

OFFICE MEMORANDUM

DATE: 11 April 2012

TO: Meg Taylor, Compliance Advisor and Ombudsman, CCAVP

FROM: Karin Finkelston, Vice President, CAPVP

EXTENSION: 5755+8188 / 852- -2509-8188

SUBJECT: CAO Ombudsman Assessment Report: Complaint regarding the Special Economic Zones (SEZ) Project in Papua New Guinea

I refer to your memo of 24 February to Rashad Kaldany inviting IFC to respond to the CAO's assessment report on the complaint against IFC Project 564427 on Special Economic Zones in Papua New Guinea. I thank you for your work with the complainants and the Government of PNG to resolve the dispute and provide the following response from IFC:

IFC notes the Ombudsman's report on the PNG Pacific Marine Industrial Zone dispute. As noted in the report, IFC stepped back from direct involvement in the Pacific Marine Industrial Zone when it became clear that the government had already selected a site and was pursuing an accelerated approach to developing the zone before a site and viability assessment could be completed. IFC's PNG Special Economic Zones project was then closed once the commitment of assistance with a basic, best practice legislative framework for the development of SEZs in PNG had been met.

I would be grateful if the CAO Office would arrange for this response to be posted on the CAO website.

cc: Messrs./Mmes. Rashad Kaldany, CGIVP
Nena Stoiljkovic, CBAVP
Pierre Guislain, CICDR
Sérgio Pimenta, CEADR
Tania Lozansky, CEATA
Gavin Murray, CEAFT
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