

(S)EA Capacity Building
and Quality Assurance
in World Bank Operations

Jean-Roger Mercier

Espoo – Cavtat – June 3, 2004

World Bank Lending

- Member countries: 184, including 120 borrowing governments
- 2002-2003: Worldwide new lending:
 - Investment US\$ 12 billion/year
 - Adjustment: US\$ 6 billion/year
- Portfolio: about 1,500 projects
- Committed to poverty reduction and to helping countries achieve the MDGs

Environmental Assessment

- Mandated at project level since 1989
- EA is one of the ten environmental, social and legal safeguard policies, inc. International Waterways (1994)
- EA mandates Sectoral and Regional EA, some of which have elements of Strategic Environmental Assessment (SEA)
- EA preparation and implementation is the responsibility of borrowers. Bank assists.
- The Bank does not finance project activities that would contravene such country obligations [relevant international environmental treaties and agreements.],

(S)EA Capacity Building

- Demand-driven, very variable demand
- Technical Assistance lending has included EA capacity building at central (e.g. EPA) level or in sectors (e.g. Infrastructure)
- Outcomes of these loans have been evaluated and good practices identified
- Incentives to strengthen national EA systems being developed as part of the Middle Income Countries Initiative.

EA Quality Assurance

- Project-EA reports approved by borrowers reviewed WB by regional safeguard policies teams (environmental and social): 80 staff
- Other QA mechanisms:
 - Real time: Quality Assurance & Compliance Unit
 - Periodic: Quality Assurance Group and Operations Evaluation Department
 - Investigations of the Inspection Panel triggered by requestors (30 since Panel's creation in 1993)

Opportunities for stakeholders

- Participation mandated for project-level EA (twice for category A projects, 10% of new lending)
- Consultation and disclosure (2002 policy revision) mandatory for all EAs: in-country and worldwide on the Internet – 2,000 EAs accessible on line -
- Bi-national and sub-regional projects and initiatives (WB, GEF)
- Harmonization and alignment of ESA (Rome High Level Forum 2003), OECD/DAC + MFI
- Communication is at the core of the SEA learning program of the World Bank (New 8.60 Policy)
- Should private sector role be discussed here?

As farewell message

- World Bank very active in the EECA borrowing countries
 - New lending (first 10 months of the fiscal year): 24 new projects for a commitment of US\$ 1.14 billion in middle-income and US\$ 0.5 billion in low-income countries
 - Ongoing portfolio: 185 projects
- WB open to cooperation on (S)EA capacity enhancement (e.g. through 1/3rd parties like IAIA)
- More information at <http://www.worldbank.org/sea>