

 Early Warning System

IADB-HA-L1081

Productive Infrastructure Program II



## Quick Facts

<b>Countries</b>	Haiti
<b>Specific Location</b>	Caracol, Haiti
<b>Financial Institutions</b>	Inter-American Development Bank (IADB)
<b>Status</b>	Active
<b>Bank Risk Rating</b>	A
<b>Voting Date</b>	2013-08-07
<b>Borrower</b>	Government of Haiti
<b>Sectors</b>	Construction, Industry and Trade, Infrastructure
<b>Potential Rights Impacts</b>	Cultural Rights, Healthy Environment, Housing & Property, Labor & Livelihood, Marginalized Groups, Right to Food, Right to Health, Right to Water
<b>Investment Type(s)</b>	Grant
<b>Investment Amount (USD)</b>	\$ 40.50 million
<b>Project Cost (USD)</b>	\$ 40.50 million



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## Project Description

The "Productive Infrastructure Program II" project in Haiti intends to finance the expansion of the existing infrastructure and manufacturing facilities at the Caracol Industrial Park (PIC: Parc Industriel du Caracol), at 250-hectare site located 4km south of the city of Caracol and ecologically-sensitive Caracol Bay on the northern coast of Haiti. The first phase of the PIC project was initiated in 2011, which provided buildings and infrastructure to accommodate three manufacturing firms, including a 10 MW power plant. The flagship tenant, Sae-A Trading Company Ltd., as well as a second company, Peintures Carabes (Caribbean Paint), have started their operations in the PIC. The "Productive Infrastructure Program II" project will provide additional infrastructure (e.g. roads, a wastewater treatment plant), industrial facilities (e.g. warehouses, factories), canteens and dormitories for an additional 5000 workers, and management support required for the expansion and operation of the PIC. The project is currently in preparation; project managers will submit the Proposal for Operation Development in June 2013, and will seek board approval of the project in August 2013.

\*\*Source: IADB Project Profile



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## Early Warning System Project Analysis

### CATEGORIZATION

This project is classified as Category A, which, according to the IADB, is \*likely to cause significant negative environmental impacts and associated social impacts, or to have profound implications for natural resources.\* With additional tenants and an increase in workers, the PIC is likely to exacerbate environmental and social impacts leading to increased pressures on already fragile ecosystems and natural resources, increasing the vulnerability of local communities to impoverishment. Two overarching concerns related to the PIC operation are: (1) potential for uncontrolled housing expansion; and (2) continuation of the construction without a simultaneous compliance with environmental and social safeguards and implementation of mitigation measures.

\*\*Source: IADB Project Profile



## People Affected By This Project

### APPLICABLE SOCIAL AND ENVIRONMENTAL STANDARDS

- OP 761. Gender Equality in Development Policy
- OP 703. Environment and Safeguards Compliance Policy
- OP 704. Natural Disaster Risk Management Policy
- OP 102. Access to Information Policy

IADB does not consider this phase of the project to invoke OP 710, Involuntary Resettlement Policy. Significant displacement did occur, however, during the initial construction of the PIC, but the IADB believes additional infrastructure included in \*Productive Infrastructure Program II\* will not cause further displacement. A Compensation and Livelihoods Restoration Plan was created during the first phases of the project, but there have been delays in its delivery of benefits to impacted peoples.

\*\*Source: IADB Project Profile



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## Investment Description

- Inter-American Development Bank (IADB)

The Inter-American Development Bank will provide the Government of Haiti with a grant of US\$ 40.5 million, as one of four grants totaling US\$180 million over six years, in order to supply and support the operation of the PIC. The United States Government Department of State and United States Agency for International Development (USAID) are also providing grants in support of the project.



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## Contact Information

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## ACCOUNTABILITY MECHANISM OF IADB

The Independent Consultation and Investigation Mechanism (MICI) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an Inter-American Development Bank (IDB) or Inter-American Investment Corporation (IIC)-funded project. If you submit a complaint to MICI, they may assist you in addressing the problems you raised through a dispute-resolution process with those implementing the project and/or through an investigation to assess whether the IDB or IIC is following its own policies for preventing or mitigating harm to people or the environment. You can submit a complaint by sending an email to [MICI@iadb.org](mailto:MICI@iadb.org). You can learn more about the MICI and how to file a complaint at <http://www.iadb.org/en/mici/mici,1752.html> (in English) or <http://www.iadb.org/es/mici/mici,1752.html> (Spanish).



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## Bank Documents

- [Environmental Assessment -Temporary Sewage Treatment System](#) [Original Source]
- [HAITI. Productive Infraestructure Program II. \(HA-L1081\)](#) [Original Source]
- [PN3B Baseline \(EN\)](#) [Original Source]
- [PN3B Baseline \(FR\)](#) [Original Source]
- [Rapid Ecological Baseline - Trou du Nord](#) [Original Source]
- [TC Abstract HA-T1180](#) [Original Source]
- [Updated Etude Impact Cumulatif PIC\\_FINAL](#) [Original Source]





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**Other Related Projects**

- IADB-HA-G1035 Productive Infrastructure Program III