



CHARLES M. FEINSTEIN
Director, Energy and Extractives Global Practice

November 26, 2014

To: Members of the Kolektif Jistis Min (KJM)

Mr. Rosnel Jean-Baptiste, Tèt Kòle Ti Peyizan Ayisyen

Mr. Nixon Boumba, Mouvman Demokratik Popile (MODEP)

Mr. Antonal Mortimer, Plateforme des Organisations Haïtiennes de Droits Humains (POHDH)

Mme Camille Chalmers, Plateforme Haïtienne de Plaidoyer pour un Développement Alternatif (PAPDA)

Mr. Patrice Florvilus, Défenseurs des Opprimées/Opprimés (DOP)

Ms. Margaret Satterthwaite, Global Justice Clinic, NYU School of Law, Representatives of the KJM and its Coordinating Committees

*Re: Your Correspondence Expressing Concerns Regarding Infrastructure and Institutions
Emergency Recovery Project-Additional Funding (AF-IIERP- P130749) in the Republic of Haiti*

Dear Members of the Kolektif Jistis Min and Ms. Satterthwaite,

Thank you for your letter to Dr. Kim dated November 15, 2014 in which you share your concerns regarding activities of the **Infrastructure & Institutions Emergency Recovery Project Additional Financing (AF-IIERP)** and the **Extractive Industries Technical Advisory Facility (EI-TAF)** in the Republic of Haiti related to mining. Prior to receiving this letter, our staff also discussed these concerns with you on November 17, 2014 when Ms. Satterthwaite and Mr. Boumba, joined by Ms. Elizabeth Happel from the Global Justice Clinic and Ms. Caitlin Daniel from the Accountability Counsel met with Remi Pelon, Sr. Mining Specialist and Michelle Keane, Lead Country Officer at World Bank Headquarters. In addition, we would like to offer the following information.

Your letter expresses concerns around mining activities undertaken under the above referenced IIERP AF Project (P130749). However, although the AF-IIERP Project Paper lists mining as a sector that could receive support, no investments or other activities related to mining have ever been designed, undertaken, or financed under this operation, nor are any such activities planned. World Bank support to the mining sector in Haiti is limited to the Bank-executed technical assistance activities described below, on which this letter will focus.

In response to a 2013 request from the Haitian government, the World Bank has provided advice to the Haitian government on how to lay the foundations for a mining sector compatible with sustainable development and inclusive growth. Assistance started in March 2013 and was made possible by a US\$550,000 grant from EI-TAF, a multi-donor trust fund that helps governments in developing countries build their capacity for reforms of legal and regulatory frameworks

governing mining and other extractive operations, and for effective contract negotiations with mining companies. The Technical Assistance funded by EI-TAF for Haiti is executed by the World Bank.

Technical Assistance to the Haitian Government has focused on four critical areas:

- Advice on policy and legal reform. The Bank has offered advice on fiscal, social and environmental international best practice to a Government Task Force in the development of a new draft mining law.
- Advice on institutional capacity. The Bank has helped Government assess its institutional framework for mining and develop a preliminary outline of capacity gaps.
- Advice on mining title management. The Bank has supported Government in drawing up an inventory of existing mining titles, which it has recommended that the Government make public, and made recommendations for the establishment of a mining cadaster.
- Logistical support to stakeholder engagement. Since the First Mining Forum in June 2013, the Bank has provided logistical support to Government workshops and events pertaining to the draft law, among other topics, involving the private sector, parliament, and civil society representatives.

We will be pleased to share with you a presentation of this assistance, which we intend to publish by end 2014.

When the World Bank engages in giving advice of this sort, the aim is to share knowledge of international best practice with Governments. Governments themselves develop options and make choices. Ultimately, domestic political and legislative processes determine the options that Governments select or Parliaments adopt or ratify.

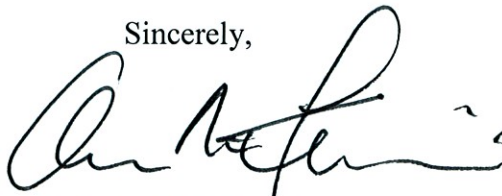
The World Bank recognizes the critical importance of stakeholder engagement when it comes to reforming the mining sector in all its client countries and agrees that it is of critical importance for legal frameworks to carefully address social and environmental impacts of mining operations. In Haiti, the Bank has recommended that Government conduct consultations with all stakeholders including civil society organizations (CSOs) and local communities and has provided logistical and technical assistance to facilitate several fora, events and meetings with a view to support a constructive dialogue between stakeholders aimed at a shared understanding. The Bank will continue to encourage Government to expand its outreach to all stakeholders and to engage in meaningful consultations.

Social and environmental dimensions as well as the need for transparency have been emphasized in the advice provided by the Bank to the Government of Haiti, in accordance with best practice. To our knowledge, the provisions contained in the draft law of February 2014 to which you refer in your letter do not appear in the latest version. The Bank agrees that Government should share the latest draft, which to our knowledge contains improvements in this regard, to collect and address specific comments from CSOs and local communities on the basis of updated information.

Regarding Government capacity, the Bank has underlined the need for institutional strengthening to manage the sector. Although expansion of the sector will likely take some time, international experience shows that countries wishing to develop their mining sectors benefit from preparing themselves for the related challenges, including by investing substantially in capacity building.

Please rest assured, that in the context of its engagement with the Republic of Haiti, the World Bank will continue to emphasize the need for an inclusive and meaningful consultation process around the draft mining law.

Sincerely,

A handwritten signature in black ink, appearing to read 'Charles Feinstein', written over a horizontal line.

Charles M. Feinstein
Director

Energy and Extractives Global Practice
The World Bank