



## Forest Carbon Partnership Facility

# World Bank Safeguards as the Basis for Environmental and Social Risk Management for the FCPF

Kenn W. Rapp, FCPF Facility Management Team

SBSTA Expert Meeting | Panama City, Panama | October 8-9, 2011

# World Bank Safeguard Policies (the “10+2”)

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

*Access to Information  
Policy*

*Piloting Use of Country  
Systems for Environmental  
and Social Safeguards*

# Linking the Cancun and WB Safeguards

Cancun Safeguards	World Bank Safeguards
(a) Actions complement or are consistent with the objectives of national forest programmes and relevant international conventions and agreements	OP 4.01 on Environmental Assessment and OP 4.36 on Forests
(b) Transparent and effective national forest governance structures, taking into account national legislation and sovereignty	OP 4.36 on Forests
(c) Respect for the knowledge and rights of indigenous peoples and members of local communities, by taking into account relevant international obligations, national circumstances and laws, and noting that the United Nations General Assembly has adopted the United Nations Declaration on the Rights of Indigenous Peoples	OP 4.10 on Indigenous Peoples
(d) The full and effective participation of relevant stakeholders, in particular, indigenous peoples and local communities	OP 4.01 on Environmental Assessment, OP 4.04 on Natural Habitats, OP 4.36 on Forests, OP 4.10 on Indigenous Peoples, and OP 4.12 on Involuntary Resettlement
(e) Actions are consistent with the conservation of natural forests and biological diversity, ensuring that actions are not used for the conversion of natural forests, but are instead used to incentivize the protection and conservation of natural forests and their ecosystem services, and to enhance other social and environmental benefits	OP 4.04 on Natural Habitats and OP 4.36 on Forests
(f) Actions to address the risks of reversals	OP 4.01 on Environmental Assessment, OP 4.04 on Natural Habitats, and OP 4.36 on Forests
(g) Actions to reduce displacement of emissions	OP 4.01 on Environmental Assessment (Annex A)

# Linking the CBD Risks and WB Safeguards

Risks to Biodiversity and to Indigenous Peoples and Local Communities	World Bank Safeguard Policies
1 a) Conversion of natural forests to plantations and other land uses of low biodiversity value and low resilience; and the introduction of growing of biofuel crops	OP 4.04 on Natural Habitats, paras 1., 4., 5. & 9. and Annex A, para 1.(b), (c) & (d); OP 4.36 on Forests, paras 1., 5. & 7.
b) Displacement of deforestation and forest degradation to areas of lower carbon value and high biodiversity value	OP 4.01 on Environmental Assessment, paras 2. & 3. and Annex A, paras 7. and 9. (assessment in design phase and environmental screening, which is supposed to take into account "transboundary" and "potential cumulative" impacts)
c) Increased pressure on non-forest ecosystems with high biodiversity value	OP 4.01 on Environmental Assessment, paras 2. & 3. and Annex A, paras 7. and 9. (assessment in design phase and environmental screening, which is supposed to take into account "transboundary" and "potential cumulative" impacts); OP 4.04 on Natural Habitats, Annex A, para 1.(a) (provides wide-ranging definition of natural habitats)
d) Afforestation in areas of high biodiversity value	OP 4.04 on Natural Habitats, para 4. and Annex A, para 1.(b)(ii) and 1.(c); OP 4.36 on Forests, paras 1., 5. & 7.
2 a) Loss of traditional territories and restriction of land and natural resource rights	OP 4.10 on Indigenous Peoples, paras 2., 16., 17., 18. & 21.
b) Lack of tangible livelihood benefits to indigenous peoples and local communities and lack of equitable benefit sharing	OP 4.10 on Indigenous Peoples, paras 1., 10.(b), 12., 18., 19. & 21.;
c) Exclusion from design and implementation of policies and measures	SESA process; Stakeholder engagement guidance note for upstream engagement; consultation and participation provisions included in each of the WB safeguard policies relevant for REDD+
d) Loss of traditional ecological knowledge	OP 4.10 on Indigenous Peoples, paras 2. (loss of "identity" and "culture" generally), 19. & 22.(h) (loss of traditional knowledge via misappropriation)



## The FCPF Approach to REDD+

- REDD+ readiness preparation (the “Readiness Fund” phase)
- REDD+ strategy implementation (broken down into two separate phases, including the “Carbon Fund” phase)



## A central challenge of the Readiness Preparation process:

- REDD+ Readiness Preparation mainly consists of strategic planning leading to development of policies, programs, institutions and a set of actions to be implemented in the future

## The agreed solution for the FCPF: SESA and ESMF

- SESA stands for “Strategic Environmental and Social Assessment”
- The ESMF stands for “Environmental and Social Management Framework”

# SESA for REDD+ Readiness Preparation

- The strength of SESA for REDD+
- The foundation: A participatory and consultative process
- The strategic dimension of SESA
- Key to comprehensive risk management



# Early Application of SESA in Two Countries

## COSTA RICA

- Information Dissemination:
  - Workshops at the national, regional and local levels (including in Indigenous communities)
- Dialogue
  - Inter-sectoral (at government level)
  - NGOs and civil society
  - Indigenous Peoples (including those opposed to REDD+)
  - Local communities (*campesinos*)
- Technical workshops with
  - Academia
  - Research institutes

## MEXICO

- Information Dissemination:
  - Workshops at the national and regional levels
  - National CTC-REDD (NGOs and civil society)
- Dialogue
  - Intersectoral (at federal and state levels)
  - Indigenous Peoples and local community organizations
  - CDI (Comision Nacional para el Desarrollo de los Pueblos Indigenas)

# SESA Workshops: Outputs and Outcomes

- Documentation of issues raised and deepening of the dialogue
  - Workshop proceedings are publicly available
  - Issues are presented according to each particular stakeholder groups' perspective
  - Creation of feedback loops
- Specific response to key issues raised by Indigenous Peoples (Costa Rica)
- Establishment of SESA Follow-Up Group; linkages with CTC-REDD (Mexico)
- SESA Work Plans: Agreed steps for moving forward around the issues raised

# Environmental and Social Management Framework (ESMF)

- The ESMF serves as a framework for managing and mitigating the environmental and social risks and impacts for future investments (projects, activities, and/or policies and regulations) associated with implementing a country's REDD+ strategy
- Timing for the preparation of the ESMF



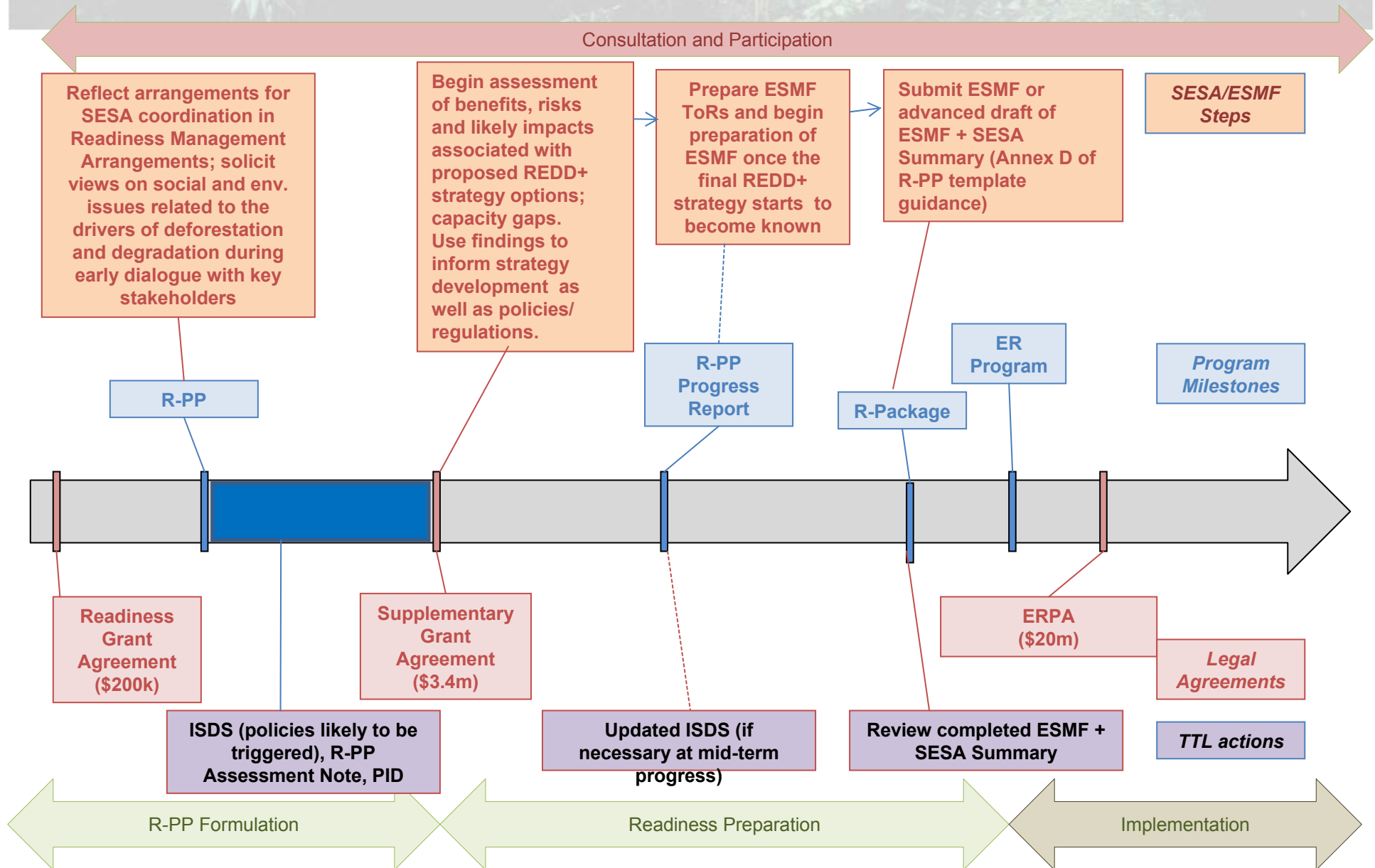
# ESMF and Safeguards

- Coverage of the ESMF
- Scope of application of the ESMF

## Provision of Information on How Safeguards Are Addressed and Respected

- Mechanisms for the collection and provision of relevant information is provided for at various points in the SESA process
- Iterative, multi-step nature of the process gives rise to a number of milestones
- Each milestone presents the REDD+ Country an opportunity to inform on progress
- A process or product associated with a milestone could serve as sufficient evidence that an applicable safeguard is being addressed and respected

# Basic FCPF Business Process & SESA/ESMF



# Outputs for the Readiness Package

- Summary of how SESA was conducted during R-PP Formulation and Readiness Preparation containing the following:
  - Institutional arrangements for coordinating SESA
  - WB safeguard policies triggered and the environmental and social studies or diagnostics carried out
  - Key environmental and social issues associated with the drivers of deforestation and causes of forest degradation
  - How the findings of studies and consultations fed into the selection and refinement of the REDD+ strategy options
  - Recommendations for addressing institutional, policy, legal/regulatory and capacity gaps for managing environmental and social priorities
  - Consultations, public participation, disclosure of information, and grievance redress on environmental and social issues
  - Results of the assessment of environmental and social risks and potential impacts of REDD+ strategy options, with an eventual focus on the final REDD+ strategy
- An ESMF/advanced draft ESMF

# What is the Common Approach?

- The Common Approach provides the World Bank and other Delivery Partners (DPs) with a common platform for risk management and quality assurance in the REDD+ Readiness Preparation process
- DPs will be required to achieve “substantial equivalence” to the “material elements” of the World Bank’s safeguard policies





## Forest Carbon Partnership Facility

**THANK YOU!**

Kenn W. Rapp, FCPF Facility Management Team

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