

World Bank Mining Project in Haiti

Brief

The World Bank (WB) General Approach to Mining

- As a development institution the WB has seen that mining contributes to the economic development of countries by generating government revenues, jobs, spending on local goods and services, and related infrastructure such as roads. Examples include Peru, Chile, Botswana, South Africa and Botswana.
- However, there are risks associated with mining that need to be carefully managed. Companies need to carefully manage environmental risks as well as how they contribute to local communities. Governments need to strengthen institutional capacity to improve governance and mainstream efficient, sustainable and transparent management of mining.
- The WB supports countries throughout the entire “resource cycle”—from mining titles management, monitoring mining operations, collecting taxes, to spending mineral rents effectively for sustainable growth and poverty reduction. From loans to technical assistance, to policy dialogue and analytical work, the WB leads a work program with multiple sector activities in more than 70 countries, of which almost half are in Sub-Saharan Africa.
- The WB also carries out an advocacy role through the management of the global programs like the Extractive Industry Transparency Initiative (EITI) which is a leading initiative to mainstream transparency and good governance in extractive industries.

WB Project on Mining in Haiti

- Mining is largely undeveloped in Haiti but the sector has recently attracted high level national and international attention. Preliminary exploration results suggest the presence of significant copper and gold resources, but much more exploration is needed to certify reserves. In the meantime, substantial progress to strengthen the institutions should be achieved to improve the Government’s ability to manage the sector in a transparent and inclusive manner
- Following a 2013 request from the Government that was found in line with the WB Country Strategy, the World Bank has been providing technical assistance and advising the Haitian government on how to boost the sector while maximizing the benefits for its people since March 2013. The Bank has shared international best practice with the Government of Haiti in the area of policy, legal and institutional framework, as well as social and environmental protection. We have also recommended that the government organize extensive consultations with all stakeholders including civil society and the private sector, while establishing a modern legal and regulatory framework.
- The Project received a US\$ 500,000 grant from the Extractive Industry Transaction Advisory Facility (EI-TAF), a multi-donor trust fund managed by the WB that facilitates advisory services to resource-rich, developing country governments for capacity building related to extractive industry contract negotiations and associated policy reforms/frameworks. Details on EI-TAF can be found at: worldbank.org/8ALSLBAQE0

- The WB Project on mining in Haiti has been in place since March 2013. It is executed by the WB in close coordination with three counterpart institutions: Bureau des Mines et de l'Énergie (BME), Ministry of Finance (MEF), and Conseil de Développement Économique et Social (CDES).
- The Project is comprised of 4 components:
 1. Policy and Legal Reform: i) support on policy dialogue; ii) technical assistance in drafting a new mining law;
 2. Institutional Capacity: i) assessment of the institutional framework; ii) preliminary evaluation of capacity gaps;
 3. Mining Title Management: i) inventory of existing mining titles; ii) recommendation to set up a full-fledged mining cadastre;
 4. Stakeholder Engagement: organization of i) the first Mining Forum (June 2013); as well as ii) workshops and events with Government, Companies, Parliament, CSOs representatives.
- The World Bank has advised the government to organize an extensive consultation process involving government, private sector, civil society and parliament to help build a consensus around key policy and legal choices. The Conseil de Développement Économique et Social (CDES) has taken the lead in facilitating the dialogue and the Bank has participated in several consultation events and workshops with civil society organizations.

WB work on the Mining Law

- World Bank policy and regulatory advice is provided only at the request of client governments; in this case the Government of Haiti. A Task Force with members of Bureau des Mines et de l'Énergie (BME), Ministry of Finance (MEF), and the Ministry of Environment was put in place in early 2014 to draft/author a new Mining Law. The Bank and the International Monetary Fund (IMF) have provided advice to the Task Force and recruited legal and technical experts to assist the Task Force.
- The August 2014 Draft presents many innovations in terms of improving transparency, security and management of titles, managing environmental and social impacts, community agreements, and setting up a clear tax regime. For example, the law provides for a new and clear framework for artisanal mining.