(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 online -
• 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)