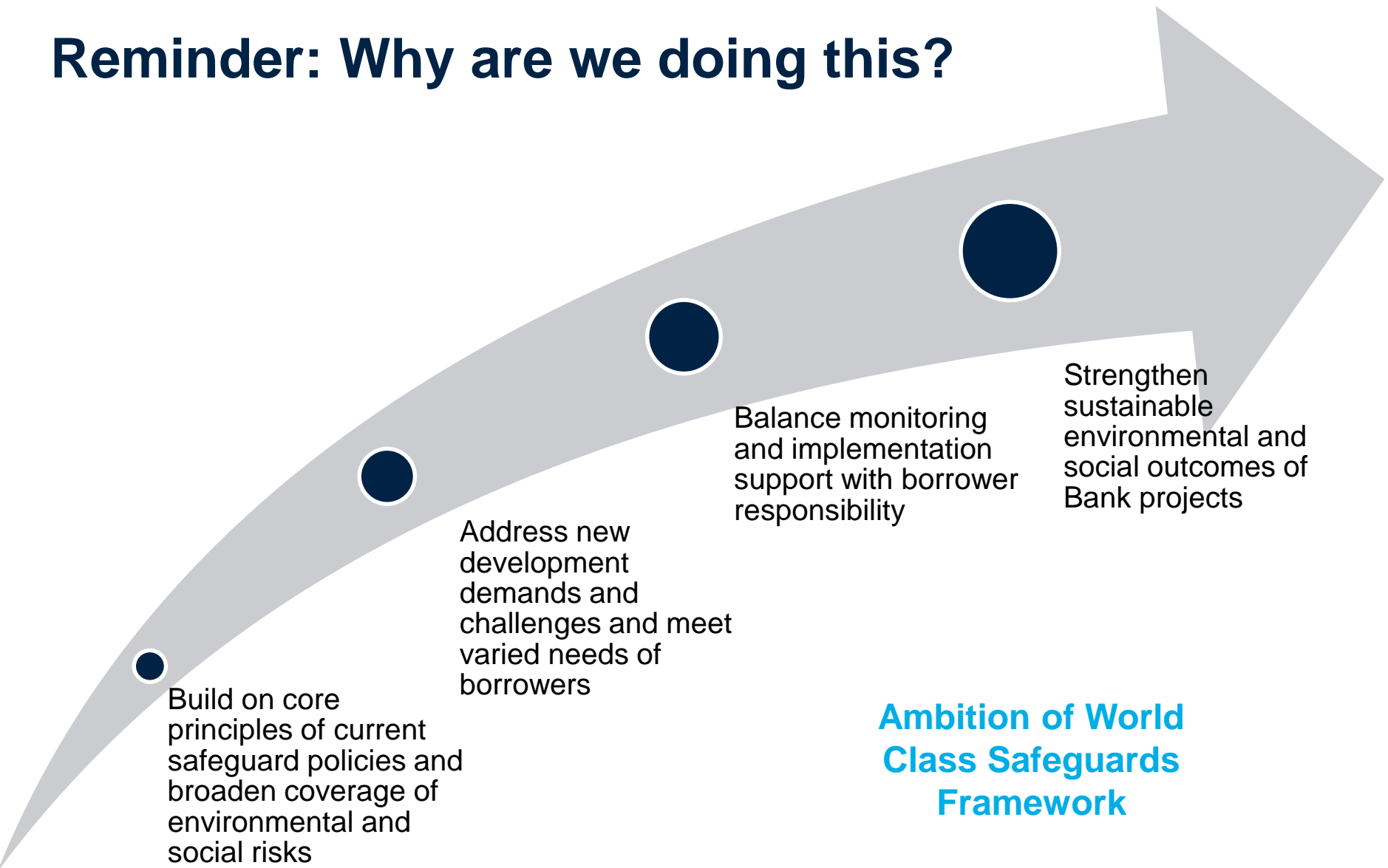
**World Class
Safeguards Directly
Linked to Achieving
WBG Goals**



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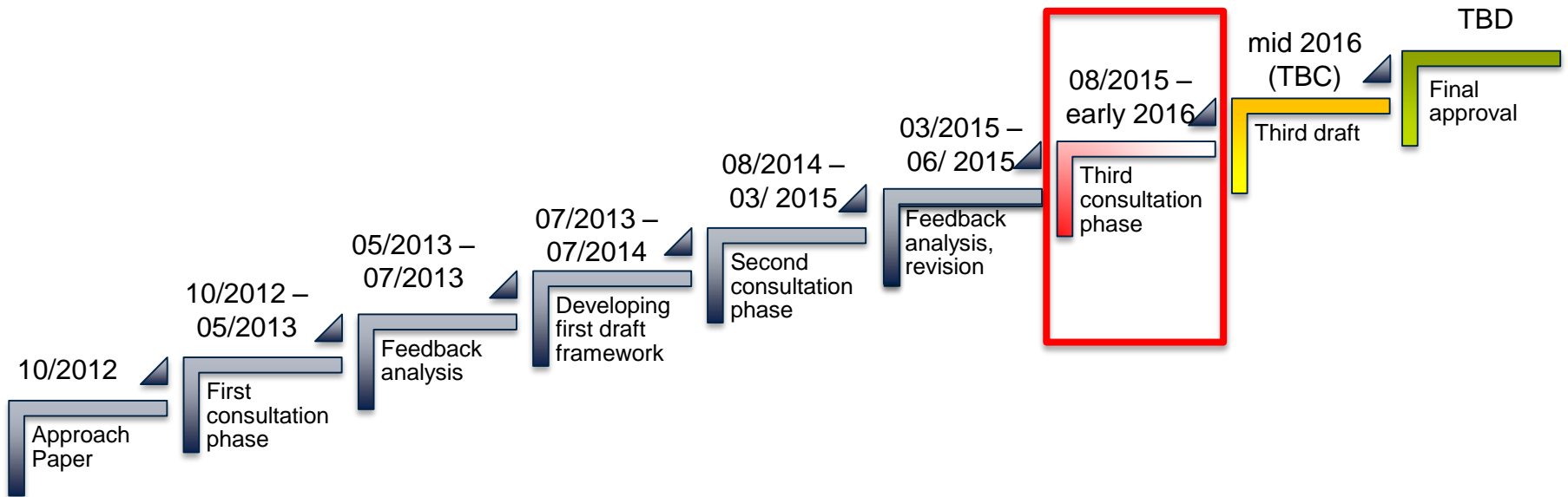


Reminder: Why are we doing this?



Ambition of World Class Safeguards Framework

Review Process



Risk Assessment and Management (ESS1)

Requirements for the process of assessing and managing environmental and social risk for project appraisal

Objective

- Overarching standard
- Applies to all Bank-supported investment project financing
- Lays out process for borrowers to identify, evaluate, manage environmental/ social risks/ impacts
- Adopt mitigation hierarchy approach:
 - anticipate and avoid
 - minimize or reduce
 - mitigate
 - compensate risks/ impacts

Main changes from 1st to 2nd draft

- Use of borrower frameworks at Bank discretion
- ESS requirements beyond high risk subprojects in some cases
- Extended list of vulnerable groups to include health status and disabilities beyond physical and mental
- Supply chain assessment restricted to primary suppliers for labor/ biodiversity
- Obligation to provide information on stakeholder engagement
- Assessments of impacts of land titling activities
- Introduction of ecosystem services

Labor and Working Conditions (ESS2)

Requirements for protecting workers in Bank-financed projects (1st WB standard on labor)

Objective

- Promote safety/ health at work
- Promote fair treatment, non-discrimination, equal opportunity of project workers
- Protect project workers, including vulnerable workers
- Prevent use of all forms of forced and harmful child labor
- Support principles of freedom of association and collective bargaining

Main changes from 1st to 2nd draft

- Freedom of association and collective bargaining added to objectives
- Alternative grievance mechanism
- Extended scope of coverage
- Stronger language on child and forced labor
- Requirement for written information for laborers
- Additional provisions on occupational health/ safety

Resource Efficiency and Pollution Prevention (ESS3)

Requirements for cleaner production, handling resources efficiently, and preventing and managing pollution

Objective

- Promote more sustainable use of resources, including energy, water, raw materials
- Avoid or minimize adverse impacts on human health and environment by avoiding or minimizing pollution from project activities
- Avoid or minimize project-related emissions of short and long-lived climate pollutants

Main changes from 1st to 2nd draft

- References to short and long-lived climate pollutants
- Deletion of threshold for GHG emissions estimation and water management plan

Community Health and Safety (ESS4)

Requirements for health, safety, and security risks and impacts on project-affected communities

Objective

- Anticipate and avoid adverse impacts on health and safety of project-affected communities during project life-cycle
- Have in place effective measures to address emergency event
- Ensure that safeguarding of personnel and property is carried out in a manner that avoids or minimizes risks to project-affected communities

Main changes from 1st to 2nd draft

- Includes community exposure to health issues and non-communicable diseases
- Introduction of ecosystem services
- Includes preparedness and response to extreme weather conditions or events
- Requirements for product safety removed
- Regular review of emergency and response plan
- Requirements for security personnel clarified

Land Acquisition, Restrictions on Land Use and Involuntary Resettlement (ESS5)

Requirements to prevent adverse effects of land acquisition in Bank-financed projects

Objective

- Avoid or minimize involuntary resettlement
- Avoid forced eviction
- Mitigate unavoidable adverse social and economic impacts from land acquisition or restrictions on land use
- Improve living conditions of poor or vulnerable persons who are physically displaced
- Conceive and execute resettlement as development opportunity
- Ensure that resettlement activities are planned and implemented with appropriate disclosure of information, meaningful consultation, and informed participation of those affected

Main changes from 1st to 2nd draft

- Annex on detailed resettlement planning requirements
- Recognition of importance of treating resettlement as development opportunity
- Extended provisions for impacts of voluntary transactions
- More explicit treatment of gender
- Full cost of resettlement to be included in total project cost
- No displacement without prior plans

Biodiversity Conservation and Sustainable Management of Living Natural Resources (ESS6)

Requirements for protecting living organisms and responsibly managing scarce resources

Objective

- Protect and conserve biodiversity using a precautionary approach
- Maintain benefits from ecosystem services derived from sustainable management of biodiversity and living natural resources
- Promote sustainable management of living natural resources to support local livelihoods and inclusive economic development

Main changes from 1st to 2nd draft

- Ecosystem services as new objective
- Definition of habitat types harmonized with IFC
- Biodiversity offsets only as last resort
- Tailored provisions for industrial and large-scale commercial production of crops and animal husbandry

Indigenous Peoples (ESS7)

Special considerations for Indigenous Peoples affected by Bank-financed projects to avoid negative effects and enable their access to development benefits

Objective

- Foster full respect for Indigenous Peoples
- Avoid, minimize, mitigate and/or compensate for adverse impacts of projects on Indigenous Peoples
- Promote sustainable development benefits and opportunities
- Improve project design and promote local support
- Ensure FPIC of affected Indigenous Peoples in specified circumstances
- Recognize, respect and preserve the culture, knowledge, and practices of Indigenous Peoples

Main changes from 1st to 2nd draft

- Alternative approach clause deleted
- Clarifications on traditional or customary ownership
- Clarifications concerning FPIC

Cultural Heritage (ESS8), Financial Intermediaries (ESS9), Information Disclosure & Stakeholder Engagement (ESS10)

Requirements to protect the physical environment of cultural heritage sites; Requirements for managing environmental and social risk in Financial Intermediaries; Requirements for access to information and stakeholder participation in Bank-financed projects

Objective

ESS8

- Protect cultural heritage; address cultural heritage as integral aspect of sustainable development; promote equitable sharing of benefits from use of cultural heritage

ESS9

- Set out how FIs will assess and manage risks and impacts; promote good environmental and social management practices; promote good environmental and human resources management within FIs

ESS10

- Establish systematic approach to stakeholder engagement; assess level of stakeholder interest and support for the project; promote and provide means for effective and inclusive engagement; ensure appropriate project information; provide project-affected parties with accessible means to raise issues and grievances

Main changes from 1st to 2nd draft

ESS8

Include intangible cultural heritage, introduce concept of legally protected cultural heritage areas

ESS9

Extended applicability of ESS, requirement to monitor risk profile, screening all FI subprojects against any exclusions listed in the legal agreement

ESS10

Includes assessment of stakeholder interest in and support for a World Bank-supported project as objective, meaningful consultations with all stakeholders, records of stakeholder engagement, independent third party specialist for stakeholder identification and analysis for significant risk projects

Phase 3 Consultations (August 2015-TBD)

- **Scope:** 34 countries (31 borrowers)*

AFR (10 countries): Angola (African Caucus, for information), South Africa, Madagascar, Rwanda, Tanzania, Cameroon, Burkina Faso, Ethiopia, Nigeria, Kenya	EAP (3 countries): China, Vietnam, Indonesia
LAC (6 countries): Peru, Mexico, Honduras, Haiti, St. Lucia, Brazil	ECA (3 countries): Turkey, Uzbekistan, Tajikistan
MNA (6 countries): Egypt, Lebanon, Iraq (VC), Jordan (VC), Morocco, Saudi Arabia	Part I (3 countries): Belgium, Japan, USA
SAR (3 countries): India, Bangladesh, Afghanistan	

- **Focus**
 - Implementability of proposed standards in WB-financed projects
 - Potential changes in effort required for borrowers
 - Outstanding issues that need to be resolved in third draft

Outstanding Issues for Consultation

- List of 52 [issues](#) identified by Management and Board for further discussion, including:
 - Approach to Human Rights
 - Labor (freedom of association, collective bargaining, etc.)
 - Climate change and GHG emissions
 - Implementation of Indigenous Peoples standard in complex political and cultural contexts and where national constitutions do not recognize Indigenous Peoples
 - Criteria for establishing and implementation of Free, Prior and Informed Consent (FPIC)
 - Specific aspects of non-discrimination principle (list of vulnerable groups, application in complex social and political environments)
 - Use of borrower frameworks
 - Aspects of adaptive risk management (timing of actions and disclosure of documents)
 - Treatment and rights of informal occupants
 - Client capacity building and implementation support
 - Etc. ([full list available online](#))

Review and Update of the World Bank Safeguard Policies


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Environmental and Social Framework

Consultations on the Second Draft of Environmental and Social Framework

On July 1, 2015, the Committee for Development Effectiveness (CODE) of the World Bank's Board of Executive Directors authorized a 3rd phase of consultations on a **revised (second) draft**. At their request, the 3rd phase will focus on feasibility of applying the framework in borrowing countries and on an **indicative list of issues** that require discussion. Now available: an **update** clarifying the process and issues for consultation.



More information available at:
<http://consultations.worldbank.org/consultation/review-and-update-world-bank-safeguard-policies>