

The World Bank

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INTERNATIONAL DEVELOPMENT ASSOCIATION

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Ms. Beatriz Balbin
Chief
Special Procedures Branch
Office of the United Nations High Commissioner for Human Rights (OHCHR)
Geneva, Switzerland.

Dear Ms. Balbin,

Thank you for conveying the letter of February 8, 2017, from Juan Pablo Bohoslavsky and Victoria Lucia Tauli-Corpuz to Jim Yong Kim.

At the outset, I would like to emphasize that we share the concerns expressed by Mr. Bohoslavsky and Ms. Tauli-Corpuz about the welfare of the Indigenous Peoples. The World Bank Group's overarching goals are to work toward ending extreme poverty and building shared prosperity among the bottom 40 percent of society. These goals require us to work with stakeholders, both in government and outside of government, including civil society, to create conditions for inclusive growth that particularly benefits poor and vulnerable people, including indigenous people. Our interventions – financing projects, offering policy advice, providing technical assistance and sharing global development knowledge – are all explicitly geared toward meeting these goals.

The issues raised in the February 2017 letter with respect to the Southern Agricultural Growth Corridor of Tanzania (SAGCOT) Investment Project and the Productive Social Safety Nets (PSSN) Project were the subject of many discussions over several years with the Government of Tanzania, beneficiaries and other non-government stakeholders. Particular attention was paid to ensuring that the projects would include measures to achieve the overarching goals described above. Although the government is committed to using these projects to promote inclusive growth, when the government sought financing for the two projects, it requested a waiver of the World Bank's Operational Policy on Indigenous Peoples (OP 4.10) on the grounds that certain aspects of the policy requirements conflict with the Tanzanian Constitution.

With this as background, the project preparation team drew upon the advice of local and international experts and Indigenous Peoples' representatives. In particular, the government agreed to prepare a safeguards instrument aligned with the requirements of OP 4.10, known as the Vulnerable Groups Planning Framework (VGPF). It is indeed the case that the VGPF covers not only groups that meet the requirements of OP 4.10, but also women-headed households, the elderly, disabled, youth, children, refugees, and persons with HIV/AIDS (all identified as "disadvantaged communities" in the VGPF). Among other things, the VGPF includes: (i) measures to ensure that once sub-projects are identified, such groups are involved in a process of free, prior and informed consultations and the ascertainment of their broad community support; (ii) any adverse impacts on such groups is mitigated; (iii) such groups would benefit from the project in a socially appropriate manner; and (iv) a process for grievance redress is available to them. Moreover,

the VGPF includes monitoring and evaluation to assess the project's impacts on and benefits for vulnerable groups, and the World Bank's standard accountability mechanisms remain unchanged, including access to the Inspection Panel for people and communities who believe they have been, or are likely to be, adversely affected by a World Bank-funded project. In short, we believe that the VGPF has a broader scope and reach than the social safeguards instrument typically prepared under OP 4.10 when indigenous people are present in or claim collective attachment to a project area. At the same time, we believe the VGPF is responsive to the constitutional concerns of the Government of Tanzania.

Ultimately, and following many meetings where a number of the issues raised in the letter were discussed in detail, the World Bank's Board of Executive Directors approved the request to waive OP 4.10 for these projects in full compliance with the Bank's Policy on Operational Policy Waivers, and in full consideration of the safeguard and mitigation measures, including the VGPF, covenanted in the project legal documents.

The World Bank's Board of Executive Directors took account of the project design, the legal documents including the legal covenants related to the VGPF, and approved the SAGCOT Investment Project on March 10, 2016 and the PSSN Project on June 16, 2016. With respect to the SAGCOT Investment Project, please note that the project is still in the start-up phase and individual subprojects, which will be subject to the requirements of the VGPF, including free, prior and informed consultation, have not yet begun. It is also important to note that the sub-project eligibility criteria has been designed to limit the potential impact of sub-projects on the land rights of host communities – the Project will not support investments that involve the reallocation of land from smallholders to agribusinesses, or those that involve the acquisition of new land by private investors. Furthermore, agribusinesses operating on land that has recently been converted from village land will not be eligible for matching grants. More details regarding the SAGCOT Investment Project, including the VGPF may be found at this link: <http://www.worldbank.org/en/country/tanzania/brief/southern-agricultural-growth-corridor-of-tanzania-sagcot-fact-sheet>.

With regard to the PSSN Project, implementation is in progress including due diligence and follow up on environmental and social safeguard measures. These include preparation of detailed Vulnerable Groups Plans, and training for local level implementers and the communities to ensure that vulnerable group members are included and receive their benefit entitlements.

In addition, the World Bank's Board of Executive Directors approved last year a new Environmental and Social Framework (ESF), which will replace our safeguards Operational Policies, including OP 4.10. The new ESF includes the Environmental and Social Standard (ESS) 7 on Indigenous Peoples/Sub Saharan African Historically Underserved Traditional Local Communities, which will apply to future projects. We believe that ESS 7 reflects a balancing of the legitimate concerns of Indigenous Peoples with the particular circumstances of countries such as Tanzania, which support the objectives of the ESF, but which also have serious constitutional and other concerns about singling out individual ethnic groups. Indeed, African shareholders of the World Bank Group were involved extensively in the drafting of ESS 7 and approved it since it addressed their concerns, along with the rest of the ESF in August 2016.

