

Fact Sheet
The World Bank's New Environmental and Social Framework
August 4, 2016

World Bank Approves New Environmental and Social Framework

- **A cornerstone of our work on investment project finance is helping to ensure strong protections for people and for the environment.** We help do this through policies – often called “safeguards” – that serve to identify, avoid, and minimize harm to people and the environment. These policies require certain environmental and social risks to be addressed in order for countries to receive Bank support for investment projects.
- **On August 4, 2016, the World Bank's Board of Executive Directors approved a new Environmental and Social Framework (ESF).** The new requirements are expected to take effect in early 2018 (approximate), and will thereafter apply to new investment projects for which a concept note is issued.
- **The new framework will boost protections for people and the environment; drive sustainable development through capacity- and institution-building and country ownership, and enhance efficiency for both the Borrower and the Bank.** It consolidates and clarifies the Bank's environmental and social policies and harmonizes them with those of other development institutions. In addition, the framework makes important advances in areas such as transparency, accountability, non-discrimination, and public participation.

Updated Risk- and Impact-based Approach Better Protects People and the Environment

- A strong emphasis on risk management and achieving sustainable development outcomes over the life of a project.
- Greater emphasis on strengthening borrower frameworks and capacity building, which is recognized as a central development goal by the World Bank and most of its shareholders.
- Broadened social assessment and management of environmental and social risks.
- Greater clarity of the roles and responsibilities of the World Bank (set out in the Policy) and Borrower (set out in the 10 Standards).
- Increased harmonization with development partners and recognized good international practices.
- Renewed and strengthened partnerships with borrowers.
- Helps ensure social inclusion. Explicitly references human rights in overarching vision statement.

Expanded protections: The Environmental and Social Framework is precedent-setting for the World Bank

- Introduces **comprehensive labor and working condition protections.**
- Establishes an over-arching **non-discrimination principle** augmented by a ***new mandatory World Bank Directive*** that lists examples of vulnerable and disadvantaged groups and explicitly requires staff to assist borrower to consider, mitigate, and manage issues related to the non-discrimination principle.
- Introduces **community health and safety measures** that address road safety, emergency response and disaster mitigation.
- Moves from Free, Prior, and Informed Consultation, to Free, Prior, and Informed **Consent.**
- Requires **stakeholder engagement** throughout the project cycle.

Promoting Improved – and Lasting - Development Outcomes

- **Broader coverage and access**, and will benefit more people, especially vulnerable and disadvantaged groups.
- **Promotes sustainable development** by considering a greater range of environmental and social risks and potential impacts, and by encouraging the sustainable management of living natural resources.
- **Livelihoods will be better secured** by providing protections for workers and improving living conditions of people displaced by projects.
- The framework will **foster resilience** by requiring emergency preparedness measures to guard against unexpected shocks and by considering climate change impacts and requiring measures to address them.

Next Steps

- **The World Bank now begins an intensive preparation and training period (12-18 months)** to prepare for the transition to the new framework. **Implementation will focus on:** supporting and strengthening the capacity of borrowers; training Bank staff and Borrowers to implement the framework; strengthening the Bank’s environmental and social risk management system; and strengthening strategic partnerships with development partners.
- **The World Bank’s current safeguards are expected to run in parallel to the new ESF for about seven years** to govern projects approved before the effectiveness date of the new ESF.

For More Information

- **World Bank Safeguards consultations page:** <http://consultations.worldbank.org/consultation/review-and-update-world-bank-safeguard-policies>
- **World Bank Safeguards website:** <http://go.worldbank.org/WTA1ODE7T0>

**The New Environmental and Social Framework
At a Glance**

