

Haiti -- IDB Grant for the Productive Infrastructure Program

September 13, 2012

U.S. Position

The United States welcomes the impressive progress of this project towards creating thousands of jobs in Haiti, and catalyzing new opportunities for sustainable economic development, while working to protect the fragile resources of the Caracol Bay that provide substantial economic and ecological benefits. As of today, just a few months after the opening of the Caracol Industrial Park, we understand that the first tenant already employs 775 people, the majority of whom are formerly unemployed women. In one of Haiti's poorest regions with widespread unemployment, this will be the first formal job for many of the employees. The United States is pleased to note that a second tenant has already signed up and is ready to commence operations. The United States also appreciates that the IDB has been working closely with other donors to ensure all of the components of the program are successful and economically and environmentally sustainable.

Notwithstanding U.S. support for the goals of this investment, the United States must abstain pursuant to a Congressional mandate, in this case due to the timing of the publication of the cumulative impact assessment. Disclosure of the assessment in a timely fashion is essential for all relevant stakeholders to review the impacts the project will potentially have on the environment, and ensure that the proposed mitigation measures will be taken. There is still work that needs to be done to complete important assessment areas, including on the impact on the Caracol Bay, waste water and solid waste treatment, CO2 emissions, and a long term study of the aquifer that is shared with the Dominican Republic to ensure adequate and safe water supplies.

The United States recognizes that the IDB has taken important steps to address the social and environmental impacts of the project, notably the cumulative impact assessment and the regional planning studies. Looking ahead, the United States will be paying attention to the contract to monitor water and air quality in and around the industrial park. Also, environmental preservation programs for the mangroves at the Caracol Bay are ready to launch, supporting the Government of Haiti's vision to advance prosperity while protecting Haiti's ecological and cultural heritage.

The United States welcomes the intensive efforts by the IDB to safeguard Haiti's environmental assets as part of the development of the Park, including the consultations that have been undertaken, and welcomes the community outreach by all the stakeholders to ensure that investment in the Northern Corridor has a positive long-term impact on the lives of the Haitian people. The challenge ahead is to ensure that environmental studies and mitigation measures keep pace with the construction and operation of the park and the influx of workers. Given the critical importance of the operation, the United States looks forward to close collaboration with the IDB so that this project can successfully meet its targets in terms of job creation and environmental and social sustainability.