



**THE WORLD BANK**

IBRD • IDA | WORLD BANK GROUP

Operations Policy & Country Services

# Setting Standards for Sustainable Development

Update and Review of the  
World Bank's Safeguard  
Policies

Why the Review?



# World Bank Group Commitment

*“The World Bank Group is committed to supporting countries in reducing poverty and building shared prosperity in a sustainable manner.”\**

- **To end poverty and promote shared prosperity** all aspects of social and environmental sustainability must be taken into consideration
- **Protecting the environment and the world’s poorest and most vulnerable people** in our projects are central to this vision

# A Changing World

- Issues our clients face have changed dramatically over the last 20 years
- Many clients' as well as the World Bank's ability to manage these issues have significantly improved
- World Bank modernization effort
- 2010 IEG evaluation [\*Safeguards and Sustainability Policies in a Changing World: An Independent Evaluation of World Bank Group Experience\*](#)
- 2012/2013 multi-stakeholder consultation underlined need for change

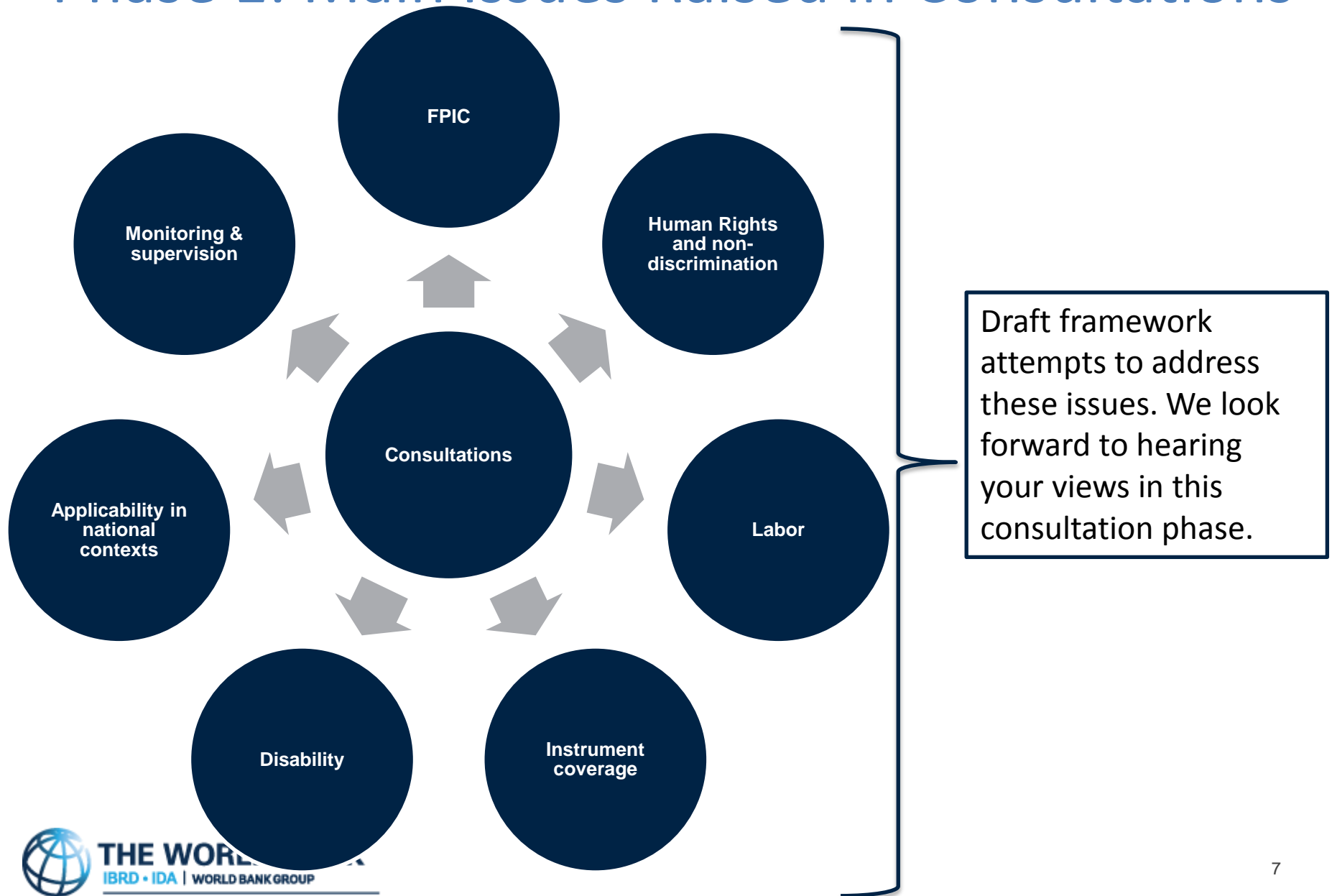
**Consultations**



# Phase 1: A Look Back to 2012/2013

- Views from stakeholders from over 40 countries (civil society, government, private sector, academia, development partners etc.)
- Written submissions from civil society organizations, governments, academia etc.
- Expert focus groups on 7 emerging areas
  - Land Tenure and Natural Resources
  - Free, Prior and Informed Consent of Indigenous Peoples
  - Labor and Occupational Health and Safety
  - Climate Change
  - Human Rights
  - Disability
  - Gender
- Dedicated Indigenous Peoples Dialogue
- Dialogue with project-affected communities

# Phase 1: Main Issues Raised in Consultations



# Phase 2: Consultation Process

- 37 countries planned (TBC), incl. 25 borrowing countries
  - **Consultation phase extended**
    - Indicative country consultation schedule online, most countries confirmed
  - Dedicated **Indigenous Peoples** consultations
  - Topical **expert consultations**: labor, biodiversity, vulnerable groups
  - Synergies with large international meetings (e.g., World Conference on Indigenous Peoples, Civicus International Civil Society Week)
  - Bilateral meetings on request (email [safeguardconsult@worldbank.org](mailto:safeguardconsult@worldbank.org))
  - Possibility of online public consultations in January
  - Consultations and workshops with development partners (e.g., other MDBs) and international organizations (e.g., ILO)
- Meeting summaries and participant lists to be published on [website](#)
- Additional feedback channels (forum, comments on individual Standards) through [website](#)



**Proposed Framework**



# Our Goal

Communities to receive **broader and enhanced protection** for their livelihoods and environment.

Implementers' projects to have **better development results** through outcomes-focused approach, improved design and improved implementation measures.

For the Bank, **stronger accountability** and new rules that will add **more social and environmental protection**.

# The Proposed Framework

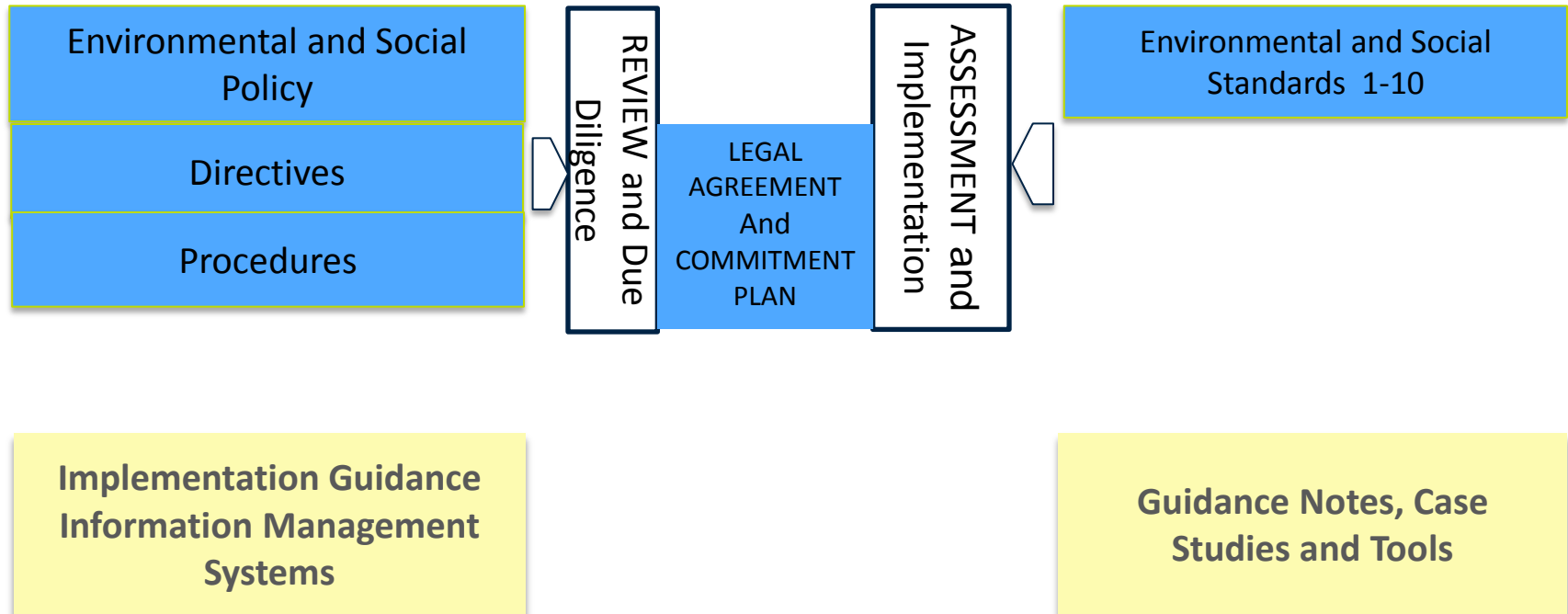
- Builds on existing safeguards and **preserves Bank core values**
- Presents a **modernized, risk-based, outcomes-focused** approach to protecting the environment and people
- Puts strong emphasis on risk management and **achieving sustainable development outcomes** over the life of the project
- Broadens social assessment and management of **environmental and social risks**
- Provides greater **clarity** of the roles and responsibilities of the World Bank and Borrower
- Increases **harmonization** with development partners and recognized good international practices
- Renews and strengthens **partnership with borrowers**

# Framework Structure

World Bank Vision Statement on Sustainability

## World Bank Responsibilities

## Borrower Responsibilities



■ Mandatory elements of the proposed Framework

■ Non-mandatory elements of the proposed Framework

# Bank and Borrower Roles

## The Bank's role:

**Detailed in the proposed policy.  
Bank responsible for:**

- Reviewing assessments and helping Borrower to develop measures and actions required for compliance with standards
- Strengthening/ promoting use of Borrower's environmental and social institutions and laws
- Agreeing with Borrower on the measures/ actions in the ESCP
- Supporting rigorous implementation of commitment plan

## Borrower's Role:

**Specified in the 10 Environmental and Social Standards.**

- As now, borrowing country is responsible for assessing, managing and monitoring environmental and social risks and impacts in Bank-financed projects
- Based on E&S assessment, Bank and borrower would agree on specific Commitment Plan to mitigate risks (with clear timelines)

| Main issues raised in consultations*                            | Draft Framework   |
|---|---|
| Free, Prior, and Informed Consent (FPIC)                        | Introduces FPIC   |
| Address children’s rights                                       | Prohibits child labor in Bank-funded projects, introduces enhanced social due diligence   |
| Labor protections according to international models             | Introduces labor standard with elements of ILO International Labor Standards  |
| Non-discrimination as principle                                 | Establishes non-discrimination as core principle  |
| Integrated approach to disability issues                        | Includes disability in non-discrimination principle, introduces enhanced social due diligence   |
| Integrated approach to gender issues                            | Includes gender in non-discrimination principle, introduces enhanced social due diligence   |
| Integrated approach to SOGIE issues                             | Includes SOGIE in non-discrimination principle, introduces enhanced social due diligence  |
| Instrument coverage   | Introduces Standards that will apply to 75% of all World Bank operations; World Bank to conduct separate review of PforR and DPL with special attention to safeguards |
| Enhanced stakeholder engagement and better grievance mechanisms | Proposes dedicated Standard on stakeholder engagement, incl. grievance mechanisms, throughout project cycle   |

| Main issues raised in consultations*                    | Draft framework   |
|---|---|
| Human rights  | Includes provisions throughout to help borrowers meet their human rights obligations and aspirations (while respecting that the World Bank cannot use the safeguards to enforce human rights) |
| Protect biodiversity                                    | Introduces dedicated Standard on biodiversity protection and sustainable management of living natural resources   |
| Address pollution and climate change issues             | Introduces requirement for resource efficiency and pollution abatement, provides focus on greenhouse gas emissions  |
| Capacity building and institution strengthening         | Builds capacity through working with and improving Borrower environmental and social frameworks   |
| Strong risk management approach                         | Introduces risk rating, requires adaptive risk management throughout project life cycle, enhances ability to identify and address risks that may arise after initial assessment               |
| More focus on supervision and compliance                | Introduces stronger focus on supervision and compliance, enhances project management and supervision requirements   |
| Clearer roles and responsibilities of Bank and Borrower | Clearly defines roles/responsibilities of Bank and Borrower in each Standard  |
| Harmonization   | Increases harmonization with other MDBs and across WBG  |

**Complex issues**





# Non-Discrimination

## Proposal

- Establishes non-discrimination as **core principle** in accordance with commitment to protecting the poor and other vulnerable groups from adverse impacts caused by World Bank-financed projects
  - Provides for stronger assessment of **discrimination toward individuals or groups**
  - Addresses discrimination
- Non-discrimination principle addresses **gender**, physical or mental **disability**, **sexual orientation**, and **gender identity**, among other issues

# Labor and Working Conditions

## Proposal

- Requires Borrowers to explicitly address **key labor-related issues**
- Prohibits **child and forced labor**
- Builds on national requirements
- Incorporates principle of **non-discrimination/equal opportunity** in employment in Bank projects
  - Employment of project workers based on the principle of equal opportunity and **fair treatment**

# Indigenous Peoples

## Proposal

- Moves from Free, Prior, Informed, Consultation to Free, Prior and Informed **Consent** in key circumstances
- Addresses issues requested by Indigenous Peoples stakeholders:
  - **Voluntary Isolation**
  - **Pastoralism**
  - **Risk of internal conflict**
- Introduces alternative approach to help avoid internal conflict:
  - **Exception** rather than the rule, context specific, **open and accountable** process for consideration, approval of alternative approach by **World Bank Board**, Protects IPs using other ESSs

# Land and Involuntary Resettlement

## Proposal

- Maintains strength of current policy; land issues addressed in several of the proposed Standards
- Acknowledges potential adverse impacts through project-related land acquisition and restrictions on land use
- Makes all types of potential conflicts concerning land access an explicit focus of environmental and social assessment
- Builds on existing protections and clarify protections related to land and involuntary resettlement
- Commits to supporting **land rights of Indigenous Peoples**
- **Avoids or minimizes involuntary resettlement; no forced eviction; and mitigates any adverse impacts** through compensation and assistance

# Biodiversity

## Proposal

- Integrates existing safeguards on forests and natural habitats
- Strengthens existing safeguards through introducing **more specific and stringent** requirements for biodiversity conservation
- Introduces more **clarity** and **more stringent requirements** for how risks and adverse impacts on natural habitats must be mitigated
- Ensures that Bank funds will not be used to finance or support projects that would involve a **significant conversion or degradation** of critical habitats
- Allows offsets only in exceptional circumstances and as **last resort**

# Human Rights

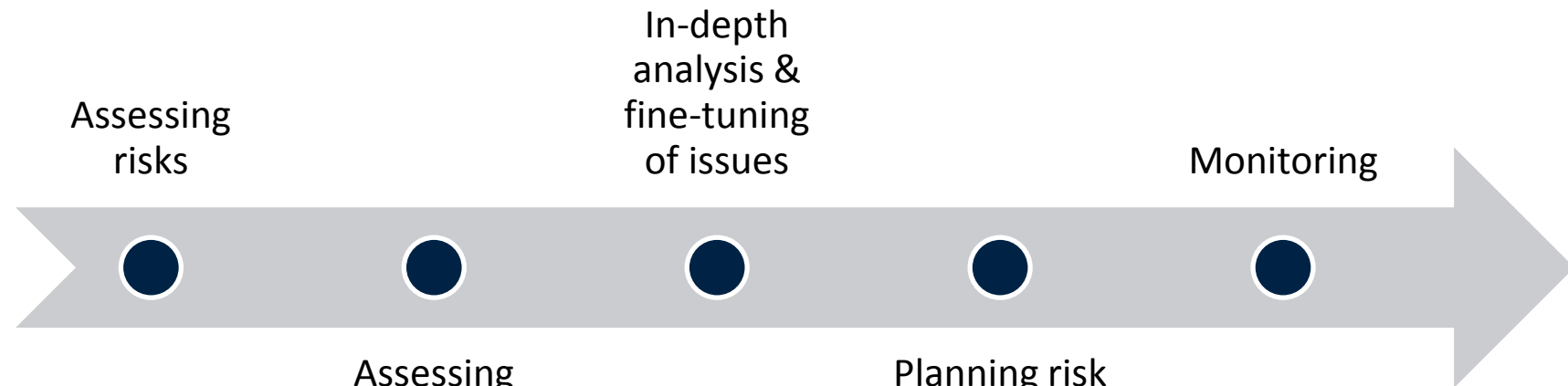
## Proposal

- Makes clear that World Bank operations **support human rights** by enlarging the scope of the proposed standards through required assessment of a range of **issues that directly relate to human rights concerns** (such as non-discrimination, gender, disability, and children)

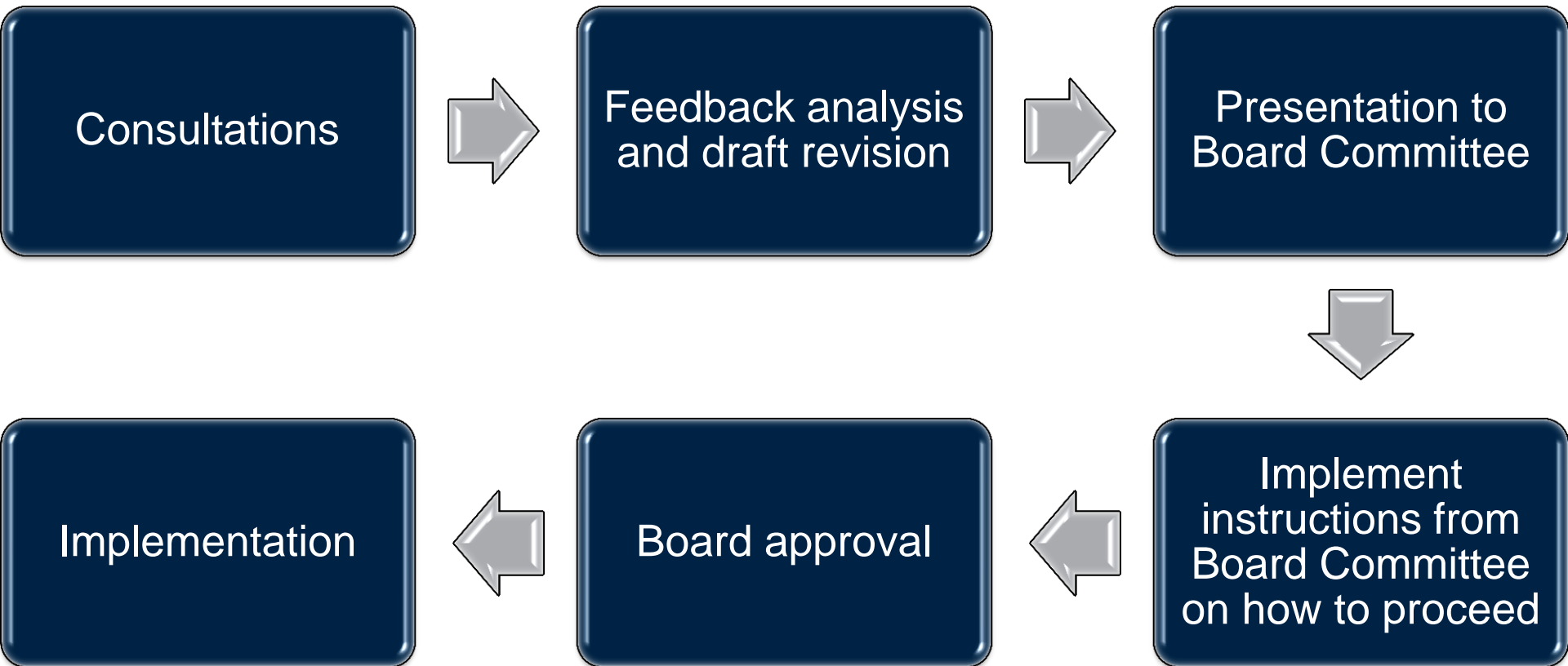
# Adaptive Risk Management

## Proposal

- Always requires **rigorous upfront assessment** to determine the scope and significance of environmental and social impacts
- Recognizes that for some large and complicated projects, the assessment of certain risks can be carried out **over time** (but well **in advance** of any activities that could have adverse impacts)
- Requires Bank and Borrower to agree on Borrower environmental and social requirements in legally binding, time-bound **commitment plan**
- Requires that commitment plan is **fully developed and consulted on** prior to any project initiation with adverse impact
- Allows better risk management for **projects without physical footprint**



# Next Steps





## Discussion

[safeguardconsult@worldbank.org](mailto:safeguardconsult@worldbank.org)

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

