

Solomon Islands – IFC Investment in SolTuna Limited

June 6, 2013

U.S. Position

The United States commends staff for presenting a project with significant development impact for the Solomon Islands and its strong attention to management of environmental and social factors. The IFC's "principles for engagement in wild catch fisheries" appropriately focus on a "do no harm" approach with respect to threatening sustainability, are linked to initiatives aimed at improving governance and management of fisheries, and aim to increase local "value-add" and job creation.

The project will help the Solomon Islands capture more value from the existing catch of tuna, boosting economic growth and increasing the quantity and quality of jobs. The United States welcomes that SolTuna is developing a career incentive plan for women workers, with the goal of increasing women in supervisory and management positions. The United States had asked IFC staff to comment on the extent to which this program includes elements of (1) training for women; and (2) gender equality in pay.

The United States is pleased to see the range of measures outlined in the environmental and social action plan, including monitoring and data from SolTuna's supplier, Marine Stewardship Council, pre-assessments of associated fisheries, upgrades to SolTuna's labor and working conditions, and strengthened pollution prevention and emergency preparedness. We would like to stress the importance of strong monitoring and adhering to best practice regarding bycatch mitigation of associated fishing operations by SolTuna's supplier. Regarding social impacts, the United States asked staff if they had considered whether the project-induced increase in fishing vessel landings would contribute to increased sex work/trafficking such that mitigation actions might be merited. More generally, The United States asked about the IFC's plans for monitoring and evaluation of the project's environmental and social impacts.

The United States welcomes the project's engagement with the Secretariat of the Pacific Community (SPC) as the regional tuna data experts. Continued close contact with the SPC will enable development of the project with full awareness of the projected status of tuna and fishing pressures in the region.

The United States would have liked to see greater discussion of potential climate change impacts, for example whether the projected sea level rise would impact project infrastructure or reductions in freshwater supplies would impact the cannery's water needs. The United States looks forward to broader discussion of marine impacts of climate change in the context of the forthcoming Country Partnership Strategy.

Actions by the public sector will provide an important complement to private sector projects like this one. The United States looks forward to learning more about the Pacific Regional Oceans Project as it is further developed, as well as possible support from the World Bank Group's Global Partnership for Oceans on strengthening governance and sustainably managing ocean resources. The United States encourages the Solomon Islands to participate in these broader

efforts to promote sustainable management of ocean fisheries, coastal fisheries, habitat conservation, and regional cooperation.

Notwithstanding the important benefits of this project, because the Environmental and Social Review Summary was not publicly disclosed at least 120 days ahead of the proposed decision, this does not meet the U.S. legislative mandate requiring environmental assessments for all Category A projects be posted publicly for at least 120 days prior to Board review. Therefore, the United States would like to be recorded as abstaining on this project for legislatively mandated reasons.