# Extractive Industries Review Implementation:

## Assessment of the World Bank Group's Follow-up Measures

December 2005

## Background

At the World Bank General Annual Meeting in Prague in 2000, the Bank agreed to support an independent assessment of World Bank Group (WBG) activities in the extractive industries (oil, gas, and mining), called the Extractive Industries Review (EIR). This three-year process, led by an independent secretariat, involved: a series of regional stakeholder consultations, project visits, and commissioned research. In December 2003, the EIR Secretariat published its final report, "Striking a Better Balance", which contained a list of valuable recommendations to guide the institution's future involvement in the oil, gas, and mining sectors with the aim of improving the Bank's performance on its mission of poverty reduction and sustainable development.

In August 2004, the WBG Board of Executive Directors approved the Bank Group's Management's Response (MR) to the recommendations contained in the EIR report. However, the MR commitments are largely vague, do not cover all of the EIR recommendations, and do not provide concrete steps for implementation. Furthermore, the MR often defers action on specific issues to other WBG processes such as operational policy revisions.

It has now been two years since the publication of the EIR final report and just over one year since the approval of the MR. During this time, many civil society groups have been tracking the implementation of the EIR by the WBG. This document provides a collection of EIR implementation assessments generated by a number of civil society organizations.

## Overall Conclusion

The overall conclusion that can be drawn from the various assessments is that:

**The WBG's implementation of the EIR, including direct Management commitments, has been disappointing. Governance considerations, relevant to the extractive industries, are not systematically applied and do not appear to be having any influence on project selection or sequencing. Operational polices across the board are relying heavily on WBG staff discretion, both for Development Policy Lending and project lending. Lastly, and perhaps most importantly, there have been no significant qualitative shifts in the implementation of extractive projects during the first year since Board approval of the Management's Response.**

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On a more positive note, the Bank did meet its renewable energy financing target for FY05. However, this achievement is criticized for concentrating funding over only a few large projects and significantly using GEF and carbon funds for financing instead of World Bank-based funds.

The remainder of the document provides brief summaries of the following assessments:

| Overall Assessments: | Project Performance Assessments: | |
|---|---|---|
| Governance | Azerbaijan | Romania |
| Operational Policies | Guatemala | Russia |
| Renewable Energy Lending | Poland | |

Please note, the full assessments may be obtained by contacting the Bank Information Center's ECA Program or CEE Bankwatch.

## Overall Assessments

### 1. The World Bank Group, the EIR, and Governance

A central finding of the Extractive Industries Review (EIR) is that increased oil, gas and mining investment in countries with weak governance is unlikely to contribute to poverty reduction. Despite the commitments made in its response to the EIR, the World Bank Group has done little to date to effectively factor governance considerations into decisions about support for extractive industry (EI) projects and strategies in resource-rich countries. A review of a sampling of EI projects and relevant country strategies approved over the past year reveals that the Bank Group has failed to apply a consistent methodology or use EI-specific indicators when evaluating governance.

Where governance issues are discussed in project and strategy documents, the discussion is often incomplete and has no discernable connection to decision-making about the sequencing or selection of EI activities. Even a recent draft IFC "check list" for investment officers and economists on "Assessment of risks to project benefits" merely suggests issues to consider when evaluating governance risks without explaining how decisions should be made on the basis of that evaluation.

Furthermore, the scope of governance issues examined by the Bank Group often focuses on revenue transparency and economic management, ignoring some of the elements most relevant to the extractive industries, such as political conditions, human rights, and capacity to mitigate and manage impacts of EI development. Country Policy and Institutional Assessments (CPIA), which remain the Bank's primary governance evaluation tool, are developed without public input and concentrate primarily on fiscal and economic policies and the regulatory environment. Although the World Bank Institute's Governance Indicators present a more comprehensive view of core governance, inclusive of political and civil rights, they have no prescriptive power over decisions about Bank Group support for projects and country strategies.

If the Bank Group intends to avoid past mistakes, it urgently needs to engage in a transparent, public process to define minimum good governance criteria, and clearly link them to decision-making around EI project and policy support.

## 2. WBG Operational Policies and the EIR

***A Comparison of the Management Response to the EIR and the September 2005 Draft IFC Sustainability Policy and Performance Standards***

The September 2005 Draft IFC Policy on Social and Environmental Sustainability and the Performance Standards fail to respond to several of the points raised in the World Bank's Management Response to the Extractive Industries Review. Some examples include:

- Requiring independent monitoring for large projects (note: not explicitly EI projects), including using community based monitoring systems;
- Commitment to address performance bond and resettlement insurance compensation issues as part of the IFC safeguard review;
- Recognizing the "principle that due to the high value of some biodiversity resources, there are effectively 'no go zones' in the world for extractive industries"; and
- Commitment to disclose rationale for proceeding with EI investments based on governance assessment (page iii, Management Response).

In addition, while the draft IFC Policy does include language on revenue and contract transparency, the policy fails to operationalize the commitment made by Management by not providing clear requirements of the types of payments, contracts, and terms to be disclosed. As currently written, the specific payments and contracts to be disclosed would have to be negotiated project-by-project.

***Assessment of Development Policy Lending***

The MR maintains that consideration of the social and environmental impacts of policy lending linked to the extractive industries is covered by the revised Operational Policy 8.60 on Development Policy Lending (DPL). The Extractive Industries Review (EIR) recommendation calls for the DPL policy to "require upstream social and environmental analysis for development policy lending in countries with significant extractive industries or anticipated growth in the extractive industries". This recommendation was intended to be a requirement applied specifically to individual DPL operations, not at the general CAS level. The DPL policy of August 2004 does not reflect this specific EIR recommendation.

Instead of incorporating the EIR recommendation and, thereby, potentially strengthening the social and environmental performance of DPL in resource rich countries, the revised DPL policy in effect weakens previous requirements on public participation and environmental assessment.

Representing the most significant step backwards for current bank standards, the revised DPL policy abolished sectoral adjustment loans (SECALs). Eliminating SECALs as a policy instrument is particularly troubling as SECALs were the only form of development policy lending subject to the Bank's environmental assessment policy (OP 4.01) and its mandatory disclosure and public consultation requirements. This means that now even extractive industry sector specific policy loans have no steadfast requirements on environmental assessment and public consultation.

What the revised policy does stipulate is for Bank staff to determine likely significant poverty, social, and environmental consequences, and where there are significant gaps in existing analysis or shortcomings in the borrower's systems, the Bank will disclose how this will be addressed. There is no requirement to disclose how the decisions regarding the significance of social and environmental impacts have been determined. Furthermore, the WB does not provide any specific guidelines to staff for assessing the social and environmental significance of policy reforms in resource rich countries or in the extractive industries sector.

### 3. Assessment of WBG Renewable Energy Financing

An analysis by Friends of the Earth found that although the World Bank Group did meet its EIR/MR twenty percent growth commitment on financing renewable energy in FY05, important concerns remain including: the concentration of funds to only a small number of projects, uneven regional distribution, and the lack of actual World Bank funding. Overall, the World Bank is missing a tremendous opportunity – and failing to fill an urgent need – by still not adequately financing renewable energy and energy efficiency in developing countries.

The FOE analysis of the World Bank's renewable energy and energy efficiency lending determined that:

- Regional support for renewable energy and energy efficiency is very uneven, with little attention or resources given to several regions with critical energy needs. In fiscal year 2005, just three projects in China received $145 million, or 65 percent, of the World Bank renewable and energy efficiency funding, while the South Asia region, for example, received only $5.6 million in funding.

- Financing for renewable energy largely comes out of carbon finance funds and the Global Environment Facility (GEF), not from the World Bank's own funds per se. Only half of the World Bank's renewable financing came from the World Bank's own funds. Of this amount, $87 million was for just one project.

- Renewable energy and energy efficiency lending still pales in comparison to its funding of greenhouse gas producing fossil fuel projects. In fiscal year 2005, only about 10 percent of the World Bank Group's energy financing went to renewable energy and energy efficiency projects.

If the World Bank Group is to deliver on the potential of renewable energy to promote development and poverty alleviation, it will have to dramatically increase its funding for renewable energy, both in absolute terms and as a proportion of its overall energy funding.

## Project Performance Assessments

### 1. Marlin Gold & Silver Mine, Guatemala

The Marlin gold and silver mine, located in Guatemala, is supported by a US$ 45 million loan from the IFC. It is owned and operated by Montana Exploradora de Guatemala, S.A., a subsidiary of Glamis Gold, Ltd. The Marlin mine is the first major open-pit mine to exist in Guatemala in over 20 years. It has been the center of protests and violence and has received considerable international attention.

In March 2005, the IFC/MIGA's Compliance Advisor Ombudsman (CAO) accepted a complaint presented by a local NGO and citizens affected by the mine. The complaint asserts the absence of consultation with local indigenous groups, lack of information to local communities regarding dangers of cyanide processing, the compromise of scarce water resources due to the excessive water use by the mine, and violence and social problems associated with the construction of the mine.

With regards to the EIR, the CAO's evaluation of the Marlin complaint makes specific reference to many of the fundamental recommendations of the EIR –and the IFC's lack of respect for them– to demonstrate why the Marlin Mine has caused so many problems. An assessment of the Marlin mine's compliance with the EIR finds that the mine is in contradiction with EIR recommendations on almost all accounts, notably on:

- Lack of careful assessment of and, hence, guidance/mitigation of governance issues associated with the fragility of the Guatemalan Peace Accords, absence of prior consultation with indigenous peoples, dismissal of human rights concerns, and inadequate consideration of the potential for armed conflict.

- Absence of obtaining ex-ante "broad community support" as consultations with indigenous peoples were, are, and continue to be held after the fact when it is too late for affected communities to influence fundamental development decisions.

- No clear estimates of costs, i.e., no assessment of the project's possible negative social and economic impacts such as from migration, prostitution, social conflict, and inflation.

- No clear plan or assistance to address widely recognized inadequate government regulatory capacity to enforce environmental regulations.

## 2. EIR Implementation in Europe and Central Asia Region

### *Introduction*

Two years after the release of the final World Bank Extractive Industries Review (EIR) Report in December 2003, and just over a year after the release of the Management Response to this Report (September 2004), several NGOs in the Europe and Central Asia region decided to find out whether the EIR recommendations are being implemented in World Bank Group projects.

The NGOs decided to base their assessment on both the EIR Report as well as on the Management Response because in a number of places the WBG Management chose to ignore or drop some of the EIR recommendations. Even if one believes that the EIR Report did not go far enough to ensure that WBG activities will help to "alleviate poverty through sustainable development", it is the first serious attempt by the WBG to bring its extractive industry sector operations in line with its mandate. Based on both documents, the NGOs developed indicators that were used by local researchers to assess the compliance of WBG funded extractive projects with the EIR recommendations and with the Management Response commitments.

Please note, the indicators developed for the project assessments are considered to be in a preliminary stage as the NGOs continue to work to incorporate broader input from affected communities and from other civil society organizations. For example, the governance indicators currently do not adequately incorporate extractive industry specific measurements and, hence, the progress on this EIR recommendation may be overstated.

The NGOs acknowledge that it has been a rather short time interval since the release of the EIR Report and Management Response, which limited the assessment in terms of the diversity of projects and countries, as well as the possibilities to assess projects through the full implementation cycle. Therefore, the groups anticipate the continuation of monitoring of new projects in the future.

Nevertheless the NGOs believe that the projects that they have investigated so far already give sufficient indications about those areas where the World Bank Group is making progress and those areas where ‘business as usual’ continues to result in negative social, environmental and human rights impacts rather than poverty alleviation.

***Results of ECA Project Assessments***

The goal of the research was to identify how much the projects comply with both EIR Report recommendations as well as the commitments that were made by the WBG Management in their response to the EIR. In the selection of the projects for the assessment, consideration was given for a diverse range of projects as well as country locations. The projects assessed are:

- Mine Closure, Environment & Socio-Economic Regeneration Project, Romania, IBRD
- Hard Coal Social Mitigation Project, Poland, IBRD
- Hard Coal Mine Closure Project, Poland, IBRD
- Mayskoe Gold Mine, Russia, IFC
- Russkiy Mir II (oil and gas terminal), Russia, IFC
- Poverty Reduction Support Credit (PRSC), Azerbaijan, IDA

The project assessments revealed that while there is some progress in several areas it is limited; and the progress is uneven across the assessed projects. The main findings include:

- Overall, a majority of indicators (60%) assessed across all EIR issue areas were found to be either in violation (5%) or unsatisfactory (55%). This represents 143 indicators out of 238 that received scores. Twenty-one percent had some progress, and 19 percent were perceived to be in full compliance with the EIR recommendation.

- For indicators that represent a Management Response commitment, the results were slightly better than for all the EIR recommendations. However, still over half (52%) of the commitments were found to be either in violation (6%) or unsatisfactory (46%). While some progress was made or full compliance was reached on forty-eight percent of the indicators, 24 percent each.

- The highest rate of progress was clearly on CAS Adherence with 45 percent having some progress and 55 percent judged as fully compliant.

- Project performance was the worst on indicators relating to Revenue and Contract Transparency with 90 percent and 100 percent unsatisfactory scores respectively across projects.

- Issue areas with the highest rate and number of violations were Public Participation and Information Disclosure with four violations each representing 11% of associated indicators for each.

Given these overall results and considering the significantly poor performance on four issue areas that are particularly critical to improving the outcomes of extractive industries, the two main conclusions of the assessment are:

- **There have been no significant qualitative shifts in the implementation of extractive projects in the Europe and Central Asia region.**

- **The EIR recommendations and Management Response commitments have largely not yet been institutionalized. The fact that areas of improvement are uneven across projects**

**suggests that what may appear to be progress on the EIR may simply be due to unrelated factors, such as national policy or public pressure on individual projects.**

For a quick view of EIR performance across individual projects and all issue areas, please see the attached **Project Lending Score Card**. To review the overall performance across issue areas and for a comparison between EIR recommendations and MR commitments, please see the attached table: **Overall Project Lending Performance**.

Other observations include:

There was a clear improvement in linking projects with Country Assistance Strategies and Poverty Reduction Strategy Papers. Positive signs include that all countries ratified all conventions covering Core Labour Standards, and several of the WBG projects in the ECA region deal with the social and environmental impacts of mine closure, which was one of the recommendations of the EIR Report.

Since the major progress areas we observed were largely linked with mine closure projects that were the follow-up to previous projects in Poland and Romania, it appears that this progress is a reflection of a strong labour and social movement that influenced an improved design of these projects after the failure of previous ones rather than the results of better project management by IBRD.

Unfortunately the assessment shows that violations of the WBG's own policies are rather common and not exceptional. Alas, in this regard not much has changed as it was similar violations that were the source of the public criticism which lead former World Bank president James Wolfenson to establish the Extractive Industries Review in the first place. We hope that the new World Bank Group administration will show zero tolerance to such cases.

One case study deserves particular attention for its poor performance vis-a-vis the EIR: the Russkiy Mir case study indicates that there has been no major change from the IFC projects that were monitored by NGOs in eastern Europe before the completion of the EIR. The project violates several IFC Safeguard Policies, the local population is enduring negative impacts while the so-called benefits remain very much at the theoretical level. Furthermore, project-related requests for information are ignored and those who raise critical questions are ignored or even harassed.

Looking into public participation and access to information, we found progress towards full implementation of the EIR recommendations as well as failures in compliance with the WBG's policies. One specific problem is the timely disclosure of environmental and social assessments; in some cases the absence of this not only violates the WBG's policies but also impinges on the potential for effective public participation. Another issue which remains problematic is the dissemination of information.

The results of analyzing environmental, social and health impact assessments were also unsatisfactory. One main reason is mis-categorization of projects that prevents proper assessment as well as the preparation of adequate mitigation measures. In the case of the Russkiy Mir project, it was categorized as category B, despite the fact that another similar project (an ammonia terminal) in Taman was previously classified by the IFC (as well as by the EBRD) as category A. The construction has proven that there are both social and environmental negative impacts. Furthermore, this project affects Cape Panagia, a protected landscape area, as well as an archaeological site, which is going against the EIR recommendations.

# Extractive Industries Review Implementation

## Project Lending Score Card

**KEY:** 🟥 **Violation of WB/IFC policy** 🟨 **Unsatisfactory** 🟩 **Some progress** 🟦 **Full compliance**

♦ – WBG Management Response commitment to EIR recommendation

**U** – Unable to determine (please see project matrix for details); **NA** – Not applicable

| EIR Indicator | **POLAND**: Coal Mine Closure / Hard Coal Social Mitigation (IBRD/IDA) | **ROMANIA**: Mine Closure Env.&Soc.-Economic Regeneration (IBRD/IDA) | **RUSSIA**: Mayskoye Gold Mine (IFC pending) | **RUSSIA**: Russkiy Mir II – Oil/Gas Terminal (IFC) | **AZERBAIJAN**: PRSC I (IBRD/IDA) |
|---|---|---|---|---|---|
| **I. Public Participation** | | | | | |
| ♦1. Sponsor sought consent | 🟩 / 🟩 | 🟨 | 🟦 | 🟨 | NA |
| ♦2. Broad community support | 🟩 / 🟦 | 🟨 | 🟩 | 🟨 | 🟩 |
| 3. Signed community agreement | 🟨 / 🟦 | 🟨 | U | 🟨 | NA |
| 4. Independent facilitators | 🟨 / 🟦 | 🟨 | 🟦 | 🟨 | 🟨 |
| ♦5. Proper translation | 🟥 / 🟩 | 🟨 | 🟩 | 🟥 | 🟥 |
| ♦6. Monitoring mechanism | 🟩 / 🟩 | 🟩 | U | 🟨 | 🟨 |
| 7. Community input reflected | 🟨 / 🟩 | 🟥 | U | 🟨 | 🟨 |
| **II. Information Disclosure** | | | | | |
| ♦1. Ensured timely disclosure | 🟩 / 🟩 | 🟨 | 🟦 | 🟥 | 🟨 |
| ♦2. Translation and dissemination of documents | 🟥 / 🟩 | 🟨 | 🟩 | 🟨 | 🟨 |
| ♦3. Timely disclosure of env. and social assessments | 🟥 / 🟨 | 🟨 | U | 🟥 | 🟨 |
| ♦4. Informed communities of project effects | 🟩 / 🟦 | 🟨 | U | 🟨 | 🟨 |
| 5. Informed of Inspection Panel & CAO | 🟨 / 🟨 | 🟨 | U | 🟨 | 🟨 |
| 6. Independent monitoring | 🟨 / 🟨 | 🟩 | U | 🟨 | 🟨 |
| ♦7. Disclosure of monitoring reports | 🟦 / 🟦 | U | U | 🟨 | U |
| ♦8. Disclosure of impacts annually during implementation | 🟩 / 🟩 | U | U | 🟨 | U |
| **III. Contract Transparency** | | | | | |
| ♦1. Disclosure of all key contracts required | NA | NA | U | 🟨 | 🟨 |
| 2. Accessibility to contracts for local population required | NA | NA | U | 🟨 | 🟨 |
| ♦3. Contract translation | NA | NA | U | 🟨 | 🟨 |
| 4. Explanation for redacted information required | NA | NA | U | 🟥 | 🟨 |
| ♦5. Disclosure requirements explained in SPI or PID/PAD | NA | NA | U | 🟨 | 🟨 |
| 6. Assistance to governments for contract negotiation | NA | NA | U | U | NA |

| EIR Indicator | POLAND: mine closure / social | ROMANIA: mine closure | RUSSIA: gold mine | RUSSIA: oil/gas terminal | AZERBAIJAN: PRSC |
|---|---|---|---|---|---|
| ♦7. Implementation – all key contracts were disclosed | NA | NA | U | 🟨 | NA |
| 8. Contracts are easily accessible | NA | NA | U | 🟨 | NA |
| ♦9. Contracts were translated | NA | NA | U | 🟨 | NA |
| 10. Appropriate explanation for redacted information given | NA | NA | U | NA | NA |
| **IV. Revenue Transparency** | | | | | |
| ♦1. Disclosure of all fiscal contributions by all companies | NA | NA | U | 🟨 | NA |
| ♦2. Disclosure by individual companies (not aggregated) | NA | NA | U | 🟨 | 🟨 |
| 3. Disclosure of gov. expenditures | NA | NA | U | 🟨 | 🟨 |
| 4. Format of expenditure disclosure is comprehensible | NA | NA | U | 🟨 | 🟨 |
| 5. Format of revenue disclosure is comprehensible | NA | NA | U | 🟨 | 🟨 |
| ♦6. Independent audit | NA | NA | U | 🟨 | 🟩 |
| ♦7. Revenue transparency issues contained in SPI or PID/PAD | NA | NA | U | 🟨 | 🟨 |
| ♦8. Promoting transparency of public finances at country level | NA | 🟨 | U | U | 🟨 |
| ♦9. Ex-ante core diagnostics informed project design | NA | 🟨 | U | U | 🟩 |
| ♦10. Implementation - revenues & expenditures are reported | NA | NA | U | 🟨 | NA |
| 11. CSO participation in monitoring and implementation | NA | NA | U | 🟨 | 🟨 |
| **V. Revenue/Benefit Sharing** | | | | | |
| ♦1. Benefits clearly established for all affected groups | NA | NA | U | 🟨 | 🟩 |
| ♦2. Type of benefits appropriate | NA | NA | U | 🟨 | 🟩 |
| ♦3. Full compensation | NA | NA | U | 🟥 | 🟨 |
| 4. Comm. benefits vs. revenues | NA | NA | U | 🟨 | NA |
| 5. Sustainability of benefits | NA | NA | U | 🟨 | U |
| ♦6. Equitable distribution of benefits planned | NA | NA | U | 🟨 | 🟩 |
| 7. Transparent distribution mech. | NA | NA | U | 🟨 | U |
| ♦8. Implementation– real benefits | NA | NA | U | U | U |
| ♦9. Equitably distributed | NA | NA | U | U | U |
| 10. Distribution mechanism's effectiveness verified or corrected | NA | NA | U | U | U |
| **VI. Governance** | | | | | |
| 1. Alternatives assessment | NA | NA | 🟨 | 🟨 | 🟨 |
| 2. Local system for complaints | 🟦 / 🟦 | 🟨 | 🟩 | 🟨 | NA |
| 3. Experience with complaints | U | NA | NA | 🟨 | NA |
| ♦4. Governance in project docs | 🟦 / 🟦 | 🟦 | U | 🟨 | 🟩 |

| EIR Indicator | POLAND: mine closure / social | ROMANIA: mine closure | RUSSIA: gold mine | RUSSIA: oil/gas terminal | AZERBAIJAN: PRSC |
|---|---|---|---|---|---|
| **<u>VII. Environmental & Social Impact Assessment</u>** | | | | | |
| ♦1. Appropriate categorization | 🟦 / 🟦 | 🟨 | U | 🟥 | NA |
| ♦2. Integrated social & health impacts | 🟩 / NA | 🟨 | 🟦 | 🟨 | NA |
| 3. Policy lending – upstream social & env. assessment | NA | NA | NA | NA | 🟨 |
| **<u>VIII. No-Go Zones</u>** | | | | | |
| 1. World Heritage/protected areas | NA | NA | 🟩 | 🟥 | NA |
| 2. Biological hot spots | NA | NA | 🟦 | 🟨 | NA |
| 3. Armed conflict | NA | NA | 🟦 | 🟨 | NA |
| **<u>IX. Emergency Response Plan</u>** | | | | | NA |
| ♦1. Emergency Response Plan | 🟦 / NA | NA | U | 🟨 | NA |
| ♦2. Public consultation | 🟨 / NA | NA | 🟩 | 🟨 | NA |
| 3. Best practice technology | NA / NA | NA | U | 🟨 | NA |
| 4. Accident disclosure | 🟦 / NA | NA | U | U | NA |
| 5. Timely public alert mech. | NA / NA | NA | U | U | NA |
| **<u>X. Transport of Oil and Hazardous Substances</u>** | | | | | |
| 1. Ship quality | NA | NA | U | 🟨 | NA |
| 2. Safety and age criteria | NA | NA | U | U | NA |
| **<u>XI. Mining and toxic materials</u>** | | | | | |
| 1. Riverine tailings disposal | NA | NA | U | NA | NA |
| ♦2. Insurance system for region | 🟦 / NA | NA | U | NA | NA |
| 3. Closure plan | 🟩 / NA | NA | U | NA | NA |
| 4. Independent laboratory | NA | 🟨 | 🟩 | NA | NA |
| 5. Cyanide test requirement | NA | 🟨 | 🟨 | NA | NA |
| 6. Monitoring nearby waters | NA | 🟨 | U | NA | NA |
| ♦7. Hazardous Material Management Guidelines | 🟨 / NA | 🟨 | U | NA | NA |
| **<u>XII. Indigenous Peoples' Rights</u>** | | | | | |
| 1. Legislation on IP in country | NA | NA | 🟩 | NA | NA |
| 2. Legislation in force | NA | NA | 🟨 | NA | NA |
| 3. Good practice examples | NA | NA | 🟩 | NA | NA |
| **<u>XIII. Poverty Impacts</u>** | | | | | |
| ♦1. Benefits to all affected groups | 🟩 / 🟩 | 🟦 | U | 🟨 | 🟨 |
| 2. Local & regional poverty reduction addressed in proj. docs | NA | 🟨 | U | 🟨 | 🟨 |
| 3. Adequate baseline data | 🟦 / 🟦 | U | U | 🟨 | U |
| 4. Positive & negative impacts | NA | U | 🟨 | 🟨 | 🟩 |
| ♦5. Strong economic case | 🟦 / 🟦 | NA | U | 🟨 | 🟨 |
| ♦6. Long-term employment | 🟦 / 🟦 | NA | U | 🟨 | U |
| ♦7. Forward & backward linkages | NA | NA | U | 🟨 | U |
| 8. Energy/electricity to the poor | NA | NA | U | 🟨 | U |
| 9. Technology and skills transfer | NA | NA | 🟩 | 🟩 | NA |
| 10. Clean air, water, & food | NA | NA | 🟩 | 🟨 | NA |

| EIR Indicator | POLAND: mine closure / social | ROMANIA: mine closure | RUSSIA: gold mine | RUSSIA: oil/gas terminal | AZERBAIJAN: PRSC |
|---|---|---|---|---|---|
| 11. Local ownership, profit-sharing | NA | NA | U | 🟨 | U |
| ♦12. Effect on livelihoods | 🟦 / 🟦 | 🟩 | U | 🟨 | U |
| ♦13. Project monitoring | 🟦 / 🟦 | U | U | 🟨 | U |
| ♦14. Implementation - ensure actual positive impacts | 🟦 / 🟦 | U | U | 🟨 | U |
| 15. Contracts to local businesses | 🟥 / NA | U | U | 🟨 | NA |
| **XIV. Human Rights** | | | | | |
| 1. Assessment of country obligations to international human rights law | NA | 🟨 | U | 🟨 | 🟨 |
| 2. History of HR violations | NA | U | U | 🟨 | NA |
| 3. Consistency with international HR law | NA | 🟦 | 🟩 | 🟩 | NA |
| 4. Third party verification | NA | NA | U | U | NA |
| 5. Co. adoption of HR principles | NA | NA | U | U | NA |
| ♦6. Voluntary Principles on Security and HR | NA | U | U | U | NA |
| **XV. Resettlement** | | | | | |
| 1. Consultation before resettlement | NA | NA | NA | NA | NA |
| ♦2. Value of informal activities | NA | NA | NA | NA | NA |
| 3. Sufficient funding | NA | NA | NA | NA | NA |
| ♦4. Improvement in livelihoods | NA | NA | NA | NA | NA |
| 5. Access to complaint and dispute resolution | NA | NA | NA | NA | NA |
| ♦6. Disclosure of Resettlement Action Plan and Resettlement Framework | NA | NA | NA | NA | NA |
| ♦7. Share of benefits | NA | NA | NA | NA | NA |
| 8. Implementation of RAP | NA | NA | NA | NA | NA |
| 9. Fair/timely dispute resolution | NA | NA | NA | NA | NA |
| **XVI. Core Labor Standards** | | | | | |
| ♦1. Four core labor standards | 🟦 / 🟦 | 🟨 | 🟦 | 🟩 | NA |
| 2. Standard Bidding Document | NA | 🟨 | 🟦 | 🟩 | NA |
| ♦3. No discrimination | NA | NA | U | 🟨 | 🟨 |
| ♦4. Forced labor | NA | NA | U | U | U |
| ♦5. Child labor | NA | NA | U | U | U |
| ♦6. Freedom of association | NA | NA | U | U | 🟨 |
| ♦7. Collective bargaining | NA | NA | U | U | 🟨 |
| **XVII. Adherence to CAS/PRSP Objectives and Priorities** | | | | | |
| ♦1. CAS consistency | 🟦 / 🟦 | 🟦 | 🟩 | 🟩 | 🟩 |
| 2. PRSP consistency | NA | NA | NA | NA | 🟩 |
| ♦3. Addresses CAS EI issues | 🟦 / 🟦 | 🟦 | NA | NA | 🟩 |

# EIR Implementation: Overall Project Lending Performance

| | violation | unsatisfactory | some progress | full compliance | violation | unsatisfactory | some progress | full compliance |
|---|---|---|---|---|---|---|---|---|
| **Public Participation** | 4 | 17 | 11 | 5 | 11% | 46% | 30% | 14% |
| MR Commitments | **3** | **7** | **10** | **2** | **14%** | **32%** | **45%** | **9%** |
| **Information Disclosure** | 4 | 22 | 8 | 4 | 11% | 58% | 21% | 11% |
| MR Commitments | **4** | **13** | **7** | **4** | **14%** | **46%** | **25%** | **14%** |
| **Contract Transparency** | 1 | 12 | 0 | 0 | 8% | 92% | 0% | 0% |
| MR Commitments | **0** | **8** | **0** | **0** | **0%** | **100%** | **0%** | **0%** |
| **Revenue Transparency** | 0 | 18 | 2 | 0 | 0% | 90% | 10% | 0% |
| MR Commitments | **0** | **12** | **2** | **0** | **0%** | **86%** | **14%** | **0%** |
| **Rev/Benefit Sharing** | 1 | 7 | 3 | 0 | 9% | 64% | 27% | 0% |
| MR Commitments | **1** | **4** | **3** | **0** | **13%** | **50%** | **38%** | **0%** |
| **Governance** | 0 | 7 | 2 | 5 | 0% | 50% | 14% | 36% |
| MR Commitments | **0** | **1** | **1** | **3** | **0%** | **20%** | **20%** | **60%** |
| **Env. & Social Impacts** | 1 | 4 | 1 | 3 | 11% | 44% | 11% | 33% |
| MR Commitments | **0** | **3** | **1** | **3** | **0%** | **43%** | **14%** | **43%** |
| **No-Go Zones** | 1 | 2 | 1 | 2 | 17% | 33% | 17% | 33% |
| MR Commitments | **0** | **0** | **0** | **0** | **NA** | **NA** | **NA** | **NA** |
| **Emergency Response** | 0 | 4 | 1 | 2 | 0% | 57% | 14% | 29% |
| MR Commitments | **0** | **2** | **1** | **1** | **0%** | **50%** | **25%** | **25%** |
| **Oil & Haz Mat Transport** | 0 | 1 | 0 | 0 | 0% | 100% | 0% | 0% |
| MR Commitments | **0** | **0** | **0** | **0** | **NA** | **NA** | **NA** | **NA** |
| **Mining & toxics** | 0 | 6 | 2 | 1 | 0% | 67% | 22% | 11% |
| MR Commitments | **0** | **2** | **0** | **1** | **0%** | **67%** | **0%** | **33%** |
| **Indigenous Peoples** | 0 | 1 | 2 | 0 | 0% | 33% | 67% | 0% |
| MR Commitments | **0** | **0** | **0** | **0** | **NA** | **NA** | **NA** | **NA** |
| **Poverty Impacts** | 1 | 19 | 7 | 13 | 3% | 48% | 18% | 33% |
| MR Commitments | **0** | **7** | **3** | **11** | **0%** | **33%** | **14%** | **52%** |
| **Human Rights** | 0 | 4 | 2 | 1 | 0% | 57% | 29% | 14% |
| MR Commitments | **0** | **0** | **0** | **0** | **NA** | **NA** | **NA** | **NA** |
| **Core Labor Standards** | 0 | 6 | 2 | 4 | 0% | 50% | 17% | 33% |
| MR Commitments | **0** | **5** | **1** | **3** | **0%** | **56%** | **11%** | **33%** |
| **Adherence to CAS/PRSP** | 0 | 0 | 5 | 6 | 0% | 0% | 45% | 55% |
| MR Commitments | **0** | **0** | **5** | **6** | **0%** | **0%** | **45%** | **55%** |
| **EIR Totals** | 13 | 130 | 49 | 46 | 5% | 55% | 21% | 19% |
| **MR Totals** | **8** | **64** | **34** | **34** | **6%** | **46%** | **24%** | **24%** |