



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

Consultation Meeting with Non-governmental Organizations, Donors and Academia Hanoi, March 25, 2013

Summary

The consultation meeting was held on March 25, 2013. After a presentation by the World Bank Safeguards Review Team on the background, intended scope and process for the review, the floor was open for participants' input and comments.

The Bank sought guidance from the participants by posing three questions which served as the framework for the discussions:

1. What improvements should the Bank make to the safeguard policies to enhance their effectiveness?
2. How should the Bank better support borrower country laws, systems and institutions?
3. How should the Bank and borrowers work together to improve environmental and social sustainability in borrower countries?

Summary

- **Children.** Aspects involving children such as emergencies/disasters, child labor, and children in involuntary resettlement in Bank financed projects were pointed out as requiring better definition in the Bank's policy. There were specific questions about how the resettlement process in Bank projects would ensure that children of relocated households have access to education at new resettlement sites without facing interruption or disruption.
- **The use of country systems** was a source of concern. Participants noted that this approach is focused on addressing compliance with country systems, and prioritizing the role and capacity of the borrower. However, for some participants there are risks involved in this approach since Vietnam's systems for environmental and social safeguards are not up to the Bank's required policy standards. Therefore, questions were raised as to how the Bank would address such risks. The policy review should identify ways to support and strengthen country systems to reach the Bank's policy standards. The policy review should also clarify how non-compliance would be addressed in such cases.
- **Implementation of the new policy.** Current policy implementation has revealed some loopholes relating specifically to enforcement. Participants asked for clearer and defined actions (as well as increased effectiveness) as a result of the policy review in terms of enforcement and monitoring during project implementation.

- **Linkage with procurement policies** needs to be addressed in the safeguard policy review. This is to ensure that project design and implementation address jointly and consistently the respective policies.
- **Climate change.** The review of the safeguard policies would be an opportunity to specifically look into emerging issues of climate change, and how these policies can incorporate climate change measurements, climate change impacts on people, and accountability in climate change issues. On a related point, clarification was sought on the Bank's strategy on Reducing Emissions from Deforestation and Forest Degradation (REDD) and how the safeguard policies relate to, and are addressed in, REDD projects/operations.
- **Harmonization.** Harmonization of safeguard policies across different development partners is an important point. As an example, it was noted that those involved in REDD programs have questions about the issue of harmonization of safeguard policies. The European Union is negotiating with Vietnam on timber trading and governance, forest governance and protection. The Bank should clarify how the two sets of safeguard policies from the EU and the Bank will be harmonized in such cases. There is also a concern about safeguards harmonization across REDD+ and FCPF. The Bank should help to strengthen country laws and regulations in terms of REDD+.
- **Role of civil society in development.** Civil society has a role to play, especially in helping to monitor safeguard policy implementation in Bank funded projects, which should be supported by the Bank.
- **Sharing of knowledge, best practice:** There is a need for learning from the Bank's methodologies, assessment systems and indicators, access to information and expertise. The Bank should consider how to disseminate best practices and experiences to wider audiences, for example, how safeguard policies are designed and implemented in hydropower projects. Participants noted that commercial banks in Vietnam have very limited experience with the design/implementation of social and environment safeguards, and that the Bank's experiences and best practices/lesson learned in the operationalization of safeguards could be better disseminated.
- **Motivation for the private sector to adopt environmental and social safeguards** should be taken into account. Environment and social safeguards policies of the Bank are considered best standards/practices and should not only be applied to the public sector, but also be promoted so as to ensure their adoption by the private sector.
- **Mechanisms to ensure feedback is reflected in the new policy.** The Bank should ensure an effective mechanism for ongoing consultations to be taken into account during the review and update of the safeguard policies.
- **Water issues.** The Bank should take into consideration Vietnam's dependence on trans-boundary water sources (for example the Mekong and Red Rivers), and related implications for the policy on international water resources.