

ACCOUNTABILITY COUNSEL

June 7, 2011

Via Hand Delivery

Mr. Robert B. Zoellick, President
rzoellick@worldbank.org
Mr. James Adams, Regional VP, East Asia & Pacific
Jadams2@worldbank.org
The World Bank Group
1818 H Street, N.W.
Washington DC 20433

Re: Papua New Guinea: Smallholder Agriculture Development Project (SADP) (IDA Credit No. 43740-PNG)

Dear President Zoellick and Vice President Adams:

We are writing to follow up on the letter that we sent to President Zoellick on December 1, 2010 concerning the preparation and implementation of the Papua New Guinea Smallholder Agriculture Development Project (“SADP”).

We began our communications with you on this matter in an April 21, 2010 letter, in which we raised the need for an assessment of the environmental impacts from expected increased effluents resulting from the Project. On May 12, 2010, Vice President James Adams responded with a statement that the effluent study would be completed by August 31, 2010, thereafter to be released to the public and translated into the local language, Tok Pisin.

We again followed up on December 1, 2010, noting that the effluent study had not been released as of that date. In response, Mr. Adams informed us in a letter dated December 14, 2010 that the SADP effluent study had been commissioned and the study was being finalized. To our knowledge, as of today, ***this study still has not been released***. We reiterate that this study should have been completed and released prior to Board approval of SADP and we note that we have been requesting release of this study for well over a year.

Mr. Adams also informed us that completion and disclosure of the effluent study would take place “prior to the commencement of any infill planting of oil palm under the SADP and thereby in time for implementation of mitigation measures, if any are called for by the study.” ***Despite this assurance, infilling has commenced without release of the study.*** We have confirmed that infilling began in mid-April 2011 and is continuing today. We also understand that the road maintenance component of the Project is now being implemented.

We remain concerned that the affected communities have not had an opportunity to

discuss the new information expected from the effluent study with the Bank, and that the Bank will not be able to incorporate results of the study and mitigation measures into Project design and implementation. We repeat our request that the effluent study be disclosed immediately, and that Project implementation be paused – at a minimum – so that due consideration of the results of the study can be immediately incorporated into the Project now already underway.

Please do not hesitate to contact us if we can provide you with further information or if you would like to discuss our request. We look forward to your response and to your continued commitment to upholding the highest social and environmental standards for World Bank operations.

Sincerely,

A handwritten signature in purple ink that reads "Natalie Bridgeman Fields". The signature is written in a cursive style and is contained within a light gray rectangular box.

Natalie Bridgeman Fields, Esq.
Executive Director
Accountability Counsel
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Mr. Damine Ase
Executive Director
CELCOR

cc via email: Mr. Ian Solomon, United States Executive Director, iansolomon@worldbank.org
Mr. Jim Hagan, Papua New Guinea Executive Director, jhagan@worldbank.org
Mr. Peter Lallas, Executive Secretary, Inspection Panel, plallas@worldbank.org