

The World Bank Group's Submission¹ to the Office of the Human Rights Commissioner for Human Rights (OHCHR) for the Annual Report on the Right to Development

1. Human Rights and the World Bank Group

- The mission of the World Bank Group centers on two overarching twin goals: End extreme poverty by reducing the share of the global population that lives in extreme poverty to 3 percent; and to promote shared prosperity by increasing the incomes of the poorest 40 percent of people. These goals, which are fully consistent with the SDGs, are pursued within a socially, economically, and environmentally sustainable framework with the objective of enhancing the lives and capabilities of every human being through economic growth, sustainability, and inclusion.
- **Inclusion is a key aspect of our work [on Green, Resilient and Inclusive Development](#). It means promoting equality and nondiscrimination by improving access of all people, including the poor and disadvantaged, to services and benefits such as education, health, social protection, infrastructure, affordable energy, employment, financial services, and productive assets.** Inclusion encompasses empowering all citizens to participate in, and benefit from, the development process. It embraces action to remove barriers against those who are often excluded, such as women, children, persons with disabilities, LGBTQI+ persons, youth, and minorities, and ensures that the voices of all citizens can be heard. In this regard, the World Bank Group's activities support the realization of human rights expressed in the Universal Declaration of Human Rights.
- With the support of the [Human Rights, Inclusion and Empowerment Trust Fund](#), the World Bank continues to work to develop a more informed view on how human rights relate to the Bank's core mission of promoting economic growth, poverty reduction and inclusion.
- Our work is driven by partnerships with governments, the private sector, other multilateral organizations including UN agencies, and many other stakeholders. World Bank Group financing and activities can support our members to realize their obligations and help to create the conditions necessary for the realization of human rights. We support countries to address development, including through analytical work, investments in development projects, policy reforms, and providing technical assistance. These avenues of support complement one another. But unlike other agencies that have explicit human rights purposes and policies, our role within the United Nations system does not assign to us a human rights mandate, and **we recognize and respect the distinct and complementary roles played by organizations that have such mandates.**

2. The World Bank

¹ The document includes information for the World Bank (WB), the International Finance Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA) in one joint submission.

We highlight some relevant examples below of how the World Bank is ensuring that its support takes account of human rights perspectives:

- **The [Environmental and Social Framework \(ESF\)](#).** The Framework's Vision Statement includes explicit reference to human rights. The ESF aims to protect people and the environment in World Bank-financed investment projects. It aims to ensure that both Bank and borrowers are aware that impacts from a project may fall more heavily on certain groups because of social and economic status. The ESF also helps to ensure that Investment Project Financing (IPF) is designed with meaningful consultation of people who have a stake in their outcome and that anyone who is concerned about an impact can have their complaints heard fairly. We highlight some specific points of interest.
 - Through the Environmental and Social Framework's requirements related to [labor and working conditions \(ESS2\)](#), **the Bank supports the protection of workers' rights**, including by promoting fair treatment, non-discrimination and equal opportunity of workers, as well as through the prohibitions on forced labor, child labor and human trafficking.
 - **The Bank works with its client countries to prevent and mitigate the risks of [Sexual Exploitation and Abuse and Sexual Harassment](#)** in Bank-financed projects. Through this, it supports especially the rights of women and girls.
 - In March 2021, an update to the [Bank Directive on Addressing Risks and Impacts on Disadvantaged and Vulnerable Individuals or Groups](#), included a representative list of characteristics or circumstances that might contribute to a person being disadvantaged or vulnerable - such as gender, age, ethnicity, religion, disability, and race. In addition, a [Technical Note on Addressing Racial Discrimination through the ESF](#) for staff makes it explicit that issues of potential racial discrimination and racial inequity need to be considered as part of these assessments and covers our three primary financing instruments: Development Policy Financing, used to support policy and institutional reforms; Investment Project Financing (the most common financing instrument), used for public projects and activities that create physical or social infrastructure; and Program-for-Results Financing, used to provide financing for a portion of a government program, disbursing against the achievement of program results.
 - The World Bank takes a strong stance against [reprisals and retaliation in Bank-financed projects](#).
 - For over 20 years, the [Bank policy on Indigenous Peoples \(ESS7\)](#) **has referred to their dignity and human rights**.
 - **The [Grievance Redress Service \(GRS\)](#)** provides an avenue for individuals and communities to submit complaints directly to World Bank management if they believe that a Bank-financed project has or is likely to have adverse effects on them, their community or environment. The GRS processed an average of 302 complaints over the last three fiscal years, covering a wide spectrum of project-related issues.
 - **The [World Bank Accountability Mechanism](#)** which includes the [Inspection Panel](#) is an independent mechanism that receives and reviews complaints from people and communities who believe that they have been, or are likely to be, adversely affected by a World Bank-funded project. The Accountability Mechanism processes aim to promote accountability at the World Bank, give affected people a greater voice in

activities supported by the World Bank that affect their rights and interests, and foster redress when warranted.

2. International Finance Corporation and Multilateral Investment Guarantee Agency

IFC's and MIGA's Environmental and Social (E&S) Sustainability Framework "recognizes the responsibility of business to respect human rights, independently of the state duties to respect, protect, and fulfill human rights."² IFC and MIGA are "guided by the International Bill of Human Rights and the International Labor Organization's eight core conventions."³ The Sustainability Framework is complemented by other statements, good practice notes, tip sheets, and guidance supporting the business responsibility to protect human rights in IFC-financed and MIGA-guaranteed projects.

This responsibility is specifically implemented through IFC's and MIGA's Performance Standards on E&S Sustainability: Each of the Performance Standards has elements related to human rights dimensions that businesses may face in the course of their operations. Thus, identifying, preventing, and addressing human rights impacts is undertaken through IFC's and MIGA's due diligence and the due diligence of their clients, against the Performance Standards. The Sustainability Framework additionally requires that "In limited high risk circumstances, it may be appropriate for the client to complement its environmental and social risks and impacts identification process with specific human rights due diligence as relevant to the particular business."⁴ IFC's "Good Practice Note on Contextual Risk Screening for Projects: Linking National-Level Risks to the Local-level Project Risks in Fragile, Conflict-Affected Situations and Beyond"⁵ further strengthens due diligence by outlining an approach for systematically analyzing country risks to identify the highest risk areas and translating them into potential E&S risks at the subnational and project level and/or at the sector-level.

Particularly relevant Performance Standard requirements include those related to consultation, requiring "a process of consultation in a manner that provides the Affected Communities with opportunities to express their views on project risks, impacts and mitigation measures."⁶

² "IFC Environmental and Social Sustainability Policy," para. 12, accessible at:

https://www.ifc.org/wps/wcm/connect/7141585d-c6fa-490b-a812-2ba87245115b/SP_English_2012.pdf?MOD=AJPERES&CVID=kiIrw0g.

MIGA "Environmental and Social Sustainability Policy" para 12, accessible at:

https://www.miga.org/sites/default/files/archive/Documents/Policy_Environmental_Social_Sustainability.pdf.

³ Sustainability Policy, Footnote 4. MIGA Sustainability Policy, Footnote 9.

⁴ "IFC Environmental and Social Performance Standards," Performance Standard 1, Footnote 12, accessible at:

https://www.ifc.org/wps/wcm/connect/24e6bfc3-5de3-444d-be9b-226188c95454/PS_English_2012_Full-Documents.pdf?MOD=AJPERES&CVID=jkV-X6h. MIGA Environmental and Social Performance Standards,

Performance Standard 1, Footnote 12, accessible at:

https://www.miga.org/sites/default/files/archive/Documents/MIGA_Performance_Standards_October_2013.pdf.

⁵ Consultation draft accessible at: https://www.ifc.org/wps/wcm/connect/90102050-34bb-43b0-9cdf-5cd7bb1b1f1c/IFC+Contextual+Risk+Framework+GPN_Public+Consultation+April+2022.pdf?MOD=AJPERES&CVID=o0uTigz;

final version forthcoming at: https://www.ifc.org/wps/wcm/connect/Topics_Ext_Content/IFC_External_Corporate_Site/Sustainability-At-IFC/Publications/Publications_Sustainability.

⁶ Performance Standard 1, paras. 30-32.

Indigenous peoples, including free, prior, and informed consent (FPIC) requirements, are also the subject of a separate Performance Standard (Performance Standard 7). For this and for all other relevant Performance Standard requirements, IFC's and MIGA's role is to monitor its client's implementation, including the effectiveness of its stakeholder engagement.

In terms of addressing negative impacts, the Environmental and Social Sustainability Policy explicitly establishes the responsibility of business to respect human rights to include addressing adverse human rights impacts business may cause or contribute to, and the Performance Standards specifically require clients to establish project-level grievance mechanisms for affected communities and workers and to disclose these as part of their stakeholder engagement process. IFC's "Position Statement on Retaliation Against Civil Society and Project Stakeholders (2018)"⁷ and MIGA's "Position Statement on Retaliation Against Civil Society and Project Stakeholders (2020)"⁸ make clear that civil society organizations and project-impacted stakeholders must be able to provide feedback, voice opposition, and raise concerns with IFC and MIGA clients and with IFC and MIGA when necessary so that E&S impacts in IFC-financed and MIGA-guaranteed projects are avoided, minimized, or mitigated and that the project achieves its intended development impact. IFC and MIGA do not tolerate any action by an IFC or MIGA client that amounts to retaliation – including threats, intimidation, harassment, or violence – against those who voice their opinion regarding the activities of IFC, MIGA, or their clients.

The Office of the Compliance Advisor Ombudsman (CAO), the independent accountability mechanism for IFC and MIGA, provides an important additional grievance channel for communities affected by IFC/MIGA investments. The new CAO Policy (2021)⁹ seeks to further strengthen responses to E&S impacts through features such as the option to refer complaints to IFC/MIGA early on, emphasis on the importance of dispute resolution, the option to defer a compliance investigation, and the requirement that IFC/MIGA prepare Management Action Plans consulted with complainants and clients.

Alongside project-specific work, IFC and MIGA engage with a wide range of partners, including its peer multilateral financial institutions, to coordinate and strengthen E&S risk management, including many elements relevant to human rights. Outside of the risk management context, and across IFC's and MIGA's portfolios, their financing and guarantees are geared toward Green, Resilient and Inclusive Development (GRID).

3. Additional Resources

You can find more detail on how we respond to the development needs of countries across agendas and geographic differences here:

- World Bank [Annual Report 2022](#)

⁷ IFC Position Statement on Retaliation Against Civil Society and Project Stakeholders (October 2018), accessible at: https://www.ifc.org/wps/wcm/connect/ade6a8c3-12a7-43c7-b34e-f73e5ad6a5c8/EN_IFC_Reprisals_Statement_201810.pdf?MOD=AJPERES.

⁸ MIGA Position Statement on Retaliation Against Civil Society and Project Stakeholders (2020), accessible at: <https://www.miga.org/miga-position-statement-retaliation-against-civil-society-and-project-stakeholders>.

⁹ See: <https://www.ifc.org/wps/wcm/connect/d3e7f1c4-fd6b-40fd-ae76-fb028916611d/IFC-MIGA-Independent-Accountability-Mechanism-CAO-Policy.pdf?MOD=AJPERES&CVID=nFDGwP2>.

- IFC [Annual Report 2022](#)
- MIGA [Annual Report 2022](#)