

BP 7.50 - Projects on International Waterways

These procedures were prepared for use by World Bank staff and are not necessarily a complete treatment of the subject.

BP 7.50
June, 2001

This Bank Procedures statement was revised March 2012 to take into account the provisions of [OP BP 9.00](#), issued in February 2012; and previously revised in August 2004 to reflect the term "development policy lending" (formerly adjustment lending), in accordance with [OP BP 8.60](#), issued in August 2004.

Note: [OP](#) and BP 7.50 replace OP and BP 7.50, dated October 1994. Questions may be addressed to the Chief Counsel, Environmentally and Socially Sustainable Development and International Law.

Revised March 2012

1. A potential international water rights issue is assessed as early as possible during project identification¹ and described in all project documents starting with the Project/Program Information Document (PID). The task team (TT) prepares the project concept package, including the PID, in collaboration with the Legal Vice Presidency (LEG) to convey all relevant information on international aspects of the project. When the TT sends the project concept package to the Regional vice president (RVP), it sends a copy to the Vice President and General Counsel (LEGVP). Throughout the project cycle the Region, in consultation with LEG, keeps the managing director (MD) concerned abreast of the international aspects of the project and related events.

Notification

2. As early as possible during identification, the Bank² advises the state proposing the project on an international waterway (beneficiary state) that, if it has not already done so, it should formally notify the other riparians of the proposed project giving available details (see para. 3). If the prospective borrower indicates to the Bank that it does not wish to give notification, normally the Bank itself does so. If the beneficiary state also objects to the Bank's doing so, the Bank discontinues processing of the project. The Region informs the executive directors concerned of these developments and of any further steps taken.

3. The notification contains, to the extent available, sufficient technical specifications, information, and other data (Project/Program Details) to enable the other riparians to determine as accurately as possible whether the proposed project has potential for causing appreciable harm through water deprivation or pollution or otherwise. Bank staff should be satisfied that the Project/Program Details are adequate for making such a determination. If adequate Project/Program Details are not available at the time of notification, they are made available to the other riparians as soon as possible after the notification. If, in exceptional circumstances, the Region proposes to go ahead with project appraisal before Project/Program Details are available, the country director (CD), via a memorandum prepared in consultation with LEG and copied to the LEGVP, notifies the RVP of all relevant facts on international aspects and seeks approval to proceed. In making this decision, the RVP seeks the advice of the MD concerned.

4. The other riparians are allowed a reasonable period, normally not exceeding six months from the dispatch of the Project/Program Details, to respond to the beneficiary state or Bank.

Responses/Objections

5. After giving notice, if the beneficiary state or Bank receives a positive response from the other riparians (in the form of consent, no objection, support to the project, or confirmation that the project will not harm their interests), or if the other riparians have not responded within the stipulated time, the CD, in

consultation with LEG and other departments concerned, addresses a memorandum to the RVP. The memorandum reports all relevant facts, including staff assessment of whether the project would (a) cause appreciable harm to the interests of the other riparians, or (b) be appreciably harmed by the other riparians' possible water use. The memorandum seeks approval for further action. In making this decision, the RVP seeks the advice of the MD concerned.

6. If the other riparians object to the proposed project, the CD, in collaboration with LEG and other departments concerned, sends a memorandum on the objections to the RVP and copies it to the LEGVP. The memorandum addresses

(a) the nature of the riparian issues;

(b) the Bank staff's assessment of the objections raised, including the reasons for them and any available supporting data;

(c) the staff's assessment of whether the proposed project will cause appreciable harm to the interests of the other riparians, or be appreciably harmed by the other riparians' possible water use;

(d) the question of whether the circumstances of the case require that the Bank, before taking any further action, urge the parties to resolve the issues through amicable means such as consultations, negotiations, and good offices (which will normally be resorted to when the other riparians' objections are substantiated); and

(e) the question of whether the objections are of such a nature that it is advisable to obtain an additional opinion from independent experts in accordance with paras. 8-12.

7. The RVP seeks the advice of the MD concerned and the LEGVP, and decides whether and how to proceed. On the basis of these consultations, the RVP may recommend to the MD concerned that the Operations Committee consider the matter. The CD then acts upon either the Operations Committee's instructions, which are issued by the chairman, or the RVP's instructions, and reports the outcome in a memorandum prepared in collaboration with LEG and other departments concerned. The memorandum, sent to the RVP and copied to the LEGVP, includes recommendations for processing the project further.

Seeking the Opinion of Independent Experts

8. If independent expert opinion is needed before further processing of the project (see [OP 7.50, para. 6](#)), the RVP requests the Vice President, Environmentally and Socially Sustainable Development (ESDVP) to initiate the process. The Office of the ESDVP maintains a record of such requests.

9. The ESDVP, in consultation with the RVP and LEG, selects one or more independent experts from a roster maintained by ESDVP (see para. 12). The experts selected may not be nationals of any of the riparians of the waterways in question, and also may not have any other conflicts of interest in the matter. The experts are engaged and their terms of reference prepared jointly by the offices of the ESDVP and the RVP. The latter finances the costs associated with engaging the experts. The experts are provided with the background information and assistance needed to complete their work efficiently.

10. The experts' terms of reference require that they examine the Project/Program Details. If they deem it necessary to verify the Project/Program Details or take any related action, the Bank makes its best efforts to assist. The experts meet on an ad hoc basis until they submit their report to the ESDVP and the RVP. The ESDVP or RVP may ask them to explain or clarify any aspect of their report.

11. The experts have no decision-making role in the project's processing. Their technical opinion is submitted for the Bank's purposes only, and does not in any way determine the rights and obligations of the riparians. Their conclusions are reviewed by the RVP and ESDVP, in consultation with the LEGVP.

12. The ESDVP maintains, in consultation with the RVPs and LEG, the roster of highly qualified independent experts, which consists of 10 names and is updated at the beginning of each fiscal year.

Maps

13. Documentation for a project on an international waterway includes a map that clearly indicates the waterway and the location of the project's components. This requirement applies to the PAD, the Project/Program Information Document (PID), and any internal memoranda that deal with the riparian issues associated with the project. Maps are provided for projects on international waterways even when notification to riparians is not required by the provisions of [OP 7.50](#). Maps are prepared and cleared in accordance with [Administrative Manual Statement](#) 7.10, Cartographic Services, and its annexes.

14. However, the inclusion of maps in the cited documents, except internal memoranda, is subject to any general instruction or decision of the Regional vice president, taken in consultation with the Vice President and General Counsel, to omit maps of the beneficiary state in their entirety or in part.

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1. See [BP 10.00](#), *Investment Lending: Identification to Board Presentation*.
 2. "Bank" includes IBRD and IDA; "loans" include IDA credits and IDA grants; and "projects" includes all projects and programs financed under Bank loans or IDA credits, but does not include development policy lending programs supported under Bank loans and IDA credits; and "borrower" refers to the member country in whose territory the project is carried out, whether or not the country is the borrower or the guarantor.