

CONSULTATION PLAN: IDB INVEST DRAFT

ENVIRONMENTAL AND SOCIAL SUSTAINABILITY POLICY



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IDB Invest Draft

Environmental and Social Sustainability Policy

June 2019

I. INTRODUCTION

1. This document describes the public consultation process that the Inter-American Investment Corporation – CII (commercially known as IDB Invest) has launched to adopt certain updates to its Environmental and Social Sustainability Policy (the Policy). IDB Invest developed the existing Policy in 2013 and it reflects relatively recent best practices and trends related to sustainability. Nevertheless, IDB Invest decided to carry out an update to further fine-tune the existing Policy.
2. The proposed new Policy seeks to reaffirm IDB Invest’s commitment to environmental and social sustainability, making updates to reflect IDB Invest’s renewed vision and current practices and focusing on a single set of standards for our clients to comply with rather than relying on multiple third-party standards. The update process includes a review of current best practices and trends related to environmental and social sustainability, including those developed by other International Financial Institutions (IFIs) that work with the private sector.
3. The draft Policy introduces the following main changes:
 - 1) Updates to reflect IDB Invest’s renewed vision and current practices:
 - Revised background section on IDB Invest
 - New priority areas for technical assistance including supporting clients with climate adaptation and mitigation, gender equality and diversity
 - Explicit language regarding the avoidance of gender-based violence, including sexual exploitation or human trafficking
 - Tools to assess potential development impacts
 - Updates to the corporate governance section
 - 2) Requirement that borrowers adhere to a single set of standards (the Performance standards of the International Finance Corporation(IFC) already being used by IDB Invest borrowers) and removal of references to other third-party standards as recommended in the recent evaluation carried out by the independent Office of Evaluation and Oversight (OVE)
 - 3) Inclusion of a section on IDB Invest’s Independent Consultation and Investigation Mechanism (ICIM)
 - 4) Description of IDB Invest’s Sustainability Framework
 - 5) More clarity on the roles and responsibilities of IDB Invest and our clients
 - 6) Fine tuning of references to Environmental and Social Impact Assessments and Environmental, Social, Health and Safety Audits
 - 7) More clarity on how IDB invest monitors its investments

- 8) Commitment to review the Policy in the future in order to incorporate any best practices, international trends on sustainability issues or lessons learned

PRINCIPAL AIMS OF OUR PUBIC CONSULTATION PROCESS

4. IDB Invest’s public consultation process for this Policy aims to be participatory and transparent. It seeks to provide all stakeholders the opportunity to offer insights regarding the Policy and ways to improve the effectiveness of the proposed Policy. In order to facilitate a dialogue with stakeholders, IDB Invest plans to pose the following 3 questions:
 - a. **What is your experience with the current Policy?**
 - b. **What do you think about the main proposed changes to the Policy highlighted above?**
 - c. **Do you have any other suggestions regarding the Policy?**
5. IDB Invest wants to take full advantage of all the opportunities that the consultation process can offer, in order to establish a dialogue with a variety of stakeholders and identify other topics that can optimize IDB Invest's work to promote the environmental and social sustainability of its investments.

II. CONSULTATIONS AND COMMUNICATIONS

6. IDB Invest is drawing upon the following tools in the public consultation process:

- a. **Notifications Mechanism:**

IDB Invest is widely announcing its intention to review the policy, using a website specially created for this purpose (<https://www.idbinvest.org/consultation/environmental-and-social-sustainability-policy>). The website allows a broad range of stakeholders to download relevant documents including the proposed draft Policy. It enables stakeholders to provide comments and monitor the consultation process. In addition, website visitors can sign up to receive notification the moment significant updates of the consultation process are posted on the site.

In addition to the information already available, such as i) the draft Policy in the four official languages of IDB Invest, ii) this Consultation Plan, and iii) the agenda for the face to face meetings, additional documents will be uploaded during the consultation process, such as the summaries of the comments collected during the consultations, among others.

Similarly, IDB Invest is performing dissemination activities through the country offices, civil society networks, and local media in member countries.

b. Electronic Comments and Live Engagement:

IDB Invest is using a combination of live and online stakeholder engagement tools in order to reach a wide audience:

- **Web-based consultations:** As noted above, the main tool for participants is the online platform through which any individual or organization with access to the internet can participate in consultation;
- **Face-to-face dialogues:** IDB Invest will hold a series of meetings in the countries specified in section 7 of the Consultation Plan. These meetings aim to draw together a wide range of stakeholders, among them, non-governmental organizations (NGO's), representatives of indigenous communities, and the private sector. Within forty days of the meetings, a summary of stakeholder comments will be posted on IDB Invest's dedicated website, to enhance transparency and underscore our commitment to listen and receive stakeholder inputs. Furthermore, information on the date and place of meetings is published on the website indicated.
- **Additional consultation using technological channels:** IDB Invest will hold additional meetings using technological means. Participants will have the opportunity to send comments and queries through the additional channel selected.

c. Comments on the contributions received:

IDB Invest will summarize the comments received during the consultations and publish a summary of how IDB Invest addresses the key issues raised. IDB Invest will send electronic notices to all participants who provided comments through the web or by email, informing them that the summary has been published.

III. STAGES OF THE CONSULTATION PROCESS

7. The schedule of the consultation has been organized in two stages for an overall consultation of 120 days:

Stage 1: 30 day Pre-Consultation Phase – starts June 17, 2019

During this period, IDB Invest announces a proposed Environmental and Social Sustainability Policy for stakeholders to examine and forge their opinions. At this time, the platform is also open to begin receiving comments. Written comments can also be sent by post to IDB Invest’s headquarters in Washington DC.

Stage 2: 90 Consultation phase of the draft Policy – starts July 18, 2019

During this stage, public consultation continues to be open to receive comments of stakeholders, who can also send written comments by post.

During the month of September 2019, IDB Invest will hold face-to-face dialogues, accompanied by professional facilitators, in countries across the region including Panama, Argentina, Colombia, Jamaica and Washington, DC. These meetings are intended to solicit the views of a broad spectrum of stakeholders.

If you wish to participate in these workshops, you can contact IDB Invest through the website dedicated to the consultation (see V. below), or through your local IDB Invest office.

IDB Invest will collect comments and include relevant changes to the new draft Policy to be submitted to IDB Invest Board of Directors later in 2019.

IV. THREE WAYS TO CONTACT IDB INVEST

8. IDB Invest considers that the participation of a diversity of stakeholders throughout the process is very important.

Methods to Provide Inputs on Receive Information on IDB Invest’s Proposed New Environmental and Social Sustainability Policy			
Different Ways to Contact IDB Invest	How to Contact Us	Who?	When?
By Post	Email: SustainabilityPolicy@idbinvest.org Postal: IDB Invest Access to Information Policy 1350 New York Avenue, NW. Washington, DC. 20577. USA.	Everyone	June 17, 2019 for 120 days
Using our dedicated website	https://www.idbinvest.org/consultation/environmental-and-social-sustainability-policy	Everyone	June 17, 2019 for 120 days
Face-to-face meetings	See the website above for how to participate to the face-to-face consultations, including location and times	All invited and all registered through the website, subject to availability	September, 2019

V. APPROVAL AND IMPLEMENTATION OF THE NEW IDB INVEST POLICY

9. Upon concluding the public consultation, IDB Invest anticipates it will submit the final draft of the Policy to the Board of Executive Directors for final consideration in late 2019. Should the Board of Executive Directors approve the proposed Policy, IDB Invest will establish and execute a plan to implement the new Policy.