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Office of the Executive Director (EDS03)  
United Kingdom  
The World Bank  
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USA

Cc: Stewart James, Alternate Executive Director

26 June 2013

Dear Gwen

We are writing regarding the World Bank's safeguards review to request your attention to several crucial issues in advance of the Board meeting on 23 July.

Many of us have engaged closely with the Bank in this review and welcome the opportunity we have had to consult and interact with both Bank management and Executive Directors.

We are writing at this point in the process – following the closure of Phase 1 consultations – to urge you to engage with the safeguards review team ahead of their presentation to the Board on 23 July, on these issues of critical importance. In addition we would ask you to raise these issues in the Board meeting itself.

The issues which we would like to raise with you, and on which we are requesting you engage with the safeguard review team, include the scope and process of the review, the architecture for the new system of safeguard application, implementation concerns, recommendations on 'Emerging Issues' identified in the October 2012 approach paper, and consultation concerns.

Please see the attached technical briefing for more detail on these issues.

We would welcome the opportunity to talk to you or your representative in person about these critical issues and look forward to engaging constructively in the review process in coming months.

Yours sincerely,

ADD International  
Amnesty International UK  
Bretton Woods Project  
Christian Aid  
Forest Peoples Programme  
Indigenous Peoples Links (PIPLinks)

Keeping Children Safe  
London Mining Network  
Oxfam GB  
Save the Children UK  
Trades Union Congress (TUC)

## **Technical briefing**

### **Scope**

In our view it is essential that the safeguard review and update process be mandated to review the application of safeguard policy and procedural requirements and principles across all parts of the World Bank portfolio. Consistent and uniformly effective standards across all lending instruments are required to provide certainty to borrowers and to the people affected by Bank-financed actions. Consistent standards are also required to ensure that World Bank staff is empowered to accurately and uniformly assess risks and potential impacts in a given country, from the initial Country Assistance Strategy (CAS) analysis throughout the life of Bank-financed actions. The World Bank has so far indicated its intention to only look at the application of safeguard standards to Investment Lending in the current review, despite this limitation not being imposed by the approach paper for the review. This would be a serious missed opportunity and would seem to be contrary to the stated approach to bring the different parts of the World Bank Group into closer alignment.

*We urge you to instruct the safeguard review team to include in their work consideration of how uniform safeguard standards and policies would be implemented in each of the operations and through each of the financing instruments employed by the Bank.*

### **Architecture**

The architecture of the safeguards must be explicitly and publicly discussed and consulted in this review. We caution that the model of the International Finance Corporation, which is over-reliant on self-reporting and self-policing by private sector clients, has not been proven to protect people, their rights, and the environment, and does not provide a useful model for lending to the public sector.

*We urge you to communicate to the safeguards review team the critical importance of retaining Bank, in addition to recipient, responsibility for the effective operation and implementation of the standards, relevant not only for borrowers but central to the work of Bank staff.*

### **Implementation**

We urge that UK Government to promote strengthened and more effective arrangements for the implementation of safeguards and ensuring compliance with them. This must include a concrete and financed plan for the roll-out of the new safeguard system that addresses much needed effective reforms to wider implementation arrangements highlighted by the Independent Evaluation Group, civil society organisations and the Inspection Panel. This include reforms and changes to staff incentives, resources for implementation, improved oversight mechanisms and earlier application of key safeguard standards in the Bank's analysis.<sup>1</sup>

We would also like to stress to you our view that the World Bank's current work on a wider change strategy is integrally linked to the critical importance of social and environmental performance. We believe that these two processes of reform cannot take place in isolation from each other.

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<sup>1</sup> See: 'Effective Implementation: the Key to Safeguard Reform', Forest Peoples Programme, Bank Information Center and Urgewald, April 2013

*We urge you to seek a commitment from the safeguard review team that a detailed and financed implementation plan is provided to the Board alongside any newly proposed safeguard system. Such a plan must include actionable proposals for strengthening existing implementation systems across the World Bank Group. Further, we urge you to ensure that the wider World Bank change strategy discussions inform, and are informed by, the safeguard review and update process, including through engagement with civil society on the change strategy reforms.*

## **Emerging Issues**

We welcome the Review team's attention to a number of crucial 'emerging issues'. In particular we would like to encourage you to raise the following points with management:

- *Human Rights:*<sup>2</sup> We urge you to ensure the UK government upholds its human rights obligations, when acting multilaterally through the World Bank. A very recent report issued in March 2013 by the UN Working Group on the issue of Human Rights and Transnational Corporations and Other Business Enterprises (UN Working Group) in Para 71 in fact calls upon all States to “ensure integration, as appropriate, of the UN endorsed "Guiding Principles on Business and Human Rights" (GPs)<sup>3</sup>, into the work of [...] public financial institutions [...].<sup>4</sup>The current safeguards policies must, as a minimum, implement the GPs<sup>5</sup> as they provide the basis for member states to move forward in ensuring institutions like the World Bank incorporate human rights due diligence mechanisms in order to adequately identify all risks to human rights in its activities. One of the main elements of a World Bank human rights due diligence would be ensuring that the reviewed safeguards policies are in line with international human rights law and standards<sup>6</sup>. Furthermore, incorporating robust human rights protections within the World Bank will also support all Member States to fulfil their human rights obligations and improve development outcomes by ensuring respect for the rights of those the Bank seeks to benefit<sup>7</sup>, including those often marginalised in the development process, such as children, women and people with disabilities.
- *Gender Equality and Women's Rights:* The Bank's new safeguards should explicitly protect women's rights and promote gender equality in all stages of Bank activities and measure the gender impact of outcomes. The Safeguards should include specific mandatory measures to conduct gender impact and risk assessments; ensure the involvement of women in decision-making in all Bank supported activities; collect sex-disaggregated data to measure every investment's impacts on men and women; provide full and complete project, programme

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<sup>2</sup> For more details on the need to incorporate human rights into the revised safeguards please refer to AI's submission to the Bank for more on human rights.

<http://www.amnesty.org/en/library/info/IOR80/002/2013/en>

<sup>3</sup> [Report by Special Representative Ruggie to Human Rights Council with full text of Guiding Principles & commentaries \[PDF\]](#)

<sup>4</sup> A/HRC/23/32

<sup>5</sup> [Report by Special Representative Ruggie to Human Rights Council with full text of Guiding Principles & commentaries \[PDF\]](#)

<sup>6</sup> As UN Special Rapporteur on Housing, Raquel Rolnick said earlier this year, “The World Bank should adopt safeguards policies aligned with the international human rights obligations of its member States and clients. Incorporating human rights protections will help member States fulfill their human rights obligations and improve development outcomes by ensuring respect for the rights of those the Bank seeks to benefit.”<sup>6</sup>

<sup>7</sup> See: [http://www.ohchr.org/Documents/HRBodies/HRCouncil/RegularSession/Session22/A.HRC.22.46.Add.3\\_English.pdf](http://www.ohchr.org/Documents/HRBodies/HRCouncil/RegularSession/Session22/A.HRC.22.46.Add.3_English.pdf)

and policy information to women in languages, forms and ways understood by them; and develop gender-sensitive and gender-responsive grievance mechanisms at project and programme level.

- *Children's Rights*<sup>8</sup>: In addition to incorporating robust human rights protections within the World Bank, the new safeguards should also include explicit protections for the unique rights and special needs of children. The World Bank has itself recognised that “children and adolescents are uniquely vulnerable to even short periods of deprivation which can have lifelong and intergenerational effects. Because of the rapidity of neurobiological, cognitive, and emotional development in early childhood, even short-term deprivations can have long-term and potentially irreversible harmful effects.”<sup>9</sup> Furthermore, “[c]hildren and youth are among the most vulnerable to crises because of their lack of agency and, more importantly, because of the sensitive developmental milestones they must achieve.”<sup>10</sup> We hope that you will advocate for the new safeguards developed as part of the current review to, at a minimum, require environmental and social impact assessments that specifically contain an assessment of the likely impacts of a project on children, including the potential for violence and exploitation that can arise around a project's implementation.
- *Rights of Persons with Disabilities*: People with disabilities, often some of the poorest and most vulnerable people in countries where the World Bank has its projects, are not systematically consulted or considered in the planning and design of projects. The lack of a development policy that addresses the specific needs and vulnerabilities of people with disabilities may have resulted in harm, and their identification as an ‘emerging issue’ by the Bank is therefore welcome. The World Bank must mandate systematic inclusion of disability into World Bank operations, ensuring that all relevant Bank-funded projects are inclusive in design and implementation, and ensuring strong, clear policy language on disability in the safeguards. This includes a requirement for all indicators across the framework to be disaggregated by disability in addition to gender, age and geographical location. The policy language should be consistent with the UN Convention on the Rights of Persons with Disabilities.
- *Indigenous Peoples*: We urge that the UK Government support efforts to bring the Bank's safeguard on indigenous peoples into conformity with the UN Declaration on the Rights of Indigenous Peoples, including requiring the free, prior and informed consent of affected indigenous peoples to projects impacting on them. Proposed changes to the operational policy on indigenous peoples must also include strengthened protections for land and resource rights, critical to the survival of indigenous peoples.<sup>11</sup>

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<sup>8</sup> For further analysis and case studies of the impact of Bank projects on children and the fulfilment of children's rights, please see the Bank Information Center's (BIC) Child Rights and Safeguards campaign:

<http://www.bicusa.org/issues/safeguards/childrights/>

<sup>9</sup> World Bank and UNICEF, Integrating a Child Focus into Poverty and Social Impact Analysis, September 2011

<sup>10</sup> Mattias Lundberg and Alice Wuermli, eds, Children and Youth in Crisis: Protecting and Promoting Human Development in Times of Economic Shocks, World Bank 2012

<sup>11</sup> Indigenous peoples' organisations have repeatedly issued this request to the World Bank, see for example:

<http://www.forestpeoples.org/topics/safeguard-accountability-issues/publication/2013/indigenous-peoples-letter-world-bank-conduc>

- *Land Tenure:* As well as strengthening safeguards on Indigenous Peoples, Environmental Assessment and Involuntary Resettlement<sup>12</sup>, all of which must contain critical and strengthened safeguards to protect land rights, the Bank should consider adopting a stand-alone Land Tenure Safeguard applied across all loan operations. This specific safeguard should protect and strengthen the recognition of the tenure rights of the poorest and most vulnerable communities.<sup>13</sup> Such a safeguard should be designed to work in conjunction with existing tenure-related standards. We welcome President Kim's commitment to align Bank policies with the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests (VGs) and urge you ask the Safeguards Review team to ensure coherence between the Safeguards and the VGs.<sup>14</sup>
- *Labour:* The Bank should adopt comprehensive labour and occupational health and safety safeguards and ensure that all activities financed by it strictly comply with them. Core Labour Standards - freedom of association, right to collective bargaining, elimination of discrimination in employment and elimination of forced labour and child labour - endorsed by the World Bank for many years due to their importance in poverty reduction - have already been incorporated into the IFC and MIGA's performance standards and the Equator Principles. Their inclusion in the Social and Environmental Safeguards is integral to the protection and promotion of fundamental rights at work.
- *Climate Change:* The Bank must adopt best practices for promoting climate sensitive and resilient development in its operational policies. As a guiding principle, the Bank should recognise that the goals of climate sensitivity and resilience need not be in tension with its mandate to alleviate poverty in an environmentally responsible manner. To realise the opportunities, the review process could best cover all the Bank's aspirations regarding climate change by developing a Climate Change Safeguard that should incorporate best practice approaches to project selection, appraisal, and alternatives assessment that fully account for the costs and risks of climate change, whilst strengthening the mitigation and adaptation goals.

## Process

Finally, we request that the UK Executive Director office relay to the Safeguards Team our hope that Phase 2 of the Safeguard Review and Update process will be marked by a significant improvement in the consultations with civil society. To date, the 'listening mode' employed by the Safeguard Team has reduced opportunities for substantive exchange on key issues, and we look forward to seeing the new Phase more open to critical and substantive engagement.

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<sup>12</sup> See: Recommendations for the Review of the Policy on Involuntary Resettlement, April 2013

<sup>13</sup> See Oxfam and Inclusive Development International: A Proposal for New World Bank Safeguards on Tenure of Land, Housing and Natural Resources, April 2013.

<sup>14</sup> See: World Bank Group: Access to Land is critical for the poor, April 18 2013 <http://www.worldbank.org/en/news/press-release/2013/04/08/world-bank-group-access-to-land-is-critical-for-the-poor>