

SUSTAINABLE DEVELOPMENT Doc. #: K1-S1N.E	Session: Opening International Sponsors Keynotes
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## Opening International Sponsors Keynotes

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### **Implementing international sustainable development law: A View from the World Bank (Powerpoint Presentation)**

- 1) The World Summit is an opportunity for world leaders to map out an agenda for sustainable development for the 21<sup>st</sup> century. It will also provide an opportunity for countries to reaffirm their prior commitments to sustainable development.
- 2) The Role of the World Bank:
  - a) Some hold the view that the World Bank is an enemy of sustainable development. This is a misconception. The World Bank is very committed to sustainable development and sustainable development law.
- 3) Implementing international sustainable development law:
  - a) It is the view of the World Bank that both law and justice are vital components of development and poverty reduction. These are both central goals of the World Bank.
    - i) Poverty is not just a lack of economic resources. It is:
      - (1) A lack of freedoms;
      - (2) A lack of security (economic, physical and social);
      - (3) A lack of opportunity e.g., to have an education, to be healthy, to find a job and
      - (4) A lack of rights. Rights which are inherent to them and which people living in poverty can reinforce, realize and enjoy.
    - ii) Law is the central means to secure each of these deprecation in order to eliminate each facet of poverty
  - b) The World Bank has only recently begun to put an emphasis on law and justice: The social and economic crises of East Asia, Mexico and the collapse of the Soviet Union spurred this change. These crises reminded us that law is necessary for economic growth and make poverty reduction both sustainable and equitable. Thus, a focus on law and social justice came to be incorporated into the Bank's financial and development activities.
- 4) Law and justice activities of the World Bank
  - a) Without the rule of law, we cannot achieve economic growth and poverty reduction that is equitable or sustainable

- b) There are three ways the World Bank promotes the rule of law:
  - i) Assisting states in reforming their domestic law in order to improve the investment climate, and to ensure basic social and environmental protection
  - ii) Assisting member countries in improving legal infrastructure  
E.g., The World Bank assisted Georgia in establishing an independent judiciary and is currently working with Sri Lanka to improve the country's court administration.
  - iii) In addition to these projects, the World Bank is active in the crucial act of creating knowledge in this field and sharing this information with others.
- 5) Internal policies and projects of the World Bank that demonstrate its commitment to sustainable development.
  - a) The World Bank uses the Bruntland definition of sustainable development.
  - b) The World Bank wants to go further than simply ensuring that future generations can meet their own needs. The World Bank wants not only to compromise, but to lay a foundation so that future generations' enjoyment of their lives will actually be enhanced
  - c) The World Bank is very involved in projects connected to the three pillars of sustainable development: economic, environmental and social.
    - i) For example, the World Bank has a very strong environmental portfolio:
      - (1) The world bank has approximately 250 environmental and social experts
      - (2) Since 1988, the World Bank has made approx \$15 billion in loans and credits
      - (3) In 2000, the World Bank had over 40 projects which were primarily environmental (approx \$1.6 billion)
  - d) The World Bank is also innovative in the way it finances global environmental projects
    - i) The World Bank's role in Green Funding:
      - (1) The establishment of the Global Environment Facility (GEF) (the World Bank is both the trustee and the implementing agency)
      - (2) The establishment of the World Wildlife Fund/World Bank Forestry Alliance to enhance the practice of sustainable forestry
      - (3) The establishment of the Ecosystems Partnership Fund (EPF)
        - (a) This is made up of NGOs and other partners such as the GEF, the World Bank, and Macarthur Corp.
        - (b) It aims to put financing into key areas e.g., biodiversity rich ecosystems under threatened by pollution and ecosystem destruction
        - (c) The EPF has projects all over world, including Brazil and Indonesia
      - (4) The Prototype Carbon Fund
        - (a) Its mandate is to pioneer Kyoto Mechanisms
        - (b) It is comprised of \$180 million from both the public and private sectors to purchase emission reductions from counties, particularly those in Africa and "transition" countries
        - (c) This flexible and innovative mechanism has already proven to be important in decreasing emissions.
  - e) The World Bank has developed Safeguard Policies
    - i) It has ten safeguard policies covering essential components of projects to ensure two things:
      - (1) At a minimum, to "do no harm"
      - (2) At a maximum, to "do good"
    - ii) These policies have had widespread impact, both on the activities of the Bank itself and on other states and private companies that have implemented these policies into their domestic legislation or as "best practices" policies.
    - iii) These policies bind the Bank in all the projects that the Bank finances, regardless of the amount or percentage financed
    - iv) These policies have been used as models for other countries to incorporate environmental legislation into their domestic law
  - f) The World Bank have increased their accountability by creating the world's first inspection panel, which holds the Bank accountable to the citizens it serves

- ii) It is an independent body reporting directly to board of directors
- iii) Its mandate is to investigate failures of the Bank to follow policies, where such failures have had or threatens to have adverse social or environmental impacts
- 6) The way forward: together in partnership, as challenge involves everyone to “march together towards the same goals”
  - a) It’s very clear that for the Bank, the legal department will be increasing its law and justice programs. This is a key aspect
  - b) The Bank plans on moving into new areas, focusing on social and human dimensions
  - c) The World Bank, in partnership with others, will be internalizing and promoting the New Delhi principles, which are consonant with the World Bank agenda.  
These principles include:
    - i) Precautionary approaches to health and ecosystems
    - ii) Good governance and rule of law
    - iii) The integration of human rights, social, economic objectives etc...
  - d) These challenges are substantial and will require substantial financing
  - e) Thus, the Bank provides examples and technical expertise, as well as financing, to lead the movement of sustainable development forward.