Policy Matters

The World Bank Social and Environmental Safeguard Policies

Global Diversity Foundation
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The World Bank safeguard policies (SPs)

• A set of instruments to ensure that the Bank-supported lending operations minimize any adverse impacts on local people, their livelihoods, culture and the environment.

• A mandatory mechanism for evaluating Bank-financed projects during design, implementation and completion, mainly through environmental and social impact assessments.
The World Bank SPs

…were adopted in the early 1980s in response to public criticism and protests as the result of controversial Bank projects, such as dam and highway construction in South Asia and Latin America, which displaced and disrupted the livelihoods of many people.
The World Bank SPs include mainly ten instruments:

OP4.01: Environmental Assessment
OP4.04: Natural Habitats
OP4.09: Pest Management
OP4.11: Physical Cultural Resources
OP4.10: Indigenous Peoples
OP4.12: Involuntary Resettlement
OP4.36: Forests
OP4.37: Safety of Dams
OP7.50: Projects on International Waterways
OP7.60: Projects in Disputed Areas

For more details see: http://go.worldbank.org/WTA1ODE7T0
The World Bank SPs although well-intended and comprehensive in theory have flaws when put into practice:

- SPs are framed in technical terms and overlook the role of political-economic contexts of client countries (e.g. problems with fair compensation and equitable resettlement).

- In case of incompliance with policies, neither the Bank staff nor client governments are held legally accountable for the failure to comply.
The World Bank SPs
although well-intended and comprehensive in theory
have flaws when put into practice:

• SPs do not apply to development policy loans, which now form a major part of the Bank’s portfolio and may bear negative social and environmental implications in the long term.

• SPs are not fully consistent with international agreements (e.g. WB insists to be a custodian of any climate finance mechanisms, resulting from UN climate negotiations, but its SPs omit human rights issues and are less rigorous than safeguard policies of other development banks.
Sources:

