



## FOR IMMEDIATE RELEASE

World Bank Refuses to Consider Haitian Communities' Complaint about New Mining Law Complaint Office Recognizes "Legitimate" Concerns, Rejects Complaint on Technical Grounds

(NEW YORK, SAN FRANCISCO, PORT-AU-PRINCE Feb. 17, 2015)—Last week, the World Bank Inspection Panel refused to consider a complaint from Haitian communities about the Bank's support for development of the mining sector in Haiti. Communities affected by mining activity and the *Justice in Mining Collective*, a group of six Haitian civil society organizations, submitted the complaint in early January, alleging violations of their rights to information and participation and threats of human rights abuses and environmental harms. The Inspection Panel—an office established to address complaints from people affected by World Bank-sponsored projects—recognized that the complaint raised "serious and legitimate" concerns and that the mining industry presents significant risks. The office nevertheless denied the complaint on narrow, technical grounds. The complainants expect to receive a copy of the decision in French today.[1]

Communities' concerns about the development of the mining industry stem in part from their experiences with mineral exploration to date. Farmers report that they have lost crops and watched fertile land turn barren; they allege that companies have entered and operated in their communities without seeking permission; and they contend that they have nowhere to bring their concerns. Now, the World Bank's complaint office has declared that it will not investigate their grievances. "For the Panel to recognize that our concerns are legitimate and yet refuse to register the case, it is as if the lives of Haitian people do not matter to the World Bank," said Peterson Derolus, Co-Coordinator of the Justice in Mining Collective.

The farmers and families in rural communities where mining companies have explored for gold have been systematically excluded from conversations about the mining industry. In 2014, the World Bank crafted a new mining law in close consultation with mining company executives and Haitian government authorities. The reforms largely have taken place behind closed doors. "To date, even Parliament has been excluded from the process of drafting the new law," Derolus said. "But the Haitian Constitution states that mineral resources belong to the State, meaning not only the government, but also the Haitian people."

The World Bank's own policies normally require it to ensure transparency and meaningful public consultation and to adhere to environmental and social standards in all its operations. The Inspection Panel found that those safeguards do not apply to the "Bank-Executed Trust Fund" used to finance the revision of Haiti's mining law, even though they do apply to similar Bank projects funded in different ways. Noting this inconsistency, the Panel called for reforms to ensure that the Bank applies its safeguards to technical assistance projects like this one based on the risk of environmental and social harm, rather than the particular financing mechanism used.

"The World Bank is providing assistance that will change the entire legal regime for mineral mining in Haiti. It chose to do so in a way that exempts the project from the Bank's own safeguard policies, including those that require community participation," said Sarah Singh of Accountability Counsel, an organization representing affected Haitian communities. "The Bank should not have discretion to avoid community complaints regarding a project that poses such clear human rights and environmental risks."

The risks are particularly acute today in Haiti—a country known for its devastated environment, poor infrastructure, and lack of rule of law—as the state is in the midst of a major political crisis. Since January, President Martelly has ruled by decree. Parliament, which had objected to the way the Executive was developing the mining industry, has been dissolved. The past few weeks have seen increasing protests and multiple days of nationwide transit strikes. "We call on the World Bank to recognize the grave risks it incurs in developing the mining industry in Haiti and to endorse a moratorium on mining until a meaningful national debate is held and other community demands have been met," said Margaret Satterthwaite, Director of the Global Justice Clinic, which represents affected Haitian communities. "If the Bank-backed mining law is passed by decree, Haiti will be open to the gold mining business without the consent of its people."

## **Notes for Editors:**

1. The World Bank's complaint office, the Inspection Panel, is an independent office that investigates allegations by people who claim to have experienced harm or who fear future harms as a result of World Bank projects. The Notice of Non-Registration is available in English (<a href="http://ewebapps.worldbank.org/apps/ip/PanelCases/100-Notice%20of%20Non-Registration(English).pdf">http://ewebapps.worldbank.org/apps/ip/PanelCases/100-Notice%20of%20Non-Registration(English).pdf</a>). The Panel indicated that the Notice of Non-Registration would be made available in French on February 17, 2015. The complaint is also available in English (<a href="http://ewebapps.worldbank.org/apps/ip/PanelCases/100-Request%20for%20Inspection.pdf">http://ewebapps.worldbank.org/apps/ip/PanelCases/100-Request%20for%20Inspection.pdf</a>) and in French (<a href="http://www.accountabilitycounsel.org/wp-content/uploads/2014/07/FRA-Demande\_FINAL.pdf">http://www.accountabilitycounsel.org/wp-content/uploads/2014/07/FRA-Demande\_FINAL.pdf</a>).

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