Biodiversity Commitments How to achieve long-term accountability?



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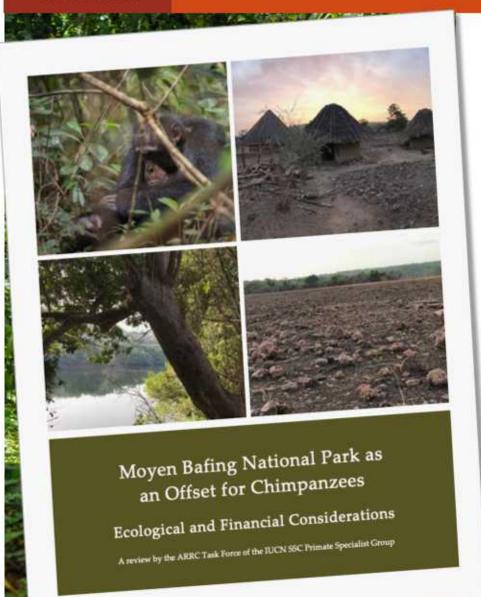
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Long-term Commitment is at Risk





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





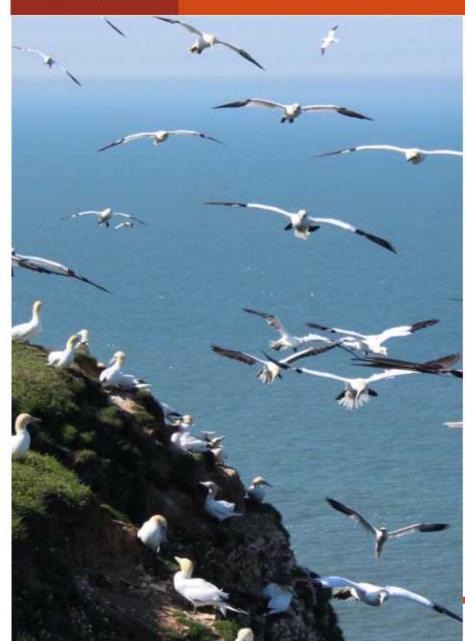
Multilateral Development Banks (MDBs) have issued Environment & Social standards.

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.

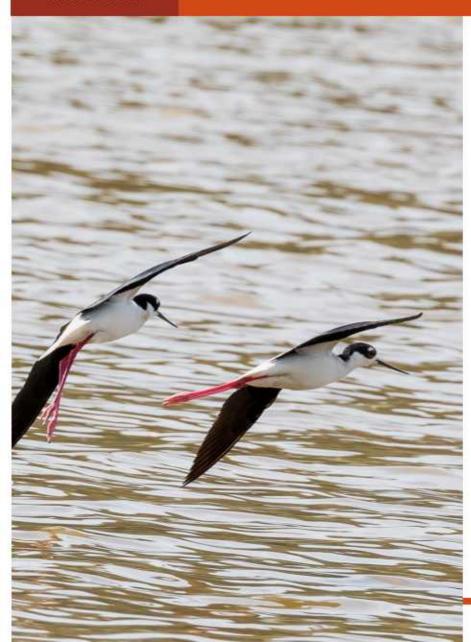
e.g. No Net Loss, Net Gain, Offsetting residual impacts.

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 1st 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.

MDBs have Declining Leverage with Clients





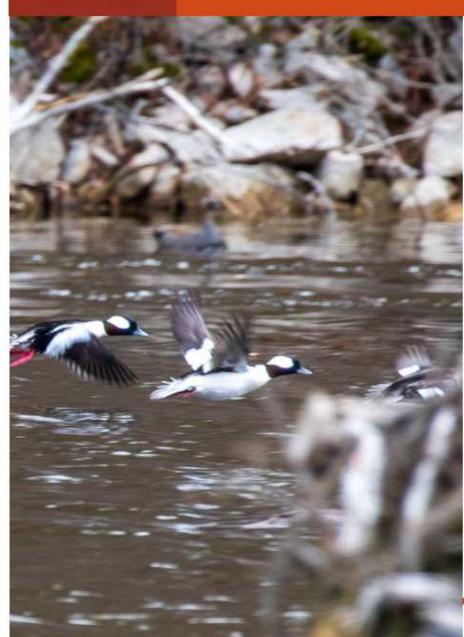
Lenders have:

- 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



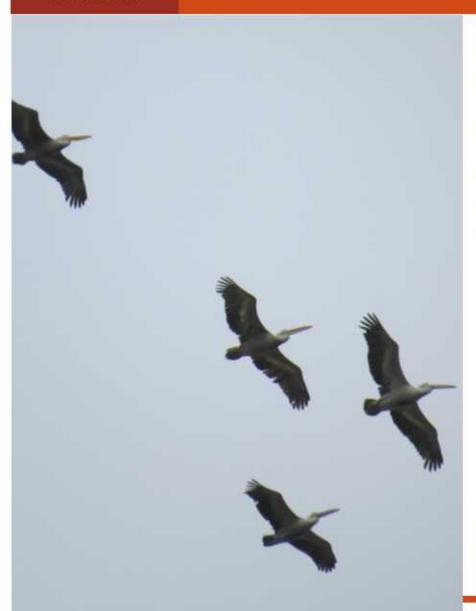


World Bank, at the project level:

- 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.

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