World Bank's proposed policy puts world's forests at risk

In the run-up to Johannesburg where governments from around the world will debate how to protect the global environment, the World Bank has released its long awaited draft policy on forests.

Although called a "safeguard policy", the world forests will not be made safer by the adoption of this policy which flies in the face of demands of civil society and ignores most of the advice given to the Bank by its own Technical Advisory Group. In addition, it fails to address the main causes of deforestation which the Bank's own Operations Evaluation Department identified as being driven by the powerful forces of globalization and economic liberalization, as well as by poor governance.

In a nutshell: the proposed policy relies on market forces or marketing arrangements to address deforestation. Large-scale timber export and carbon sequestration projects are the likely beneficiaries. Yet there is no evidence to date that these projects can be effective in promoting environmentally sound and socially equitable development.

The proposed policy opens the doors to Bank extractive investments in all types of forests except those Bank bureaucrats deem to be "critical forests". Participatory mechanisms to ensure that the nearly one billion people world-wide whose livelihoods depend on forests will have a say in the definition of "critical forests" are not part of the plan. The only mention of participation is where the proposed policy calls for the private sector as well as local people and non-governmental-organizations to provide input into the establishment of timber certification systems, which are to be based on the borrower country national laws and institutions. Given the balance-of-power in many of the world's main forest countries where governments and the logging companies operate in highly destructive and non-equitable ways, a much stronger requirement for the rights of affected people is called for.

Instead of proposing clear and strong new safeguards to protect the world's forests, the proposed policy refers to seven other existing World Bank 'Safeguard Policies' as a means to ensuring the protection of ecosystems and forest-dependent people. Ecosystems are to be protected under the Safeguard Policy for Natural Habitats, yet this policy has been largely ineffective and has not halted destructive investment projects. Local people's rights are to be protected under the Indigenous Peoples' Policy, yet this policy does not secure the tenure rights of indigenous forest peoples and fully ignores the hundreds of millions of non-indigenous people depending on forests for their survival.

The draft policy completely sidesteps the controversial issue of the impacts on forests of programmatic and structural adjustment lending by just passing this serious problem to a long-delayed, forthcoming revision of the Bank's overall policy on adjustment lending.

The proposed policy represents a severe weakening of the existing Operational Policy on Forests of 1993. Its planned provisions are unacceptable because they lack proper safeguards and pose a high risk to the forests and forest peoples who will inevitably be harmed when Bank projects go wrong.

The only possible conclusion is that the Bank carried out a very costly and time-consuming exercise --including the Operations Evaluation Department review, the work of a Technical Advisory Group and a series of regional consultations-- to justify the adoption of a policy that had already been decided upon beforehand. We sincerely hope to be proven wrong and that the final policy adopted will better adapt to what it is in theory

meant for: the conservation of forests.

Note: The above is based on the Statement released on June 19 by the World Rainforest Movement, the Forest Peoples Programme and Environmental Defense.