

Haiti – Infrastructure Program

July 25, 2011

U.S. Position

The United States welcomes this project to create thousands of jobs in Haiti and create new opportunities for sustainable economic opportunities in one of Haiti's poorest regions. This project addresses Haiti's vision to establish new poles of economic growth and prosperity outside of Port-au-Prince and tackle widespread unemployment, which is particularly affecting Haiti's youth.

The United States Government will partner with the Haitian Government and the Inter-american Development Bank (IDB) in the North Industrial Park project, by investing in new housing and electrification for businesses and communities in Haiti's Northern Corridor, and providing funds to modernize port facilities and facilitate increased trade across borders. The renewed interest in Haiti as a destination for light manufacturing was in part encouraged by generous trade preferences the U.S. Congress passed for Haiti last year to promote reconstruction and sustainable development.

The United States welcomes the intensive efforts by the IDB to safeguard Haiti's environmental assets throughout the design and development of the project. In particular, the United States appreciates the separate studies to fill gaps in the current Environmental and Social Impact Assessment (ESIA), especially the hydrological assessment, which will feed into the environmental action plan and the master development plan so that direct and indirect impacts are addressed to meet IDB standards. The United States also appreciates the effort to address the needs of those being adversely affected by the project. The United States strongly supports IDB's full application of its environmental and social safeguards in a timely manner as the project moves forward. In this respect, we appreciate the loan agreement conditions put forward in the document.

Notwithstanding strong U.S. support for the goals of this investment, the United States must abstain pursuant to a Congressional mandate because of the gaps in the substance of the ESIA and the relatively late disclosure of the ESIA. The United States hopes, going forward, that management will address these deficiencies. Given the critical importance of the operation and the tight timeframes for implementation, the United States looks forward to close collaboration with the IDB so that this project can be successful in terms of job creation and environmental and social sustainability.