

HARTWIG SCHAFER
Vice President
Operations Policy and Country Services

March 31, 2015

Mr. Daniel Caitlin
Accountability Counsel
244 Kearny Street, Floor 6
San Francisco, CA 94108

Subject: World Bank support to Haiti

Dear Mr. Caitlin,

Thank you for your letter of March 9, 2015, to President Kim regarding the World Bank's involvement in the mining sector in Haiti. I am responding on his behalf to the two sets of issues in your letter—the policy issue and our program in Haiti.

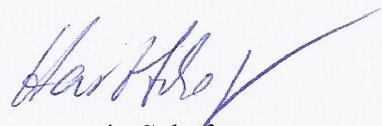
First, regarding your point about the application of Safeguard Policies, we take our commitment to addressing environmental and social issues very seriously. Our instruments and processes address these issues in a manner that is commensurate with the nature of the activity. The Safeguard Policies referenced in your letter are designed for application in our investment projects, which finance specific activities like a road or irrigation system. They do not apply to the type of advisory services to member countries referenced in your letter, which follow a different set of processes. Because our support to a specific member country is comprised of a range of instruments and tools, different policies will apply depending on the type of instrument used, independent of the source of financing. This same principle applies. In the case of activities financed by the Haiti Trust Fund.

For a Bank-executed Trust Fund, our staff are guided by our internal administrative manuals and quality assurance processes, and our work is subject to the scrutiny of a number of oversight bodies, such as the Internal Audit department and Independent Evaluation Group. Moreover, the trustees of the Extractive Industries Technical Advisory Facility retain the right to undertake their own audits and reporting as per the Trust Fund agreement. Moving forward, Management is reviewing the modalities of providing advisory services to member states with an aim to better regulate this type of activity. We are in the early stages of this work and will ensure that we have a process that is consistent with global best practice.

Second, I would like to turn to your questions regarding the country program in Haiti. Further to our letter to the Kolektif Jistis Min and the NYU Center for Global Justice, dated November 26, 2014, and as previously explained to a number of the signatories to this letter, including during meetings held on March 3 and 20, the draft law to which you refer to was sent from the Ministry of Public Works to the Prime Minister's office towards the end of 2014, under Haiti's previous Prime Minister. It is our understanding that the current administration is unlikely to consider it further. The draft will be put on hold until after the elections at the end of this year, and considered only once there is a new parliament and a new administration. It should also be noted that the Bank-executed Trust Fund which financed advice on the draft law will be closed shortly. The Government has not requested further assistance from the World Bank in the sector and is unlikely to do so in the coming year.

Therefore, while the World Bank will certainly—as has been the case throughout the Bank's involvement in Haiti—continue to encourage the Government to pursue thorough consultations and to ensure sound environmental and social management in the mining sector, we suggest that the Haitian signatories to your letter also work directly with their Government to address these concerns.

Yours sincerely,



Hartwig Schafer
Vice President
Operations Policy and Country Services