

Program-for-Results: Environmental & Social Issues

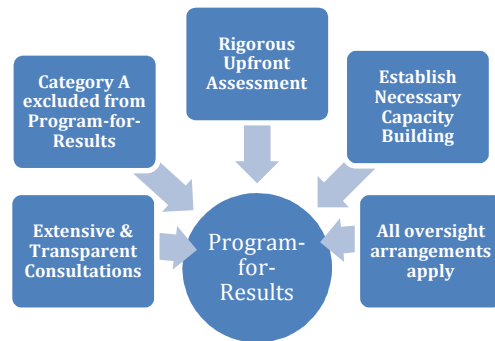
The World Bank is committed to ensuring that environmental and social impacts are adequately addressed in a Program-for-Results operation. With Program-for-Results, the Bank will be able to extend its influence beyond simply World Bank financed projects. By providing relatively small amounts of funding into larger programs being operated by the client country, we will be able to strengthen the environmental and social standards in a broader range of client country systems and expenditures. World Bank standards of course will not be diminished in any way. In fact, the social and environmental assessments that Program-for-Results will use, are guided in substance, purpose and goals by the environmental and social safeguard policies of Investment Lending projects.

Category A excluded from Program-for-Results

- Category A activities – defined in Investment Lending as having potentially significant, irreversible adverse impacts on the environment and affected people – will be excluded entirely from Program-for-Results financing.

Rigorous Upfront Assessment

- We will do an upfront assessment of environmental and social issues before proceeding with a Program-for-Results operation. We will carefully review exclusionary criteria, risk screening and program systems. We will also require that additional measures are put in place, as needed, to protect the people and the environment.
- We will assess if the program’s systems incorporate actions designed to avoid, minimize and mitigate adverse impacts & promotes environmental and social sustainability.
- We will require that the government strengthens the arrangements for managing the environmental and social effects of particular programs as necessary. These measures may be introduced prior to or as part of the implementation of a Program-for-Results operation.



Extensive and Transparent Consultations

- We will consult with stakeholders on the social and environmental assessment of the Program-for-Results operation. We will seek the views of those involved in government program while preparing the draft system assessment.
- The assessment process will be transparent. Draft and final versions of the system assessment will be publicly available.
- We will review how the borrower plans to consult on the program and suggest measures to improve, as needed. In addition to consultation practices, grievance procedures will also be assessed.

All oversight arrangements apply

- Program-for-Results would be subject to all corporate oversight arrangements, including the Inspection Panel.

Establish Necessary Capacity Building

- We will build capacity in program agencies by strengthening their own assessment processes, helping them identify environmental and social impacts and risks; and improving their ability to plan, assess, implement and



evaluate environmental and social management measures. By doing this, we strengthen country program systems beyond Bank involvement.

- The focus on the program's environmental and social issues will continue at all stages of the operation, including during implementation.

Cautious Roll-out

- In the first few years, lending will be limited. Category A activities and high value contracts will be excluded from Program-for-Results. The Bank's commitment to openness and transparency will be applied to the entire program. We will prepare a progress report after two years of implementation, which will be discussed with the Bank's Board of Executive Directors and disclosed publicly. An early evaluation of implementation by the Independent Evaluation Group is also planned.

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