

December 12, 2002

Mr. James Wolfensohn
President
The World Bank Group
1818 H Street, N.W.
Washington, DC 20433 U.S.A.

Dear Mr. Wolfensohn,

We are writing to express dismay at the recent Compliance Advisor/Ombudsman report on the MIGA guarantee of the Bulyanhulu gold mine and to request your urgent intervention.

The CAO is a mechanism that non-governmental organizations have pushed hard to establish. Your personal support for the initiative played a major role in ensuring that the CAO was established. As all parties have observed, the CAO's effectiveness rests on the respect and trust it enjoys amongst the public: integrity, transparency, evenhandedness and thoroughness are thus critical to all aspects of its work.

We are therefore gravely concerned at the poor quality of the Bulyanhulu report. Specifically, the report:

- fails to address the central question at the heart of the complaint: namely whether or not those evicted at Bulyanhulu has been fairly and justly treated, in accordance with World Bank guidelines;
- focuses on issues which were explicitly ruled by the CAO itself to be outside of the complaint and which the CAO further acknowledges to be beyond its ability to investigate;
- draws unwarranted conclusions on the basis of undocumented or contested evidence;
- maligns not only the complainants, but also international civil society.

This is gratuitous at best, egregious at worst.

Last, but not least, despite acknowledging that MIGA had failed to undertake due diligence, the report fails to draw conclusions from this or to make any recommendations with regard to MIGA's continuing investment guarantee for Bulyanhulu.

A detailed rebuttal and commentary on the report, amplifying these and other failures, prepared by the complainant is attached.

Mr. Wolfensohn, please be assured that, within the international NGO community, the report has severely dented the reputation of the CAO. Unless action is taken at the highest level to redress the manifest failures of the report, we believe it will take many years before confidence in the CAO's office is restored. This is not an outcome that we believe that you would wish to see.

We therefore seek your personal intervention to insist that:

- the eviction issues which the complainants sought to have investigated are fully investigated;
- all commentary on the issues outside the complaint are removed from the report;
- the institutional failures that lie behind MIGA's inadequate due diligence for the project are identified and measures proposed to correct them;
- the criticisms of MIGA's due diligence procedures are enacted upon, specifically through:
 - A) measures to identify and correct the institutional failures that permitted the project to be approved on the basis of inadequate due diligence; and
 - B) the suspension of all guarantees approved on the basis of that inadequate due diligence.

Sincerely,

CC: Executive Directors, World Bank Group
Ms. Meg Taylor, Compliance Adviser/Ombudsman

Candy Gonzalez
Belize Institute of Environmental Law
and Policy
Belize

Antonio Tricarico
Campagna per la riforma della banca
mondiale (CRBM)
Italy

Sjef Langeveld
Both ENDS
Holland

Deo Bunani
CENADEP
Democratic Republic of Congo

Agustine Niber
Center for Public Interest Law (CEPIL)
Nigeria

Pam Foster
Halifax Initiative
Canada

Peter Sinkamba
Citizens for a Better Environment
Zambia

Anyailwee Nsirimovu
Institute of Human Rights and
Humanitarian Law

Sarguna Kumaari
Consumers' Association of Penang
Malaysia

Nick Hildyard
The Cornerhouse UK
United Kingdom

Pierre Laliberté
Canadian Labour Congress
Canada

Bubelwa E. Kaiza
Concern for Development Initiatives in
Africa (ForDIA)
Tanzania

Duff Conacher
Democracy Watch
Canada

Carlos Zorilla
Defensa y Conservacion Ecologica de
Intag (DECOIN)
Ecuador

Loyce Lema
Environmental Human Rights Care and
Gender Organization (ENVIROCARE)
Tanzania

Thabo Madilhlaba
Environmental Justice Networking Forum
South Africa

Ndoumbe Nkotto Houre
FOCAFE
Cameroon

Urgewald - Kampagne für den Regenwald
Regine Richter
Germany

Wassa Association of Communities
Affected by Mining (WACAM)
Ghana

Nigeria

Abbe George Loemba N Deude
La Commission Justice et Paix de Congo
Congo

Joan Kuyek
Mining Watch Canada
Canada

Abu A. Brima
Network Movement for Justice and
Development (NMJD)
Sierra Leone

Fraser Reilly-King
NGO Working Group on the EDC
Canada

Pauline Overeem
Novib/Oxfam
The Netherlands

Mathews Hlabane
Southern African Green Revolutionary
Council
South Africa

Analilea Nkya
Tanzania Media Women Association
(TAMWA)
Tanzania

Abdulai Darimani and Thomas Akabzaa
Third World Network-Africa
Ghana

Heike Drillisch
WEED - World Economy Ecology and Development
Germany

Individuals:

Carla Garcia Zendejas
Mexican environmental attorney
Mexico

Job C. Heintz Esq.
United States

T. Mohan
Advocate
India

S. Devika
Advocate
India

Nithyanand Jayaraman
Activist
India