

World Bank Safeguards Policies
Proposed Environmental and Social Framework

Statement from Mr. Jose Alejandro Rojas Ramirez, Executive Director for Costa Rica, El Salvador,
Guatemala, Honduras, Mexico, Nicaragua, Venezuela, and Spain

We welcome the opportunity to discuss this Second Draft of the proposed Environmental and Social Framework for Investment Project Financing for the World Bank. We find an improvement over the first draft of the framework after extensive consultations with Staff, the Bank's shareholders and other stakeholders, including civil-society organizations. We wish to congratulate Management for carrying out this important reform of our institution, which will surely put the Bank at the forefront of environmental and social protections. We, therefore, wish to encourage the team to carry forward on their successful efforts to modernize our safeguards.

We consider that there is room for improvement of this draft, so we will raise a few points for your consideration. First, we commend the team for the inclusion of Human Rights in the vision statement, as a general-guiding principle for the ESF. Although questions have been raised regarding the development mission of the Bank vis-a-vis the implementation of the human-rights obligations of countries, we are of the view that our mandate complements the implementation of the Universal Declaration of Human Rights, in accordance with our Articles of Agreement.

Regarding the issue of non-discrimination, we encourage Management to enhance the language and to include in the text the list of vulnerable-populations that the ESS1 aims to protect. We recognize the inclusion of vulnerable groups in the footnote of the standard. We are also of the view that this list should be part of the text of the standard in order to strengthen its implementation. We underscore that it is our view that the mandate of the Bank imposes an obligation on the institution to promote human development in every part of the world, regardless of geographical location and cultural background. The inclusion of these groups is a guarantee that the Bank projects not only do not harm any vulnerable groups but, on the contrary, focus efforts in ensuring safe and equitable access to the benefits of Bank-financed projects.

On the ESS5, we welcome the inclusion of gender considerations through the assessment of women-tenure rights, design of compensation schemes and consultation strategies. We consider this an important update, given the emphasis of the new gender strategy on women accessing productive assets as a means to achieve the twin goals.

Additionally, we also find that this second draft can benefit from greater clarity in the definition and scope of implementation of several of its components: especially in the definition of intangible assets for cultural heritage (ESS8), as well as greater clarity on what constitutes Free, Prior and Informed Consent for indigenous populations (ESS7). Both, in order to ascertain the delicate balance that the protection that both standards aim to achieve, as well as to ensure that Bank-financed projects can be executable.

Regarding the use of country systems, we welcome the new text but we would like the team to provide more information on the parameters they will consider in the use of the Bank's discretionary authority to use national frameworks: in our view, greater clarity will provide more security to all parties involved in an operation. We also wish to underscore the importance of capacity building and the implementation of

incentives to foster more efficient and developed environmental and social frameworks in borrowing countries.

We are also aware that the proposed framework would engage in evaluations prior to the implementation of any project that is covered by the new E&S standards. Nevertheless, situations could arise where urgent disbursement for IPF projects would be needed and that the prior-evaluations could hinder their urgent approval and implementation. To that end, we ask Management to explain how the Bank would support said projects, in case the prior-evaluation is considered a deterrent in case of urgency.

Some concerns persist regarding the possible difficulties borrowing countries may face in complying with the new framework prior to the implementation of a project, as well as during its operation, regarding lengthened times and further procedures to consider. We encourage Management to have a more detailed explanation that fully demonstrates how this framework will not have an adverse effect on delaying the project cycle, as well as proving how this new procedures will benefit the efficiency in the implementation of our projects and how it promotes a less onerous cost-framework for borrowers.

Finally, regarding the administrative procedures for the implementation of the project, we are content with the periodic reporting to the Board, as well as the reviews that will take place every 5 years. We, as an institution, must be ready to adjust our new framework where needed, to ensure a successful implementation. We also wish to reiterate our consideration that a staff skill assessment in line with the recent exercise carried out internally to evaluate procurement staff skills, could be useful, to ensure that the institution is both well-prepared to apply this new framework, as well as to help borrowing countries fortify their own systems. Additionally, we wish to know more regarding the training and general skills-development that will take place with our staff.

In conclusion, we believe that the text is much improved and constitutes an acceptable compromise between the goal to protect the most vulnerable and the environment, and the need to create rules that are not excessively burdensome or that could hinder the implementation of development projects. Our challenge will be, from now on, to ensure that, when implementing this new set of safeguards, the World Bank will be rigorous and will ensure that borrowers have the means to comply with them. We wish to express our full support for the third round of consultations and we stand ready to further engage with the team in the development of this important topic.