The United States (U.S.) welcomes and supports Management’s proposal for an Integrated Safeguard System (ISS). The proposal is a marked improvement from the existing safeguards, reflecting a multiyear assessment and consultation process, including outreach to development assistance practitioners, national governments, civil society organizations, and the private sector. The U.S. was pleased to see the broad public consultation process, careful consideration of public input and Board views, and diligent efforts to find consensus that maintains a high bar on difficult issues. The resulting ISS represents a major step for the African Development Bank (AfDB) and, consequently, for the people of Africa.

Safeguards at the multilateral development banks (MDBs), including the AfDB, are an essential tool for avoiding or mitigating environmental and social risks in Bank-financed projects and programs. The new ISS reflects the African Development Bank Group’s commitment to go beyond risk mitigation, and use its resources and knowledge to help achieve best practices for promoting environmental and social sustainability and sound development outcomes.

The U.S. believes the new ISS, as written, can substantially strengthen the ability of the AfDB and its borrowers and clients to advance the vision of the Bank’s new Ten Year Strategy (2013-2022), which focuses on inclusive and green growth. The U.S. welcomes the AfDB’s application of the ISS to all AfDB operations in both the private and public sectors, noting that all policy-based loans will now be subject to due diligence, as will regional, country, and sector strategies. The U.S. is also very pleased that assessments of associated facilities and cumulative impacts will be required.

With respect to the five Operational Safeguards, the U.S. believes the greater clarity, coherence and consistency across the range of substantive areas will serve the Bank and its borrowers and clients well. Among the improvements over the current safeguards, the U.S. highlights the addition of the groundbreaking attention to climate change considerations and the requirement of an assessment of gender issues for every project. The U.S. is also pleased with the protections for labor conditions and workers’ rights, increased attention to vulnerable persons (including those associated with indigenous peoples or those with disabilities), and sensitivity to the particular problems involving critical habitats. The U.S. welcomes the new greenhouse gas (GHG) emissions tracking tool and hopes the Bank succeeds in finalizing this tool by end-2015, as expected.

The U.S. also welcomes the addition of assessments and requirements related to the social aspects of AfDB-financed projects and programs. Though human rights are not directly raised as a stand-alone issue, the AfDB can help ensure that its lending activities do not contribute to human rights violations or abuses through its social assessments and requirements, such as the requirements related to persons with disabilities and workers’ rights. This would be consistent with member countries’ commitments and obligations under the International Human Rights Covenants and the African Charter of Human and Peoples’ Rights. With regard to the proposed preamble, the U.S. understands the Bank’s statement to reflect the fact that the promotion of
human rights—including economic, social, and other rights as articulated in International Human Rights Covenants—is consistent with the Bank’s mandate as set forth in Articles 1 and 38 of the Bank Agreement.

With respect to indigenous peoples, the U.S. believes the AfDB should promote the territorial rights, traditional economies, cultural integrity, and traditional knowledge of indigenous peoples and human rights of indigenous persons. There are important provisions in the ISS for indigenous peoples and their members, including on consultation, broad community support, cultural heritage, traditional knowledge, resettlement, labor, and non-discrimination. However, the U.S. would have far preferred to see a stand-alone operational safeguard on indigenous peoples to provide the strongest possible protections. The U.S. strongly urges and expects the Bank to continue to strengthen and address specific issues linked to indigenous peoples in the Environmental and Social Impact Procedures (ESAPs) and the Integrated Environmental and Social Impact Assessment (IESIA) guidance notes. For example, there is no explicit recognition in the proposed ISS that indigenous peoples may collectively own land, cultural heritage, and other resources, and the U.S. urges that this gap be addressed in the ESAPs and IESIA guidance notes. The U.S. also encourages the Bank to implement robustly its commitment to continued dialogue with indigenous peoples on how to support their development throughout the entire lifecycle of Bank projects.

In the area of disclosure, the U.S. welcomes the introduction of the new Integrated Safeguards Tracking System. It is important that affected communities and other stakeholders have complete access to information on complex issues with sufficient time to review and react, while recognizing the need for business confidentiality. The U.S. urges the Bank to follow the practice at other MDBs and make available automatically the full Environmental and Social Impact Assessments (ESIAs) on the new system.

The U.S. strongly supports the additional attention to critical habitats. Given the risk of irreversible damage to these precious resources, it is essential that the Bank be on solid scientific ground before agreeing to any projects in or affecting critical habitats. Moreover, given the complexity of ecosystems and the risks associated with human activities in critical habitats, the U.S. sees no compelling case for ever allowing the use of offsets for impacts in critical habitat.

With respect to the Environmental, Health and Safety (EHS) Guidelines, the U.S. suggests it be clarified that the technical standards of the EHS Guidelines (or, where appropriate, more protective standards) be included in the ESIA and their impacts evaluated, not deferred to the management plan.

Approval of the new ISS document is only an intermediary step on the path to a robust safeguards system. The immediate next step is for the AfDB to draft the ESAPs and the IESIA guidance notes, which should serve to strengthen the operational safeguards and provide more detailed guidelines for ensuring that project proposals include, among other things, robust baseline data and comprehensive alternatives assessments. The U.S. looks forward to further discussions with the AfDB during the development of these guidance notes.
The U.S. also underscores the importance of the Bank’s role in oversight and capacity building: the U.S. expects strong engagement by the Bank with its borrowers and clients on these safeguard priorities throughout the project cycle. The U.S. also believes it is critical for the Bank to engage in meaningful consultations with affected communities, workers’ organizations, and other stakeholders, not only during project preparation, but during project implementation as well. The AfDB should welcome third-party monitoring to complement its own supervision system. It is essential that the AfDB develop and implement more robust procedures for supervision, monitoring, reporting, and evaluation.

Finally, to live up to its potential, the Bank’s effort must be sufficiently resourced. The U.S. welcomes the discussion of staffing in the Board paper. Management’s commitment to helping Africa address complex environmental, labor, and social challenges will only succeed with the necessary staff and financial resources to operationalize the policy, the operational safeguards (OSs), procedures, and guidance notes.