

U.S. Position on IFC Investment in  
Global Environment Fund Management Corporation's Africa Sustainable Forest Fund, L.P.  
April 23, 2010

The United States abstained on IFC's proposed investment in GEF Africa Sustainable Forestry Fund on April 23, 2010 on the grounds that (1) there was not adequate provision for disclosure of environmental impact assessments and (2) the level of IFC oversight with respect to what will likely be sensitive environmental impacts was inadequate. We believe that a high level of transparency, due diligence, and risk management must be applied to forestry projects to prevent unintended negative environmental effects. In our view, this project lacked sufficient downstream oversight by the IFC to ensure that environmental and social safeguards are met. We note that the IFC is undertaking a review and update of its Policy and Performance Standards on Social and Environmental Sustainability and Policy on Disclosure, and in that context encourage the IFC to strengthen its approach to project due diligence and disclosure.