

Factsheet: Proposed¹ Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management

What is the proposed ESS 3 about?

The world's natural resources are diminishing. We need to become more responsible at managing those resources. This proposed Standard includes requirements on cleaner production, on handling resources efficiently, and on preventing and managing pollution. The objective of the proposed ESS 3 is to avoid or minimize any project's potential adverse impact on health and on the environment, to promote the sustainable use of resources, and to avoid or minimize project-related greenhouse gas (GHG) emissions.

After conducting an environmental and social assessment (as described in the proposed ESS 1), Borrowers would implement the necessary measures to reduce pollution. Energy, water and raw materials have to be used responsibly and in a way that does not diminish these resources. If, for example, a project would need so much water that farmers in the area would have less water for themselves, water would have to be used efficiently and alternative water resources would need to be found. If approved, ESS 3 would also promote pollution prevention and management.

Under the proposed World Bank Environmental and Social Policy, the World Bank's responsibilities would include reviewing the assessments conducted by the Borrower; assisting the Borrower in developing measures and actions required for the project to comply with ESS3; and agreeing with the Borrower on the measures and actions they would take in the Environmental and Social Commitment Plan (ESCP). Throughout implementation, the World Bank would monitor the environmental and social performance and provide support and capacity building, as needed, in accordance with the legal agreement, including the ESCP.

What's new?

- **Greenhouse gas reduction:** The World Bank is committed to stronger global collective action to support climate change mitigation and adaptation. If approved, the proposed ESS 3 would require Borrowers to consider ways to avoid or minimize project-related GHG emissions. If there are technically and financially feasible ways to do so, the World Bank would require that the Borrower take action.
- **Estimation of Greenhouse gas emissions:** Some projects, such as operating factories or mines, are likely to produce GHG emissions in excess of the threshold established by the World Bank. In those cases under the proposed ESS3, the Borrower would estimate emissions with internationally recognized methodologies.
- **Improved efficiency in water consumption:** Water is one of the most valuable natural resources in the world. It is becoming increasingly scarce in some areas due to climate change. Bank-financed projects should take into account the needs of other water users, including the water needs of the

¹ The content of the proposed Standard is for consultation purposes. It has not been endorsed by the Executive Directors of IBRD/IDA. The Board of Executive Directors will make the final decision on the content.

To review the proposed framework, including the full text of all ten standards, and provide feedback, please visit <http://consultations.worldbank.org/consultation/review-and-update-world-bank-safeguard-policies>

natural environment. The proposed ESS 3 would require the Borrower to avoid using large quantities of water if possible or use alternative water supplies.

- ***A strong commitment to preventing pollution:*** Under the proposed ESS3, the Borrower would avoid and minimize pollution and hazardous waste. This requirement would be consistent with international best practice.

What stays the same?

- The current Pest Management policy of the World Bank is embedded in ESS 3.
- The provisions on waste, hazardous waste, and pesticides are similar to those in the current safeguard policies.