The World Bank's updated Environmental and Social Framework, a draft of which will be considered by the Bank’s executive board on 4 August, introduces a new labour standard that would, for the first time, require borrowing countries to comply with some basic workers' rights and labour conditions in Bank-funded projects.

The adoption of a labour safeguard for the World Bank's public sector lending would be a positive development; loans from the Bank's private-sector lending arm IFC have been subject to a labour safeguard since 2006. However, the version of "Environmental and Social Standard 2: Labour and Working Conditions" (ESS 2) to be submitted to the board contains some unjustified dilutions compared to a draft that was published one year ago.

They include the proviso that freedom of association in Bank projects needs to be respected only "in a manner consistent with national law". No such qualification was added to other core labour standards requirements in ESS 2, that is the prohibition of discrimination, child labour and forced labour. In addition, the latest version of the policy shifts the responsibility from the World Bank and the borrower to the supplier to identify risks of child labour, forced labour and dangerous working conditions in the primary supply chain.

The latest draft also maintains an important weakness that PSI, the ITUC, other civil society groups and many governments urged the Bank to correct in the earlier version, by failing to include references to the core labour standards conventions of the International Labour Organization.

Civil society organisations have sent a joint response to the World Bank's proposed Environmental and Social Framework.

The draft Framework to be considered by the World Bank's executive board on 4 August has been posted on the Bank's website.
Public Services International is a global trade union federation representing 20 million working women and men who deliver vital public services in 154 countries. PSI champions human rights, advocates for social justice and promotes universal access to quality public services. PSI works with the United Nations system and in partnership with labour, civil society and other organisations.

Public Services International, BP 9, F-01211 Ferney-Voltaire Cedex, France.
Tel: +33 (0)4 50 40 64 64 Fax: +33 (0)4 50 40 50 94
E-mail: psi@world-psi.org


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