



## **Forest Carbon Partnership Facility**

# **Strategic Environmental and Social Assessment and its Relationship to the World Bank Safeguard Policies**

Global Dialogues on Development of Readiness  
Preparation Proposals

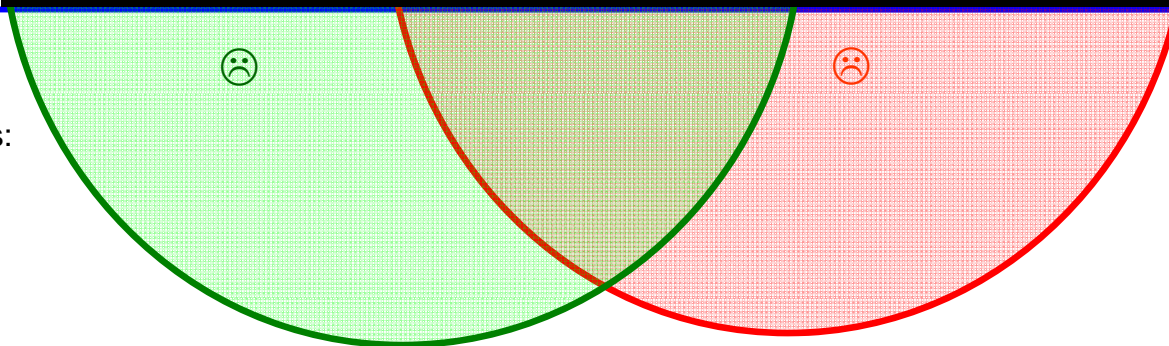
August 13-14, 200



# Quality Enhancement and Risk Management in Development Projects and Programs



Risks and adverse impacts:  
Identify, avoid,  
minimize, mitigate



Environmental  
impacts

Social  
impacts



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Safeguards Policies

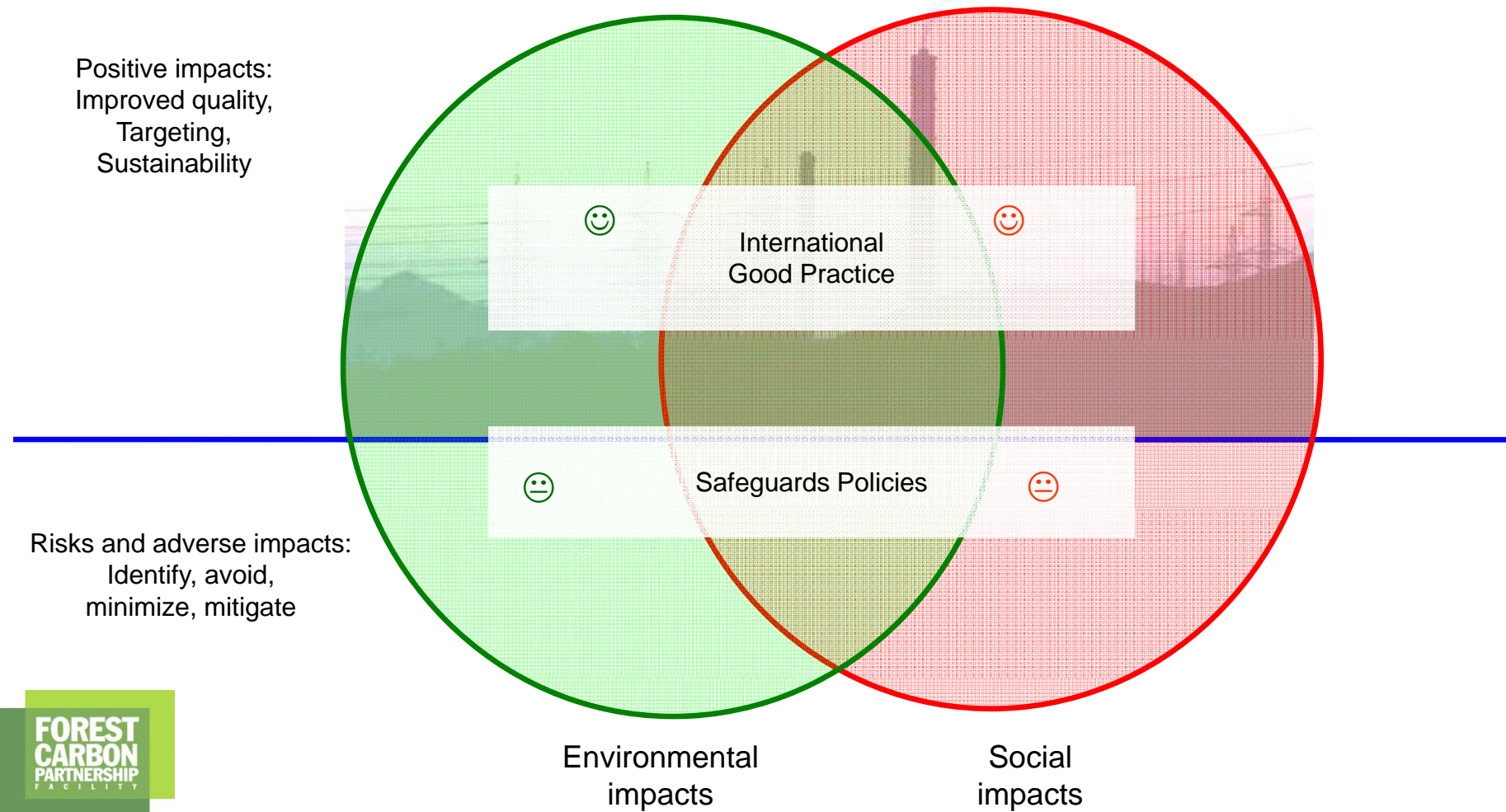


Environmental  
impacts

Social  
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**FOREST  
CARBON  
PARTNERSHIP  
FACILITY**

# Quality Enhancement and Risk Management in Development Projects and Programs







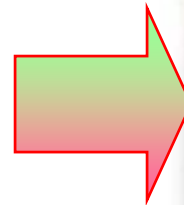
# WORLD BANK SAFEGUARD POLICIES

- The World Bank is a development cooperative run by the member governments, who have adopted norms and standards
- Standards are reflected in policies and included in legal agreements
- Safeguard policies are based on experiences with projects in all parts of the world
- Represent an international good practice standard
- Contribute to project and program sustainability, and to protection of the environment and poor and vulnerable groups

# WORLD BANK SAFEGUARD POLICIES

Environmental Assessment OP 4.01				
Natural Habitats OP 4.04	Forests OP 4.36	Pest Management OP 4.09	Dam Safety OP 4.37	Physical Cultural Resources OP 4.11

“Emphasis will be placed on ensuring benefits, land use rights and tenure, and the mitigation of potential environmental and social impacts”  
(*Guyana R-Proposal*, p. 21)



Involuntary Resettlement OP 4.12	Indigenous Peoples OP 4.10
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International Waterways OP 7.50	Disputed Areas OP 7.60
Legal Safeguards	

# Environmental Assessment, OP 4.01

## *Objectives:*

- Ensure that all proposed Bank projects are environmentally sound and sustainable
- Inform decision makers about environmental risks, through appropriate analysis of actions and of their likely environmental impacts
- Ensure adequate mechanisms are built into project design to address identified risks

## *Triggered when:*

- One or more project activity has **potential** to cause adverse environmental impacts in its area of influence







## Natural Habitats OP 4.04

### *Objectives:*

- Promote natural habitat conservation
- Avoid unjustified or excessive damage to natural habitats

### *Triggered when:*

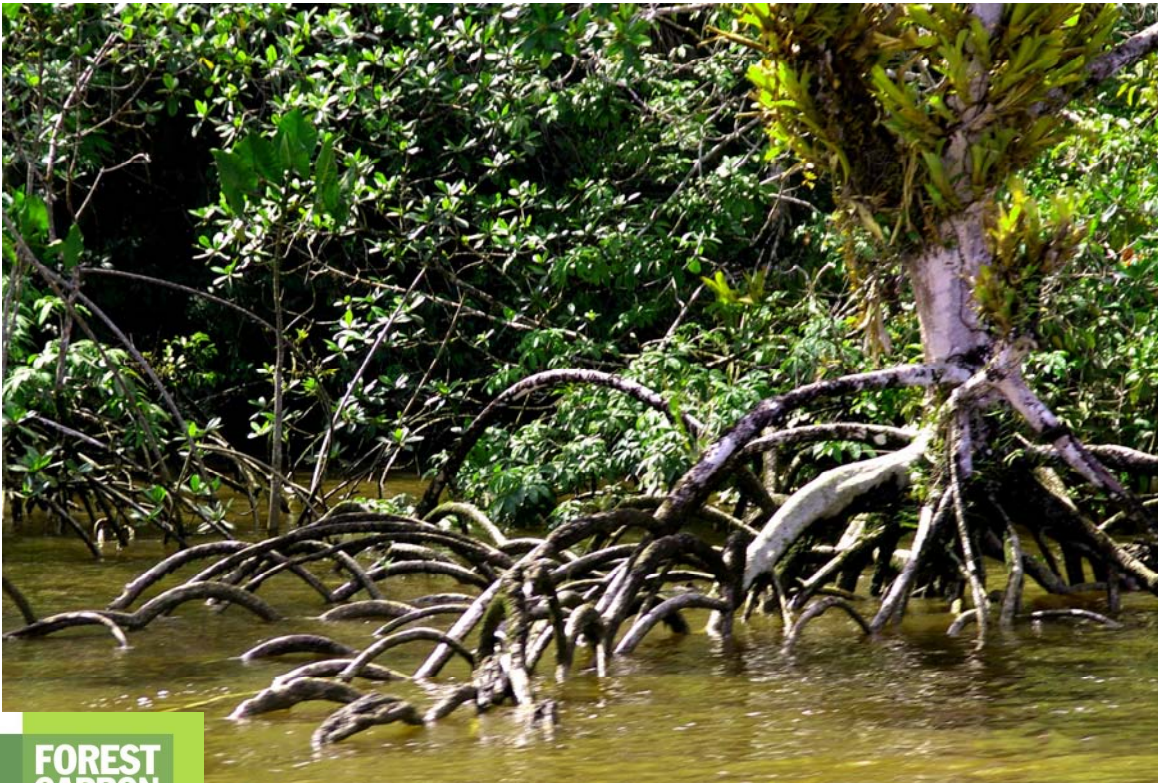
- Potential for significant loss or degradation of natural habitats



# Forests, OP 4.36

## *Overlaps with Natural Habitats policy:*

- Forests policy applies to all types of natural forests, as well as plantation forests



- Natural Habitats policy applies to all types of natural habitats, including natural forests
- Both apply to all types of projects that would affect forests and natural habitats, but OP 4.36 has additional requirements for forestry projects

# Forests Policy: Requirements and Key Issues

- Avoid significant damage to Critical Forests
- Minimize and mitigate damage to non-critical natural forests
- Forestry plantations:
  - Avoid any damage to Critical Natural Habitats
    - Prevent and mitigate damage to natural habitats and biodiversity
- Meaningful participation of forest-dependent communities in natural forest harvesting
  - Only community-based harvesting under certain conditions in critical forests
  - Commercial harvesting under certain conditions in non-critical forests





# Indigenous Peoples, OP 4.10



## Objective:

To ensure indigenous peoples:

- Benefit from **prior, informed consultation** and participation in Bank projects that affect them
- Are given full respect for their dignity, human rights and cultural identity in the process of development and that they do not suffer adverse effects
- Receive culturally compatible economic and social benefits



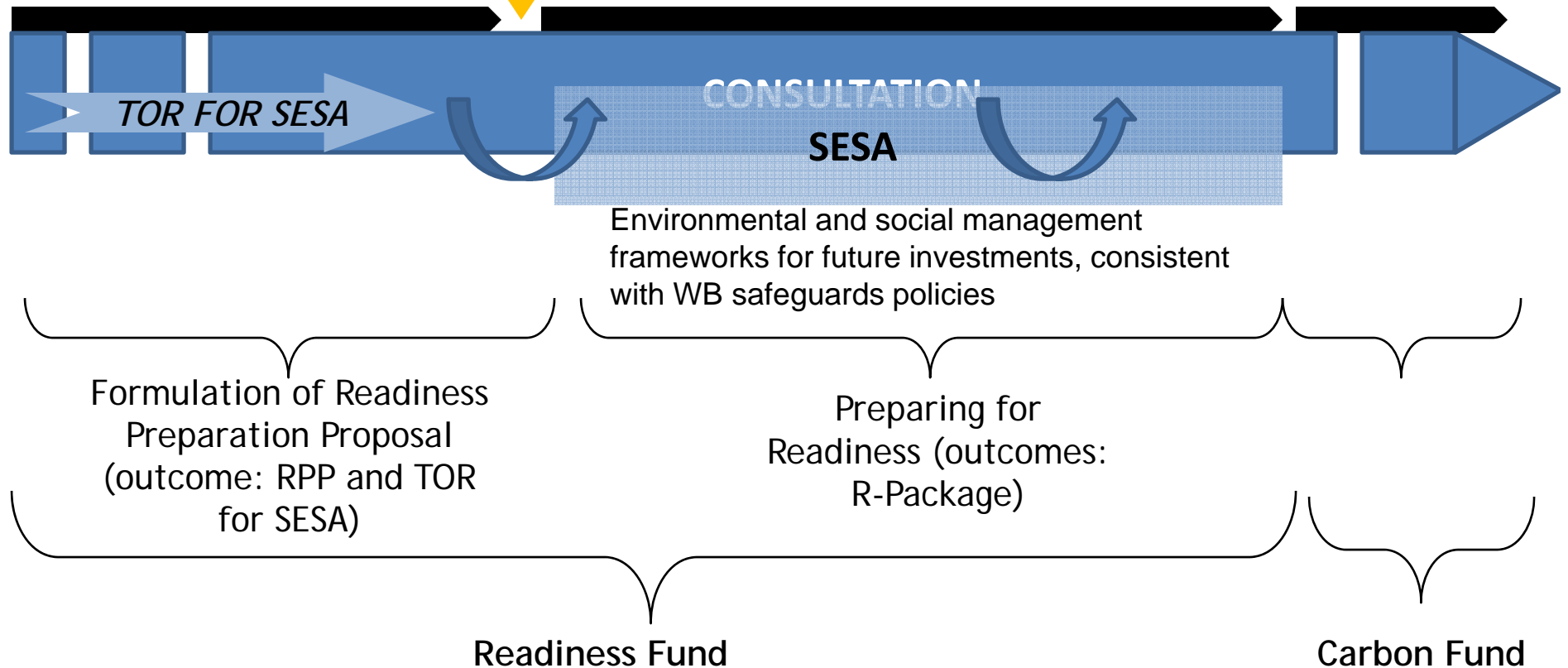


# SAFEGUARDS, SESA, and the FCPF PROCESS

*PC reviews RPP and SESA TOR, Bank works with country to complete due diligence*



*If proposed activities trigger safeguards, Bank supervises safeguard implementation either within or in addition to the SESA*





## WHAT IS A SESA?

*“A range of analytical and participatory approaches that aim to integrate environmental and social considerations into policies, plans and programs (PPPs) and evaluate the inter linkages with economic and institutional considerations”*

# WHY CONDUCT A SESA?

50 million people (in particular indigenous communities) live within forest massifs



500 million people directly depend on forests for their livelihoods

Unsustainable timber extraction



Large scale agriculture



Oil palm plantation



Swidden agriculture



# SESA PROCESS

RPP and SESA TOR  
Formulation

Preparing Readiness Package

## SESA

### Consultations

**Continue meaningful and informed consultations and participation of stakeholders with the aim to:**

I. [identify the priority concerns](#)  
for the various stakeholder  
groups

II. develop REDD  
strategies that are have  
positive social and  
environmental impacts

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### Analytical Work

I. To help define priority issues  
(based on prior knowledge of  
environmental, social and  
institutional context)

II. Analysis of different  
policy scenarios that would  
affect the priorities and  
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## OUTCOME OF SESA PROCESS

- (i) Policy adjustments for REDD strategy
- (ii) Institutional strengthening;
- (iii) Framework for ongoing citizen engagement; and
- (iv) Environmental and social management frameworks for future investments, consistent with WB safeguards policies and other international good practice standards.

# INTEGRATING THE ENVIRONMENTAL DIMENSIONS

Environmental Assets  
(e.g., biomass,  
biodiversity, etc.)  
generate environmental  
goods and services



- Reliance of communities on environment
- Access to and ownership of natural resources
- Institutions managing environment

Proposed Plans, Programs  
and Policies (including  
institutional arrangements)

Direct  
Impacts

Indirect  
Impacts

## Recommendations

- Alternative environmentally sustainable policy options
- Institutional measures for monitoring and enforcement
- Management of environmental risks (WB safeguards)





## TOOLS FOR ASSESSING DIRECT AND INDIRECT IMPACTS ON ENVIRONMENT

- Modeling or forecasting of direct and indirect environmental effects
- Matrices and network analysis
- Geographical information systems as a tool to analyze, organize and present information
- Participatory or consultative techniques

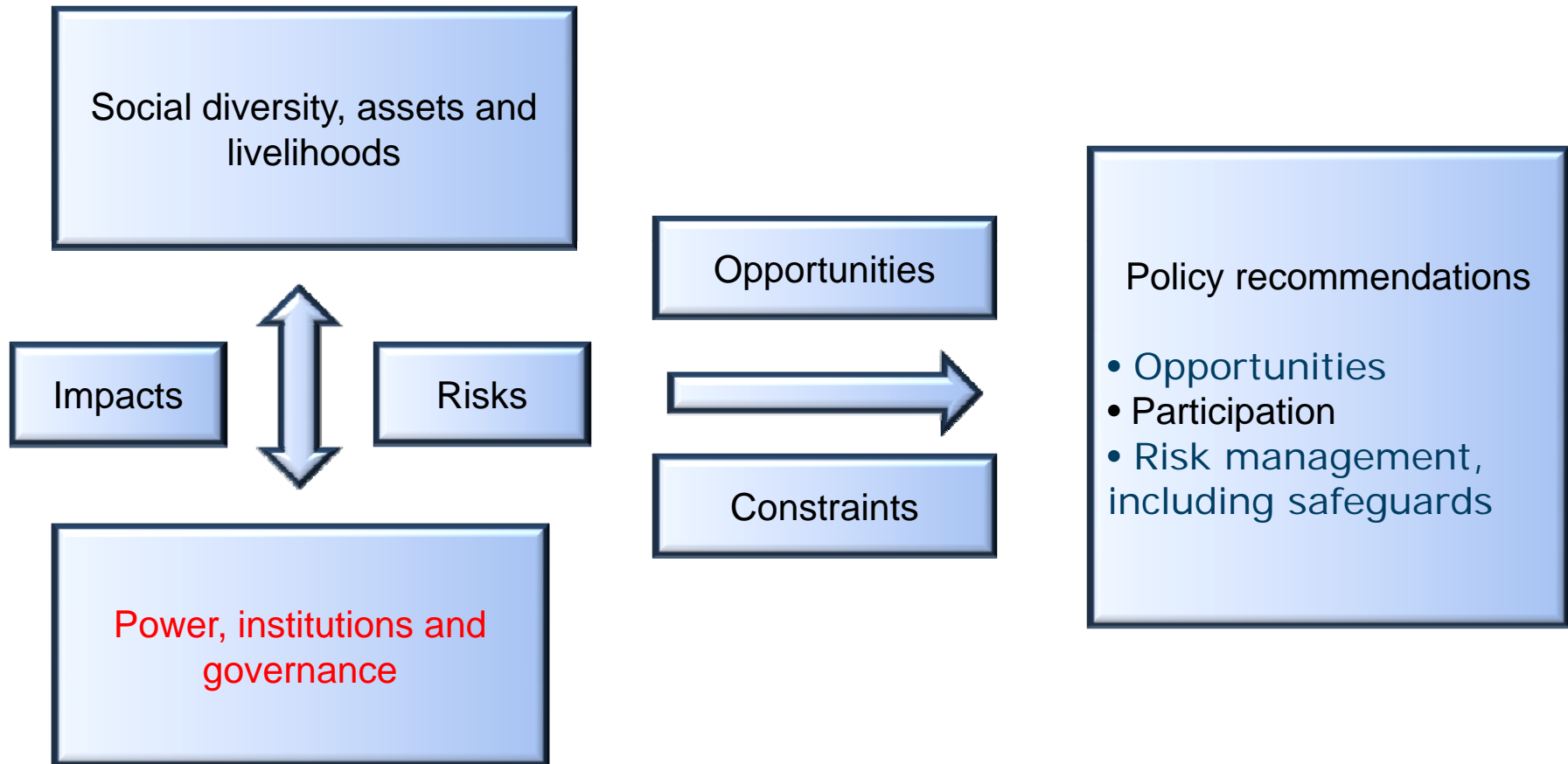


## TOOLS FOR ANALYZING AND COMPARING OPTIONS

- Scenario analysis and multi-criteria analysis
- Risk analysis
- Cost benefit analysis
- Opinion “surveys”



# INTEGRATING THE SOCIAL DIMENSIONS



# Power, Institutions and Governance

Supply: Policy decisions, strategies,  
organizational structures, service delivery



Demand: Attention to distribution, equity, access,  
capacity and empowerment

Good governance is a function of legal norms and frameworks, the effectiveness and responsiveness of institutions, and citizens' ability to claim rights and hold institutions accountable

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### Poverty and Social Impact Analysis

Poverty and Social Impact Analysis (PSIA) is the analysis of the distributional impact of policy reforms on the welfare of different stakeholder groups, with a particular focus on the poor and vulnerable. PSIA has an important role in the elaboration and implementation of poverty reduction strategies in developing countries, promoting evidence-based policy choices and fostering debate on policy reform options. [Learn More](#)

- Overview
- Conducting PSIA
- Tools and Methods for PSIA
- Sector Guidance
- PSIA Examples from Countries
- External Relations

- PSIA focuses on
  - distributional impacts on different stakeholders
  - positive and negative impacts, intended and unintended impacts
  - income and non-income dimensions
- The PSIA approach has been developed the World Bank, and is supported by a large group of donor agencies



# PROJECT STAKEHOLDER ANALYSIS

Impacts		Influence	
😊	☹️	😊	☹️

Define relevant groups and actors including not only those affected positively or negatively by a project, but also those groups such as NGOs, politicians, and others who are in a position to influence project outcomes.



# Stakeholder Analysis in India's Forestry Sector

Government, Policymakers	Implementing Agency Staff	Intended Beneficiaries	Adversely Affected
Government of India	Forest Dept.	Village community	"Timber mafia"
Government of Jharkhand	JFM committee	Forest dwellers	Poachers, smugglers
Chief Minister, Jharkhand	District Forest Officers	Women	Forest industries, traders, intermediaries
Forest Dept.	Forest Rangers	Tribal groups	Corrupt officials
Rural Development Dept.	Forest Guards	The poor and marginalized	Encroachers
Social Welfare Dept.	Local bodies, institutions	The landless	The displaced/ those with restricted access
JFM Committee	NGOs	Herbal medicine traders	NGOs
Finance Dept.	Naxalites	NGOs	Forest Dept.
Planning Dept.		Forests & Wild Life	Mahajans
Mining Dept.		Forest Dept. Staff	Politicians
World Bank		Tourism	Naxalites
		Forest Industries Traders	
		Hotel Ashoka (the workshop venue)	
Organized Interest Groups	Civil Society	Donors	Other External/ International
Forest based industries	NGOs	World Bank	Consultancies
Herbal based industries	CBOs	Japan Social Development Fund	Research Institutes
Transporters, traders, exporters' associations	Tribal Self Governing Institution (TSGI)	Other international donor agencies	Mining Dept
Naxalites	Tribal Groups	Government of India	World Bank
Forest Dept. Staff Union	Traditional Institutions	Government of Jharkhand	Ford Foundation
Poachers, smugglers	Pahan	Religious Institutions	World Wildlife Fund
Mahajans	Baigas	NGOs	World Food Programme
Politicians	Sarna Sthal		
Tendu leaves traders	Gram Sabha, and Panchayat		
Timber traders	Political Parties		
Collectors	Naxalites		
	Women's groups		
	Self-help groups		





# STEPS TO GOOD STAKEHOLDER PARTICIPATION

1. Define relevant groups and actors through stakeholder analysis
2. Provide prior, meaningful information and disclose relevant documentation
3. Transparency in process
4. Organize appropriate events and fora depending on stakeholder characteristics



5. Document the process and recommendations
6. Document decisions taken
7. Provide timely feedback on decisions taken
8. Provide independent mechanisms of redress and appeal where appropriate



# THANK YOU

Useful websites on tools and TORS for SESA:

<http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/ENVIRONMENT/0,,contentMDK:20274476~menuPK:549265~pagePK:148956~piPK:216618~theSitePK:244381,00.html>

<http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTPOVERTY/EXTPSIA/0,,contentMDK:20454976~menuPK:1107972~pagePK:148956~piPK:216618~theSitePK:490130,00.html>

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