THE WORLD BANK/IFC/M.I.G.A. OFFICE MEMORANDUM

DATE: May 9, 2012

TO: Ms. Meg Taylor, Compliance Advisor and Ombudsman, CCAVP

FROM: Karin Finkelston, Vice President, CAPVP

EXTENSION: 5755+8188

SUBJECT: <u>CAO Ombudsman Assessment Report: Complaint regarding Mindoro Resources</u> Ltd. (#26987, Philippines)

I refer to your memo of 27 April to Rashad Kaldany inviting IFC to respond to the CAO's assessment report on the complaint against Mindoro Resources Ltd. (MRL) in the Philippines. I thank you and your team's work with the complainants to resolve the dispute and provide the following response from IFC:

IFC notes the Ombudsman's report for the complaint regarding IFC's investee company MRL, a junior mining company exploring for Nickel in Surigao. As noted in the report, the community members that presented the complaint expressed that they did not wish to engage in a dispute resolution process with MRL. As a result and in accordance with the CAO's Operational Guidelines, the CAO Ombudsman concluded its process and referred the complaint to CAO Compliance for initial appraisal. IFC in the course of its investment in the Project will ensure that MRL is continuing its operations in compliance with IFC's Performance Standards including the specific safeguards with respect to Indigenous People.

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 Vincent Gouarne, CNGDR Anita Marangoly George, CN1DR Sergio Pimenta, CEADR Wiebke Schloemer, CN1S4 Kenji Yuhaku, CN1P4 Tom Butler, CNGMI Jesse O. Ang, CEAR1