Biodiversity Commitments
How to achieve long-term accountability?

Andrew Cauldwell
Biodiversity Consultant (STC), World Bank
Canada
acauldwell@worldbank.org
www.linkedin.com/in/andrew-cauldwell-6320342a
www.worldbank.org
Long-term Commitment is at Risk

The offset was established to protect Chimpanzees as a compensation for mining impacts.

The IUCN report is quite alarming, as it states this initiative is in jeopardy.

- Plans to develop a hydropower facility, and
- Mineral prospecting licenses are still valid.
Financial Institutions set the Standards

Multilateral Development Banks (MDBs) have issued Environment & Social standards.

Some examples:

- **World Bank** Environment and Social Framework (ESF)
- **IFC** Performance Standards
- **EBRD** Environment and Social Policy
Biodiversity requires Long-term Commitments

MDB standards set a high bar for Biodiversity protection.
  
  e.g. No Net Loss, Net Gain, Offsetting residual impacts.

These biodiversity commitments (obligations) can be:

- Expensive,
- Technically challenging,
- Require **long timeframes** and extended monitoring.
Example of Metrics used for Monitoring

Using a scenario similar to the 1\textsuperscript{st} example:

- Net Gain for a species
  - Improved population viability
    - may be based on the opinion of a panel of experts.

- Management of the protected area
  - Management plan, track record of implementation and adaptation (management of change),
  - Financial viability,
  - Development of management capacity.
Lenders have:

- Strong leverage when the project is active.
- Minimal leverage when the project is closed.

MDBs cannot monitor long-term commitments required for many biodiversity outcomes.
So, how to secure Long-term Commitments?

Commitments need to be substantiated and accepted
  - through benefitting the community
  - supported by robust ESIA and long-term monitoring

Some key ESIA requirements are:
  - Align closely to the standards
  - Based on primary data
  - Defensible critical habitat assessment
  - Practical mitigation and Net Gain strategies
Strategies to secure Long-term Commitments

World Bank:

- Loans primarily to Government clients (Borrowers).
- Establish a strong relationship with an in-country presence and agreed Country Partnership Framework, with emphasis on:
  - Developing legislation, institutions, capacity building.
  - Engaging and strengthening stakeholders to hold proponents accountable.
- Continuity is an incentive to adhere to commitments.
- Inspection Panel can investigate alignment to ESF.
Strategies to secure Long-term Commitments

World Bank, at the project level:

- A loan agreement is based on a legally-binding ESCP (Environment & Social Commitment Plan).
  - compiled as a component of the ESIA

- ESCP can require the Borrower to:
  - Accommodate key commitments within their national framework.
  - Operate transparently to hold themselves internally accountable and to civil society.
  - Engage stakeholders and their capacity building to hold proponents accountable.
Strategies to secure Long-term Commitments

IFC and EBRD:

- Loan primarily to private sector clients.
- Encourage clients to adopt their own sustainability policies that underpin their commitments.
- Policies and commitments need to be publicly available.
- Encourage partnership and monitoring by Communities and NGOs.
What can You & I do?

- We can support NGOs and watchdog organizations.
- We can be familiar with relevant MDB standards.
- We can be aware of developments.
- We can engage Borrowers and clients and follow-up matters of importance.

*As in the case of IUCN report on offset in Guinea.*
Let’s continue the conversation!

Post questions and comments in the IAIA23 app.

Andrew Cauldwell
Biodiversity Consultant (STC), World Bank
Canada
acauldwell@worldbank.org
www.linkedin.com/in/andrew-cauldwell-6320342a
www.worldbank.org

#iaia23