

OP/BP	Safeguard	Policy objectives
4.37	Safety of Dams	Ensure 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.
7.50	Projects on International Waterways	Ensure that the international aspects of a project on an international waterway are dealt with at the earliest possible opportunity and that riparians are notified of the proposed project and its details.
7.60	Projects in Disputed Areas	Ensure that other claimants to the disputed area have no objection to the project, or that the special circumstances of the case warrant the Bank's support of the project notwithstanding any objection or lack of approval by the other claimants.

* Safeguards most likely to apply in post-disaster situations.

Environmental Safeguard Requirements for Normal Operations

The normal World Bank Policy for Environmental Assessment is guided by Operational Policy/Bank Procedure (OP/BP) 4.01 and consists of seven basic elements¹:

1. World Bank, 1999, OP 4.01 "Environmental Assessment," <http://go.worldbank.org/K7F3DCUDD0> and BP 4.01 "Environmental Assessment," <http://siteresources.worldbank.org/INTFORESTS/Resources/OP401.pdf>; and "Environmental Assessment Sourcebook and Updates," <http://go.worldbank.org/LLF3CMS110>.
 2. World Bank, 1999, OP 4.01 "Environmental Assessment, Annex C, Environmental Management Plan" <http://go.worldbank.org/B06520UI80>.
1. Screening
 2. Environmental assessment (EA) documentation requirements
 3. Public consultation
 4. Disclosure
 5. Review and approval of EA documentation
 6. Conditionality in loan agreements
 7. Arrangements for supervision, monitoring, and reporting

The table below outlines the requirements for each of these elements.

Elements of World Bank Environmental Assessment

EA policy element	Policy requirement	Comment
1. Screening	Projects are categorized as: Category A (high risk-- likely to have significant adverse environmental impacts that are sensitive, diverse, or unprecedented) Category B (modest risk-- potential adverse environmental impacts on human populations or environmentally important areas--including wetlands, forests, grasslands, and other natural habitats--are less adverse than those of Category A projects) Category C (likely to have minimal or no adverse environmental impacts), or Financial Intermediary (FI) operation (involves investment of Bank funds through a financial intermediary, in subprojects that may result in adverse environmental impacts)	Project assessed a priori, depending on estimated environmental risk
2. Documentation	Category A, Detailed Environmental Impact Assessment (EIA) Category B, Environmental Management Plan (EMP) Category C, No requirement Category FI, Environmental Framework	Format presented in OP 4.01 (Annex B) Format presented in OP 4.01 (Annex C) ² SSpecific investments unknown before project implementation. Documentation includes requirements for subproject EA. Environmental Framework describes EA process. Loan conditions include obligation for effective supervision and monitoring of EMP implementation. Sector investment loans may have similar requirements.



For access to additional resources and information on this topic, please visit the handbook Web site at www.housingreconstruction.org.



Combined Preparation-Appraisal Mission

Prior to the departure of the combined preparation-appraisal mission, the Task Team (ideally the Task Team Safeguards Specialist) should perform the following:

■ Prepare Draft Integrated Safeguard Data Sheet (ISDS)⁴

New loan

Prepare a draft ISDS for the project. The ISDS will be revised and updated during project preparation.

Project restructuring

Revise the ISDS from the original project design, as appropriate.

■ Meet with the Regional Safeguards Coordinator

New loan or project restructuring

1. Discuss the project scope.
2. Review the draft ISDS.
3. Agree on a preliminary EA Category rating for the overall project (A, B, C, or FI).
4. Define EA documentation requirements.
5. Establish requirements for consultation, disclosure, review, and approval of EA documents. OP 4.01 has detailed procedures for consultation, disclosure, review, and approval of EA documentation during normal project preparation. However, when OP 8.00 applies, these procedures are subject to being streamlined, consolidated, and simplified (OP 8.00, 7(a)). Therefore, agreement should be reached with the Regional Safeguards Coordinator as to how these procedures are to be modified.
6. Determine if the project is or is not delegated.

■ Meet with the Environment and International Law Unit (LEGEN)

Determine country-specific policies and regulations for environmental safeguards (primarily EA) in emergency/disaster situations. If such information is not available, LEGEN should provide the Task Team with the primary government contacts who have this information.

During the combined preparation-appraisal mission, the Task Team Safeguards Specialist will take the following steps.

1. Meet with government environmental officials to determine country-specific policies and regulations for environmental safeguards (primarily EA) in emergency/disaster situations.
2. Conduct consultations with locally affected groups.
3. Revise and update ISDS as necessary.
4. Begin preparation of EA documents.

Upon mission completion, the Task Team Safeguards Specialist will take the following steps.

1. Meet with the Regional Safeguards Coordinator to finalize the ISDS and EA category and receive clearance of the ISDS.
2. Finalize EA documents (see below) as agreed upon with Regional Safeguards Coordinator.
3. Disclose EA documents as agreed upon with the Regional Safeguards Coordinator. The Environmental and Social Screening and Assessment Framework (ESSAF) (see below) must be disclosed as a condition of loan approval.

Legal agreements must include obligations of the borrower to implement the requirements specified in the EA documents.

EA Documentation Requirements

Normally, an emergency operation will require two procedural approaches: one for known subprojects to be implemented immediately, and another for projects that would be identified in the future in different time horizons (immediate, transitional, and long term).

For subprojects known at the time of loan approval. Either a detailed EIA report (OP 4.01 Annex B-subprojects considered Category A) or an EMP (OP 4.01 Annex C-subprojects considered Category B) is required for each subproject. The decision is related to degree of environmental risk associated with the individual subproject. Agreement should be reached with the Regional Safeguards Coordinator on the environmental risk of each subproject and thus which EA document

4. For samples of project ISDS documents, search in World Bank, "Documents and Reports," under "Project Documents," <http://go.worldbank.org/XFNFI0S00>.



If there is a Project Implementation Unit (PIU), the project team should require an environmental and/or a social safeguards specialist be included on the PIU staff, either a staff person or an experienced consultant. The PIU should issue regular, frequent reports to affected groups and implementing institutions on any environmental or social issues that arise, measures taken to address these issues, parties responsible for addressing the issues, and a schedule for their resolution. The PIU should also issue regular and frequent information to affected groups regarding vital services, such as safety of water supply, and interim arrangements for wastewater management and solid waste disposal.

Case Studies

2004 Indian Ocean Tsunami, Emergency Recovery Program, Sri Lanka

Context. In December 2004, a massive earthquake registering 9.0 on the Richter scale struck the coast of Sumatra, Indonesia, and triggered a series of tsunami waves that directly affected coastal areas of many countries around the Indian Ocean, including Sri Lanka. The tsunami waves struck more than 1,000 km. of coastline and penetrated inland as far as 500 meters.

The government of Sri Lanka asked, *inter alia*, the World Bank for assistance in conducting a damage assessment and, simultaneously, worked with the World Bank to prepare a restructuring operation: “Tsunami Emergency Recovery Program – Phase I.”

Design and preparation. Safeguard policies as required by the World Bank were adequately designed into the project framework. An Environmental and Social Screening and Assessment framework (ESSAF) was prepared. The framework was designed to help government properly address and mitigate safeguard issues. For environmental risks, this included an assessment of governments’ review and approval process for EIAs and of its capacity to monitor implementation of environmental mitigating measures.

Implementation. The period after the tsunami saw a boom in reconstruction activities across the country. Government adopted a policy of “build back better.” As a consequence, the opportunity to integrate cross-cutting ecological and environmental concerns was lost. After the disaster, government announced the use of a buffer zone as a disaster prevention mechanism. This was most likely done as an immediate response and was not based on sound technical judgment or on public consultation. The resulting effects on the environment were profound. With physical reconstruction prohibited in the “no build zone,” vast extents of new hinterland (including some natural areas) were cleared for proposed housing schemes. No system of EA was involved with the site selection and construction process; environmental planning took a low priority. The policy was later withdrawn and the Coast Conservation Department developed a more reasonable Coastal Zone Management Plan.

Key environmental issues included those associated with extraction of natural resources as construction materials. Reconstruction created a building boom of unprecedented scale and a high demand for sand, timber, rubble, and clay, among other resources. There was no system in place to verify the origin of these materials, even though sources were identified in the EIAs. As a consequence, much of this material was extracted illegally. Although the EIAs discussed removal of debris, by the time the EIAs were mobilized, debris had already been removed and used for roads and landfill. This gave rise to adverse drainage issues in some locations.

In summary, the project did include environmental safeguards as required. However, post-clearance monitoring and secondary impacts were not properly anticipated or addressed.

1999 Marmara Earthquake Emergency Reconstruction Project, Turkey

Context. On August 17, 1999, an earthquake measuring 7.4 on the Richter scale devastated the Marmara region of Turkey. More than 15,000 lives were lost and about 200,000 people were left homeless.

The World Bank undertook an assessment to outline the likely impact of the earthquake on the economy and estimated the fiscal burden for reconstruction and recovery in the range of US\$1.8–US\$2.2 billion. The largest direct cost (US\$0.7–US\$1.2 billion) was for reconstruction and repair of the region’s housing stock.



Implementation. Government recognized immediately that the earthquake had caused a number of environmental problems, and the reconstruction process offered a number of opportunities to strengthen local environmental institutions and improve environmental management. A Regional Environmental Management Plan was ordered by presidential decree (1999) that was intended to ensure the reconstruction process (including debris removal) followed environmental safeguards and ensured environmental sustainability of natural resources. Environmental standards for reconstruction work were established, land use plans were prepared which, inter alia, identified high-risk areas that were not to be developed. The process included public participation. As a result of this effort, approximately 13,000 families had to be relocated from high-risk areas. This approach enhanced local government capacity for environmental management (e.g., debris handling, soil stabilization, drainage management). Municipal administrations had a greater role in land use for public and social infrastructure works, and new housing was not placed in high-risk areas.



Forests (OP 4.36)

This policy applies to the following types of Bank-financed investment projects:

- Projects that have or may have impacts on the health and quality of forests
- Projects that affect the rights and welfare of people and their level of dependence on or interaction with forests
- Projects that aim to bring about changes in the management, protection, or utilization of natural forests or plantations, whether publicly-, privately-, or communally-owned.

The Bank does not finance projects that, in its opinion, would involve significant conversion or degradation of critical forest areas or related Critical Natural Habitats. If a project involves the significant conversion or degradation of natural forests or related natural habitats that the Bank determines are not critical, and the Bank determines that there are no feasible alternatives to the project and its siting, and comprehensive analysis demonstrates that overall benefits from the project substantially outweigh the environmental costs, the Bank may finance the project, provided that it incorporates appropriate mitigation measures.

The policy is “triggered” if any one of the following criteria is applicable.

- The project could result in direct or indirect loss of forests of high ecological value (e.g., through improving access for logging).
- The project would finance commercial logging operations or purchase of logging equipment.
- The host country is committed to sustainable management of forests.
- Early in project processing, the Task Team consults with the Regional Safeguards Coordinator and, as necessary, with Environmentally and Socially Sustainable Development (ESSD) and other networks to determine if any forest issues are likely to arise during the project.

For each project covered under the scope of the policy, World Bank staff ensure that an EA category is assigned in accordance with the requirements of OP/BP 4.01, Environmental Assessment. A project that is likely to have significant adverse environmental impacts with potential for conversion or degradation of natural forests or other natural habitats that are sensitive, diverse, or unprecedented is classified as Category A; projects otherwise involving forests or other natural habitats are classified as Category B, C, or FI, depending on the type, location, sensitivity, and scale of the project and the nature and magnitude of its environmental impacts.

Resettlement (OP/BP 4.12)

This policy covers direct economic and social impacts that both result from Bank-assisted investment projects and are caused by:

- the involuntary taking of land resulting in:
 - relocation or loss of shelter;
 - loss of assets or access to assets; or
 - loss of income sources or means of livelihood, whether or not the affected persons must move to another location; or
- the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the displaced persons.

This policy applies to all components of the project that result in involuntary resettlement, regardless of the source of financing. It also applies to other activities resulting in involuntary resettlement that in the judgment of the Bank, are:

- directly and significantly related to the Bank-assisted project;
- necessary to achieve its objectives as set forth in the project documents; and
- carried out, or planned to be carried out, contemporaneously with the project.

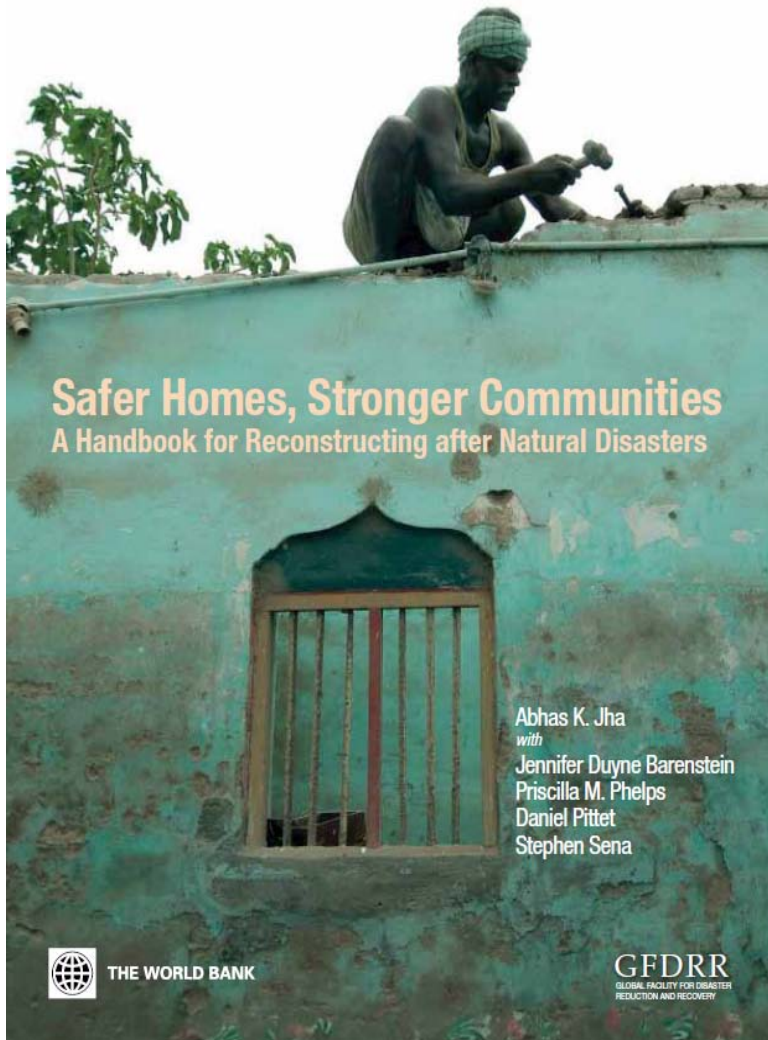
To address the impacts above, the borrower ordinarily prepares a resettlement plan or a resettlement policy framework (see paragraphs 25-30 of the policy) that covers the following:

- Measures to ensure that the displaced persons are informed about their options and rights; consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives; and provided prompt and effective compensation at full replacement cost for losses of assets
- If the impacts include physical relocation, measures to ensure that the displaced persons are provided assistance (such as moving allowances) during relocation; and provided with residential housing, or housing sites, or, as required, agricultural sites for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the old site
- Where necessary to achieve the objectives of the policy, measures to ensure that displaced persons are offered support after displacement, for a transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standards of living; and provided with development assistance in addition to compensation measures, such as land preparation, credit facilities, training, or job opportunities

Requests for guidance on the application and scope of this policy should be addressed to the Resettlement Committee (see BP 4.12, paragraph 7).



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