



World Bank Group Archives Exhibit Series

First Annual Report “The World Bank and the
Environment”, FY 1990

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The World Bank Group Archives Exhibit Series contains exhibits originally published on the Archives' external website beginning in 2002. When the Archives' website was transferred to a new platform in 2015, it was decided that older exhibits would be converted to pdf format and made available as a series on the World Bank's external database, [Documents & Reports](#).

These exhibits, authored by World Bank archivists, highlight key events, personalities, and publications in the history of the World Bank. They also bring attention to some of the more fascinating archival records contained in the Archives' holdings.

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First Annual Report “The World Bank and the Environment”, FY 1990

Bank’s Environmental Activities (1990s)

The Press Release of September 24, 1990 on the first environmental annual report announced that the Bank had approved 11 loans – totaling \$403.9 million – to support environmental projects in fiscal 1990, which ended June 30, 1990. Only two similar loans were approved the previous year.

Fifty percent of all loans approved in fiscal 1990 – 107 loans – contained environmental components. To carry out its expanding environmental activities, the Bank also increased staff time devoted to such work.

Global Environment Facility

In addition, international meetings involving concerned governments, the Bank, the United Nations Development Program (UNDP) and the United Nations Environment Program (UNEP), were taking place on the establishment of a Global Environment Facility (GEF). GEF was launched at a meeting in Paris on November 27-28, 1990 through agreement between 25 countries.



Press Release on GEF establishment, November 28, 1990. See below for enlarged document



Press Release on annual report, September 24, 1990. See below for enlarged document

The World Bank became the administrator of the Facility, which is implemented in cooperation with the UNDP and UNEP. The GEF’s major objectives include:

- conservation, prevention of global warming, and forestry management;
- preservation of areas of rich ecological diversity;
- protection of international waters;
- prevention of the destruction of the ozone layer.

Currently, the active portfolio of Bank-implemented GEF projects is 223 projects with total net GEF grant amount commitments of \$1,528 million. The largest share of commitments under implementation are in the



Latin America Region (26%), followed by the East Asia and Pacific Region (23%), Africa (21%) and Europe and Central Asia (14%).

United Nations Climate Change Conference 2006

The United Nations Climate Change Conference will take place in Nairobi, Kenya from November 6 to 17, 2006. This is the twelfth session of the conference of the parties, and the second meeting of the parties to the Kyoto Protocol.

Some of the issues that will be covered during this conference include:

- a program on the impact and adaptation to climate change;
- development and transfer of technologies;
- reducing emissions from deforestation in developing countries.



Press Release on global environment protection, September 17, 1990. See below for enlarged document



World Bank

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BANK NEWS RELEASE 90/S10

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JOINT STATEMENT OF THE HEADS OF UNEP, UNDP AND THE WORLD BANK
ON COOPERATION WITH DEVELOPING COUNTRIES FOR PROGRAMS
TO PROTECT THE GLOBAL ENVIRONMENT

The following statement was signed on September 17, 1990 in New York by Mostafa Tolba of the United Nations Environment Programme, William H. Draper III of the United Nations Development Programme, and Barber B. Conable of The World Bank.

There is growing awareness among industrial and developing countries that the protection of the global environment is of critical importance to all countries. For this reason a number of developing countries have indicated that they are eager to participate in global initiatives for environmental protection to be funded on a concessional basis from new and additional funds and have sought cooperation of developed countries and international organizations in this respect. Our agencies, the United Nations Environment Program (UNEP), the United Nations Development Program (UNDP) and the World Bank, are willing to provide this assistance.

The complementary nature of the programs of our agencies provides a strong basis for effective collaboration in this area. UNEP has proven itself an effective architect of global conventions and has played a key role assisting developing countries to define their technical, financial and institutional needs for responding to such conventions. UNDP, through its network of 112 field offices, has long and successful experience in funding pre-investment studies, in helping developing countries to co-ordinate technical assistance, and to strengthen their technical, institutional and environmental management capacity. The World Bank group is the largest source of funding for development projects and has substantially expanded its assistance to national environmental programs in recent years. All three agencies also have excellent links with bilateral agencies, other multilateral development institutions and non-governmental organizations. Given the scale of the problem we will need and will welcome the assistance of these public and private organizations in helping developing countries to implement programs for the global environment.

We propose to work together to help developing countries design and carry out programs in four areas of priority, which are additional to expanding regular activities in support of sustainable development and the eradication of poverty. First, there is the protection of the ozone layer. Many developing countries have signed the Montreal Protocol and agreed to phase out the production and use of ozone-depleting substances. The recent agreement in

London to provide funding to support them in this process is an important step and our agencies will work with the Executive Committee of the parties to the Protocol, to help achieve its objectives. Second, there is climate change and global warming and the need for reduction of carbon and other greenhouse gas emissions, as well as increased efficiency in the use of energy. An important element here is the preparatory work being undertaken by UNEP and the World Meteorological Organization through the Intergovernmental Panel on Climate Change (IPCC) and the preparations for negotiating a global framework convention on the subject. This effort will be key to future programs to ensure consistent approaches to the reduction of atmospheric pollution and the sustainability of development. Third, there is the protection of biodiversity. Developing countries have a special concern as the bulk of the world's biodiversity resources is located in the developing world. Our agencies already have active programs in this area and are willing to expand them. The International Treaty for the Protection of Biodiversity being negotiated under the auspices of UNEP is one such effort. Fourth, there is the clean-up and protection against degradation of international waters. UNEP, UNDP and the World Bank are already collaborating on a regional program for the clean-up of the Mediterranean. This will provide a model for further action to address this important problem.

The actions which we can take to assist developing countries in this area are constrained by the resources available for this purpose. Significant budget and program funds have been allocated to start addressing global environmental objectives, but further action must not come at the expense of the regular development and national environmental activities undertaken by our respective agencies. We therefore urge the industrial countries who have not already indicated their willingness to provide financial support to join those who have done so and to fund the proposed Global Environment Facility to enable our respective agencies to expand the efforts to address the concerns cited. New funds for dealing with global environmental problems are essential. A speedy agreement on the Global Environment Facility will advance our agencies' efforts to work with a broad range of developing countries and to assist them in making sure that their development programs are undertaken in a manner which protects the global environment. Experience gained via the Facility can help advance the agenda that governments will be addressing at the U.N. Conference on Environment and Development (UNCED) in June 1992.

Once such funding is agreed, then we will prepare a joint program of the work to be undertaken with developing countries to address global environmental issues. The work program will be submitted to donors and developing countries for review and will form the basis for the actions to be pursued by each agency, according to its own procedures and governance, in this field. By ensuring that each agency's efforts are coordinated with its partners, we are confident that funds will be used in a cost-effective manner. The sustainability of the global environment and of economic development is a matter of fundamental importance to rich and poor nations alike and as such is consistent with the objectives of the international agencies we lead.

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BANK NEWS RELEASE NO. 91/S8

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HOLD FOR RELEASE IN A.M. NEWSPAPERS,
MONDAY, SEPTEMBER 24, 1990

WORLD BANK PUBLISHES ITS FIRST ENVIRONMENTAL ANNUAL REPORT

WASHINGTON, September 24, 1990 -- The World Bank moved steadily over the past year toward the integration of environmental concerns in all aspects of its operations, according to the institution's first annual report on its environmental activities released today.

The Bank approved 11 loans--totaling \$403.9 million--to support free-standing environmental projects in fiscal 1990, which ended June 30, 1990. Only two loans for free-standing projects were approved the previous year. Fifty percent of all loans approved in fiscal 1990--107 loans--contained environmental components.

International consultations, involving not only concerned governments but also the Bank, the United Nations Development Programme and the United Nations Environment Programme, have been taking place on the establishment of a Global Environmental Facility. Such a facility would finance programs to address problems such as the depletion of the earth's ozone layer, the "greenhouse effect," loss of the planet's biodiversity, and ocean pollution. Meanwhile, the Bank has been asked to administer a special fund of at least \$160 million over three years to protect the ozone layer.

The Bank's progress in addressing environmental issues in the identification and design of projects has been rapid, as exemplified by the implementation of the new Environmental Assessment Operational Directive designed to ensure that environmental consequences--both positive and negative--of projects are recognized early and taken into account in project design.

In fiscal 1990, the Bank helped several countries complete environmental action plans, some of them of a comprehensive, countrywide nature while others deal with specific problems. Major environmental issues--industrial pollution and tropical forest management, for example--were included in projects in a number of countries. An action plan to mitigate chronic flooding in Bangladesh was drawn up, and the World Bank, in cooperation with the European Investment Bank, launched the Environmental Program for the Mediterranean, a major regional initiative.

The Bank undertook a wide range of policy and research activities during the year to improve understanding of the extent, causes and economic consequences of environmental issues, including natural habitats, forestry, dam construction, land degradation, soil management, and air pollution.

"The growing economic interdependence among countries is paralleled by a growing physical interdependence, as exemplified by the global commons issues of greenhouse warming and threats to the ozone layer," the report states. "A global partnership, in which all countries play their part, is essential if enduring gains are to be achieved."



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BANK NEWS RELEASE NO. 91/S16

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GLOBAL ENVIRONMENT FACILITY ESTABLISHED

WASHINGTON, November 28, 1990 -- The following press communique was issued by the World Bank's Paris office today:

At a meeting in Paris on November 27-28, 25 developed and developing countries agreed to establish a new Global Environment Facility (GEF). The Facility will be implemented jointly by three agencies: The World Bank, the United Nations Environment Programme (UNEP) and the United Nations Development Programme (UNDP). The Chairman, Ernest Stern, World Bank Senior Vice President, Finance, estimates commitments made at \$1 billion-1.5 billion and intends to confirm contributions from governments in the next few weeks. The World Bank will be the administrator of the Facility and expects it to be operational before the middle of 1991.

The Global Environment Facility started with a proposal by France's Minister of State for Economy, Finance and Budget at the World Bank's September 1989 Annual Meeting and a related proposal by Germany. The meeting concluded today was the fourth preparatory meeting.

The Facility has four broad objectives:

- to support conservation, the use of energy sources which will not contribute to global warming, forestry management and reforestation to absorb carbon dioxide, in order to limit the increase in greenhouse gas emissions;
- to preserve areas of rich ecological diversity;
- to protect international waters, where transboundary pollution has had damaging effects on water purity and the marine environment; and;
- to arrest the destruction of the ozone layer, by helping countries make the transition from the production and use of CFCs, halons and other gases to less damaging substitutes.

To support this fourth objective, contributing countries had previously agreed to make US\$160 million available under the Montreal Protocol. The World Bank, the United Nations Environment Programme (UNEP), and the United Nations Development Programme (UNDP) will be executing agencies for this ozone layer protection program.

As they are doing in the Montreal Protocol, these three agencies will also implement the Global Environment Facility. In addition to UNEP, UNDP and the World Bank are actively involved in environmental work. They also have broad expertise in providing technical and project assistance to developing countries. The participating countries, in regular semi-annual meetings, will provide overall policy guidance and review the work program.

The Global Environment Facility will provide concessional funding for investment projects and related activities in all four global environmental areas. The Global Environment facility is a pilot program to obtain practical experience in promoting and adopting environmentally sound technologies and in strengthening country-specific policy and institutional frameworks to support prudent environmental management. It also will provide operation information relevant in formulating other global conventions and in advancing the agenda that governments will be addressing at the U.N. Conference on the Environment and Development in June 1992.

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