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Globale Verantwortung

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Global Responsibility

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● Consultation on Draft Environmental and Social Policy ● of the EBRD – Written Comment

Vienna, 6th March 2019

Dear Madam or Sir,

the Austrian Platform for Development and Humanitarian Aid (Global Responsibility) and the Coordination Office of the Austrian Episcopal Conference for Development and Mission (KOO) represent Austrian NGOs active in the fields of development cooperation, development education and policy work as well as humanitarian aid and sustainable global economic, social and ecological development. Together we represent more than 50 member organisations.

Please accept this joint submission in response to the recently released draft of the Environmental and Social Policy of the EBRD. KOO and Global Responsibility fully support the comments on the draft ESP submitted by CEE Bankwatch Network. In addition to those comments, we want to highlight some specific points, which we consider especially important from our perspective.

The draft ESP introduces very welcome clarifications and some additions that can contribute to secure the rights and living conditions of people who are potentially affected by projects funded by the EBRD. Nevertheless, there are some exceptions in the policy, that should be addressed.

Early stakeholder engagement in all projects

Performance Requirement 1 and 10 state that only projects that are likely to have adverse environmental and social risks and impacts need to identify the stakeholders and engage with them in a meaningful manner. We recommend to have early and meaningful stakeholder engagement as a standard for all projects, as adverse impacts and risks can only be fully identified if stakeholders are engaged in the early stages of a project. Moreover an early engagement of stakeholders contributes to more interest in the project and therefore to a better consultation process.

Clear references to international law on Indigenous Peoples

While we welcome the improved definition on Indigenous Peoples in Performance Requirement 7 we are concerned, that references to crucial international law is missing. Therefore, we recommend to include references to the UN Declaration on the Rights of Indigenous Peoples (UNDRIP) and to the ILO Indigenous and Tribal Peoples Convention (ILO Convention 169) in the Performance Requirement. Moreover, if already ongoing projects have not met the provisions of international law the EBRD should refuse any funding for the project.

Greenhouse gas emissions and compliance with Paris Agreement

The UN Paris Agreement on climate change aims for a steep reduction in greenhouse gas emissions and for making all finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development. Performance Requirement 3 just aims for a relative reduction in greenhouse gas emissions and reporting on it. This is in our opinion contrary to the goals of the Paris Agreement and shall be replaced by provisions to ensure that EBRD investments contribute to absolute reductions of greenhouse gas emissions towards net-zero emissions by 2050. Moreover, EBRD should immediately exclude coal power and upstream financing for oil and gas extraction from funding and aim for a complete phase out of investments in fossil fuels.

Reinstatement of precautionary principle

We recognize the requirement for a precautionary approach towards biodiversity and cultural heritage for all clients of EBRD. Nevertheless, the precautionary principle is no longer a commitment of the EBRD itself compared to the last ESP from 2014. We recommend reinstating the EBRD's commitment to the precautionary principle and additionally suggest integrating a reference to the International Union for Conservation of Nature (IUCN) motion number 26 which urges development banks not to invest in environmentally damaging industrial activities and infrastructure development within protected areas or any areas of particular importance for biodiversity and ecosystem services.

Disclosure and monitoring regarding financial intermediaries

We welcome the reintroduction of the FI referral list for projects with high environmental and social risks. We recommend extending the disclosure and consultations requirements of FI projects from category A projects to all projects or at least to FI projects on the referral list. This should include the public disclosure of FI projects before they are signed and the publication of comprehensive environmental information for projects that fall under the FI referral list. Moreover, EBRD shall carry out monitoring for the compliance with the ESP of investments of FIs.

We commend the EBRD for conducting the public consultation on the draft Environmental and Social Policy and hope to be able to contribute with our comments to the improvement of the ESP.

Sincerely yours,



Annelies Vilim
Director
Global Responsibility
Austrian Platform for Development
and Humanitarian Aid



Anja Appel
Director
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