

Involuntary Resettlement

1. Planning of resettlement activities is an integral part of preparation for Bank¹-assisted projects that cause involuntary resettlement. During project identification, the task team (TT) identifies any potential involuntary resettlement² under the project and discusses with the borrower ways to avoid, where feasible, or minimize resettlement. Throughout project processing, the TT consults the regional social development unit³, LEG and, as necessary, the Resettlement Committee (see para. 7 of this BP).

2. When a proposed project is likely to involve involuntary resettlement, the TT informs the borrower of the provisions of OP/BP 4.12. The TT and borrower staff:

- (a) assess the nature and magnitude of the likely displacement;
- (b) explore all viable alternative project designs to avoid, where feasible, or minimize displacement;⁴
- (c) assess the legal framework covering resettlement and government and

implementing agencies' policies (identifying any inconsistencies between such policies and the Bank's policy);

- (d) review past borrower and likely implementing agencies' experience with similar operations;
- (e) discuss with the agencies responsible for resettlement the policies and institutional, legal, and consultative arrangements for resettlement, including measures to address any inconsistencies between government or implementing agency policies and Bank policy; and
- (f) discuss any technical assistance to be provided to the borrower (see OP 4.12, para. 31).

3. Based on review of relevant resettlement issues, the TT agrees with the regional social development unit and LEG on the type of resettlement instrument (resettlement plan, abbreviated resettlement plan, resettlement policy framework or process framework) and the scope and the level of detail required. The TT conveys

¹ "Bank" includes IDA, "loans" includes credits, guarantees and grants, and "projects" includes projects under adaptable program lending, learning and innovation loans, PPFs and IDFs, if they include investment activities; projects and components funded under the Global Environment Facility; and projects under grants or loans provided by other donors but managed by the Bank. ¹ "Bank" includes IDA, "loans" includes credits, guarantees, PPF advances and grants, and "projects" includes projects under (i) adaptable program lending; (ii) learning and innovation loans; (iii) PPFs and IDFs, if they include investment activities; grants under the Global Environment Facility and Montreal Protocol, for which the Bank is the implementing / executing agency, and (vi) grants or loans provided by other donors that are administered by the Bank. The term "project" does not include programs under adjustment operations. "Borrower" also includes, wherever the context requires, guarantor or the project implementing agency.

² See OP 4.12, *Involuntary Resettlement*.

³ Unit or department in the Region responsible for resettlement issues.

⁴ The Bank satisfies itself that the borrower has explored all viable alternative project designs to avoid involuntary resettlement and, when it is not feasible to avoid such resettlement, to minimize the scale and impacts of resettlement (for example, realignment of roads or reduction in dam height may reduce resettlement needs). Such alternative designs should be

these decisions to the borrower and also discusses with the borrower the actions necessary to prepare the resettlement instrument,⁵ agrees on the timing of preparing the resettlement instrument, and monitors progress.

4. The TT summarizes in the Project Concept Document (PCD) and the Project Information Document (PID) available information on the nature and magnitude of displacement and the resettlement instrument to be used, and the TT periodically updates the PID as project planning proceeds.

5. For projects with impacts under para. 3 (a) of OP 4.12, the TT assesses during project preparation:

- (a) the extent to which project design alternatives and options to minimize and mitigate involuntary resettlement have been considered;
- (b) progress in preparing the resettlement plan or resettlement policy framework and its adequacy with respect to OP 4.12, including the involvement of affected groups and the extent to which the views of such groups are being considered;
- (c) proposed criteria for eligibility of displaced persons for compensation and other resettlement assistance;
- (d) the feasibility of the proposed resettlement measures, including provisions for sites if needed; funding for all resettlement activities, including

provision of counterpart funding on an annual basis; the legal framework; and implementation and monitoring arrangements, and.

(e) If sufficient land is not available in projects involving displaced persons whose livelihoods are land based and for whom a land-based resettlement strategy is the preferred option, the TT also assesses the evidence of lack of adequate land (OP, para. 10).

6. For projects with impacts under para. 3 (b) of OP 4.12, the TT assesses during project preparation:

- (a) the extent to which project design alternatives and options to minimize and mitigate involuntary resettlement have been considered; and
- (b) progress in preparing the process framework and its adequacy in respect to OP 4.12, including the adequacy of the proposed participatory approach; criteria for eligibility of displaced persons; funding for resettlement; the legal framework; and implementation and monitoring arrangements.

7. The TT may request a meeting with the Resettlement Committee to obtain endorsement of, or guidance on, (a) the manner in which it proposes to address resettlement issues in a project, or (b) clarifications on the application and scope of this policy. The Committee, chaired by the Vice President responsible for resettlement, will include the Director Social Development Department, a

5 Such actions may include, for example, developing procedures for establishing eligibility for resettlement assistance; conducting socioeconomic surveys and legal analyses; carrying out public consultation; identifying resettlement sites; or evaluating options for improvement or restoration of livelihoods and standards of living; or in the case of highly risky or contentious projects, engaging a panel of independent, internationally recognized resettlement specialists.

representative from LEG, and two representatives from Operations, one of whom is from the sector of the project being discussed. The Committee is guided by the policy and, among other sources, the *Resettlement Sourcebook* (GP 4.12, forthcoming), which will be regularly updated to reflect good practice.

Appraisal

8. The borrower submits to the Bank a resettlement plan, a resettlement policy framework, or a process framework that conform with the requirements of OP 4.12, as a condition of appraisal for projects involving involuntary resettlement (see OP Sections V and VI). Appraisal may be authorized before the plan is completed in highly unusual circumstances (such as emergency recovery operations) with the approval of the Managing Director in consultation with the Resettlement Committee. In such cases, the Bank agrees with the borrower on a timetable for preparing and furnishing to the Bank the relevant resettlement instrument that conforms with the requirements of OP 4.12.

9. Once the borrower officially transmits the draft resettlement instrument to the Bank, Bank staff—including the regional resettlement specialists and the lawyer—review it, determine whether it provides an adequate basis for project appraisal, and advise the regional Sector Management accordingly. Once approval for appraisal has been granted, the TTL sends the draft resettlement instrument to the Bank's InfoShop. The TTL also sends the English language executive summary of the draft resettlement instrument to the Board Operations Division, Corporate Secretariat,

under cover of a transmittal memorandum confirming that the executive summary and the draft resettlement instrument are subject to change during appraisal.

10. During project appraisal the TT assesses: (a) the borrower's commitment to and capacity for implementing the resettlement instrument; and (b) the feasibility of the proposed measures for improvement or restoration of livelihoods and standards of living; (c) availability of adequate counterpart funds for resettlement activities; (d) significant risks, including risk of impoverishment, from inadequate implementation of the resettlement instrument; (e) consistency of the proposed resettlement instrument with the Project Implementation Plan; and (f) the adequacy of arrangements for internal, and if considered appropriate by the TT, independent monitoring and evaluation of the implementation of the resettlement instrument.⁶ The TT obtains concurrence of the regional social development unit and LEG to any changes to the draft resettlement instrument during project appraisal. Appraisal is complete only when the final draft resettlement instrument conforming to Bank policy (OP 4.12) is officially transmitted to the Bank.

11. In the Project Appraisal Document, the TT describes the resettlement issues, proposed resettlement instrument and measures, and the borrower's commitment and institutional and financial capacity to implement the resettlement instrument. The PAD also discusses the feasibility of the proposed resettlement measures and the risks associated with resettlement implementation. An annex to the Project Appraisal Document summarizes the

6 For projects with impacts covered under para. 3 (b) of OP 4.12, the analysis referred to in (b) and (d) above will be done when the plan of action is furnished to the Bank. See para. 15 of this BP.

resettlement provisions, covering, inter alia, the basic information on affected populations, resettlement measures, institutional arrangements, timetable, budget, including adequate and timely provision of counterpart funds, and performance monitoring indicators. The PAD annex shows the overall cost of resettlement as a distinct part of project costs.

12. The project description in the Loan Agreement describes the resettlement component or sub-component. The legal agreements provide for the borrower's obligation to carry out the relevant resettlement instrument and keep the Bank informed of project implementation progress⁷. At negotiations, the borrower and the Bank agree on the resettlement plan or resettlement policy framework or process framework. Before presenting the project to the Board, the TT confirms that the responsible authority of the borrower and any implementation agency have provided final approval of the relevant resettlement instrument.

Supervision

13. Recognizing the importance of close and frequent supervision⁸ to good resettlement outcomes, the Regional Vice President, in coordination with the relevant Country Director, ensures that appropriate measures are established for the effective supervision of projects with involuntary

resettlement. For this purpose, the relevant Country Director allocates dedicated funds to adequately supervise resettlement, taking into account the magnitude and complexity of the resettlement component or sub-component and the need to involve the requisite social, financial, legal and technical experts. Supervision should be carried out with due regard to the regional Action Plan for Resettlement Supervision.⁹

14. Throughout project implementation the TTL supervises the implementation of the resettlement instrument ensuring that the requisite social, financial, legal, and technical experts are included in supervision missions. Supervision focuses on compliance with the Project Implementation Plan and the resettlement instrument, and any deviation from the agreed instruments is discussed with the borrower and reported to regional Management for prompt corrective action. The TT regularly reviews the internal, and where applicable, independent monitoring reports to ensure that the findings and recommendations of the monitoring exercise are being incorporated in project implementation. To facilitate a timely response to problems or opportunities that may arise with respect to resettlement, the TT reviews project resettlement planning and implementation during the early stages of project implementation. Based on the findings of this review, the TT engages the borrower in discussing and amending, if necessary, the relevant resettlement instrument, to achieve the objectives of this policy.

7 In case of resettlement policy framework, the borrower's obligation also includes preparing a resettlement a resettlement plan in accordance with the framework, for each sub-project giving rise to displacement, and furnishing it to be the Bank for approval prior to implementation of the sub-project.

8 See OP/BP 13.05, *Project Supervision* (forthcoming).

9 The Plan is prepared by the regional social development unit in consultation with the TTs and Legal.

15. For projects with impacts covered under para. 3 (b) of OP 4.12, the TT assesses the plan of action to determine the feasibility of the measures to assist the displaced persons to improve (or at least restore in real terms to pre-project or pre-displacement levels, whichever is higher) their livelihoods with due regard to the sustainability of the natural resource, and informs accordingly the regional management, the regional social development unit and Legal. The TTL makes the plan of action available to the public through the InfoShop.

country's policy, institutional, and legal framework for resettlement. Bank staff should reflect these issues in country economic and sector work and in the Country Assistance Strategy (CAS).

16. A project is not considered complete - and Bank supervision will continue - until the resettlement measures set out in the relevant resettlement instrument have been implemented. Upon completion of the project, the Implementation Completion Report (ICR) (OP13.55) evaluates the achievement of the objectives of the resettlement instrument and lessons for future operations and summarizes the finding of the borrower's assessment referred to in OP4.12 para.23.¹¹ If the evaluation suggests that the objectives of the resettlement instrument may not be realized, the ICR assesses the appropriateness of the resettlement measures and may propose a future course of action, including, as appropriate, continued supervision by the Bank.

Country Assistance Strategy

17. In countries with a series of operations requiring resettlement, the ongoing country and sector dialogue with the government should include any issues pertaining to the

10 See OP/BP 13.55, *Implementation Completion Report*.

11 The ICR's assessment of the extent to which resettlement objectives were realized is normally based on a socioeconomic survey of affected people conducted at the time of project completion, and takes into account the extent of displacement, and the impact of the project on the livelihoods of displaced persons and any host communities.

Report from CODE

Committee on Development Effectiveness

Draft OP/BP 4.12, Involuntary Resettlement

1. The Committee met on January 22, 2001 to discuss the *Draft OP/BP 4.12, Involuntary Resettlement* (CODE2001-5). Management noted that the Draft OP was one of three social safeguard policies that would be coming before CODE and the Board in the coming months—Involuntary Resettlement, Indigenous Peoples, and Physical Cultural Resources. Management stressed that the Draft OP had been prepared based on extensive internal and external consultations and this had resulted in strong ownership and commitment to the fundamental principles and objectives of the policy. Management's mandate had been to convert the existing policy (OD 4.31, drafted in 1991) based on the lessons learned from its implementation, and not to reopen, revise, or add to the policy. The conversion reflected important OPC decisions on clarifying the policy as well as recommendations from OED's evaluation on resettlement. Management and the Chair, therefore, urged the Committee to consider the draft OP in the context of a conversion and assess whether it helped to clarify the ambiguities of the existing policy and facilitated implementation.
2. OED also noted that the recasting process was not intended to change existing policy, but merely to update it and clearly delineate its mandatory and discretionary provisions. From this perspective, OED welcomed the draft OP and was broadly satisfied that the changes proposed by management were appropriate. OED particularly welcomed the new policy statement that resettlement activities will be conceived as "sustainable development programs", since a major lesson from evaluation was that the economic rehabilitation of resettlers called for sustained efforts over many years, sometimes decades. OED also welcomed the statement in the draft OP that supervision will continue until the resettlement measures have been implemented.
3. OED did note, however, that on a number of issues, such as the benchmark standard of living, the definition of replacement cost, and the definition of "involuntary" resettlement, the policy had been clarified in a manner consistent with "do no harm" without, however, fully conceiving of resettlement as a development opportunity. This highlighted the importance of the proposed Source Book of Good Practices as the appropriate vehicle for shifting the emphasis of resettlement operations from restoration to improvement of incomes and living standards, as recommended by OED. Thus, OED stressed the importance of the Source Book as a critical companion document to the draft OP and urged that it be produced without delay.
4. OED also noted that the draft policy did not incorporate many of the strategic criteria recommended by the World Commission on Dams. Many of these criteria should be viewed as "best practices", and the Bank needed to be prepared to help its borrowers implement them. OED further stated that the issue of Borrower capacity and commitment had not been adequately addressed and Bank attention to these should be a central part of due diligence work done in resettlement projects. Lastly, OED emphasized that the process by which Bank policies are currently revised is extraordinarily cumbersome and a streamlined approach needed to be designed and approved by CODE as soon as possible.

5. The Committee welcomed the Draft OP and thanked Management for their efforts in the process of revising the OD into the OP. Among the specific issues raised by the Committee were:

6. **Clarifying Concepts and Intent.** Many speakers noted that while the OP was significantly improved, a number of issues remained unclear. Speakers expressed concern that the OP still left too much open to judgment and greater clarity was needed on what was mandated in order to provide real guidance to staff. The Committee stressed that a clear, concise OP laying out minimum mandatory standards was required accompanied by a manual that laid out cases and methods where discretionary practices at higher standards were appropriate in specific situations. In this regard, members stressed that there were a number of outstanding technical issues (such as forms of compensation, direct versus indirect impact, complementary activities).

7. **National Norms.** Members noted that resettlement issues were very closely tied to the problems of land and property ownership and it was, therefore, important for the Bank to understand the cultural basis of land ownership and use in a country in order to determine ownership rights and thus appropriate resettlement policy. They also expressed concern that the country's laws and courts not be overridden by World Bank policies and procedures and stressed that local laws must be respected in all cases. One speaker said that the case of replacement costs in resettlement assistance was a case in point where the draft OP stated (in footnote 11) that if domestic law did not meet the standard of compensation at full replacement cost, additional compensation was required. Concern was also expressed over the possibility of prolonged court litigations that may arise and their possible contribution to delays on the execution of important projects and programs such as in irrigation.

8. **Compensation.** Members asked for greater clarity on compensation and categories of displaced persons. Some members noted that resettlement assistance to displaced persons who had no legal rights to the land had to be handled carefully as this assistance could create incentives for those persons to take advantage of the system. One speaker noted that this was a complex issue that was handled differently in each country and was concerned that the draft OP may have gone too far in the minimum standards it prescribed for assistance to those who did not have legal rights to land. Another speaker stressed that it was important for the OP to deal with vulnerable populations that were not covered by national land compensation legislation and said that indigenous groups and ethnic minorities were particularly vulnerable. The speaker urged caution regarding delineation of eligibility because it could change the policy.

9. The Legal Counsel clarified that as an international financial development institution, the Bank may adopt policies, such as the one under consideration, to further its development objectives through the projects it finances. The policy on resettlement was developed on the basis of the Bank's experience over the years, taking into account, but without being limited by, the varied legal frameworks of its member countries. While the Bank normally prefers that resettlement under Bank-financed projects be carried out within the borrower's existing legal framework, it may require the borrower to undertake additional measures if that framework is inadequate to meet the objectives of the policy. According to the General Conditions applicable to all legal agreements entered into between the Bank and its borrowers, these agreements are binding notwithstanding any local law to the contrary, and neither party may assert local law to challenge the validity of the agreements. Legal Counsel also clarified that the Bank's policies are not imposed unilaterally on the borrowers. The actions required to be taken under each Bank-financed project involving resettlement in order to meet the requirements of this policy are negotiated and agreed between the Bank and its borrowers, and reflected in the legal agreements with the borrowers. These actions are also adopted by the borrower and incorporated in its law, as needed. Finally, before the loan agreement is declared effective, the Bank receives a legal opinion from the borrower confirming that the provisions of the legal agreement are valid and legally binding on the borrower.

10. **Cost of Doing Business.** Some speakers expressed concern about possible delays in project preparation and implementation as a result of the Bank's resettlement policy as well as the higher cost of doing business with the Bank. In this regard, members asked about links to the Bank's Cost of Doing Business Initiative. Members noted that there would also be increased costs incurred in the training of personnel and creation of institutions in Borrowing countries to handle these issues and asked how the Bank intended to assist Borrowers in increasing capacity in this area. Management responded that their analysis of the cost of the social safeguard policies had shown that while there was a marginal increase in the cost of doing business as a result of the policies, this was offset by improvements in project implementation and reduced transaction costs as a result of the greater clarity provided by the policies.

11. **Complementary Activities.** Some speakers expressed concern regarding the scope of "complementary activities" and whether it might be read more broadly than intended to cover non-Bank-financed projects that were not directly or significantly related to the Bank-financed one. One member suggested that the provision on complementary activities be deleted from the Draft OP.

12. **WCD Report.** Some members asked about the links to the recommendations from the World Commission on Dams Report noting that it was important for the Bank's resettlement policy to take these into account. Another member noted that this was a report undertaken by an independent panel and the Bank was not required to endorse or adopt its findings. Management responded that the WCD Report had been extremely laudatory of the Bank's safeguard policies and the areas where it might provide particular guidance included clarifications on existing policy and best practice. Management agreed to reflect some of these insights in the summary matrix that came with the draft OP. There were, however, also recommendations in the WCD Report that would require major transformation of the existing policy and this was beyond the mandate of the revision.

13. **Resettlement Committee.** Speakers asked for more detail on the Resettlement Committee, particularly how it will link to QACU and the ESSD Council, and emphasized the importance of consistency and avoiding duplication. One speaker stressed that it was important that the Resettlement Committee be staffed by a wide range of expertise and not become another police function in the Bank. Management responded that the Resettlement Committee was meant to be a "one-stop" function for Staff in order to facilitate the application of the policy's requirements in a consistent manner Bank-wide without causing delays to project implementation. Management agreed to provide greater clarity on the role and functions of the Resettlement Committee.

14. **Consultations.** Speakers welcomed the broad consultation process, particularly with NGOs and civil society, but wondered why only 14 borrowing country governments had been consulted and how their views had been incorporated in the Draft OP. While welcoming the broadening of the development dialogue to include NGOs and civil society more extensively, members noted that it was critical that governments be kept informed as well. Others asked that the results of bilateral consultations be made public along with the Draft OP. Management responded that at least two countries with the largest portfolio of resettlement projects had been selected from each of the Bank's six regions, and the summary of their comments and how they were or were not taken into account was included in the matrix that was circulated to CODE with the draft OP.

15. **Timing and Sequencing.** Many speakers questioned the sequencing of the Draft OP with the paper being prepared by Management on the strategic issues related to the social safeguard system as a whole and noted that it was difficult to examine the OPs without the benefit of the overall paper. Speakers also inquired whether elements of the policy might be set forth in the Source Book, in which case it would be important to have the Source Book as a reference to review along with the OP. On timing, there was full agreement between the Committee and Management on the urgency to approve and implement the policy. Management responded that the Source Book was not intended to set out policy

requirements, but rather to provide guidance to staff on good practice applications of the policy. Since the contents of the Source Book would depend on the policy as it is finally approved in the OP, its preparation would be completed only after the policy content of the OP was approved.

16. **Next Steps.** The Committee agreed that there were a number of outstanding issues that would need to be resolved before the OP could be finalized. It was agreed with Management that those Board members that were present at CODE that had specific comments would provide these in writing to Staff, who would follow up with a series of informal bilateral consultations with these Executive Directors. The proposed policy, reflected in a revised Draft OP, would be discussed again at CODE or the Board in the near future with a view to Board approval by the end of the fiscal year at the latest. The Committee also asked for clarification of the links to the Cost of Doing Business Initiative. Finally, Management agreed to expand the matrix of comments submitted with the OP to include comments made by Executive Directors, as well as recommendations from the WCD Report, accompanied by an explanation of Management's response to the various recommendations/suggestions made.

Pieter Stek, Chairman

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Executive Directors and Alternates

President

Bank Group Senior Management

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Report from CODE

Committee on Development Effectiveness

OP/BP4.12, Involuntary Resettlement (Revised)

1. The Committee met on March 12, 2001 to discuss the revised *OP/BP 4.12, Involuntary Resettlement* (CODE2001-5/2). The meeting was a follow up to the January 22, 2001 CODE discussion (green sheet, CODE2001-17) on the draft OP/BP and reflected revisions made after bilateral consultations with interested ED offices as agreed at the January meeting.
2. Management noted that the draft policy was a conversion of an existing policy incorporating important clarifications and lessons from OED evaluations. Management stressed that the intention of the clarifications was not to weaken the policy content or add requirements for Borrowers. Management emphasized that the revised draft policy would make minimum standards clearer for both Bank Staff and Borrowers and thereby reduce transaction costs in implementation. A number of members had previously indicated their concern that the policy reflect the ongoing dialogue and recommendations of the World Commission on Dams (WCD). Management commented that the Bank's policy already reflected a number of the principles of the report. Incorporating all of the WCD recommendations would require revisions that went beyond the mandate of the current conversion. Management provided CODE with a briefing on the result of the Cape Town stakeholders forum and indicated that the Bank's response to the WCD would be handled through the Water Resources SSP, as agreed at the January 22 meeting. Finally, Management informed the Committee of its intention to review implementation of the policy after two years of experience and to come back to CODE with the lessons learned.
3. OED remarked that the revised draft incorporated OED recommendations and findings and thanked Management for its collaborative approach. OED stressed that a number of issues would be further clarified and elaborated in the Good Practice Source Book and urged Management to prepare this in the nearest future.
4. The Committee thanked Management for the series of consultations after the January CODE meeting and its efforts at incorporating EDs' views in the revised draft. The Committee acknowledged the difficulty of producing a draft given the many contrasting views on the subject, and considered that the draft had to the extent possible appropriately reconciled divergent views. While some differences remained, the Committee agreed that the policy should be sent to the Board for approval. Areas of remaining difference included:
 5. **Indirect Impacts.** Some members expressed concern that the treatment of indirect impacts in the policy remained subject to interpretation. This could result in high costs to Borrowers during implementation depending upon the Bank's views. Others stressed that indirect impacts with serious consequences for the poor had to be adequately covered by the policy, particularly in cases of involuntary resettlement, and that some scope for case-by-case interpretation of the guidelines was needed.
6. **Costs and Benefits.** Some speakers noted that the policy would increase the Borrower's cost of doing business with the Bank and stressed that this was an additional burden that may be difficult for Borrowers to accept. They suggested the Bank needed to consider providing assistance for these additional costs. Other speakers stressed that the policy provided significant benefits for Borrowers in

establishing clear and transparent mechanisms for addressing the social disruption of resettlement. Therefore, the up-front costs of compliance were far less than costs incurred downstream when projects might require Inspection Panel review and remedial measures.

7. **Illegal Occupants.** Some members were concerned that the policy could be interpreted as giving illegal occupants de facto claims to compensation and this could be in conflict with national legislation. Others, however, seemed concerned that the new policy, with clearer distinctions, would offer less protection to those without legal claims that did have traditional use of certain areas. Management clarified that those with traditional use of lands would in many instances have claims under local laws, even if the claims were not formally recognized. The draft policy would, therefore, treat them at par with those that had full legal rights to affected lands. Members agreed that as a practical matter, Governments were often prepared to provide resettlement assistance to illegal occupants, and that the policy appropriately differentiated between claims that were legally recognized and those that were not.

8. **Compensation.** Some speakers noted that allowing for cash compensation instead of land for land entailed risks in terms of the sustainability of the solutions. Management clarified that there was no policy change on this issue from the current OD, and the new policy maintained and expanded the provision related to preference for land based resettlement strategies for those displaced from agricultural settings. However, if replacement land was not available, non-land-based strategies could be explored (as also provided for under the OD).

9. **Protected Areas.** Some members questioned whether the protection provided to those making use of protected areas or parks were sufficient vis-à-vis the protection regime applying to others, and Management confirmed that this was the case. Furthermore, the new policy clarified that the projects themselves, and not just the mitigation measures, would be designed with the involvement of the affected people. Also, the plans of action, describing the measures to mitigate adverse impacts resulting from the restrictions imposed, would require prior Bank approval. Thus, the interests of those affected by parks and protected areas would be fully protected.

10. **Disclosure.** The Committee discussed posting the results of external consultations on the draft policy on the Bank's website. In this regard, speakers wondered whether the results of the CODE discussion should also be posted on the website. However, the Committee noted that under the Bank's disclosure policy, Board proceedings are confidential. Overall, speakers questioned how the external consultation process worked and suggested that this was a larger issue that needed to be discussed at CODE.

11. **Next Steps.** Management will post the policy in its current form on the Bank's external website along with a comments matrix showing outside stakeholders how the Bank has responded to their comments. In addition, a "Frequently Asked Questions" document will be provided to further elucidate the Bank's position. Management will incorporate specific suggestions made by members in the draft policy. Once the revisions have been made, the Chair of CODE will consult with members on whether the policy should be sent to the Board on an absence of objection basis or whether a full Board discussion is required.

Pieter Stek, Chairman

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