



World Bank Group
Multilateral Investment Guarantee Agency

April 19, 2006

Ms. Patricia Feeney
Executive Director
Rights and Accountability in Development
1 Bladon Close, OX2 8AD
Oxford, United Kingdom

Dear Ms. Feeney:

Thank you for your letter of April 11, 2006 to President Wolfowitz, regarding the Compliance Advisor Ombudsman's (CAO) audit of Anvil Mining's Dikulushi project in the Democratic Republic of Congo.

MIGA is very committed to strengthening its development impact, and has undertaken a number of steps over the past year to improve its project screening and supervision. We have hired a social scientist and an additional environmental specialist to help with this work. We are also deepening our understanding of the Voluntary Principles on Security and Human Rights—meeting with experts in the field, and conducting consultations with companies that have implemented the principles—to see how we can best assist our clients. We will continue to focus on how we can enhance our efforts in these areas over the coming months as we re-examine our environmental and social policies.

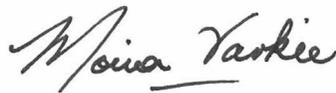
As you know, on February 21, 2006, IFC's Board approved new Policy and Performance Standards on Social and Environmental Sustainability and a new Policy on Disclosure of Information. MIGA has committed to reviewing its own environmental and social policies following the IFC's adoption of these new standards. This process, which is just getting underway, will provide us with the opportunity to consider many of the broader policy and procedural issues the CAO has raised with MIGA. We will also carefully consider your comments as part of this process.

Regarding the issues you have raised that pertain specifically to the Dikulushi project, we continue to closely monitor the project and are pleased to report that there have been a number of encouraging developments since we last spoke. Anvil has now hired a reputable NGO to help improve its relations with communities, systematize its community development programs and oversee these activities. Our social specialist, Ms. Deniz Baharoglu, undertook a detailed monitoring visit to the project area and I hope that you have found her briefing to you useful. I also trust that your site visit gave you comfort that the project is delivering, and will continue to

deliver, benefits to the local population. Your comments to us following your site visit have informed some of our follow-up actions, and we hope that you will be in touch with us as you learn of new developments.

As we have mentioned before, we continue to see MIGA's work in conflict-affected countries as an important contribution to the war on poverty, largely because it is in such countries that MIGA's status as part of the World Bank Group can leverage resources to promote environmentally and socially sustainable development. We look forward to continuing our constructive dialogue on how best we can support these countries. We also hope to engage with you and other civil society organizations as we conduct our review of the agency's environmental and disclosure policies in the coming months.

Sincerely,

A handwritten signature in black ink that reads "Moina Varkie". The signature is written in a cursive style with a horizontal line under the name.

Moina Varkie

Director, External Partnerships and Outreach

cc: Meg Taylor, CAO

Y. Omura, M. Williams, F. Lysy, MIGA

S. Rich Folsom, Department of Institutional Integrity

G. Nankani, Vice President for Africa

P. Alba, Country Director for the DRC