



## INDIA

### **Report on Multi-Sectoral Consultations**

**New Delhi – Monday, February 8, 2010**

---

#### **Summary of Consultations**

India is a large and diverse developing country and has a wide range of environment challenges. The World Bank Group (WBG) is addressing these challenges at a policy level and through investment lending in the different sectors. The efforts to influence strategic planning and operational strategies are ongoing through sectoral dialogue.

The Environment Strategy consultations provided an opportunity to bring all these sectoral and cross-sectoral learning together, and provided a forum for stakeholders to look at the WBG's environment-related work in its entirety and to provide their feedback. These consultations offered an excellent opportunity for the WBG to re-engage with these stakeholders. In particular, the response received from the Civil Society Organizations and the private sector was substantive, and their feedback significantly enriched the content of the feedback received.

### **What were the key issues / themes raised by participants?**

The following are the key issues / themes that emerged:

1. WBG's environmental strategy needs to recognize the importance of addressing legacy issues / sites, particularly those related to land and ground water contamination.
2. WBG should identify and support leapfrogging approaches that are appropriate to sustainable development appropriate to each developing country and should facilitate them in making the right choices that leverage the country's unique strengths.
3. WBG should focus on those activities that bring about co-benefits to both the country / client specific priorities and the global public goods agenda.
4. WBG has ongoing initiatives with the FI sector and this gives a much greater outreach to the private sector. WBG should use this network to expand dissemination of good environmental practices.
5. WBG should enhance the approach to "improving quality of life, quality of growth and protecting the regional and global commons" by integrating new elements such as addressing environmental sustainability of poverty reduction, livelihood security, growth models that includes social equity and use of green and social accounting in place of GDP.
6. The big challenge is to integrate environment and climate issues with human development.
7. WBG should promote the recognition of the rights of future generations to natural resources and eco-habitats. Payments for ecosystem / conservation services should be integrated with the mainstream economic thinking.
8. Trust, transparency, information sharing, accountability and capacity building are principles / tools that WBG should use to mobilize NGOs more substantively.

# Environment Strategy 2010 CONSULTATIONS



Respondent Type	Consultation Response
<p><b>1. The World Bank Group is a relatively small source of finance for major economic transformation in developing countries. What should the role of the Bank be in helping developing countries to address the challenges and opportunities they face in achieving environmentally sustainable development?</b></p>	
Civil Society	WBG should focus on bringing about a <b>mindset change</b> and building capacity in developing countries to comply and go beyond compliance. This is required at the policy, management and implementation levels. This is particularly important at the local implementation level. [ID1]
Civil Society	WBG's approach is too end-of-the-pipe and should be oriented towards addressing root causes not only for today's problems but also those of tomorrow. The present approach is too focused on risk management and therefore limiting. [ID2]
Civil Society	One of the challenges of the future will be to address <b>legacy issues / sites</b> , particularly those related to land and ground water contamination. WBG's environmental strategy needs to recognize this need. [ID3]
Civil Society	WBG should identify and support <b>leapfrogging approaches</b> that are appropriate to sustainable development in the particular developing country. For instance, bringing in a shift towards promoting bicycle riders is very different from focusing on hybrid vehicles. WBG should facilitate developing countries to make the right choices that leverage on the country's unique strengths. [ID4]
Civil Society	WBG should consider the <b>gender aspects</b> in its strategy towards environmental sustainability. [ID5]
Private Sector	The environmental strategy should be the basis for the WBG's financial assistance. These should be fully integrated with each other and should not be seen as separate. [ID6]
Civil Society	<b>Trust, transparency, information-sharing</b> , proactive interaction, promoting accountability and capacity-building are principles / tools that WBG should use to mobilize NGOs more substantively. [ID7]
Civil Society	WBG should push for changes in the administrative structures so that more direct interactions and dealings can be achieved with the State / Local Governments and the NGOs. [ID8]

# Environment Strategy 2010 CONSULTATIONS



Respondent Type	Consultation Response
<b>2. The World Bank Group has worked to become a country/client driven organization. What should be the balance in the Bank's Groups role between addressing country/client specific priorities and the global public goods agenda?</b>	
Civil Society	WBG should focus on those activities that bring about <b>co-benefits</b> to both the country / client specific priorities and the global public goods agenda. [ID9]
Private Sector	In addressing climate changes issues, WBG should focus on assisting the developing countries on climate change adaptation. [ID10]
<b>3. What should be the role of IFC and MIGA be in helping private sector stakeholders to achieve higher levels of performance in pursuing environmental sustainability?</b>	
Private Sector	The private sector still considers better environmental and social management (safeguards / risks) as a deterrent. WBG should work towards getting the private sector to see these initiatives more positively and as necessary to achieve environmental sustainability. [ID11]
Private Sector	Building the <b>capacity of the private sector stakeholders</b> is a role that WBG should undertake. [ID12]
Private Sector	Private sector is yet to be involved in a big way in the provision of basic environmental services in India. The private sector can play an effective role in this regard. WBG should provide the necessary facilitation to the private sector to achieve a higher level of performance in India. [ID13]
Private Sector	WBG has ongoing initiatives with the FI sector and this gives a much greater outreach to the private sector. WBG should use this network to expand <b>dissemination of good environmental practices</b> . Also, the various performance standards / guidelines should be available in Hindi so that these have a wider readership and that would result in further awareness and capacity. [ID14]
<b>4. How can the WBG put in place a systematic approach to assess environmental sustainability in sector portfolios?</b>	
Civil Society	WBG should put in place a systematic approach in all sectors. These should be more <b>outcome / results-driven</b> . [ID15]

# Environment Strategy 2010 CONSULTATIONS



Respondent Type	Consultation Response
Bilaterals & multi-laterals / Development Partners	WBG and the development fraternity should realize that addressing problems of environment / climate change cannot be achieved through increased environment and climate spending alone. Integrating with the mainstream – with the whole of human development - is the big challenge. So far, environment / climate spending is being augmented and a sector-by-sector approach has been adopted. It is required to consider how far these approaches are improving the environment / climate change scenario. [ID16]
<b>5. How should short term and long term trade-offs between development and Environmental sustainability be balanced?</b>	
Civil Society	WBG should promote the recognition of the rights of future generations to natural resources and eco-habitats. <b>Payments for ecosystem / conservation services</b> should be integrated with the mainstream economic thinking. [ID17]
Private Sector	WBG should have a long-term vision but a short-term action orientation. The idea should be to keep both running in parallel and to reconcile issues as progress is made. [ID18]
Civil Society	The problem of environmental protection and climate change is indeed very serious. Given this seriousness, we should respond to the challenge in a commensurate manner. We should not focus only on those aspects, which do have any repercussions on economic growth. [ID19]
<b>6. Any other issues?</b>	
Civil Society	The continued focus on improving quality of life, quality of growth and protecting the regional and global commons is still relevant. There is a need to enhance the approach by integrating new elements such as addressing environmental sustainability of poverty reduction, livelihood security, growth models that includes social equity and use of green & social accounting in place of GDP. [ID20]



## **Annexes**

**Participants List: Annex 1**

**World Bank Participants and Role: Annex 2**

**Agenda: Annex 3**

**Photographs: Annex 4**

**Notes from Groups: Annex 5**

### Annex 1: List of Participants

No.	Name	Organization	Stakeholder Type
1	Mr. Dharmendra	Ministry of Environment, Govt. of NCT	Government
2	Ms. Clare Shakya	DFID India	Multilateral
3	Dr. Gerolf Weigel	Swiss Agency for Development & Coop. (SDC)	Multilateral
4	Dr. K. R. Viswanathan	Swiss Agency for Development & Coop. (SDC)	Multilateral
5	Mr. Robert Donkers	European Union	Multilateral
6	Dr. Mrs. K. Vijaya Lakshmi	Development Alternatives	Civil Society
7	Ms. Anumita Roy Chowdhury	Centre for Science & Environment (CSE)	Civil Society
8	Ms. Vanita Suneja	Oxfam india	Civil Society
9	Ms S Vanita	Environics Trust	Civil Society
10	Mr. R. Sreedhar	Environics Trust	Civil Society
11	Dr. Ms. Jyoti K. Parikh	Integrated Research and Action for Development (IRADe)	Civil Society
12	Mr. Salmon Jacob	World Vision	Civil Society
13	Mr. P.M. Paul	CECOEDECON	Civil Society
14	Mr. Roland Angerer	Plan India	Civil Society
15	Dr. M.M. Alam	Deshkal Society	Civil Society
16	Dr. Aqueel Khan	ASK (Association for Stimulation Knowhow)	Civil Society
17	Mr. Rajarshi Banerji	Jadavpur University	Academia
18	Ms. Indrila Guha	Vidyasagar College for Women	Academia
19	Mr. T. S. Panwar	TERI (The Energy & Resources Institute)	Academia
20	Ms. Sunayna Kalra	HOLTEC Consulting Pvt Ltd	Private Sector

Environment Strategy 2010  
CONSULTATIONS



No.	Name	Organization	Stakeholder Type
21	Mr. Atul Kansal	Indus Environmental Services P Ltd	Private Sector
22	Mr. Pankaj K. Verma	IDFC (Infrastructure Development Finance Co.Ltd.)	Private Sector
23	Mr. Ashok Emani	IDFC	Private Sector
24	Dr. C. Prabhu	Rabo Equity Advisors Pvt. Ltd.	Private Sector
25	Mr. Suresh Sachdev	Powerlinks Transmission Ltd.	Private Sector
26	Mr. Dinesh Aggrawal	Deloitte Touche Tohmatsu India Private Limited	Consultants
27	Mr. Subir Gupta & Ms. Neena Singh	Environmental Resources Management India Private Ltd	Consultant
28	Mr. Mangesh Dakhore	SENES Consultants India Pvt. Ltd.	Consultants

## Annex 2

### **World Bank Participants and Role**

Roberto Zaghera	India, Country Director, World Bank, New Delhi
Michele De Nevers Bill Rahill	Senior Manager, Environment, World Bank, Washington D.C. Senior Manager, International Finance Corporation (IFC), Washington D.C.
Charles Cormier	Country Sector Coordinator, Environment, Social & Water Resources, World Bank, New Delhi
Ruma Tavorath	Senior Environmental Specialist, World Bank, New Delhi [Coordinator, Environment Strategy Consultations, World Bank, South Asia Region]
Shilpa Patel	Chief, CESC-Environment & Social Development, Climate Change, International Finance Corporation (IFC), Washington D.C.
Mandar Parasnis	Environmental Specialist, International Finance Corporation (IFC), New Delhi
Sameer Singh	Environmental & Social Specialist, International Finance Corporation (IFC), New Delhi
Vaideeswaran S.	Consultant, Environmental Specialist, World Bank, New Delhi [Facilitator]
Bela Varma	Program Assistant, World Bank, New Delhi

### Annex 3

#### Group Exercise – Flip Chart Text

##### Group A: CSO

(1) Yes

- *Poverty – sustainability of Poverty reduction – 10-12 years*
- *Livelihood Security*
- *Growth inclusive of Social Equity*
- *Issue extends beyond Regional & Global commons*
- *Sustainability Indicators should be linked with the process of measurement Of poverty eradication and growth (GDP => Green & Social Accounting)*

(2) Challenges:

- *Legacy issues of the World Bank*
- *Back stopping existing projects*
- *Build capacity to ensure compliance*
- *Look beyond compliance & sectoral approach for the environment agenda*
- *Mindset change of policy makers that whatever you do for the environment is an expense*
- *Implementation challenges at regional and local govt. levels*
- *Too focused on risk management synthesis of a broader framework of investment and participation*
- *Relative bargaining strength of the bank*
- *Inclusion of gender issues*
- *How to trigger leap-frogging cross sectorally*

2) *Opp*

- Principle of leap-frogging has to consider the unique strengths of India*
- Leveraging the policy opportunities*
- Organizational transformation*
- Waste Management is missing in Sectoral approach*

3) *Concerned:*

- *Principle of co-benefits and to avoid trade offs*
- *Bank should start looking at root cause of problems*

# Environment Strategy 2010 CONSULTATIONS



- 4) *Trust, Transparency, Info-sharing, proactive interaction, accountability NGO capacity building*
- Push for changes in legislation/admin procedures to enable WB to engage directly with the State Govt./Field agencies*  
*Awareness campaign to build a water platform*
- 5) *Yes*  
*- All Sectors*
- 6) *- Discount Rates*  
*- Not to count benefit*  
*- Should consider cost effectiveness also*  
*- Rights of future generation*  
*- Rights to Ecologically Sust. Habitats*  
*- Replacement of Nat. Resources and Compensation for Eco. Damage in Short Term*  
*- Payout for Conservation Service*

## **Group B: Private Sector**

1. *Local v/s global*
2. *Politically driven?*
3. *Delink global v/s local*
4. *Focus still okay. Integrate new elements. WB/IFC played important role*
5. *Water/Desertification issues neglected*
6. *Adaptation issues deserve attention*
7. *Financing issues separate from "strategy"*
8. *Pvt. Sector – a problem or solution?*
9. *Pvt. Sector looks to env. & social safeguards as a deterrent. Further awareness needed*
10. *Basic services (SWM, etc.) still controlled by Govt. PPP still not fully implementable because of Govt. role*
11. *Capacity Building could help (WB/IFC)*
12. *NGOs focused on Pvt. Sector (Kolkata) reactions*
13. *Benchmark above regulation – Key!*
14. *Problem in SMEs*
15. *Performance standards above country standards*
16. *Synchronize with Country Standards*
17. *IFC-local standards quite comparable (on paper)*
18. *Enforcement is poor!*
19. *Strengthening of enabling environment is required*
20. *Guidelines, good coverage could be improved*

# Environment Strategy 2010 CONSULTATIONS



21. *Should the Bank use IFC performance standards?*
22. *Short-Term v/s Long-Term sustainability :*
  - *Parallel?*
  - *Reconcile*
  - *Short-term profits v/s. long term issues*
23. *Regulatory is still key!*
  - *Long-term vision but short term action*
24. *Compliance is an issue. Have long term goal (outcome) for the strategy.*
25. *Synergize with community benefits. How to mainstream project specific outcomes. Studies could be useful.*
26. *IFC has a wider reach than WB through Financial Institutions Guidelines in Hindi. Decreasing role of Project Finance.*
27. *Some leveraging of financing happening*
28. *Fear that performance standards above and beyond local conditions. That has implications for financing e.g. disclosure, consultations seen as risk*
29. *Early entry is key*
30. *Internalization of costs important for buy in*
31. *Supply chain issues – e.g. palm oil imports for sustainable forests*
32. *Basic mitigation measure guidelines*
33. *Cost of degradation limited to health*
34. *Cost to ecosystem services*

## Annex 4

### **Agenda – New Delhi Consultation Workshop**

Venue: The World Bank, 70, Lodi Estate, New Delhi (Basement Conference Hall)  
Date: Monday, February 8, 2010

9:00-10:00	Registration
10:00-10:10	Opening: context and purpose of the consultations: <i>Mr. Roberto Zagha, Country Director, India, The World Bank</i>
10:10-11:00	Presentation of the World Bank Group's Environment Strategy 2010 Concept Note: <i>Ms. Michele de Nevers, Senior Manager, Environment, The World Bank</i> <i>Mr. Bill Rahill, Manager, Investment Support Group, Environment &amp; Social Development Department, International Finance Corporation (IFC)</i>
11:00-11:15	Discussion to identify key thematic areas for the break-out groups
11:15-11:30	Coffee
11:30-12:30	Thematic Working Groups: Break-out Sessions <ol style="list-style-type: none"><li>1. What are the top 3 challenges and the top 3 opportunities to achieving environmentally sustainable development in the South Asia region? And the corresponding role of the World Bank group?</li><li>2. How does (country name) balance trade-off between development and environmental sustainability and the local country-specific priorities and global public goods? What is the balance role played by the World Bank group?</li><li>3. What kind of systematic approach can be put in place to assess and measure environmental sustainability in sector portfolios?</li></ol>
12:30-1:30	Presentations of working group findings
1:30-2:00	Synopsis and Concluding remarks
2:00	Lunch

# Environment Strategy 2010 CONSULTATIONS



## Annex 5

### Photographs



OPENING ADDRESS BY MR. ROBERTO ZAGHA, INDIA COUNTRY DIRECTOR



THEMATIC WORKING GROUP SESSIONS



PRESENTATION OF FEEDBACK FROM GROUP SESSIONS