Africa Centers of Excellence for Development Impact

Environment and Social Safeguard Policies

Dakar, September 23-27, 2019
Part 1: Overview

Safeguard Policies in a Larger Context
Multilateral Development Banks and Bilateral Donor Organizations have developed and applied strategic frameworks, policies and procedures to integrate the identification and management of environmental and social risks into their work to support responsible economic development over the last 30 years.
Effective implementation of Safeguard Policies provides a “License to Operate” in a World concerned with Sustainable Development

Environmental and Social Performance of the World Bank has a major influence on our ability to mobilize political support and public and private sector funding for our operations
Important Points
Safeguard Policies

• Safeguard policies are Board-approved mechanisms for integration of environmental and social issues into decision making

• Provide a set of specialized tools to support development processes

• Support participatory approaches and transparency
Two Key Concerns

1. Development Effectiveness and Impact – Results on the Ground – Short and Long Term

2. Identification and Management of Risk – both Real and Perceived
A Critical Challenge

Efficiency vs. Effectiveness
The Project Cycle

1. Country Assistance Strategy
   The Bank prepares lending and advisory services, based on the selectivity framework and areas of comparative advantage, targeted to country poverty reduction efforts.

2. Identification
   Projects are identified that support strategies and that are financially, economically, socially, and environmentally sound. Development strategies are analyzed.

3. Preparation
   The Bank provides policy and project advice along with financial assistance. Clients conduct studies and prepare final project documentation.

4. Appraisal
   The Bank assesses the economic, technical, institutional, financial, environmental, and social aspects of the project. The project appraisal document and draft legal documents are prepared.

5. Negotiations and Board Approval
   The Bank and borrower agree on loan or credit agreement and the project is presented to the Board for approval.

6. Implementation and Supervision
   The Borrower implements the project. The Bank ensures that the loan proceeds are used for the loan purposes with due regard for economy, efficiency, and effectiveness.

7. Implementation and Completion
   The Implementation Completion Report is prepared to evaluate the performance of both the Bank and the borrower.

8. Evaluation
   The Bank’s independent Operations Evaluation Department prepares an audit report and evaluates the project. Analysis is used for future project design.
Integration Steps

1. Identification
2. Preparation
3. Project Documents
4. Loan and Grant Agreements
5. Management Plan
6. Implementation Schedule
7. Project Budget
8. Monitoring and Evaluation
Part 2: Safeguard Policies

Objectives, Principles and Requirements
Environmental and Social Review

• All Bank Supported Operations Reviewed for Environmental and Social Impacts and Risks

• Safeguard policies apply to Investment Lending, including Technical Assistance and Trust Funds

• Safeguard policies do not apply to Development Policy Operation/Loan (DPO/DPL) and Program for Results Operation (P for R)

• All Require Consultation and Disclosure
Focus of Safeguard Policies

- Impact
- Risk
- Consultation
- Disclosure
- Supervision
10 Safeguard Policies

- Environmental Assessment
- Natural Habitats
- Forests
- Safety of Dams
- Pest Management
- Physical Cultural Resources
- Involuntary Resettlement
- Indigenous Peoples
- Projects involving International Waters
- Projects in Disputed Areas
OP 4.01
Environmental Assessment

• Umbrella policy; cross-references other policies including social

• To help ensure the environmental and social soundness and sustainability of projects

• To support integration of environmental and social aspects of projects into the decision making process

• Triggered when one or more project activity has potential to cause adverse environmental impacts in its area of influence
<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
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<tbody>
<tr>
<td>Category A</td>
<td>Impacts are sensitive, diverse, cumulative, irreversible and/or unprecedented. Comprehensive EA and EMP Consultation on EA ToRs as well as draft EA.</td>
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<tr>
<td>Category B</td>
<td>Impacts are site-specific, reversible in nature, less adverse than those of Category A. Mitigation measures can be designed and implemented more readily. More flexible EA requirements. Consultation on draft EA.</td>
</tr>
<tr>
<td>Category C</td>
<td>Minimum to no adverse environmental impacts. No stand-alone EA required.</td>
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<tr>
<td>Category FI</td>
<td>Could include A, B and/or C level subprojects. EA work required for subproject investments should be scaled to expected level of impacts.</td>
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Factors Affecting Screening and Categorization

- **Type** - Project or specific components have inherent environmental risks
- **Location** - Proximity to environmentally, socially and culturally important areas
- **Sensitivity** - Potential impacts may be irreversible or environment sensitive to changes
- **Scale** - Extent of environmental and social issues
Key Safeguard Instruments

- Regional/Sectoral Environmental Assessment
- Environmental Assessment
- Cumulative Impact Assessment
- Environmental Management Plan
- Environment and Social Management Framework
- Resettlement Action Plan/Framework
- Indigenous Peoples Plan/Framework
- Pest Management Plan
- Dam Safety Plan
- Audits and Planning Studies
OP 4.04
Natural Habitats

- To support the protection, conservation, maintenance, and rehabilitation of natural habitats and their functions
- Avoid unjustified or excessive damage to natural habitats

Triggered when:
- Potential for significant loss or degradation of natural habitats
- Opportunity for benefit to natural habitats
OP 4.36
Forests

- Overlaps with Natural Habitats Policy

- To realize the potential of forests to reduce poverty in a sustainable manner, integrate forests effectively into sustainable economic development, and protect the vital local and global environmental services and values of forests

- Apply to all types of projects that would affect forests, but OP 4.36 has additional requirements for forestry projects
Forests

Requirements for forestry projects:

• Forestry plantations:
  • Include forest restoration activities
  • that maintain or enhance biodiversity and ecosystem functionality
  • Meets international forest management certification standards

• Meaningful participation of forest-dependent communities in natural forest harvesting
  • Only community-based harvesting under certain conditions in critical forests
  • Commercial harvesting under certain conditions in non-critical forests
OP 4.09

Pest Management

• To minimize and manage the environmental and health risks associated with pesticide use and promote and support safe, effective, and environmentally sound pest management

• Reduce reliance on synthetic chemical pesticides and promote Integrated Pest Management (IPM) and Integrated Vector Management (IVM)

Triggers:

▪ Project procures pesticides or pesticide application equipment

▪ Project could lead to substantial increase in pesticide use

▪ Project would maintain or expand unsustainable or risky pest or vector management practices
OP 4.11
Physical Cultural Resources

- To assist in preserving physical cultural resources and avoiding their destruction or damage
- Physical Cultural Resources includes resources of archaeological, paleontological, historical, architectural, religious (including graveyards and burial sites), aesthetic, or other cultural significance
- Triggered when a project has the potential to affect and/or benefit PCR
OP 4.37
Dam Safety

- To assure quality and safety in the design and construction of new dams and the rehabilitation of existing dams, and in carrying out activities that may be affected by an existing dam

**Triggers:**
- Project involves construction of new dam(s)
- Project is dependent on existing dam, or a dam under construction
OP 4.12
Involuntary Resettlement

• To avoid or minimize involuntary resettlement
• To assist displaced persons in improving or at least restoring their livelihoods and standards of living in real terms relative to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher

Triggered when a project involves:
• Involuntary taking of land causing direct physical and/or economic displacement
OP 4.10
Indigenous Peoples

To design and implement projects in a way that fosters full respect for Indigenous Peoples’ dignity, human rights, and cultural uniqueness and so that they:

(a) receive culturally compatible social and economic benefits; and

(b) do not suffer adverse effects during the development process

*Trigger is the presence of IPs in the project or their collective attachment to land.*
OP 4.10
Indigenous Peoples

• *Four defining characteristics of an IP*
  - Self-identification as members of a distinct indigenous cultural group and recognition of this identity by others
  - Collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories
  - Customary cultural, economic, social, or political institutions that are separate from those of the dominant society and culture
  - An indigenous language, often different from the official language of the country or region.
OP 7.50
Projects on International Waterways

To ensure that World Bank financed projects affecting international waterways would not affect:

- Relations between the World Bank and its Borrowers and between states, and
- The efficient utilization and protection of international waterways
OP 7.60
Projects in Disputed Areas

To ensure that projects in disputed areas are dealt with at the earliest possible stage:

• So as not to affect relations between the Bank and its member countries
• So as not to affect relations between the Borrower and neighboring countries
• So as not to prejudice the position of either the Bank or the countries concerned
Consultation

- Mandated by Environmental Assessment, Involuntary Resettlement and Indigenous Peoples Policies
- A two-way process in which beneficiaries provide advice and input on the design of proposed projects that affect their lives and environment
- Promotes dialogue between governments, communities, NGOs and implementing agencies to discuss all aspects of the proposed project
- Undertaken during both project preparation and supervision – it is an ongoing process
Disclosure of Information

• Supports decision making by the Borrower and Bank by allowing the public access to information on environmental and social aspects of projects

• Mandated by Environmental Assessment, Involuntary Resettlement and Indigenous Peoples Policies

• Documents disclosed include Environmental Assessment, Resettlement Action Plan and Indigenous Peoples Plan, Frameworks

• Disclosed at World Bank InfoShop and in country at appropriate sites and in local languages

• Like consultation, it is an ongoing process during project preparation and supervision
Good Performance

- Start Early on Safeguard Issues
- Clearly Define Proposed Project
- Effectively Communicate with Stakeholders
- Conduct Serious Analysis of Alternatives
- Adopt an Interactive Approach with Specialists
- Focus on Design Solutions
- Make Realistic Mitigation Plans
- Include Practical Monitoring Plans
- Quality Consultation and Disclosure
- Undertake Adjustments During Implementation
Poor Performance

• Starting Late or After Basic Design
• Limited Engagement with Stakeholders
• Inadequate Analysis of Alternatives
• Primary Focus on Mitigation/Compensation
• Inadequate Specialist Input
• Limited Integration into Budget and Implementation Plan
• Safeguards Overlooked During Implementation
• Inadequate Consultation and Disclosure
Overview of the new Environmental and Social Framework (ESF)
## Borrower Requirements: Standards

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<thead>
<tr>
<th>Standard</th>
<th>Building on</th>
<th>New Key Elements</th>
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<tbody>
<tr>
<td>ESS1: Assessment and Management of ESS Risks and Impacts</td>
<td>OP/BP4.01 (Environmental Assessment)</td>
<td>Social assessment; non-discrimination; adaptive management, time frame for compliance; ESCP</td>
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<td>ESS2: Labor and working conditions</td>
<td>OP/BP4.01 and EHS Guidelines</td>
<td>Prohibits child labor and forced labor, focus on OHS, grievance mechanisms</td>
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<td>ESS3: Resource Efficiency and Pollution Prevention</td>
<td>OP4.09 (Pest Management) and EHS Guidelines</td>
<td>Promote efficient management of energy, water, and other resources and materials; hazardous materials management; pesticides</td>
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<td>ESS4: Community Health and Safety</td>
<td>OP/BP4.37 (Safety of Dams) and EHS Guidelines</td>
<td>Assess risks and impacts on communities; Design of safe infrastructure, equipment operation, products, services, road safety, hazardous materials; emergency preparedness</td>
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<tr>
<td>ESS5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement</td>
<td>OP/BP4.12 (Involuntary Resettlement)</td>
<td>Greater clarity on treatment of state land, land titling, access to common resources, voluntary transactions, forced evictions</td>
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<tr>
<td>ESS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources</td>
<td>OP/BP4.04 (Natural Habitats) and OP/BP4.36 (Forests)</td>
<td>Requirement to assess and mitigate impacts on biodiversity; biodiversity offsets; management of living resources;</td>
</tr>
<tr>
<td>ESS7: Indigenous Peoples</td>
<td>OP/BP4.10 (Indigenous Peoples)</td>
<td>Clearer definitions of IP, requires FPIC in specified circumstances;</td>
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<tr>
<td>ESS8: Cultural Heritage</td>
<td>OP/BP4.11 (Physical Cultural Resources)</td>
<td>Adopt chance find procedure, enhanced consultation with affected communities, intangible heritage</td>
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<tr>
<td>ESS9: Financial Intermediaries</td>
<td>OP/BP 4.01</td>
<td>Establish E&amp;S procedures commensurate with FI nature, risk level and impact</td>
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<tr>
<td>ESS10: Information Disclosure and Stakeholder Engagement</td>
<td>Consolidates WB engagement provisions</td>
<td>Meaningful consultation, access to information and grievance redress through the life of project</td>
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More Information on Safeguard Policies at the World Bank Group

- Safeguards Website
  www.worldbank.org/safeguards
- Use of Country Systems Website
  www.worldbank.org/countrysystems
- IFC’s Sustainability Policy Framework
  www.ifc.org
Questions?