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DOCUMENT OF THE INDEPENDENT CONSULTATION AND
INVESTIGATION MECHANISM

HAITI
MICI-BID-HA-2017-0114

**FIFTH MONITORING REPORT ON THE CONSULTATION PHASE AGREEMENTS
PRODUCTIVE INFRASTRUCTURE PROGRAM**

(HA-L1055, HA-L1076, HA-L1081, HA-L1091)
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EXECUTIVE SUMMARY

The objective of the Productive Infrastructure Program (the Program) is to strengthen private sector development in northern Haiti through the construction and operation of the Caracol Industrial Park (PIC or Park). The PIC covers an area measuring approximately 246 hectares and is located in the commune of Caracol near Trou-du-Nord, Terrier-Rouge, and Limonade in the Northeast Department of Haiti.

The Inter-American Development Bank has supported the Program through five grant operations (HA-L1055, HA-L1076, HA-L1081, HA-L1091, and HA-L1143)¹ and several different technical cooperation operations. The Infrastructure Program (operation HA-L1055), the first grant operation, was approved by the Board of Executive Directors on 25 July 2011. It financed: the initial infrastructure of the PIC, including the perimeter fence, the water treatment plant, and temporary water treatment and waste management facilities; social and environmental studies and mitigation measures; and the Compensation and Livelihood Restoration Plan for Persons Affected by the Program (PAP). A portion of the funding for the latter component is also part of operation HA-L1076. The most recent operation (operation HA-L1143) was approved by the IDB Board of Executive Directors on 3 November 2021, and has the following specific objectives: (i) to improve the management of the PIC in a sustainable manner and in line with international standards; (ii) to expand infrastructure to meet growing demand through the construction of climate-resilient and eco-efficient buildings; and (iii) to improve workforce readiness by promoting skills development, and to foster a safe and inclusive working environment.

On 12 January 2017, the MICI received a Request filed by the Kolektif Peyizan Viktim Tè Chabé (Peasants Collective of Victims of the Chabert) with the support of three civil society organizations: Accountability Counsel, ActionAid Haiti, and AREDE. The Kolektif consists of some 422 families who had been farming the land in the area where the PIC was built. Despite having received subsequent compensation—comprised of transitional and final payments—the Requesters maintain that the amounts received did not enable them to restore their livelihoods. The Requesters also assert that they were unaware of the program's potential environmental impacts, particularly the pollution of the Trou-du-Nord River and of the air in the vicinity of the project site. They also had concerns about solid waste management.

The Request was declared eligible on 23 March 2017. On 14 June 2017, a MICI Consultation Phase was initiated, which ended with the signing of a confidential agreement (the Agreement) on 8 December 2018. The Agreement includes corrective measures to restore the livelihoods of PAP. One member of each affected household would have the opportunity to access employment at the PIC, preceded by technical training. Meanwhile, another member of the affected household could choose from the following supplemental options: access to land and technical support ("access to land"); specialized farming equipment and inputs ("specialized equipment"); graduation program for the most vulnerable focused on small business development and access to microcredit ("graduation program"); or a one-year scholarship for vocational training ("vocational training"). The Agreement also includes provisions regarding access to information on the Program's social and environmental impacts. At the request of the Parties, the Mechanism conducts monitoring activities and facilitates monitoring meetings between the Parties, the

¹ In 2015, the Board of Executive Directors of the IDB approved operation HA-L1101 to support Caracol Industrial Park, but that operation was canceled in 2019.

objective of which is to analyze the status of fulfillment and to resolve problems or challenges that emerge during implementation of the Agreement.

According to paragraph 35 of the MICI-IDB Policy (the “Policy”), the term of the monitoring period of the commitments reached will not exceed five years. However, in accordance with paragraph 59 of the Policy, the MICI Director can ask the Board of Executive Directors for a special extension of that term. In this case, as requested by the Group of Requesters, and with the agreement of IDB Management and the executing agency, the MICI petitioned for a one-year extension of the Monitoring Phase. That petition was approved and the new term ends on 8 December 2024. According to the petition, monitoring work in the additional year will focus on the completion of the “access to land” component. This component includes the implementation of the roadmap that was agreed to on 12 April 2023, under which PAP enrolled in this option who had not received land within the time frame previously agreed on by the Parties, will be able to choose between the “specialized equipment” or “graduation program” options. Moreover, during this additional period, monitoring would be conducted on the remaining activities that had not been implemented by the end of the fifth year of monitoring.²

This report covers the period corresponding to the fifth year of the Monitoring Phase, from April to December 2023. During this period, two meetings of the Monitoring Committee were held, which were facilitated by the MICI. As a result of insecurity in the country and the associated logistical challenges, the two meetings were held by videoconference and the participation of the Requesters by telephone was ensured. The Mechanism tried to address, to the best of its ability, technological and communication challenges to ensure that all Parties could effectively participate. In addition, it covered the cost of English-Haitian Creole-English interpretation services. The MICI also remained in constant contact with the Parties through bilateral meetings to ascertain and jointly evaluate progress on fulfilling the commitments.

The monitoring period between April and December 2023 focused on the implementation of the roadmap to complete the “access to land” component, which was agreed to on 12 April 2023. Twenty-one PAP acquired access to land by obtaining the right to use and lease land in the private domain of the Haitian State. Likewise, the Group of Requesters delivered the final list of PAP who would continue in this component and those who would choose another option with the objective of contributing to the restoration of their livelihoods. In this regard, 16 PAP continued in the “access to land” option, who either submitted new documentation or were in the document analysis process. In all, 31 PAP switched to a different option.³ Of these 31 PAP, 6 chose the “graduation program” and 25 chose the “equipment” component.

Regarding the “specialized equipment” and “graduation program” options, the MICI stated in the fourth monitoring report that eight PAP were waiting to receive equipment and 22 PAP would participate in a second cycle of the graduation program.⁴ During the period

² The activities include training for 100 PAP to facilitate their access to employment at the PIC, an event to introduce microcredit institutions, and an update on social and environmental management at the PIC, which will be included in the MICI’s monitoring report.

³ This number includes two PAP whose documentation had been under study for a considerable time, so they chose a different option.

⁴ One of the nine additional PAP who were waiting to receive their equipment lost access to land and asked to switch to the graduation program.

covered in this report, neither option was initiated for these PAP. However, the technical execution unit (“UTE”) and IDB Management committed to distribute equipment and implement the graduation program during the additional year of monitoring and will include the PAP from the land option among the beneficiaries. They also provided for flexible contracts, in order to include other PAP who were unable to access land in one of the aforementioned two options.

As regards the “access to employment at the PIC” option, no changes were observed since the last report published in April 2023. As reported by the UTE and IDB Management on 10 November 2023, the political and security situation in the country has impacted the ability to attract and retain tenant companies. The UTE is taking steps to enable nine new companies to move into the Park. In the meantime, during the additional year of monitoring the executing agency will organize a final cut-and-sew training under the MICI process for 100 PAP to facilitate their access to employment at the Park.

During the last monitoring meeting of 2023, the UTE presented an overview of the social and environmental impact mitigation plans. At the request of one of the Requesters’ counsel, the MICI will convene an exclusive meeting in 2024 for the UTE and IDB Management to share environmental and social data.

To date, the cumulative percentages of the Agreement implemented by component are: “access to employment,” 19%; “access to land,” 51%; “specialized equipment,” 100%; “graduation program,” 89%; and “vocational training,” 100%.

The Mechanism would like to underscore the efforts and flexibility of the Requesters, the UTE, and IDB officials, who have been key to ensuring the progress made in components of the Agreement. Although the MICI has noted an additional effort to provide information regarding the level of implementation of the Agreement when requested by the MICI or the Group of Requesters, the Mechanism emphasizes the need for timely and accurate information, especially regarding the status of the proceedings under the responsibility of third parties outside the Parties to the MICI process. In addition, the MICI considers it essential to strengthen communication mechanisms within the Group of Requesters, and between the Requesters, the IDB, and the UTE, particularly with a view to scenarios after the MICI case file has been closed.

The MICI will continue with its monitoring activities in 2024 by organizing and facilitating virtual meetings of the Monitoring Committee. If the country’s security conditions permit, MICI will conduct a closing mission to Caracol before 8 December 2024. Its purpose will be to assess the results in terms of fulfillment of the Agreement. The Mechanism will provide the Parties with ad hoc support, as needed, and will continue to evaluate any circumstances that could weaken the process. In December 2024, the case closure report will be issued, to include the various actions taken and results achieved. According to paragraph 35 of the Policy and the Consultation Phase Guidelines, the MICI will submit this report to the Board of Executive Directors for their information and will disclose it on its website.

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LINKS

1. [Original request](#) (in Spanish only)
2. [MICI-BID-HA-2017-0114 case file](#)
3. [Consultation Phase Report](#)
4. [First Monitoring Report on the Consultation Phase Agreements \(2019\)](#)
5. [Second Monitoring Report on the Consultation Phase Agreements \(2020\)](#)
6. [Third Monitoring Report on the Consultation Phase Agreements \(2021\)](#)
7. [Fourth Monitoring Report on the Consultation Phase Agreements \(2022-April 2023\)](#)
8. [Petition for an Extension of the Consultation Phase Monitoring Time Frame](#)
9. [Grant Proposal for the Infrastructure Program \(HA-L1055\)](#)
10. [Grant Proposal for the Productive Infrastructure Program \(HA-L1076\)](#)
11. [Proposal for Nonreimbursable Financing for the Productive Infrastructure Program II \(HA-L1081\)](#)
12. [Grant Proposal for the Productive Infrastructure Program III \(HA-L1091\)](#)
13. [Livelihood Restoration Action Plan](#) (in French only)
14. [Haiti Social Impact Assessment - Productive Infrastructure Program I-IV \(HA-L1076, HA-L1081, HA-L1091, HA-1101\)](#)
15. [Cumulative Environmental Impact Study - Productive Infrastructure Program I-IV \(HA-L1076, HA-L1081, HA-L1091, HA-1101\)](#)
16. [Guidance Note for Accessible and Secure Remote Case Management](#)
17. [Guidelines for Addressing Risk of Reprisals in Complaint Management](#)

ABBREVIATIONS

AREDE	Action pour la Reforestation et la Défense de l'Environnement [Action for Reforestation and Environmental Defense]
Bank or IDB	Inter-American Development Bank
Board	Board of Executive Directors of the IDB
DGI	Direction Nationale des Impôts [Tax Bureau]
Kolektif or Requesters	Kolektif Peyizan Viktim Tè Chabé
Komitè	Group of 10 Requesters that have represented the Kolektif over the course of the MICI process
Management	The IDB Group manager or managers in charge of the relevant IDB Group-financed operation or any delegate thereof
MEF	Ministry of the Economy and Finance of Haiti
MICI/Mechanism	Independent Consultation and Investigation Mechanism
MICI Policy	The policy approved by the IDB Board of Executive Directors in December 2014 and updated on 14 April 2021, governing the functioning of the MICI for Requests related to IDB- or MIF-financed operations (document MI-47-8)
PAP	Persons affected by the program
PIC/Park	Caracol Industrial Park
PITAG	Agricultural and Agroforestry Technological Innovation Program, a Bank-financed program for implementing the "specialized farming equipment and inputs" option
UTE or executing agency	Unité Technique d'Exécution (Technical Execution Unit) of the Ministry of Economy and Finance

I. CASE BACKGROUND

- 1.1 The objective of the Productive Infrastructure Program is to strengthen private sector development in northern Haiti through the construction and operation of the Caracol Industrial Park (the PIC or Park). The PIC covers an area measuring approximately 246 hectares and is located in the commune of Caracol near Trou-du-Nord, Terrier-Rouge, and Limonade in the Northeast Department of Haiti.
- 1.2 The IDB has supported the Program through four grant operations (HA-L1055, HA-L1076, HA-L1081, and HA-L1091 and HA-L1143)⁵ and various technical-cooperation operations. The most recent operation to support the PIC, the Productive Infrastructure Program V (operation [HA-L1143](#)), was approved by the Board of Executive Directors on 3 November 2021.
- 1.3 The Infrastructure Program (operation HA-L1055), the first investment grant operation in support of the PIC, was approved on 25 July 2011 by the Board of Executive Directors. It financed: (i) the initial infrastructure of the Park, including the perimeter fence, the water treatment plant, and temporary water treatment and waste management facilities; (ii) four industrial buildings; (iii) an administrative building; (iv) social and environmental studies and mitigation measures; and (v) the Compensation and Livelihood Restoration Plan for Persons Affected by the Program). A portion of funding for the latter component is also part of operation HA-L1076.
- 1.4 On 12 January 2017, the MICI received a Request filed by the Kolektif Peyizan Viktim Tè Chabé [Peasants Collective of Victims of the Chabert] with the support of three civil society organizations: the Accountability Counsel, Action Aid Haiti, and AREDE. The Kolektif consists of approximately 422 families who had been farming the land in the area where the PIC was built. The Requesters contend that the unannounced construction of the Park's perimeter fence cut off their access to the plots of land that they relied on for their livelihood. Despite having received subsequent compensation—comprising transitional and final payments—the Requesters maintain that the amounts received did not enable them to restore their livelihoods. In addition, the Requesters allege that they were unaware of the environmental impacts that the Program could have, particularly the pollution of the Trou-du-Nord River and of the air in the vicinity of the project site. They also had concerns about solid waste management.
- 1.5 The Request was declared eligible on 23 March 2017. Following an evaluation of the feasibility of implementing a dialogue process, the MICI Consultation Phase Process began on 14 June 2017. According to the MICI-IDB Policy, the Consultation Phase Process lasts no more than 12 months. In this case, the IDB Board of Executive Directors approved a six-month extension, which ended on 8 December 2018 with the signature of a final Agreement between the Parties.
- 1.6 During the Consultation Phase Process, the MICI convened and facilitated six rounds of structured dialogue, following up on the issues predetermined by the Parties on the agenda and using a methodology agreed upon at the outset. The

⁵ In 2015, the Board of Executive Directors of the IDB approved operation HA-L1101 to support Caracol Industrial Park, but that operation was canceled in 2019.

outcome of the six rounds was that the Parties reached 19 partial agreements for immediate implementation, and the final Agreement was signed on 8 December 2018. The Agreement includes corrective measures to restore the livelihoods of persons affected by the program (PAP). One member of the affected household would receive priority for access to employment at the PIC, preceded by technical training. Meanwhile, another member of the affected household can choose from the following options: access to land and technical support ("access to land"), which is capped at 100 PAP; specialized farming equipment and inputs ("specialized equipment"); graduation program for the most vulnerable focused on small business development and access to microcredit ("graduation program"); or vocational training. The Agreement also includes provisions regarding access to information on the program's social and environmental impacts. On 5 October 2021, the Parties signed an amendment to the Agreement that facilitates PAP access to public land in the "access to land" option of the additional corrective measures.

- 1.7 In terms of the structure for monitoring the commitments reached, the Parties agreed to set up a monitoring committee comprising three representatives of the Requesters, one representative of IDB Management, and one representative of the Technical Execution Unit (UTE). The Parties also asked for the MICI to be involved in monitoring activities. The MICI facilitates the meetings of the Monitoring Committee through Mr. Julián Portilla, who is on the Mechanism's roster of experts in facilitation and has been serving in that role since the initial evaluation of conditions.
- 1.8 As agreed between the Parties and in accordance with paragraph 34 of the MICI-IDB Policy, the terms of the Agreement reached, the monitoring plan, and its time frame are confidential. The monitoring plan that the MICI submitted to the IDB Board of Executive Directors was approved by the no objection procedure on 2 February 2019.
- 1.9 In January 2020, the MICI issued its First Monitoring Report on the Consultation Phase Agreements, which covered the period from January to December 2019. During that period, the MICI reported that Management and the UTE completed the process of reviewing compensation payments and met the deadline for distribution of the school kits. However, the MICI recorded limited progress with respect to the "access to employment" component and additional support options. With regard to employment at the PIC, only 12% of the persons registered have been hired. With respect to the additional options, as of December 2019, the formal implementation process had not been initiated for any of them. The MICI found that the conditions set out in the Agreement for selecting the additional options posed challenges for the Requesters and that administrative processes within the IDB and UTE took longer than originally anticipated.
- 1.10 In February 2021, the MICI issued its Second Monitoring Report on the Consultation Phase Agreements, which covered the period from January to December 2020. During that period, the Mechanism observed that 12% of PAP who were registered in the "access to employment" component had access to employment at the PIC since the Agreement was signed. However, 15 of those

individuals were no longer working at the PIC. The UTE and the IDB undertook the steps necessary to use the PIC's training center to train the PAP, which helped facilitate access to employment for 69 Requesters. The MICI also noted that 70% of the "specialized equipment" component had been implemented and that implementation of the "graduation program" had begun. Regarding the "access to land" component, the MICI had not observed any progress in terms of results. The Mechanism found that the delay in implementing the commitments included in the Agreement was attributable to delays associated with administrative processes within IDB Management, procedural- and processing-related delays for which the UTE was responsible, and communication- and mobilization-related delays among the Group of Requesters.

- 1.11 In April 2022, the MICI issued its Third Monitoring Report on the Consultation Phase Agreements, which covered the period from January 2021 to March 2022. During this period, the Mechanism observed that 19% of PAP who were registered had access to employment at the PIC since the Agreement was signed. To provide continuity to the training to facilitate access to employment carried out in the second half of 2020, the UTE and IDB made arrangements to use the PIC Training Center and a second group of 34 PAP were trained in early 2021. In terms of the level of progress, 25 PAP accessed employment, 11 accessed land, 172 accessed the graduation program, and 2 accessed vocational training. However, the MICI noted less progress in the "specialized equipment" component. In this component, 13 wells that had presented problems were repaired, but no motorized pumps were delivered and no new wells were drilled. In terms of cumulative level of implementation, the Mechanism recorded: 11% in "access to land," 70% in "specialized equipment," 89% in "graduation program" and 66% in "vocational training." The MICI found that the complex sociopolitical context, fragile security conditions, and the incidence of natural disasters hindered progress on procedures and processes, and communications with the Requesters.
- 1.12 In April 2023 the MICI issued the Fourth Monitoring Report on the Consultation Phase Agreements, corresponding to the period from April 2022 to April 2023. During that period, implementation of the "specialized equipment" option was completed. The Mechanism also made significant progress in the "access to land" component. In terms of figures, 18 PAP gained access to land (including private land), 26 to specialized equipment, and 2 concluded their year of vocational training. Regarding the "graduation program," the Parties agreed to offer a second training cycle for 20 PAP who chose this option. Although the MICI did not record progress in the "access to employment" component, the Parties, at the request of the Group of Requesters, agreed to conduct a third cut-and-sew training for 100 PAP to facilitate their access to employment at the PIC. Additionally, the MICI observed that the UTE shared with the Requesters the first report on mitigation measures to address the social and environmental impacts of the PIC.
- 1.13 With respect to cumulative implementation percentages at end-April 2023, the MICI observed: 19% in the "access to employment" component; 33% in "access to land"; 100% in "specialized equipment"; 89% in the "graduation program"; and 100% in "vocational training". At the end of the fourth year of monitoring, the Parties agreed on a roadmap, the objectives of which are to strengthen implementation of

the “access to land” component, provide predictability in implementation timelines, and ensure that PAP who do not manage to conclude the access to land process within the agreed time frame can join the second cycle of the “graduation program” or have access to the “specialized equipment” option.

- 1.14 Background information on case MICI-BID-HA-2017-0114 and the public documentation prepared during the process can be consulted in the [case file](#) of the MICI Public Registry.⁶

II. MICI POLICY AUTHORITY FOR THE MONITORING OF AGREEMENTS

- 2.1 Paragraph 35 of the MICI Policy (document MI-47-8) states that if the Parties have reached an agreement during the Consultation Phase process, the MICI will develop, in consultation with the Parties, a monitoring plan and timetable for the agreement reached, as applicable. The term of the plan will not exceed five years.
- 2.2 In accordance with the Policy, the Mechanism will submit a monitoring report to the Board of Directors each year for information purposes.

III. ACTIONS TAKEN DURING THE REPORTED MONITORING PERIOD

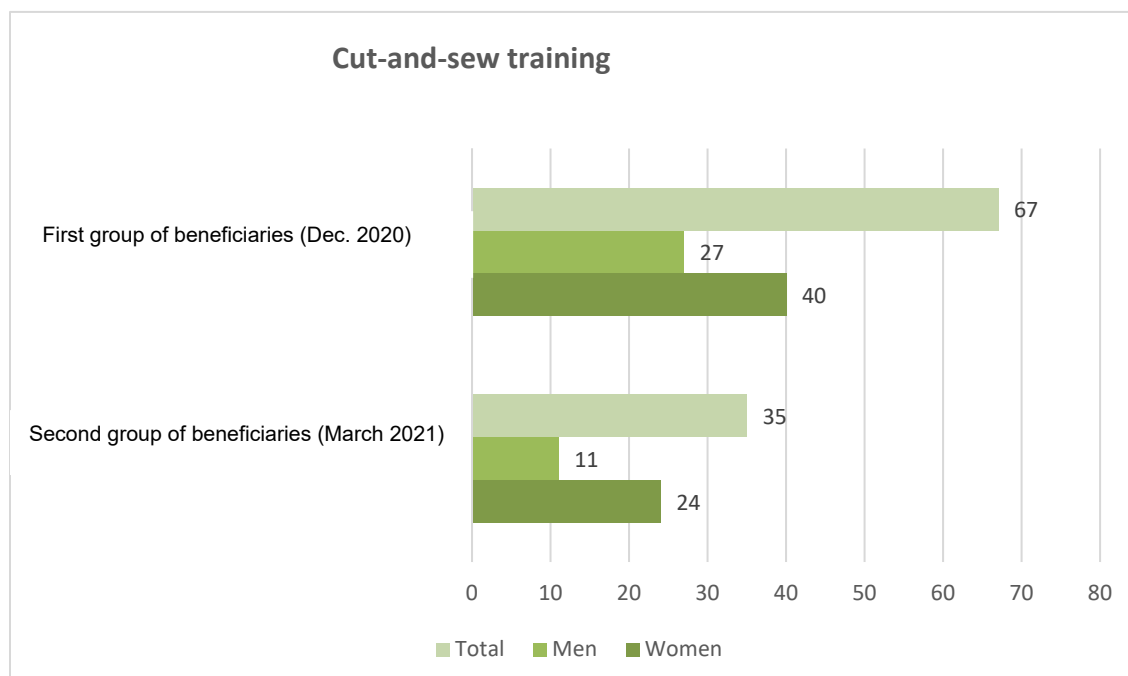
- 3.1 In-person contact and missions to the project sites are essential for the execution of activities during all stages of the Consultation Phase. However, in light of the restrictions imposed due to the security situation in Haiti, adaptive measures were implemented in order to limit, to the extent possible, their impact on monitoring work during the fourth year of monitoring (April to December 2023). These included virtual meetings and asynchronous communications.
- 3.2 Given that the fourth monitoring report detailed the progress made up to April 2023, this one includes the results obtained from April to December 2023. This is intended to present the status of implementation as of the end of the fifth year of monitoring, which, in accordance with the MICI-IDB Policy, would be the last year of monitoring.
- 3.3 However, in accordance with paragraph 59 of the MICI-IDB Policy, the IDB Board of Executive Directors approved a one-year [special extension](#) of the monitoring period. The new monitoring period ends on 8 December 2024. According to the document, MICI monitoring will focus on implementation of the “access to land” component and the additional activities that will not be completed by 8 December 2023 (a training course for 100 PAP to facilitate their access to employment at the PIC, an event to introduce microcredit institutions, and an update of social and environmental conditions at the PIC to be included in the MICI monitoring report).
- 3.4 The activities during the fifth year of monitoring are reported below:
- 3.5 **Bilateral and Monitoring Committee meetings.** The Mechanism facilitated eight virtual bilateral meetings with the Parties and two meetings of the Monitoring

⁶ The relevant public documents can be accessed in the links section of this report.

Committee, in which IDB Management, the UTE, representatives of the Group of Requesters, and their advisors participated remotely. Since most of the Requesters do not have access to a computer or a stable Internet connection, they participated by telephone or from the PIC. The MICI also guaranteed access to English-Creole-English interpretation services. All Monitoring Committee meetings were preceded by preparatory meetings with each of the Parties, which included the participation of a facilitator, the Consultation Phase Coordinator, the Case Officer, and the Consultation Phase Assistant.

- 3.6 **Periodic contact between the MICI and the Parties.** During the period observed, the MICI remained in constant contact with each of the Parties by phone, WhatsApp messages, and email. It also facilitated several meetings at the request of the Parties when necessary. The MICI took advantage of these exchanges to solicit each Party's views on the status of fulfillment of the agreements, identify challenges for implementation of the activities agreed upon, and propose possible actions to address them.
- 3.7 The MICI was also in constant contact with Haiti's representative on the Board of Executive Directors, other Executive Directors who had expressed interest in the case, the Bank's Country Office in Haiti, and the project team to keep them informed about the status of the case at all times.
- 3.8 **Monitoring of media and important events.** During the period in question, the MICI regularly monitored the press, social media, online portals, and events to identify relevant contextual information that could have an impact on the monitoring of the activities agreed upon.
- 3.9 **Compliance status.** As of 11 December 2023, the following was observed:
- 3.10 **Access to employment at the PIC preceded by technical training (access to employment).** There are no records of any PAP who accessed employment during the monitoring period covered by this report. Moreover, 70 PAP have had access to employment since the Agreement was signed, accounting for 19% of the 375 PAP. This number comprises 45 PAP who accessed employment in 2019 and 2020, and another 25 in 2021.
- 3.11 With the view to making headway on this component of the Agreement, and facilitating access to employment of the PAP, the UTE and the IDB organized an eight-week cut-and-sew training course for two groups of PAP. The first was comprised 67 PAP whose training concluded in December 2020, while the second group of 35 completed their training in March 2021. The 25 PAP who accessed employment in 2021 were part of the first group trained.

Figure 1. Composition of the two groups of beneficiaries in cut-and-sew trainings



- 3.12 The Group of Requesters asked that training be provided for a third group of PAP, with the aim of enhancing their employability. The Bank and the UTE accepted that request and said they would offer a third training for a group of up to 100 PAP in the second half of 2023. Although, as of the cut-off date of this report, this training had not been initiated, the Requesters are in the process of organizing to communicate to the UTE in January 2024 a list of 100 PAP who would be participating in this training.
- 3.13 **Additional corrective measures for the restoration of livelihoods.** The process through which the PAP were to select their preferred option began in March 2019 with six information and selection meetings organized by the UTE and IDB Management. Regarding the selection process for the “access to land” option, the UTE, with IDB support, organized several additional meetings between April and July 2019. The selection process concluded in October 2019. During the period corresponding to the fifth year of monitoring, the MICI recorded the following implementation status:
- 3.14 ***Access to land and technical support (access to land):*** According to three UTE reports dated 18 July, and 6 and 18 September 2023, 21 PAP obtained land lease and use rights from the Haitian State and 16 PAP are in the process of obtaining title. In total, 50 PAP have had access to land since the signing of the Agreement, representing 51% of the 97 PAP who initially registered under this option.
- 3.15 However, as indicated in the previous report, a neighbor prevented one PAP from taking possession of land who had received the registration of lease and land use

rights from the Haitian State. As reported by the UTE on 14 July 2023, the Tax Bureau (DGI) must determine if the neighbor's documents are legitimate and what would be the procedure to follow. According to the UTE, two situations could occur. If the DGI rules that the documents are legitimate, the seller of the land use rights would have to return the money or give another parcel of land to the PAP. If they are not, the situation should be resolved by the judicial system. While it was cautioned that the resolution of the matter through the judicial system could take considerable time, both the UTE and the IDB said they will support PAP in whatever path they decide to take to resolve this situation. On 11 December 2023, the UTE informed the MICI that it is awaiting a response from the DGI.

- 3.16 As of 11 December 2023, the status of PAP who are in the process of obtaining titles is as follows:

Table 1. Status of obtaining titles for “PAP in process” as of 11 December 2023

Private land	
Status	# of PAP
Process of issuing a check to pay the seller	2
Title analysis by the DGI	7
Private domain land of the Haitian State	
Status	# of PAP
Process of issuing a check to pay the seller of the right	5
Awaiting surveys	2

- 3.17 However, following up on the roadmap agreed on at the 12 April 2023 monitoring meeting, the Group of Requesters sent the final list of changes from the “access to land” option to another option (equipment or graduation) on 13 September 2023. In all, 29 PAP switched to a different option because they were unable to obtain the documents necessary to obtain a title. Moreover, between September and November 2023, the Group of Requesters reported that two PAP who were waiting to obtain access to land decided to switch to the “equipment” option.

Figure 2. Fulfillment status of the “access to land and technical support” option as of 11 December 2023

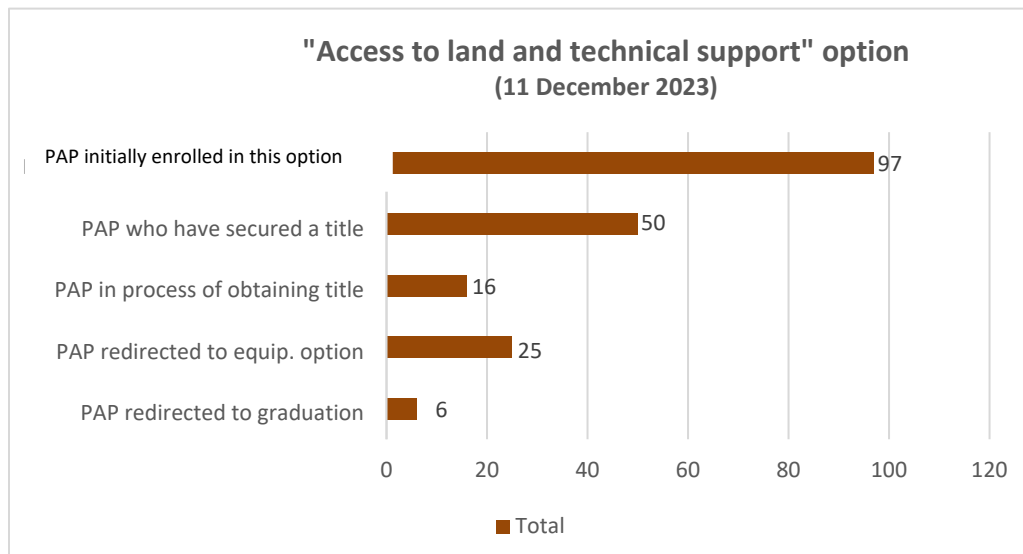
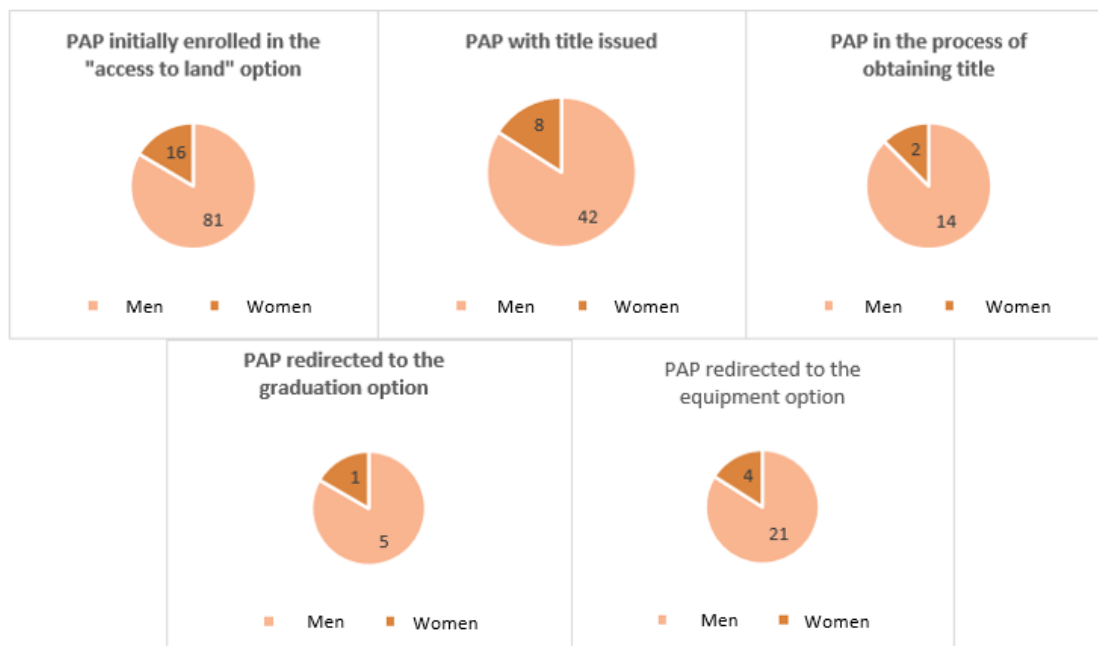


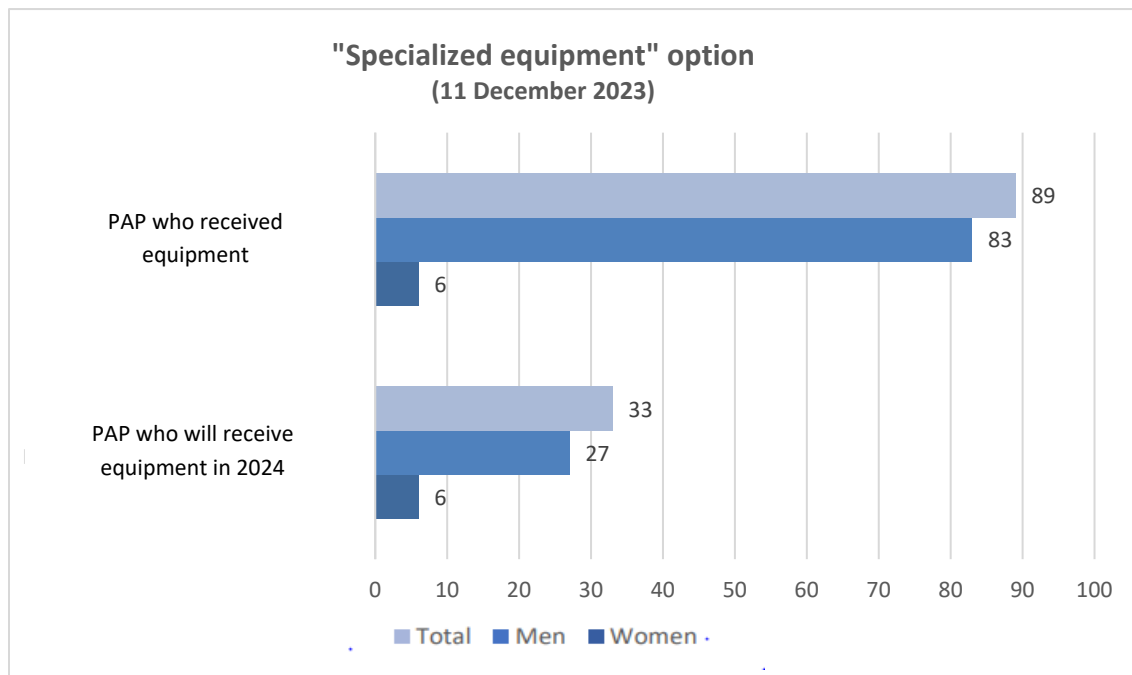
Figure 3. Fulfillment status of the “access to land and technical support” option by gender as of 11 December 2023



3.18 **Specialized farming equipment and inputs (specialized equipment):** As reported in the Third Monitoring Report on the Consultation Phase Agreements,

- the implementation of this component for the 89 PAP who initially enrolled was completed. The equipment for the eight additional PAP who were enrolled in the option was not distributed to them between April and December 2023.⁷ This distribution will be carried out together with the group of 25 PAP who switched from the land option to the equipment option in the additional year of monitoring.
- 3.19 For this group, pursuant to the request of the UTE, the beneficiary PAP must sign an affidavit of access to land, the content of which was agreed between the Parties. Likewise, at the last Monitoring Committee meeting, the Group of Requesters commented that the first group of beneficiaries experienced some inconveniences with the wells and, therefore, they would like to prevent this situation from happening again. In response, the UTE and the Bank mentioned that the depth of the wells was based on a series of technical criteria that had to be respected and that 24/7 water generation could not be guaranteed. However, they proposed that a technician explain these criteria to the beneficiary PAP of this second group and, if necessary, resolve any inconvenience taking into account the established limits and criteria. This meeting will take place in the first quarter of 2024.
- 3.20 Lastly, according to a UTE report dated 11 December 2023, the budget for the implementation of this option was being prepared.

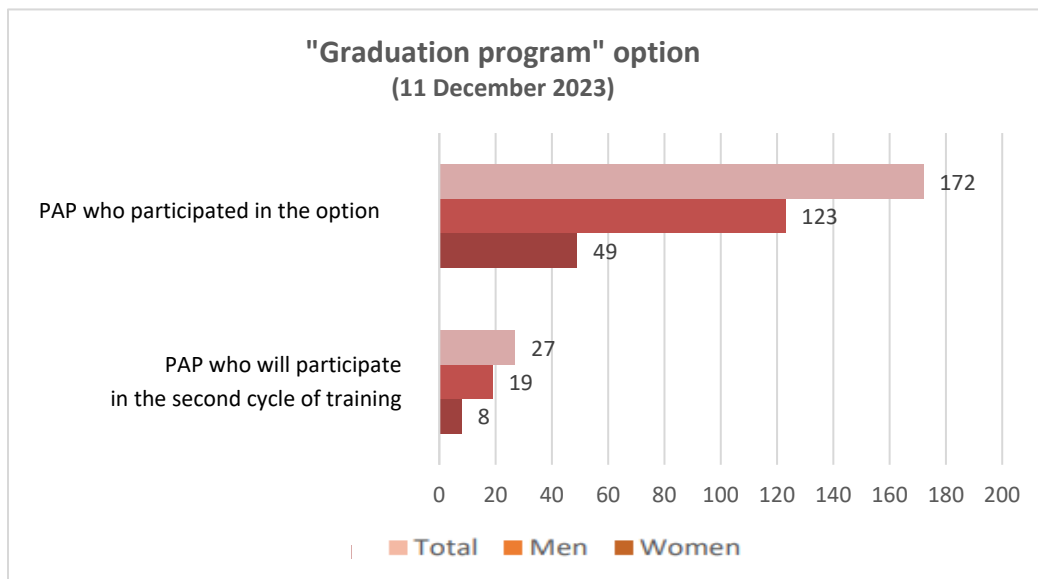
Figure 4. Fulfillment status of the “specialized equipment” option as of 11 December 2023



⁷ As of April 2023, nine PAP were awaiting delivery of their equipment. As communicated by the claimants, however, one decided to switch the graduation program option.

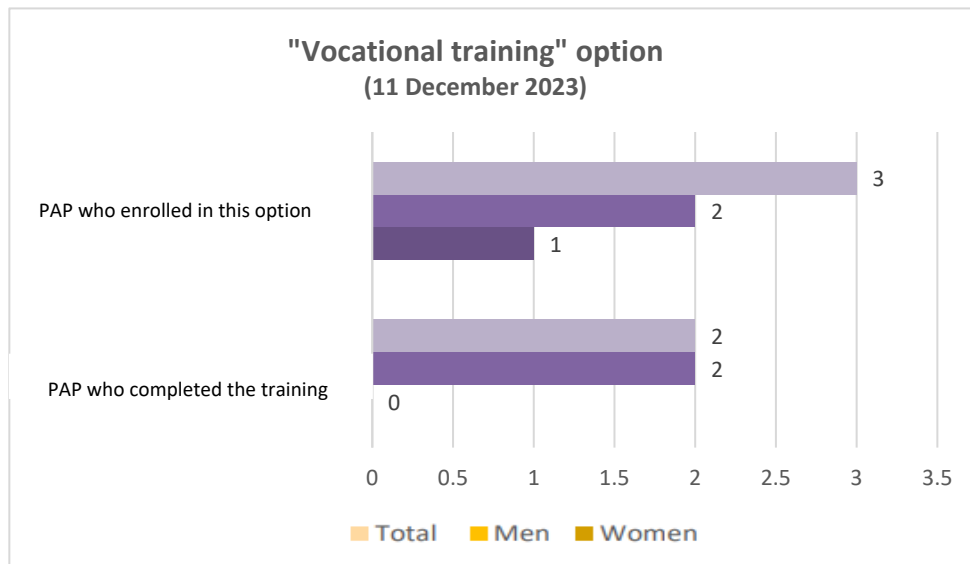
- 3.21 **Graduation program for the most vulnerable focused on small business development and access to microcredit (graduation program).** This component focuses on training for small business creation, and, once the program is completed, the beneficiaries will be able to access microcredit. The program includes an amount for each beneficiary aimed at acquiring an initial asset and facilitates access to health services for PAP. Sonje Ayiti is the specialized organization contracted to implement the program.
- 3.22 The program ended in April 2022 for 172 participating PAP. According to the advisers of the Requesters, there are still 20 PAP registered for this component who were not included in the graduation program. In a letter dated 29 April 2023, the UTE stated that it was in negotiations to implement an additional cycle of the program. The second cycle of the program will address: (a) the 20 PAP mentioned above; (b) 6 PAP in the “access to land” option; and (c) one PAP who decided to switch from the “equipment” to the “graduation” option as that person lost access to land.
- 3.23 At the 10 November 2023 meeting, UTE and IDB Management gave assurances that the amounts included in the second cycle of the program will retain the same purchasing power as those paid in the first cycle. The beneficiary PAP will be able to purchase the same amount of assets or animals as those beneficiaries of the first cycle. Additionally, the executing agency informed that the second cycle will last 10 months, and will maintain the same quality and assistance as the previous cycle.
- 3.24 According to a letter from the UTE dated 11 December 2023, the budget for the implementation of the second cycle of the program was in the process of being prepared.

Figure 5. Fulfillment status of the “graduation program” option as of 11 December 2023



- 3.25 **Vocational training:** As indicated in the Fourth Monitoring Report, the UTE paid the cost of the one year of study for the three PAP enrolled. Although two PAP completed the year of study, one did not since, as reported by the Group of Requesters, that person was unable to afford the transportation costs to and from the university. Also, at the request of one PAP, the IDB and UTE paid the cost of a second year of study. However, the PAP in question did not complete the training.

Figure 6. Fulfillment status of the “vocational training” option as of 11 December 2023



- 3.26 Delivery of school kits. The advisers of the Requesters have reported that all school kits were distributed.
- 3.27 Measures associated with the environmental and social impacts of the PIC. At the 12 April 2023 meeting of the Monitoring Committee, and at the request of the advisers of the Group of Requesters, the UTE and the Bank organized a meeting to present the report on the social and environmental impact mitigation plan for the PIC, which had previously been shared with the Group of Requesters in March 2023.⁸ The meeting took place on 16 June 2023 and was conducted in Haitian Creole.
- 3.28 In the fourth monitoring report, it was reported that a second report on measures to mitigate the social and environmental impacts of the PIC would be shared with the Parties in the third quarter of 2023. As of the date of this report, the MICI had not received this document. However, at the 10 November 2023 meeting of the

⁸ A summary of this report was included in the Fourth Monitoring Report on the Consultation Phase Agreements.

Monitoring Committee, the UTE reported that the second report would be available in December 2023. It also gave an update on three issues:

- a. Wastewater treatment: The UTE mentioned that it is in the process of contracting an independent laboratory to measure water quality. However, it has had difficulty finding one that meets the required capacity and/or is willing to work in the country given the security situation.
 - b. Waste site – Madras: The UTE mentioned that it hired a company to build a waste storage site.
 - c. Project-level grievance mechanism: The UTE mentioned that it is in the process of contracting a company to build kiosks to receive complaints and job applications in Limonade, Trou-du-Nord, and Caracol.
- 3.29 At the request of the advisors of the Group of Requesters, a second meeting will be held focusing on the provision of environmental and social information. The meeting will take place before 8 December 2024.

IV. CONCLUSIONS AND NEXT STEPS

- 4.1 Upon completing the fifth year of monitoring, the Mechanism reports significant progress on the implementation of the Agreement. As of December 2023, the MICI notes that the “specialized equipment,” “graduation program” (first cycle), and “vocational training” components have been fully implemented. Moreover, significant progress has been made in the “access to land” component, which is 51% implemented. Although there has been no increase in the number of contracts with the PIC since 2021, the MICI has identified efforts by the Parties to conduct three training programs aimed at facilitating access to land.
- 4.2 The Agreement has been implemented in a complex political and security context, which has undergone significant changes in the five years since the Agreement was signed. The security situation has posed a number of challenges for implementation and monitoring activities, and for the Program. National and international travel for the purpose of carrying out implementation and monitoring activities has been constrained. In addition, bureaucratic procedures have sometimes taken longer than expected and communication between the Parties and within the Group of Requesters has presented significant challenges. According to the information provided by the executing agency and the Bank, the context within the country has negatively impacted the ability to attract and retain companies at the PIC, and, consequently, employment within it. This explains, to a large extent, the levels of progress in the hiring of PAP to work in the Park.
- 4.3 In particular, the “access to land” component required significant coordination efforts among the Parties and with other Haitian government entities. Land tenure and access to land has been a historically complex process in Haiti. Therefore, in addition to the challenges posed by the context, the Group of Requesters asked the MICI to submit to the Board of Executive Directors a request to extend the monitoring period for an additional year so that monitoring activities could focus on completing the “access to land” component. The Bank and the UTE presented their

agreement and the Board of Executive Directors approved an extension of the Monitoring Phase through 8 December 2024.

- 4.4 During this additional year of monitoring, work will focus on the remaining activities of the “access to land” component. The MICI will also monitor the implementation of three activities that were not implemented in 2023 (the training of 100 PAP to facilitate their access to employment at the PIC, an update on environmental and social issues at the Park, and the event to introduce microcredit institutions).
- 4.5 The MICI will continue its monitoring activities, organizing and facilitating virtual meetings of the Monitoring Committee. If security conditions in the country permit, the MICI will conduct a closing mission to Caracol before 8 December 2024 to assess the progress made on fulfillment of the Agreement. The Mechanism will provide the Parties with ad hoc support, as needed, and will continue to assess any circumstances that could weaken the process. In accordance with the MICI-IDB Policy and the Consultation Phase Guidelines, a case closure report will be issued on 8 December 2024 detailing full or partial compliance with the agreements. The report will be submitted to the Board of Executive Directors for information. Once submitted, the case will be closed.