

**Second EMG consultative meeting on  
Environmental and Social Safeguards  
Geneva, 14-15 March 2011**

**Report of the Meeting**

**I. Introduction**

The Environmental and Social Safeguards (ESSG) second consultative meeting was held 14-15 March 2011 in Geneva and hosted by the EMG Secretariat. The meeting was convened to review: 1) progress made in the preparation of options for a UN system wide approach to environmental and social safeguards; 2) consideration of a draft Statement of the CEB and a draft UN system-wide strategy on ESSG; 3) tasks and timeline of the consultative process for concluding the options paper, statement, strategy and proposed further actions for submission to the EMG Senior Officials and other senior bodies in 2011.

The progress report followed the recommendations from the 15<sup>th</sup> senior officials meeting of the EMG in September 2009, when the EMG Secretariat was asked to coordinate a consultative process to explore needs and options for a common UN-wide approach to improved environmental and social safeguards. As a result, an EMG safeguards consultative process was initiated.

The first ESSG consultative meeting was held in June 2010 in Washington, DC, with the support and hosting of the World Bank. At this meeting a Drafting Group (EMG Secretariat, UNDP, UNEP, WFP) was established and TORs for a consultant were approved. EMG senior officials welcomed progress on the safeguards efforts at their September 2010 meeting. It was noted at this time that the work of the safeguards group resonated with the IMG on Sustainable Management, and that Sustainable Management is a subset of UN safeguards.

The consultative process has so far produced a progress report on options for a common approach to UN safeguards. The report contained an inventory of existing safeguards, a strategic approach and statement on a common approach and set of proposed options. The second consultative meeting provided comments and requested further development of the report for eventual approval of the group and for its submission to the 17<sup>th</sup> senior officials meeting of the EMG in September 2011.

**II. Considerations**

Opening remarks were made by Mr. Hossein Fadaei, acting head of the EMG Secretariat, and by the two co-chairs of the meeting, Ms. Anne-Marie Sloth Carlsen, Climate Change Advisor, UNDP, and Ms. Maryam Niamir-Fuller, Director, Global Environment Facility Coordination Office, UNEP. The over-arching goal of the meeting was to explore: how the UN system can achieve better environmental and social performance from its activities.

Ms. Michelle Fanzo, consultant to the safeguard process, gave a detailed presentation on the progress and findings of the safeguard review and mapping exercise for ESSG. The presentation provided key information from the safeguard review and staff interviews, and showed how these findings support proposed options and a strategy for system-wide safeguards.

The main elements covered were: 1) the benefits and lessons of common safeguards and the opportunity costs of not adopting common safeguards; 2) a “snapshot” of what safeguard practices are in use in the UN system; 3) what other international organizations are using as safeguards; 4) current attitudes and expectations about what safeguards would mean for the UN system.

### ***Key findings***

Key findings from the review included:

#### *Internal*

- A common approach would strengthen institutional capacity. Interviewees felt there would be benefit to having a common framework because current safeguards in place by each agency have evolved organically and much could be learned from a coordinated approach. A number of organizations noted they would be doing more in the area of safeguards if they had guidance, lesson learned and a support mechanism, but they did not have the capacity to do such work themselves.
- The lack of a common UN approach to safeguards does not mean that the UN has no safeguards. There are many examples of safeguards already in place within UN organizations, though they may not be called “safeguards”.
- Existing safeguards are applied unevenly among UN entities and expectations of what a common system could offer vary.
- ESSG should not be seen as an additional layer, but rather a management process that can be integrated into existing procedures and mechanisms within a UN organization. This process is not starting something new but instead raises what we already have to a higher and more systemic level.

#### *External*

- Safeguards adopted by international organizations, governments and NGOs all build on norms and principles developed by the UN system. However, at present the UN system is the only major international entity that remains to adopt a common system of safeguards.
- Many governments are developing their own national safeguard systems.
- Donor governments are increasingly looking for their funding recipients to have safeguards in place, including a new effort to define such safeguards for the GEF. (e.g. Safeguards developed by WHO and the World Bank have both been driven by donors.)
- NGOs in their watchdog role are looking for international institutions to have safeguard policies.
- Development assistance will change over the coming years and organizations could face more pressure from donors whose domestic policies are increasingly tied to their foreign assistance budgets. Already OECD countries have increased their scrutiny of how their money is used.

### ***Reaction to findings***

There was agreement that it is important to know what others in the UN system are doing. As many in the UN family work in a sectoral fashion it is particularly hard for each entity to see the big picture; hence common safeguards could broaden an organization’s thinking. Other suggestions were to:

- build on an existing system and existing procedures where possible;
- take a phased approach to implementation;
- emphasize that safeguards are in line with the Paris Declaration.

### ***Learning from others***

Ms. Michaela Pfeiffer, Technical Officer at WHO, followed with a presentation about the process that organization has just completed to develop a safeguard system for environmental management (including physical, natural and social elements). WHO noted the process helps the organization think more strategically about: waste, packaging, chemicals, health technologies, expired medicines, small-scale construction activities, among other issues. WHO uses procedures based on international good practice in environmental assessment but adapted to the work that they do. They are now in a pilot phase, but estimate that 35% of their initiatives have some environmental impact that needs further analysis. They are looking programmatically at what they do, not only at projects, and are currently analyzing their response to the H1N1 outbreak and will next look at malaria.

WHO developed their environmental management safeguards, which focuses mostly on internal procedures, as a response to a requirement placed on them by a donor. However, they are now putting together a process that can be applied much more broadly. The hope is that the approach will inform policymaking because it is about changing the way health care professionals think about their work. It was noted that health could be a strong unifier in the UN system regarding safeguards, as could health and safety, health and green economy, human well-being and human security.

Mr. Stephen Lintner, Senior Technical Advisor of the World Bank, followed with a presentation of the evolution of the Bank's safeguards process, which was begun 20-30 years ago. In terms of scale, the Bank lends over \$60 billion a year, and safeguards are applied to two-thirds of this amount. The Bank is currently updating its resource and grievance mechanism structures to give stakeholders more access to the process. They are also taking actions to improve safeguards overall through better indicators for measuring results, and a review of global good practices in all sectors.

Key points include:

- The development community is well behind private sector firms in terms of accountability and commitment in this area.
- Board-approved policies provide the policy framework for the Bank's safeguards. Several safeguards took 5-7 years of discussions before being approved, and the public consultation process took a year or more each.
- Safeguards help the Bank determine how to use its resources and how to make sustainable investments; they also provide accountability to governments and engage the public.
- The Bank performs a strategic assessment of its programmes. There is no one "right" tool, but it is important to use one that is appropriate to the system being used.
- Safeguards need to evolve from only being applied to analytic work to being integrated into budget and design planning.
- Without good environmental and social outcomes, you cannot have good development effectiveness.
- Issues with use of country systems include: 1) sovereignty, 2) easier to use country system in terms of training, 3) countries are interested in using their systems to demonstrate they are up to international standards.
- The Bank sees its safeguard policies as a charter that allows it to operate.

UNDP shared that safeguards have been endorsed at the senior management level for their organization. They are currently in a ground-truthing stage, trialing the procedure with select country offices. It was suggested that the Drafting Group may want to take a closer look at a few of the agencies that are moving forward on safeguards and document their experience.

### ***Exploring options***

A discussion on the options for a UN system approach to ESSG followed. Key issues raised for consideration included:

- Where possible, ESSG efforts should identify and use existing policies and procedures that already exist in the UN system. This may include a common framework, such as a result-based management, or existing accountability mechanisms, such as the UN Evaluation Unit or Joint Inspection Unit.
- How elements of an ESSG strategy are defined and framed is important. For example, how “environment” is defined will effect how people and organizations see their work as relevant to the ESSG process.
- Elements of the ESSG work may be able to be combined with the work of the IMG on Sustainable Management, such as developing a support mechanism that services both initiatives.
- Consultation means talking to a broad spectrum of stakeholders, such as private sector, academic, governments, NGOs, and civil society.
- Financing for ESSG should be built into an organization’s operational budget, and not be seen as an add-on cost.
- Safeguards support the UN’s ability to fulfill its work on poverty reduction, sustainable development, and supports the Paris Declaration.
- It is prudent to get commitment from the senior level (CEB) while also building support from the bottom up. High-level support, however, should be for an approach that is feasible and fundable.

Questions raised for further consideration included:

- What are the legal and managerial processes and obligations to establish a system-wide approach?
- How do we address consultations and disclosure of documents?
- How can we address the impacts from other stakeholders that affect our work (for example, natural resource management within a country that we do not have control over)?
- How to weigh trade-offs, and how to deal with unintended consequences? (e.g. treated bednets being used for fishing)?
- How best to handle issues of using country systems, such as sovereignty concerns?
- What type of independent accountability mechanism will be available to review policy violations?
- How best to accommodate emerging issues, such as climate change?
- What consultations are needed before Rio+20?

### ***Safeguards scope***

The World Bank observed that the ESSG approach the UN had chosen to consider is significantly more ambitious than other organizations’ scope for safeguards. Other entities relate their

safeguards to impact and risks related to implementation, rather than the more encompassing three entry points under discussion for the UN system.

Pros and cons of simplifying the strategy to less than the three entry points were examined. For now an agreement on a phased approach, possibly starting with projects/ program implementation, was supported. Rather than dilute the importance of applying safeguards holistically, it was felt a phased approach allowed for inclusivity of many UN activities in an incremental way. However, also supported was the idea of exploring if the operations/facilities management entry point could be more closely linked with the work of the IMG on Sustainability Management.

### ***CEB statement***

It was agreed that a draft text for a statement from the CEB was a good idea that requires more discussion and consultation. The following suggestions were put forth:

- The statement should open with sustainable development, not focus on risks.
- The statement could be framed in a way that it outlines what the UN abides by, like a code of conduct.
- The UN should lead by example, especially at Rio, hence the statement should be strong, otherwise it risks allowing implementation to fall to the lowest common denominator.
- There are lessons to learn from the Climate Neutral experience, such as what steps to take in what order to garner the high-level support needed for common safeguards.
- Identify the purpose of the statement: e.g. to buy into the process or to commit to specific principles or requirements.
- Need to articulate: 1) Why common safeguards are important; 2) How we are going to do it; and 3) What are the expectations.
- Mention the need for a commitment to resources.
- As safeguard policies are about increasing efficiency and safety, the initiative may naturally have more support from both developed and developing countries than other system-wide efforts such as Climate Neutrality.

### ***Options and ESSG strategy***

Of four options put forth – ranging from lightest to strongest - options 3 and 4 were favored. The pros and cons of each were discussed. The outcome is the option to be presented will likely be a merger of both 3 and 4. It was recommended to make the options more concrete so people understand the implications of them. A more extensive discussion of the framework and strategy found:

- Key components of a framework are: 1) Secretariat provides support and guidance; 2) Implementation can be based on common principles; 3) Accountability needs to be clear and ideally centralized.
- Possibly commit to *identifying* a core set of universally agreed principles, rather than have to choose the principles now.
- Indicators (benchmarks) for putting the system in place should be clarified: e.g. policy, leadership, institutional support, budget, learning mechanism, staff resources, etc. This doesn't include the substantive elements of such a system.
- In establishing minimum requirements, it was suggested to start at the lowest common point and report up. This would mean starting with the policy, legal and reporting framework for what we do. Minimum requirements need to show how we build on existing processes.

- Another suggestion was to adapt the UN's existing Results-Based Management framework as the ESSG framework, but others felt it may be too narrow for ESSG needs.
- Review human rights principles and flesh them out more in the strategy; use UNDG guidance on a Human Rights Based Approach.
- Package ESSG as a step towards a coherent approach to 1) do no harm in UN operations and programming, and 2) as an effort to move towards sustainability.
- There is a need to also look at governance mechanisms (i.e. grievances, disclosure, conflict resolution, and role of private sector).
- There was a discussion on whether to also work on common reporting formats so as to make RBM monitoring easier.
- When looking at costing, we also need to look at cost/benefit.
- Monitoring/reporting could be couched in a larger accountability mechanism.
- Placing the help desk and accountability mechanisms together can create a conflict of interest.
- There was concern that some agencies would have difficulty accepting project categorizations (such as the A, B, C system used by the World Bank and others), but that ESSG will not be politically credible without such categorizations. If a categorization system is used, it should be the same as the Bank's to avoid confusion and the need for training on a new system.
- Noting the need for more expertise on social issues, it was suggested to explore options about what entities should carry ESSG efforts forward.
- It was noted that development assistance will change over the coming years and organizations could face more pressure from donors whose domestic policies are increasingly tied to their foreign assistance budgets. Already OECD countries have increased their scrutiny of how their money is used.
- Safeguards developed by WHO and the World Bank have both been driven by donors.
- It was noted that the internal sustainability agenda of the UN could be guided by common principles and advanced through common approaches such as RBM at the policy level, ESSG at project level and sustainable management systems at the management level.
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- It was noted that the different options (Options table) should also be defined according to mechanisms on accountability, evaluation, and implementation.
- It was noted that there will be at least two types of minimum common standards: a) those that would form the core of a "common policy" and therefore obligatory, and b) those that are best practice and therefore discretionary.
- It was also noted that some types of minimum standards will need to be discussed with the legal units of each Agency, such as disclosure policies and grievance mechanisms.

### **III. Conclusions**

#### *Agreements:*

- Suggested title for the strategy: "Advancing the sustainability agenda in UN system [including] through a common approach to Environmental and Social Safeguards or "A common approach to environmental and social safeguards thereby advancing sustainability in UN system."
- Explore a clearer definition of the application of ESSG within the sustainability agenda and in relation to the strategy on sustainable management (SSM) being developed by the

IMG on sustainable management. The extent to which the ESSG approach and the SSM could both be presented under the common umbrella of advancing the sustainability agenda in the UN should also be explored.

- Drafting Group: membership to remain the same but to work closely with members, specifically OHCHR (normative side), UNECE (RBM), WHO (environmental assessment).
- A Roadmap was developed of tasks and deadlines, attached as Annex III.

*Timing:*

- Early May, draft for consultative process review (1 week)
- Mid May (draft for internal consultations and also legal consultation)
- Coordinating with IMG SM (21-22 June) – in Rome (perhaps meeting of Drafting Group at this meeting + EMG) – to discuss comments from agency internal consultations also to decide if two groups want to join forces
- Teleconference in July for final clearance (if needed)
- Final report by end of July
- Final draft for consultation before August 1 (2 week review)
- EMG SOM around September 20<sup>th</sup>

## **Annex I: Provisional Agenda**

- 1) Opening Remarks by Co-chairs of the consultative process
- 2) Adoption of the Agenda
- 3) Review of progress made in preparation of the options paper for a UN system wide approach to environmental and social safeguards (ESSG)
- 4) Consideration of a draft Statement by the Executive Heads of EMG members and a draft UN system wide strategy on ESSG
- 5) Process and timeline of the consultative process for concluding the options paper, statement, strategy and proposed further actions for submission to the EMG Senior Officials
- 6) Other matters
- 7) Closure of the meeting

## **Annex II: ESSG Consultative Meeting Attendees**

### **Basel Convention**

Nelson Sabogal, Senior Programme Officer

### **DFS**

Sophie Ravier, Environmental Officer

### **OHCHR**

Oyuna Umuralieva, Human Rights Officer

### **UNDP**

Anne-Marie Sloth Carlsen, Climate Change Advisor

Holly Mergler, Programme Specialist

### **UNECE**

Franziska Hirsch, Economic Affairs Officer (Trade & Sustainable Land)

Laura Leino, Environment Division

### **UNEP**

Ingunn Lindeman, Associate Programme Officer

Maryam Niamir-Fuller, Director, GEF Coordination

### **UNOPS**

Abdoulaye Ndiaye, Environment and ISP, Practice Lead

### **Ramsar Convention**

Anada Tiega, Secretary General

### **WFP**

Brenda Behan, Chief, Facilities

### **WHO**

Marina Maiero, Technical Officer (Climate Change)

Michaela Pfeiffer, Technical Officer (focal point Environmental Management Procedure)

### **World Bank**

Stephen F. Lintner, Senior Technical Advisor

### **EMG Secretariat**

Hossein Fadaei, Acting Head

Ivar Baste, EMG Senior consultant

Michelle Fanzo, consultant

### Observers

#### **Grid Arendal-Zoinet**

Otto Simonett and Christina Stuhlberger

### Annex III: Roadmap and Timeline of Tasks

<b>no</b>	<b>Task</b>	<b>EMG Sec.</b>	<b>Drafting Group</b>	<b>Consultative process</b>	<b>Time</b>
1	Principles revisited 2-3 options (eg, look at 5 undg principles)		xx	xx	Early May
2	Table of Min Req for each entry point (eg: what entities have a grievance mechanism?)		xx	xx	Early May
3	Recommendations for indicators		xx	xx	Early May
4	Options for a Support function (placement, funding)		xx	xx	Early May
5	Recommendations regarding selective use of country systems		xx	xx	Early May
6	Elements of costing the implementation		xx	xx	Early May
7	Recommendations regarding stakeholder consultations including how to introduce item to Rio 2012		Xx  Reflected in report and statement	xx	May
8	Options for a phased approach				May
9	Document the experience of a few UN agencies that are moving forward on safeguards		xx	xx	May
10	Further development of Annex A		xx	xx	May
11	Revise the strategy, report, statement		xx	xx	Early-mid May rpt CG;

					mid-May rpt internal consult; mid June mtg; mid July final report; teleconf as needed
12	Questions for legal consultations OIOS, OLA, such as: Grievance mechanism and disclosure policies	xx			mid-May
13	Questions for DoM on accountability framework: What program planning and reporting is in place in Secretariat?		xx	xx	mid-May
14	Report and recommendation to SOM 17 (3 <sup>rd</sup> week Sept)	xx			1 Aug
15	Report and recommendation to HLCP	xx			1 Aug
16	Report and recommendation to CEB	xx			End Sept
17	Package for the SG	xx		xx	End Sept
18	Coordinating with IMG SM	xx	xx		Ongoing (meeting 21-22 June in Rome)
19	Consultations with drafting group/EMG		MF	xx	Ongoing