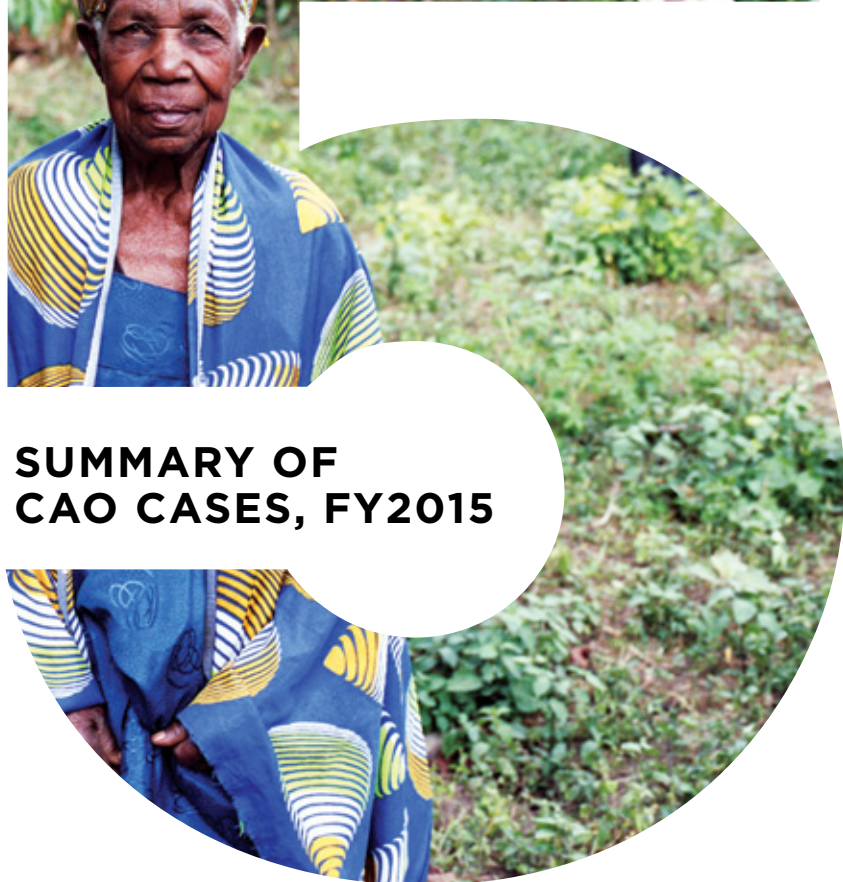


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**SUMMARY OF  
CAO CASES, FY2015**



CAO meets with complainants in Armenia, October 2014 (CAO).

# SUMMARY OF CAO CASES, FY2015

## Key

The CAO case names consist of:












- The country where the project is located
- The IFC/MIGA project name, along with the cumulative number of complaints (eligible and ineligible) received by CAO related to the project
- The location of the complainants, if their identity is not confidential

## Color Key for Cases

Assessment Dispute Resolution Compliance

Note: In accordance with CAO's 2013 [Operational Guidelines](#), the Ombudsman function has been renamed CAO Dispute Resolution. Compliance investigation has replaced the term compliance audit for cases processed under the 2013 Guidelines.

## Labels

-  IFC/MIGA due diligence and supervision
-  Pollution
-  Water
-  Land
-  Biodiversity
-  Consultation and disclosure
-  Socioeconomic impacts
-  Labor
-  Community health and safety
-  Indigenous Peoples
-  Cultural heritage



# EAST ASIA AND PACIFIC

## Cambodia

### **CAMBODIA AIRPORTS-01/PHONM PENH**

**IFC, Infrastructure; Received June 2013; Dispute resolution process ongoing; Open.**



In June 2013, a complaint was lodged with CAO by 59 households from Thmor Korl and Prey Chisak villages in Cambodia, with the assistance of Equitable Cambodia (EC), a national NGO. The complaint raises concerns about impacts associated with the development of Phnom Penh International Airport, including land acquisition and possible forced evictions, inadequate community consultation, and IFC due diligence. Phnom Penh airport is operated by an IFC client, Société Concessionnaire de l'Aéroport (SCA), which also operates Sihanoukville

International Airport (see below).

In 2014, the complainants, the company, and the Cambodian government agreed to address community concerns through a collaborative dialogue process. The communities have selected representatives for the process. In 2014 and 2015, CAO convened a number of multistakeholder and bilateral meetings aimed at sharing information and resolving the complaint issues. The dispute resolution process is underway.

### **CAMBODIA AIRPORT II-01/PREAH SIHANOUK**

**IFC, Infrastructure; Received December 2009; Closed after dispute resolution monitoring, May 2015.**



In December 2009, CAO received a complaint from a Cambodian NGO on behalf of 79 families living in the vicinity of Sihanoukville International Airport, which is operated by Société Concessionnaire de l'Aéroport (SCA). The complaint concerns the impacts of an airport development project on communities living within the proposed expansion zone, including improper land acquisition, inadequate compensation, loss of livelihoods, noise pollution, environmental impacts to a national park, incorrect categorization of the project, and lack of community consultation and disclosure.

Following CAO's assessment of the complaint in 2010, the parties—including the complainants and other affected community members, civil society organizations, various local and national government representatives, SCA, and IFC—agreed to address the issues raised through a dispute resolution process. Because the parties were unable to meet in person in a multistakeholder forum, CAO facilitated a series of separate meetings and employed “shuttle diplomacy” to assist the parties in resolving the issues. The process resulted in compensation for 191 families (157 received financial compensation only, while 34 received both financial compensation and new land); improved consultation and access to information; as well

as the development of an income restoration program. CAO closed the case in May 2015 after confirming that the complaint had been resolved to the satisfaction of affected communities, the project operator, and Cambodian government.



CAO mediators meet with NGOs and community representatives regarding the Sihanoukville Airport case in Cambodia (CAO).

### **VEIL II-01/RATANAKIRI PROVINCE**

**IFC, Financial Markets (Agribusiness); Received February 2014; Dispute resolution process ongoing; Open.**



In February 2014, CAO received a complaint on behalf of 17 villages in Cambodia's Ratanakiri province, with support from local and national NGOs. The complaint raises concerns about the activities of Hoang Anh Gia Lai (HAGL) and its subsidiaries, which hold several economic land concessions (ELCs) in Ratanakiri province, primarily for rubber plantations. When CAO received the complaint, HAGL was an investee of Dragon Capital Group Ltd (DCG), an IFC client that invests in HAGL through Vietnamese Enterprise Investments Ltd (VEIL), in which IFC has also invested. The complaint raises a number of concerns including the impacts of HAGL's operations on local Indigenous communities; loss of land and livelihoods; increased food insecurity; impacts on water sources and fish resources; lack of compensation; lack of information disclosure and community engagement; threat to spiritual, cultural, and Indigenous practices; as well as the use of child labor. The complaint also cites noncompliance with IFC policies and procedures, and with Cambodian laws.

Following CAO's assessment of the complaint in February 2014, the parties agreed to address the issues collaboratively through dialogue. In January 2015, representatives of the 17 affected communities, their advisors, and representatives of HAGL and its subsidiaries established and adopted ground rules for dialogue. Soon thereafter, the parties adopted a mediation agreement, and a dialogue process is underway.



CAO team debriefs after a meeting with representatives of 17 communities in Banlung, Ratanakiri, Cambodia, July 2015 (CAO).

## Indonesia

### **WILMAR GROUP-03/JAMBI**

**IFC, Agribusiness; Received November 2011; Compliance investigation ongoing; Open.**



In November 2011, CAO received a complaint from community groups, supported by local and international NGOs, regarding the activities of Wilmar Group in Jambi, Sumatra. The complaint raised concerns about unresolved land disputes between community groups and a majority-owned subsidiary of Wilmar, PT Asiatic Persada (PT AP). Affected communities claimed that PT AP violated terms of previous agreements by calling upon government forces to dismantle settlements on disputed lands, and that these actions violate IFC Performance Standards.

Following an assessment in 2012, the parties agreed to address the issues through dispute resolution, and separate mediation processes were initiated for each of five communities. The mediation process led to several interim agreements, particularly for one community and PT AP. However, in April 2013, Wilmar sold PT AP and the new owners of the subsidiary opted to engage in

a government-led mediation process, which ended the company's engagement in CAO's dispute resolution process. The case was transferred to CAO Compliance for appraisal, which was completed in June 2014. The appraisal concluded that further investigation was necessary to determine whether IFC supervised its investments in Wilmar in line with its environmental and social (E&S) requirements. The investigation is analyzing whether IFC adequately assured itself that the E&S conditions of the disbursement of its loan to Wilmar were met before the loan was disbursed in 2010. Given the issues raised in the complaint, the investigation will limit itself to looking at the supply chain impacts of Wilmar investments in Indonesia, and will examine IFC's supervision of Wilmar only in the period after CAO finalized its first compliance audit of Wilmar in June 2009.

## Malaysia

### **BILT PAPER B.V-01/ SIPITANG**

IFC, Manufacturing; Received September 2014; Compliance appraisal completed; Pending closure.



Ballarpur International Graphic Paper Holdings (BIGPH), a company incorporated in the Netherlands, is a subsidiary of Ballarpur Industries Limited (BILT), which is headquartered in India. BIGPH owns pulp and paper manufacturing subsidiaries in India and Malaysia. IFC has approved a debt and equity investment in BIGPH. A portion of the investment proceeds may be directed to Sabah Forest Industries (SFI), whose operations are located in Sabah state, Malaysia.

In September 2014, CAO received a complaint from a local individual regarding the project's operations in Sabah state. The complaint raised concerns about the

improper takeover of community lands, the impacts of the project on the water quality of local rivers, as well as loss of biodiversity and other environmental impacts. After initial contact with the complainant during the eligibility phase, CAO was no longer able to reach them. Unable to determine whether CAO's dispute resolution process could be initiated at the consent of the complainant and company, the case was referred to CAO Compliance for appraisal in March 2015 in accordance with CAO's Operational Guidelines. The appraisal was completed and the case was pending closure at the time of writing.

### **BILT PAPER B.V-02/SIPITANG**

IFC, Manufacturing, Received June 2015; Assessment ongoing; Open.



In June 2015, CAO received a second complaint regarding Sabah Forest Industries (SFI), a subsidiary of Ballarpur Industries Limited (BILT). The complaint was filed by the Building and Wood Workers' International (BWI) union, on behalf of Sabah Timber Industry Employees Union (STIEU), an unofficial employee union in Sabah.

The complainants claim that SFI is actively preventing its employees from unionizing, and is therefore in violation of IFC's Performance Standard 2 on Labor and Working Conditions, as well as ILO and national labor law stipulations. CAO is conducting an assessment of the complaint.

## Mongolia

### **OYU TOLGOI-01/KHANBOGD**

IFC, Mining; Received October 2012; Dispute resolution process ongoing; Open.



In October 2012, CAO received a complaint from nomadic herders in Mongolia regarding Oyu Tolgoi, a large copper and gold mine in Mongolia's southern Gobi Desert. The complaint raises concerns about impacts of the project on traditional nomadic culture and livelihoods, on land, and on water resources, particularly the sustainability of the project's water use in an arid area. The complaint also questions the adequacy of the company's resettlement and compensation programs, and IFC's due diligence in relation to the project.

After CAO assessed the complaint in 2012, the parties agreed to address the issues through dispute resolution. In 2014, several interim agreements were reached on topics such as access to information, tours and inspections of the mine site for herders, assessment of dust impacts on animals, and access to grazing land inside the Oyu

Tolgoi project site. In June 2015, the parties finalized a Memorandum of Understanding on the establishment of a Tripartite Council involving representatives of local government, elected herders, and the company to help resolve the outstanding complaint issues and serve as an ongoing dialogue forum after CAO's dispute resolution process has concluded. The Tripartite Council agreed to jointly select and contract a team of independent experts to undertake a socioeconomic study of herder households. The study will aim to generate independent information on changes that are occurring in herder households, the impacts of the mine's operations on herder livelihoods and culture, and the adequacy of the company's compensation process. The dispute resolution process is ongoing.



A herder representative speaks with Oyu Tolgoi management at joint meeting in Khanbogd, Mongolia (Felix Davey/CAO).



## OYU TOLGOI-02/KHANBOGD

IFC, Mining; Received February 2013; Dispute resolution process ongoing; Open.



In February 2013, CAO received a second complaint regarding the Oyu Tolgoi mining project. The complaint relates specifically to the diversion of the Undai River for the purposes of the project, and was submitted by seven local herders, with support from local and national NGOs. The river is a vital water source in the southern Gobi and is considered to be culturally significant, as well as critical to herder livelihoods in the region.

Following an assessment of the complaint in March 2013, the parties agreed to work together through dispute resolution to address the impacts of the mine on critical water sources. In an effort to coordinate with the company and other stakeholders to resolve both complaints, local herders elected a team to represent

them in a single dispute resolution process. As part of the process to address the second complaint, the parties jointly selected an Independent Expert Panel (IEP) to assess the impacts of the project on the Undai River and other local and regional water sources. The first phase of work by the IEP focused on the construction and design of the Undai River's main stem diversion and its the direct and indirect impacts on herders' pastures, access to water, and water quality and quantity. This phase of the fact-finding process is now complete. The IEP's summary findings and recommendations were publically released in January 2015, and are available on CAO's website. The dispute resolution process is ongoing.



Herders discuss water issues with Oyu Tolgoi representatives near a water tank provided by the company in Mongolia (Felix Davey/CAO).

## Papua New Guinea

### AES-01/ROKU VILLAGE

IFC, Infrastructure; Received September 2014; Closed after appraisal April 2015.



Avenell Engineering Systems Ltd. (AES) was established in 1997 as an electrical engineering business in Papua New Guinea specializing in power generation supply and assembly. The company subsequently diversified its interests into plant and machinery hire, civil construction and port development and operations. IFC committed a \$4 million loan to the company to fund AES's capital expenditure program, which includes the acquisition of a plant and equipment for port operations, construction activities, and completion of the wharf construction. The IFC loan was never disbursed and has been cancelled.

In September 2014, CAO received a complaint from an individual on behalf of the Kuriu Clan of Roku Village in Papua New Guinea. The complaint raised concerns about the illegal occupation of their customary land by AES and

questioned IFC's due diligence process, which they argue failed to appropriately identify them as the legitimate land owners. During CAO's assessment of the complaint, the company indicated that they did not wish to engage in a dispute resolution process given the cancellation of IFC's loan, which ended their engagement with IFC. Therefore, the case was referred to CAO Compliance.

CAO completed a compliance appraisal in April 2015. While identifying concerns about the adequacy of IFC's environmental and social review before it invested in the company, CAO did not find an investigation the appropriate response to the issues raised in the complaint since no investment was made and IFC is no longer involved in the project. The case was closed in April 2015.

### PNG SEZ-01/MADANG PROVINCE

IFC, Advisory Services; Received July 2011; Closed after appraisal September 2014.



The Pacific Marine Industrial Zone (PMIZ) in Madang Province, Papua New Guinea is part of a wider development plan that incorporates the concept of Special Economic Zones (SEZs) into the country's overall economic development strategy. IFC provided Advisory Services to the government of Papua New Guinea to develop the legislative framework that would allow SEZs to be established in the country.

In July 2011, CAO received a complaint on behalf of 105 local signatories regarding the environmental and social impacts of the PMIZ in Madang. The complaint raised concerns about the lack of environmental planning and consultation with landowners, as well as impacts on fish populations, reefs, and lagoons. The complaint also questioned IFC's overall role in assisting the government with the implementation of SEZs. The parties agreed to

address these issues through a dispute resolution process, which began in October 2012. Although the parties were able to reach a number of agreements through dialogue, the implementation of agreements ultimately stalled when the Ministry of Commerce and Industry did not follow through on agreed actions. As a result, the parties were unable to move forward through the dispute resolution framework, and CAO was unable to continue in its monitoring role. The case was transferred to CAO Compliance in July 2014. An appraisal found that a compliance investigation was not warranted given that IFC had not had substantive involvement in the development of the PMIZ in Madang, and that indications of significant adverse outcomes stemming from the project were absent. The case was closed in August 2014.

# EUROPE AND CENTRAL ASIA

## Albania

### **BANKERS PETROLEUM-01/PATOS**

IFC, Oil & Gas; Received March 2013; Dispute resolution process ongoing; Open.



Bankers Petroleum Ltd. is a Canadian-based company and IFC client focused on oil exploration and production in Albania. In March 2013, CAO received a complaint from an Albanian environmentalist on behalf of residents of the towns of Patos and Zharrëza. The complaint raises concerns about the impact on local communities of the extraction techniques used by the company at the Patos Marinëz oil field, and questions the company's compliance with IFC's Performance Standards. The complainants maintain that the company's drilling techniques may be responsible for earthquakes and other earth movements, which are causing cracks in buildings and impacting local irrigation networks.

Following CAO's assessment of the complaint in 2013, the parties agreed to engage in dialogue and explore options for a joint fact-finding process aimed at addressing concerns about the seismic activity near Zharrëza, and broader social and environmental issues surrounding the Patos-Marinëz oil field. Before initiating the formal engagement process, CAO worked closely with community members and local leaders to identify trusted community representatives to participate in the dialogue process. Once representatives were identified, CAO convened a capacity building workshop focused on interest-based negotiation, effective communication, and principles of mediation and alternative dispute resolution.

### **KURUM HYDRO-01/BRADASHESH**

IFC, Infrastructure, Received June 2015, Assessment ongoing; Open.



In March 2013, IFC approved financing for the acquisition and rehabilitation of four hydropower plants in Albania by its client, Kurum International. The majority of the power generated by the plants will be used to power Kurum's steel plant in Albania. In June 2015, CAO received a complaint from local residents living in the vicinity of

The workshop also included the development of a draft framework for dialogue.

The final framework, which was jointly agreed by parties, involves a Dialogue Group comprised of appropriate management and staff from the company, and representatives from four impacted communities. The Dialogue group also formed three subgroups, which focus on the most important topics identified by the stakeholders: earthquakes; social investment; and the environment. These working groups began meeting monthly to agree upon and discuss key issues specific to each topic area. In the first six months of working group meetings, participants focused on exchanging information and learning more about the issues, concerns, and compliance or regulatory requirements. In a second phase of the process, which began in June 2015, working groups are identifying the principle issues to be negotiated, and strategies for implementing practical solutions and action plans. Some initial outcomes from the dispute resolution process include a joint letter to high-level government officials requesting action on a seismometer installation project, and a joint field trip to a number of sites on the oil field that are relevant to all three working groups. The dispute resolution process is ongoing.

the steel plant. The complaint raises concerns about the impacts of the steel plant on the local air quality in their villages due to dust, odor, smoke, and other pollutants. CAO is currently conducting an assessment of the complaint.

## Armenia

### **LYDIAN INTL 3-01/GNDEVAZ & JERMUK**

IFC, Mining; Received April 2014; Transferred to Compliance December 2014; Compliance investigation ongoing; Open.



Lydian International Limited, an IFC client, is a junior mining company which holds licenses for the Amulsar gold mine in central Armenia through its subsidiary Geoteam CJSC. The project is at an advanced feasibility stage. In April 2014, CAO received a complaint from two residents of the Gndevaz and Jermuk villages, with support from nine local NGOs. The complaint raises concerns about impacts of the project, including contamination to soil and local water sources, threats to red-listed species, and impacts on a local tourism center. The complaint also raises concerns about the adequacy of the Environmental and Social Impact Assessments (ESIA), and claims that the project violates IFC's Performance Standards, national regulations, and citizens' rights to good health and a safe environment.

During an assessment of the complaint in 2014, the complainants expressed their preference to address the issues raised through a compliance process. CAO completed a compliance appraisal in April 2015, concluding that an investigation was warranted. Although to date IFC has only funded exploration activities, with a decision regarding funding of mine construction pending, IFC's investments in Lydian have the clear objective

of enabling mine construction, which is expected to begin shortly. CAO's appraisal found that given IFC's environmental and social requirements extend to the preparatory activities funded to date, concerns raised by the complainants are relevant to IFC's performance in relation to the investment. An investigation of the case is underway.



CAO meets with complainants in Armenia during an assessment trip, October 2014 (CAO).

### **LYDIAN INTL 3-02/GNDEVAZ**

IFC, Mining; Received July 2014; Transferred from Dispute Resolution; Compliance appraisal ongoing; Open.



In July 2014, a second complaint was filed with CAO by 147 residents of Gndevaz village raising concerns about the impacts of the Amulsar gold project on community livelihoods, community health, and the environment. In October 2014, 62 additional complaint signatories were added to the complaint, bringing the total number of complainants to 210. The complaint raises concerns about lack of adequate project information, including information about land acquisition and resettlement plans; potential environmental contamination from the project's cyanide leaching system; dust pollution affecting fields, livestock, and farmland; employee healthcare; and insufficient community engagement.

Following CAO's assessment of the complaint, the parties expressed their preference to address the issues collaboratively through dispute resolution. However, after several community and individual meetings, the complainants were no longer willing to participate in the process, and this decision was confirmed by CAO at a community meeting in May 2015. Lydian and Geoteam remain open and willing to dialogue with the complainants, directly or with the assistance of an acceptable third-party neutral. At the time of writing, the case was being transferred to CAO Compliance for appraisal of IFC.



## Kosovo

### [KEK-01/PRISHTINA](#)

IFC, Advisory Services; Received August 2011; Closed after Compliance monitoring, January 2015.



In August 2011, CAO received a complaint from local stakeholders regarding the privatization of its publicly owned energy utility, the Kosovo Energy Corporation (KEK). IFC has been providing Advisory Services to the government of Kosovo on the privatization process since 2009. The complaint raised concerns about the adequacy of information disclosure and community consultation, and about the impact to local workers and communities caused by the removal of government subsidies in the energy sector, which complainants believe may lead to tariff increases and job losses.

Following CAO's assessment, the complainants decided that the issues raised would be best addressed through a compliance process. Following a compliance appraisal, CAO conducted an audit of IFC's performance, which was released in April 2013. The audit raised concerns about the scope of IFC's due diligence and the limits of IFC's leverage in requiring Advisory Services clients to abide

by its Sustainability Framework. More specifically, CAO found that IFC did not have any structured approach to assessing the commitment or capacity of its client to implement IFC's sustainability agenda; that no formal conditions were applied to enforce its adoption; and that IFC had no way of assessing the likelihood that the informal leverage would be sufficient to ensure the adoption of IFC's Performance Standards. In response to CAO's findings, IFC highlighted areas for improvement in its 2012 Sustainability Framework.

CAO monitored actions taken by IFC in response to the audit findings between April 2013 and January 2015, finding that IFC's commitments and actions constituted a constructive approach to addressing the conclusions reached in the Audit Report. CAO's monitoring report was released in January 2015, and the case was closed.

## Kyrgyz Republic

### [PLATO-01/BISHKEK](#)

IFC, Education; Received April 2015; Transferred to Compliance June 2015; Appraisal ongoing, Open.



T.C. Plato Meslek Yuksekokulu (Plato) is a Turkish private education provider with two vocational education institutes: Plato College for Higher Education in Istanbul, Turkey; and Plato University of Management and Design in Bishkek, Kyrgyzstan. IFC's investment in Plato aims to support the company's expansion in Turkey, Central Asia, and in the Middle East and North Africa region.

In April 2015, CAO received a complaint from a former

employee of Plato University in Bishkek raising concerns about the terms of the employee's termination during the liquidation of the University. Following an assessment of the compliant, the parties did not agree to pursue a voluntary dispute resolution process, and the case was referred to CAO Compliance for appraisal in June 2015. The appraisal is ongoing.

## Ukraine

### [AXZON-01/HALYCH AND KALUSH](#)

IFC, Agribusiness; Received February 2014; Dispute resolution process ongoing, Open.



In February 2014, CAO received a complaint from communities from the Deliyev, Sivka-Voynylivska, and Lany villages of the Halych and Kalush districts in Ukraine, with support from a national NGO. The complaint relates to Axzon, a pig farming and meat processing group with operations in Poland, Russia, and Ukraine. The company, through its Ukrainian subsidiary Danosha, currently has around 10 pig production farms, a biogas plant and over 11,000 hectares of farming land in the Ivano-Frankivsk region of western Ukraine. The complaint raises concerns about Axzon's operations in the region, including land and water pollution, impacts to parks and other natural areas, impacts to local infrastructure, odor, improper land use and compensation, information disclosure and consultation, as well as violation of national laws and IFC Performance Standards.

Based on discussions with stakeholders during CAO's assessment in 2014, the parties chose to address the issues raised in the complaint through a dispute resolution process. The parties signed an Agreement to

Mediate in October 2014, outlining the purpose of the mediation, the stakeholders and participants, their roles and responsibilities, as well as the issues to be addressed, and the rules and principles of the process. The parties agreed to address the issues in the complaint through three separate and parallel mediation processes, including a single large landowner dispute; a process involving representatives of the Sivka-Voynylivska and Moshkivtsi communities (Kalush district); and a process involving representatives of the Deliyev, Lany, and Vodnyky communities (Halych district).

The large landowner dispute was resolved through CAO mediation in November 2014, resulting in a signed agreement, whose terms the parties have agreed to keep confidential. The mediation processes in Kalush and Halych districts are underway. The villages of Dovge, Poberezhia, and Strygansty were able address their concerns directly with Axzon's subsidiary, Danosha, without the need for further CAO mediation. The dispute resolution process is ongoing.



CAO mediator delivers training for company staff in Kopanky, Ukraine, July 2014 (CAO).

# LATIN AMERICA AND THE CARIBBEAN

## Chile

### [SOCIEDAD HIDROMULE-01/SAN CLEMENTE](#)

IFC, Infrastructure; Received October 2014; Infrastructure; Closed after Compliance appraisal, June 2015.



Hidromaule S.A. is a start-up hydropower generation company owned by an Italian-Chilean consortium, and an IFC client. The company's initial project, Lircay, is a 20-MW run-of-river hydropower project located along the Lircay River in the VII Region of Chile, approximately 30 kilometers to the northeast of the city of Talca.

In October 2015, CAO received a complaint from a local individual on behalf of himself and members of his family regarding the land acquisition process for the Lircay project. The complainant raises concerns around irregularities in the land acquisition and environmental permitting processes, and claims that some landowners

were not properly recognized or compensated for two tracts of land being used for the project. During CAO's assessment of the complaint in January 2015, the complainants indicated that they would like to address the issues directly with the company through dispute resolution, while the company expressed its preference for the case to be handled through a compliance process. The case was referred to Compliance for appraisal in May 2015. The appraisal concluded that an investigation was not warranted and the case was closed in June 2015.

## Colombia

### [ALQUERIA-01/CAJICA](#)

IFC, Agribusiness; Received April 2013; Dispute resolution process ongoing; Open.



In April 2013, CAO received a complaint regarding Alqueria, an IFC client and the third largest dairy producer in Colombia. The complaint was filed by a family association that owns a farm in the vicinity of Alqueria's plant in Cajica, which processes milk and byproducts into dairy products. The complaint raises concerns about the environmental impacts of the plant on their farm and other farms surrounding the plant, particularly industrial discharge to rivers and other local water sources, inadequate disposal of toxic residues, as well as air, noise, and soil pollution.

Following CAO's assessment of the complaint, the parties agreed to address the issues through a dispute resolution process, which CAO has been facilitating since July 2013. The parties have reached several interim agreements, including the engagement of an independent expert to assess noise-related issues. The expert was chosen collaboratively by the parties. Results of the independent noise assessment have been presented to both parties, and next steps are currently being discussed. The parties are also continuing with discussions related to soil pollution issues.

### [AVIANCA-01/BOGOTA](#)

IFC, Infrastructure; Received November 2011; Compliance monitoring ongoing; Open.



In 2011, CAO received a complaint from the International Trade Union Confederation/Global Unions Washington Office supported by the International Transport Workers' Federation and AFL-CIO Solidarity Center, on behalf of three Colombian labor unions representing Avianca civil aviation and airline workers. Avianca is the national airline of Colombia and an IFC client. The complaint raises concerns regarding freedom of association and anti-union discrimination, IFC's assessment and supervision of labor-related risks, as well as IFC's supervision of disclosure and consultation requirements with regard to Performance Standard 2 (PS2) on Labor and Working Conditions.

During CAO's assessment of the complaint, CAO understood from the company that pursuing a dispute resolution process was not an option at that time, and the case was referred to CAO Compliance in June 2012. CAO's compliance appraisal determined an investigation was necessary to address questions related to IFC's assessment and supervision of labor-related risks. The investigation report was released in May 2015, and outlines several key findings regarding IFC's performance in relation to the project.

With regard to IFC's environmental and social review process, CAO found that IFC did not adequately understand PS2 risks attached to the investment prior

to its commitment to the project. CAO also found that IFC did not appropriately consider the adequacy of the client's initial Labor Assessment, required as a condition for disbursement, which significantly weakened IFC's engagement with Avianca around PS2 issues. In relation to the general supervision of the project, CAO found that measures taken by IFC staff to address freedom of association issues were inadequate, and that IFC's policies and procedures provide limited guidance to staff on how to respond to complaints regarding a client's environmental and social performance. CAO also found noncompliance in relation to IFC's supervision of its client's consultation and disclosure requirements, which contributed to difficulties in assessing the status of its client's compliance with the substantive requirements of PS2. More broadly, CAO observed limitations with regard to the depth and expertise of IFC Environmental and Social staff in relation to PS2 issues; IFC's methodology in relation to pre-investment review of PS2 issues; and the leverage, tools, and resources that the IFC team working on the project had to address the PS2 issues with its client during supervision. CAO is currently monitoring IFC's actions in response to the investigation.

### [ECO ORO-01/BUCARAMANGA](#)

IFC, Mining; Received June 2012; Compliance investigation ongoing; Open.



Eco Oro Minerals Corp (formerly Greystar Resources Ltd) is a publically listed junior mining company that owns the Angostura gold and silver exploration project near Bucaramanga, Colombia. IFC is supporting the feasibility study, environmental and social impact assessment (ESIA), and other groundwork required to prepare for the project development stage.

In June 2012, CAO received a complaint from local civil society, with the support of several international NGOs, raising concerns about the impacts of the project on the biodiversity of a critical ecosystem, the *Santurbán Páramo*, which generates water resources for 2 million people in the region. The complainants believe the mine will impact the quality and quantity of drinking water downstream and around the Páramo. The complaint also raises concerns about the socioeconomic impacts of the project on surrounding communities, questions the quality of the project's environmental and social impact assessment, and claims the project is in violation of IFC's

policies and should not have been approved by IFC.

Following CAO's assessment of the complaint, the parties expressed their preference to address the issues raised through a compliance process. An appraisal, completed in June 2013, concluded that questions remained as to the adequacy of IFC's review and supervision of the project, and determined that an investigation was merited. Because the project is in the development stage, the investigation is focusing on IFC's environmental and social review and supervision of the project, including the adequacy of IFC's definition of the project and assessment of environmental and social project risks. CAO is also looking at whether the structure of the investment and the approach taken to supervision paid sufficient regard to the potential long-term environmental impacts, as well as the way in which the project's risk profile was likely to change over time. The investigation is in process.



## Guatemala

### [REAL LRIF-01/COBAN](#)

IFC, Infrastructure; Received October 2014; Compliance appraisal ongoing, Open.



The Latin Renewables Infrastructure Fund, L.P. (LRIF), is a ten-year closed-end private equity fund that will invest in eight to twelve infrastructure projects in the renewable power and energy efficiency sectors of Latin America and the Caribbean. LRIF is an IFC client and has invested in the Santa Rita Hydroelectric Power Plant, a 23.2 MW run-of-the-river hydro project in Cobán, Guatemala.



Community members in Guatemala leaving a CAO assessment meeting, January 2015 (CAO).

### [TCQ-01/PUERTO QUETZAL](#)

IFC, Infrastructure; Received March 2014; Closed after appraisal April 2015.



In March 2014, CAO received a complaint from a labor union at Empresa Portuaria Quetzal, a state-owned company that operates Puerto Quetzal, Guatemala's largest Pacific Ocean port. The project is being carried out by Terminal de Contenedores Quetzal (TCQ), an IFC investee. The complaint raised concerns related to the construction and operation of a new dedicated container terminal within Puerto Quetzal, alleging that the project violates collective bargaining agreements and will impact the economic well-being of workers, their families, and communities by jeopardizing the economic subsidy workers currently receive from the port. The complainants also claim that the project was approved without the

In October 2014, CAO received a complaint from Colectivo Madre Selva and the Consejo de Pueblos de Tezulutlán, two local organizations, on behalf of several communities upstream and downstream from the Santa Rita project. The complainants requested confidentiality. The complaint raises concerns regarding impacts to local water sources, displacement, Indigenous Peoples, and security concerns, as well as the adequacy of IFC's due diligence, and consultation and information disclosure around the project.

During CAO's assessment, Real LRIF and the project operator, Hydroelectric Santa Rita, indicated their willingness to participate in a CAO dispute resolution process. After internal deliberation, the complainants informed CAO that they would like to have the complaint addressed through CAO's compliance function. In the absence of agreement from both parties to engage in dispute resolution, the case was referred to CAO Compliance for an appraisal of IFC's performance in accordance with CAO's Operational Guidelines. The appraisal is ongoing.

appropriate Environmental Impact Assessment (EIA), and without adequate consultation with civil society.

Despite initial willingness by the parties to explore dispute resolution as a means for addressing the issues, the company ultimately decided that it preferred not to engage in a dialogue process with the complainants, and the case was referred to CAO Compliance for appraisal. The appraisal did not identify issues of a systemic nature regarding the environmental and social outcomes of the project, and CAO determined that a compliance investigation was not merited. The case was closed in April 2015.

## Honduras

### [DINANT INVESTMENT-01/CAO VICE PRESIDENT REQUEST](#)

IFC, Agribusiness; Vice President initiated April 2012; Compliance monitoring ongoing; Open



Corporación Dinant is an integrated palm oil and food company in Honduras and an IFC client. In 2012, allegations were made regarding the project's operations, including the forced evictions of farmers in the lower Aguán Valley, and violence against farmers by private and public security forces on and around Dinant plantations. In response to these allegations, the CAO Vice President triggered a compliance appraisal of IFC's investment in Dinant in April 2012.

Following an appraisal of the complaint, CAO undertook a compliance audit. The audit, released in January 2014, found IFC to be out of compliance with its policies and procedures on a number of aspects. These include a failure of pre-project due diligence to identify conflict and security risks that should have been evident; a failure to ensure effective consultation with affected communities, including Indigenous communities living in the immediate vicinity of the company's plantations; and a failure to conduct the required due diligence in relation to the project. Had these measures been taken as required, CAO found that the project would have been properly categorized as high risk. This in turn would have required the development of deeper analysis, as well as a mitigation plan to adequately address and respond to environmental and social risks in the context of intensifying social and political conflict surrounding the project.

In response to the audit, IFC developed an action plan to address CAO's findings. The Enhanced Action Plan included three areas of focus, including actions to address the client's environmental and social performance within the framework of the IFC Performance Standards; a broader set of actions, including stakeholder dialogue activities, designed to identify and engage with the structural causes of the conflict in the *Bajo Aguán*; and a commitment to learning lessons from the Dinant audit and thereby strengthening IFC's approach to the management of environmental and social risks in fragile and conflict-affected situations.

CAO released its first monitoring report of IFC's actions in response to the audit in April 2015. The report noted that IFC had taken a remedial and participatory response to the findings of the CAO audit. This included the development of a roadmap identifying options for dialogue and conflict resolution in the project area. It also included engagement with the client around security issues. At the time the monitoring report was released, CAO determined that this approach should be given further time to mature. CAO's monitoring also emphasized the importance for IFC of internalizing the broader lessons from the Dinant audit and converting these into changes in the way it does business. CAO continues to monitor IFC's response and plans to issue a follow-up monitoring report no later than April 2015.

### **DINANT-02/AGUÁN VALLEY AND DINANT-03/AGUÁN VALLEY**

IFC, Agribusiness; Received July 2014; Assessment ongoing, Open.



In July 2014, CAO received two complaints from the Movimiento Campesino Refundación Gregorio Chavez on behalf of its members in the Aguán Valley. The complaints raise a number of concerns related to ongoing land disputes, displacement of communities, violence and the use of security forces against local communities, and environmental impacts, which the complainants link to Dinant's palm oil operations in the area.

CAO began an assessment of the complaints in August 2014. A CAO team travelled to Honduras in October 2014 to meet with representatives from the community, the company, and the government. Following this trip, CAO decided to postpone the completion of its assessment in order to allow for an ongoing dialogue process to proceed.

The ongoing dialogue between communities and the company is being carried out under the auspices of IFC and the Consensus Building Institute (CBI). The postponement of CAO's assessment does not indicate closure of CAO's involvement, nor prevent CAO's future intervention; rather, CAO aims to respect ongoing efforts at dialogue and to avoid initiating activities that could duplicate or complicate the process. This decision was formalized with relevant parties in November 2014. Through its compliance function, CAO continues to monitor IFC's actions in response to an audit of IFC's performance with regard to its investment in the client, which was completed in 2014 (p. xx).



CAO dispute resolution specialist and independent mediator visit Dinant's palm oil extractive plant in Honduras, October 2014 (CAO).

### **FICOHSA-01/CAO VICE PRESIDENT REQUEST**

IFC, Financial Markets; Vice President initiated August 2013; Compliance monitoring ongoing; Open.



In the course of CAO's compliance audit of IFC's investment in Dinant (p. 17), CAO became aware that Dinant was a major borrower from an IFC banking client, Ficohsa, which is the third largest bank in Honduras. As a result of its equity stake in Ficohsa, IFC had a significant exposure to Dinant. In light of this link, CAO's Vice President initiated a compliance appraisal of IFC's investment in Ficohsa in August 2013.

CAO's appraisal concluded that further investigation into IFC's performance with regard to Ficohsa was merited, and an investigation report was released in August 2014. The investigation, conducted with input from an external panelist, made several key findings with regard to shortcomings in IFC's environmental and social (E&S) obligations in relation to Ficohsa. These include insufficient measures taken by IFC prior to the investment to identify Ficohsa's exposure to E&S risks through its portfolio, and shortcomings in the E&S review process that led to an inadequate assessment of the risks by IFC. CAO did find improvement in IFC's supervision of the investment since 2012, and found no indication

that IFC pursued its equity investment in Ficohsa with the intention to provide additional financing to Dinant. Nonetheless, the investment increased IFC's exposure and facilitated a significant ongoing flow of capital to Dinant, which was outside the framework of IFC's E&S standards.

With regard to underlying causes of these shortcomings, CAO found that it is not IFC practice to review the E&S risk attached to the portfolios of its banking clients in the same depth as it reviews portfolio credit risk. This raises concerns that IFC has, through its banking investments, an unanalyzed and unquantified exposure to projects with potentially adverse environmental and social impacts. These findings point to the need for a reassessment of IFC's approach to the identification and management of E&S risk in its financial markets business, as echoed by findings from CAO's 2012 audit of IFC investments in third-party financial intermediaries (see below). CAO is currently monitoring IFC's actions in response to the investigation findings.

### **FINANCIAL INTERMEDIARY-01/AGUÁN VALLEY**

IFC, Banking; Received July 2014; Closed after assessment.



In July 2014, CAO received a complaint raising concerns about the impacts of the palm oil activities of Aceite de Palma Africana-OLEOPALMA and companies from the Jaremar Group in Honduras. The complaint was filed by a collective of four campesino cooperatives in the Aguán region, claiming that the project was negatively impacting members of two of its cooperatives.

In October 2014, CAO determined that the complaint was eligible, based on information indicating that some of these companies had been financed at some point by Banco Financiera Comercial Hondureña S.A., an IFC

financial intermediary client. During the assessment, CAO found that the issues raised in the complaint were related specifically to the operations of Aceite de Palma Africana-OLEOPALMA; however, CAO did not find any indication that IFC had current exposure to investments in Jaremar Group companies, or to investments in OLEOPALMA. In the absence of links between IFC and the companies named in the complaint, the complaint no longer falls within CAO's mandate and was therefore closed after the assessment.



## Mexico

### HARMON HALL-02/PUERTO VALLARTA; 03-06/PUERTO VALLARTA AND MÉRIDA CAMPESTRE; 08/PUERTO VALLARTA

IFC, Health & Education; Received September, October, November 2013 and March 2014; Closed after compliance appraisal, April 2015.



Between September 2013 and March 2014, CAO received six complaints regarding labor issues at Harmon Hall, a chain of English-language schools in Mexico. These complaints followed a first complaint, Harmon Hall-01/Mexico, which was submitted to CAO in 2011. Complaints 02-06 and 08 were filed by current and former teachers and employees of the company, raising concerns related to employment rights, compensation, and unfair treatment of workers. Concerns were also raised regarding the implementation of remedial actions agreed upon through the CAO process in relation to the first Harmon Hall case (Harmon Hall-01/Mexico).

Following CAO's assessment of the complaints, the company expressed its preference for handling them through its internal grievance mechanism. Therefore, the cases were referred to CAO Compliance and merged for

the purposes of an appraisal of IFC's performance. The appraisal, completed in April 2015, determined that in the absence of aggravating circumstances, disputes between an employer and individual employees around issues of pay and benefits do not raise substantial concerns regarding the environmental and social outcomes of an IFC investment meriting a compliance investigation. While CAO identified questions concerning IFC's appraisal and supervision of the investment, CAO found IFC to be supervising the investment with a focus on labor and working conditions, and found that IFC has an ongoing engagement with Harmon Hall around the implementation of Performance Standard 2. The cases were closed in April 2015.

### HARMON HALL-07/SAN LUIS POTOSI

IFC, Health & Education; Received March 2014; Closed July 2014.



In March 2014, CAO received a complaint from an employee of Harmon Hall regarding unfair treatment, unjust dismissal, and withheld benefits. During the course of the assessment, the company expressed a preference for handling the complaint through its internal grievance

mechanism, which the complainant was willing to try. The parties came to an agreement through this process in June 2014, and informed CAO that the concerns raised in the complaint had been addressed to their mutual satisfaction. CAO closed the case in July 2014.

## Nicaragua

### NICARAGUA SUGAR ESTATES LIMITED-01/LEÓN AND CHINANDEGA

IFC, Agribusiness; Received March 2008; Dispute resolution settlement being monitored; Open.



Board members and CAO team meet during CAO's last visit to Nicaragua before closing the dispute resolution process between ASOCHIVIDA and NSEL, Nicaragua 2015 (CAO).

Since March 2008, CAO has been working with ASOCHIVIDA, an association of 2,000 former sugarcane workers and their families, and Nicaragua Sugar Estates Limited (NSEL) to address concerns related to the health, environmental, and livelihood impacts of sugarcane production on NSEL's workforce and on local communities. Of particular concern to the local residents and former NSEL workers involved in filing the complaint was a potential linkage between the companies' sugarcane production activities and a high incidence of Chronic Kidney Disease (CKD) in its workforce.

Following CAO's assessment of the complaint, the parties agreed to work together to address the issues through a CAO dispute resolution process, which commenced in 2009. After a three year dialogue process, a settlement agreement was reached in 2012 between ASOCHIVIDA and NSEL. The agreement includes provisions relating to improvements in direct medical care and medical facilities for sufferers of CKD;

the development of income-generation projects for households impacted by the disease; and continued support for independent research into the cause of the disease and its link to the sugarcane industry carried out by Boston University School of Public Health. The team of experts from Boston University was jointly chosen by the parties as part of the dispute resolution process.

CAO has been monitoring implementation of the agreements reached since 2012, and at the time of writing was preparing to exit from the process. Efforts to improve the access to and quality of healthcare at the local level for those suffering from chronic kidney disease and to expand the scientific study on the causality of the disease into a regional initiative are continuing, as is the collaboration between Boston University and the U.S. Centers for Disease Control and Prevention (CDC) to conduct new research about the disease with a broader geographic scope.

# Peru

## [QUELLAVECO-01/MOQUEGUA](#)

IFC, Mining; Received November 2011; Compliance monitoring ongoing; Open.



In November 2011, CAO received a complaint from an environmental NGO on behalf of local communities in Peru raising concerns about Quellaveco, a copper mining concession in the pre-construction stage in the Department of Moquegua. IFC made an equity investment in 1993 for the acquisition and feasibility work of the company, selling its stake in February 2012. The complaint raises concerns about project impacts, including the quality and quantity of water sources, the handling of toxic wastes and potential health impacts to communities, the adequacy of the environmental and social impact assessment (ESIA), lack of community consultation and disclosure, as well as IFC's due diligence in relation to the project.

At the time that CAO received the complaint, a dialogue process, convened by local government, was ongoing. In light of this process, and of IFC's exit from the project, the company expressed its preference not to engage with the complainants through CAO's dispute resolution function. The case was referred to CAO Compliance in August 2012 for appraisal, which concluded that certain aspects of the project warranted investigation.

CAO's investigation report, released in August 2014, found that IFC's failure to include necessary environmental and social (E&S) requirements in the

Shareholders Agreement resulted in significant gaps in the company's E&S obligations. Though the investment was initiated at a time when IFC's E&S procedures were relatively underdeveloped, and subsequent development of these policies and procedures means such an oversight should not occur today, the absence of E&S requirements in IFC's investment agreement made supervision of these aspects difficult. Notwithstanding these gaps, CAO found that during supervision, IFC identified a range of social concerns regarding land acquisition and resettlement, the project's impact on Indigenous Peoples, and the adequacy of public consultation, as well as potential environmental impacts, including the adequacy of the water resources needed to service the mine, and the potential for water pollution, which represented good practice. However, CAO found that key E&S issues identified by IFC in project supervision were not translated into corrective action plans. More generally, the investigation raised questions about IFC's application of the Sustainability Framework and associated procedures to the long-term E&S risks associated with early equity investments in the mining sector. CAO is currently monitoring IFC's response to the investigation findings.

## [YANACOCHA-04, 05, 06, AND 07/CAJAMARCA](#)

IFC, Mining; Received November 2012, May 2013, February 2014, and March 2014; Closed after compliance appraisal May 2015.



Minera Yanacocha S.R.L., an IFC client, operates a large open-pit gold mine in the Andes Mountains in the Department of Cajamarca, Peru. In November 2012, May 2013, February 2014, and March 2014, CAO received four separate complaints from two families (Yanacocha-04 and -05), a former company employee (Yanacocha-06), and a local community member and his family (Yanacocha-07) living in the vicinity of Yanacocha's Conga mine in Cajamarca. Three complaints raised concerns related to disputed land claims and the company's land acquisition process, while the complaint filed by a former employee raised labor issues, including the termination of employment and lack of due process.

Two separate mediation processes were initiated between the company and two Cajamarca families (Yanacocha-04 and 05) in 2013 and 2014, but ultimately the parties were unable to reach agreements through dialogue. In accordance with CAO's Operational Guidelines, the cases were transferred to Compliance in February and July 2014. During CAO's assessment of Yanacocha-06, the company expressed its preference to

address the concerns through an ongoing legal process that the complainant had previously initiated in Peru, and the case was also referred to CAO Compliance. During CAO's assessment of the complaint submitted by a local community member and his family (Yanacocha-07), the company indicated its preference to address issues through CAO Compliance.

All four complaints were merged for the purposes of a compliance appraisal, which was completed in May 2015. While the appraisal identified questions as to IFC's due diligence and supervision in relation to Yanacocha's approach to land acquisition, it was not apparent from the material at hand that the land disputes and labor issues raised in the complaints were indicative of substantial concerns regarding the environmental and social outcomes of the project, or issues of systemic importance for IFC. On this basis, CAO concluded an investigation was not merited. The four cases were therefore closed in May 2015.



# MIDDLE EAST AND NORTH AFRICA

## Egypt

### [ALEX DEV-01/WADI AL-QAMAR](#)

IFC, Manufacturing; Received April 2015; Assessment ongoing; Open.



In April 2015, CAO received a complaint from an Egyptian NGO on behalf of community members, and former and current company workers, raising concerns about the Alexandria Portland Cement Company (APPC), part of Titan Group, a client of IFC. The complaint outlined concerns including exposure of local communities to dust and noise emissions; the impacts of pollution on community health and safety; the impacts of sea and

lake pollution on community livelihoods; compliance with local laws and environmental regulations; the adequacy of the Environmental Impact Assessment (EIA); lack of community consultation and information disclosure around environmental and social impacts; harassment and intimidation; and a number of labor issues. CAO found the complaint eligible in April 2015 and is conducting an assessment.

# SOUTH ASIA

## India

### [INDIA INFRASTRUCTURE FUND-01/DHENKANAL DISTRICT](#)

IFC, Global Financial Markets; Received April 2011; Compliance investigation ongoing; Open.



The Kamalanga Energy Project in Dhenkanal, India is a coal-fired power plant and a portfolio investment of the IFC-supported India Infrastructure Fund (IIF). In April 2011, CAO received a complaint from local and national NGOs on behalf of local communities living in the vicinity of the project. This was CAO's first complaint relating to an IFC financial intermediary subproject. The complaint raises concerns about the lack of transparency around potential environmental and social impacts associated with the project, lack of disclosure of project information, and general concerns about IFC's investments in financial intermediaries.

Though the company and complainants were initially interested in working together to address the issues

through dispute resolution, they were unable to agree on the parameters for dialogue when CAO convened the first joint meeting in January 2013. In accordance with CAO's Operational Guidelines, the case was referred to CAO Compliance in April 2013 for an appraisal of IFC's performance in relation to the project. The appraisal found that although IFC took positive steps to assess and address environmental and social risks and impacts around its investment in the Fund, there were outstanding questions regarding the adequacy of risk management and supervision that warranted further investigation. At the time of writing, CAO's investigation was complete and an investigation report had been sent to IFC for factual review.

### [LAFARGE SUMA CEMENT-01/SHELLA](#)

IFC, Manufacturing; Received January 2014; Closed after appraisal, October 2014.



Lafarge Surma Cement is an IFC client operating a cement plant in the Sunamganj district of Bangladesh. The plant sources raw materials from limestone quarries in the Meghalaya district of northeastern India, which are transported back to the processing plant by an overland conveyor belt system. In January 2014, CAO received a complaint from several individuals living in the vicinity of Lafarge's limestone quarry sites in India concerning the legitimacy of the company's land use and acquisition process around the villages of Shella and Tynger in Meghalaya. According to the complainants, the company began its mining operations, including the construction of the conveyor belt system, without the knowledge or consent of local landowners. The complainants contend that the company has failed to consider or respect the customary land rights of the Khasi Indigenous people, leading to deprivation of land, alienation, and livelihood impacts for local Indigenous communities.

Following CAO's assessment in 2014, the parties chose not to address the issues collaboratively through dispute

resolution and the case was referred to CAO Compliance for appraisal. The appraisal, completed in October 2014, found that the primary concerns of the complainants in this case relate to the company's acquisition of land that they claim to own. While a just resolution of these issues is no doubt important for the parties, the information available was not found to support a conclusion that the complaint raises substantial concerns about environmental and/or social outcomes of the project.

With regard to concerns about the adequacy of IFC's engagement with the project's impacts on the Indigenous People, CAO is reluctant to pursue an investigation around this issue in the absence of a complaint from a broader group of project-affected people. While the compliance appraisal raised a number of questions about the strength of IFC's preparation and its supervision of environmental and social aspects of the project, these were not found to be sufficient to justify an investigation. The case was closed in October 2014.

### **TATA MEGA ULTRA-01/MUNDRA AND ANJAR**

**IFC, Infrastructure; Received June 2011; Transferred from Dispute Resolution February 2012; Compliance audit completed October 2013; Compliance monitoring ongoing; Open.**



In June 2011, CAO received a complaint regarding Coastal Gujarat Power Limited (CGPL), a subsidiary of Tata Power, which has developed a 4,150-MW coal-fired power plant near the port town of Mundra in Gujarat, India. The complaint was filed by an organization representing migrant fisherfolk who reside seasonally in the vicinity of the project, and raises concerns about the impact of the plant on the marine environment, and on the livelihoods of local fisherfolk. The complainants also questioned the compliance of certain aspects of the plant's design with national regulations, as well as the adequacy of IFC's supervision of environmental and social risks associated with the project.

The complaint was referred to CAO Compliance for appraisal in February 2012. Following an appraisal, an audit was conducted and completed in October 2013. CAO's audit identified a number of noncompliances, including inadequate consideration and consultation of migrant fisherfolk early in the project cycle, resulting in missed opportunities to assess, avoid, and reduce potential adverse impacts in accordance with IFC's standards. CAO also found that IFC did not demonstrate that client monitoring was commensurate to the risk of the project; did not ensure that the client properly applied the World Bank Thermal Power Guidelines in relation to stack emissions; did not adequately consider the cumulative effects of submarine noise, light, heat, and other aquatic disturbance on the local marine environment; and did

not properly supervise the client with regard to IFC's requirements concerning resettlement, marine impact assessment, or cumulative impact assessment.

In November 2013, IFC released an action plan in response to CAO's audit report. CAO has since been monitoring IFC's actions, and released its first monitoring report in January 2015.

The report noted a number of steps the IFC client has taken, including: a socioeconomic survey of villages in the project area; consultation and community engagement with affected peoples; community development activities; monitoring of ambient air quality; and technical studies related to marine impacts, and cumulative air quality in the context of plans to expand the power plant.

While acknowledging these actions, CAO did not find them sufficient to address the findings of the audit. In particular, CAO noted that a number of its findings suggested the need for a rapid, participatory, and remedial approach to assessing and addressing project impacts raised by the complainants. Such measures, CAO noted, were not well developed in IFC's response, which focused on the commissioning of technical studies and corporate social responsibility measures implemented by the client. CAO also noted that technical noncompliance findings regarding the application of pollution control standards had not yet been addressed. CAO continues to monitor IFC's response to the audit and plans to issue a follow-up monitoring report no later than January 2016.



CAO compliance team visits tea plantations as part of an ongoing investigation of IFC investments in tea estates in Assam, India (CAO).

### **TATA TEA-01/CAO VICE PRESIDENT REQUEST AND TATA TEA-02/ASSAM**

**IFC, Agribusiness; Vice President initiated May 2012; Complaint received February 2013; Two cases merged for investigation; Compliance investigation ongoing; Open.**



Amalgamated Plantations Private Limited (APPL) is a company that manages 24 tea plantations in Assam and West Bengal, India. APPL was previously owned by Tata Tea Limited (TTL). In 2009 and 2010, violent incidents on two of APPL's plantations sparked disputes between the company and unions representing APPL workers. In response to concerns about labor-related aspects of the project submitted by the International Union of Food Workers to IFC's Communication Portal for Performance Standard (PS)2 on Labor and Working Conditions, CAO's Vice President initiated a compliance appraisal of IFC's investment in APPL in May 2012.

CAO's appraisal raised questions with respect to IFC's assessment and supervision of PS2 risks emerging from the relationship between APPL, its workers, and the unions representing them. A compliance investigation was initiated to look at questions relating to IFC's due diligence in its review and supervision of PS2 risks associated with the project; the adequacy of IFC's policies, procedures, and staffing structures in providing a robust framework to advance the objectives of PS2 with IFC clients; and whether IFC policies and procedures provide sufficient guidance to staff on how to respond effectively to complaints related to their clients' environmental and social performance.

In February 2013, while a compliance investigation of IFC's investment in APPL was underway, CAO received a complaint raising concerns about working and living conditions on APPL plantations in Nahorani, Majuli, and Hattigor, India. The complaint was filed by local NGOs on behalf of workers from APPL's tea plantations in Assam, citing long working hours, inadequate compensation, poor hygiene and health conditions, and restricted freedom of association among plantation workers. The complainants further question an employee share ownership program, claiming that workers have been pressured into buying shares, often without being properly consulted or informed about the risks of such an investment. Though the parties agreed that there was a need for improved communication and improvement with regard to grievance procedures, they were unable to agree on a framework for dispute resolution. The case was transferred to CAO Compliance in November 2013. The appraisal raised questions regarding IFC's assurance of the application of consultation and disclosure requirements of its Sustainability Policy and Performance Standard 1, on the Assessment and Management of Environmental and Social Risks and Impacts, regarding the employee share ownership program.

The above two cases were merged for the purpose of a compliance investigation. The investigation is in process.



## VIZHINJAM-01/KERALA, 02/KERALA, AND 03/MULLOR

IFC, Advisory Services; Received August 2012, September 2012, and April 2013; Compliance investigation ongoing; Open.



The Vizhinjam Port Project in Kerala is one of several ports being developed by the government of India as part of a large-scale National Maritime Development Project. IFC provided Advisory Services to Vizhinjam International Seaport Limited (VISL) with regard to structuring the project and seeking private sector partners to implement the project with the State Government Ports Department.

In August and September 2012, CAO received two complaints regarding the proposed Vizhinjam Port Project in Kerala. The first complaint (Vizhinjam-01) was filed by local tourism workers, businesses, and residents regarding the proposed port project and raises concerns about the impact of the project on local tourism and fishing communities, including water scarcity, loss of livelihood, loss of land, and inadequate compensation, as well as IFC's due diligence and review of the project's Environmental and Social Impact Assessment (ESIA). The complaint was referred to CAO Compliance in August 2013 for appraisal after the company expressed its belief that the complainants' concerns would be best addressed through the domestic Indian regulatory system.

The second complaint (Vizhinjam-02) raises concerns about the impact of the project on local fishing communities—particularly possible displacement and loss of livelihoods resulting from impaired access to fishing grounds and damage to marine biodiversity caused by port operations—as well as a lack of consultation and clarity about project benefits and employment opportunities for local communities. The complaint was filed by a local fishing group, the Kerala Independent Fish Workers Federation. Following CAO's assessment, the complaint was also referred to compliance in May 2013 after the company expressed its preference not to engage in dispute resolution with the complainants, stating it was

undertaking efforts to address the needs of fisherfolk through its own channels

The third complaint (Vizhinjam-03) was filed in April 2013 by residents of Mullor, one of 11 coastal villages in close proximity to the port project in Kerala. The complaint raises concerns about the impacts of a newly constructed port access road on local farmland and groundwater sources. During CAO's assessment, the company indicated its preference to address issues through the domestic regulatory framework and the case was referred to CAO Compliance in October 2013.

All three complaints were merged for the purposes of a compliance appraisal, which was completed in June 2015. The appraisal found that the complaints raise potentially significant concerns about the environmental and social (E&S) impacts of this project, and IFC's application of E&S requirements to the project. In particular questions were raised in relation to whether IFC's advice was consistent with Performance Standards (PS) regarding the assessment of the environmental and social impacts of land-based infrastructure associated with the project; the application of PS5 as it applies to economic displacement; and the application of PS1 and PS6 as they apply to stakeholder consultation and project impacts on ecosystem management. The appraisal also raised questions as to whether IFC's policies, procedures, and practices as they were applied to the selection and structuring of this Advisory Services project provided an adequate level of guidance and protection in the context of IFC's broader commitments to sustainable development. Based on these findings, CAO initiated an investigation of IFC's performance in relation to the project, which is underway.

## Pakistan

### BANK ALFALAH-01/SADDAR KARACHI

IFC, Advisory Services; Received May 2015; Assessment ongoing, Open. 

Bank Alfalah is a major bank in Pakistan, with one of the largest small and medium enterprise (SME) lending portfolios in the country. IFC is investing \$67 million to help expand access to finance for smaller businesses and spur economic growth and job creation. IFC has already provided the bank with a comprehensive advisory package to implement its SME banking program.

In May 2015, CAO received a complaint from Human Rights Mission Worldwide on behalf of a local complainant, who claims he was dismissed by the bank on the basis of his religion and age, and has consequently suffered economic and social hardships. CAO is currently conducting an assessment of the complaint.

# SUB-SAHARAN AFRICA

## Cameroon

### CHAD-CAMEROON PIPELINE-02/CAMEROON

IFC, Oil, Gas, Mining, & Chemicals; Received May 2011; Dispute resolution process ongoing; Open.



The Chad-Cameroon oil pipeline delivers oil from southern Chad to a marine facility off the coast of Cameroon. In 2002, the Cameroon Oil Transportation Company (COTCO) began building the pipeline on the Cameroonian side of the border. In May 2011, CAO received a complaint from several individuals and community representatives in Cameroon concerning negative impacts related to pipeline construction, including displacement of Indigenous communities; poor management of pipeline waste; loss of livelihood among local fishermen; health concerns, especially the rise in HIV/AIDS; and inadequate compensation for injuries sustained during work on the pipeline.

After CAO assessed the complaint, the parties agreed to address the issues through a dispute resolution process, which began in early 2012. Agreements have since been reached on all four of the individual cases filed. Three of these agreements have been fully implemented, while CAO continues to monitor implementation of the fourth. A dialogue process has also been ongoing since 2013 between COTCO and fishermen from Kribi. Interim agreements reached in 2014 are now being implemented, including providing local fishermen access to important fishing areas previously restricted by the project security zone. A dialogue process between the company and Ebaka community members concerning issues related to waste management is ongoing. The parties agreed to an independent study of impacts related to asbestos

waste—anticipated in August 2015—as well as a research visit from various governmental experts to assess wider environmental impacts and community health and safety aspects. A dispute resolution process between the company and representatives of the Bagyeli Indigenous communities is also underway, and CAO continues to support the Tripartite Forum (previously the Tripartite Platform), a forum made up of NGOs, the company, and the government, to address community concerns related to the pipeline.



A field is prepared as part of a settlement agreement between a local family and the company in Cameroon, 2015 (CAO).

## Chad

### **CHAD-CAMEROON PIPELINE-03/CHAD**

IFC, Oil, Gas, Mining, & Chemicals; Received October 2011; Dispute resolution process ongoing; Open.



In October 2011, CAO received a complaint raising concerns about the impact of the Chad-Cameroon pipeline project on the Chadian side of the border. The complaint was filed on behalf of an alleged 25,000 people raising concerns about the rise in poverty since the construction of the pipeline, pressure on land and livelihoods, water pollution, inadequate compensation, and inadequate monitoring and assessment mechanisms related to the project. The complaint specifically concerns IFC's client, the Tchad Oil Transportation Company (TOTCO).

A dispute resolution process has been underway between the parties since October 2011. During the initial stages of the process in 2013, CAO conducted a community awareness program to ensure that the broader communities were aware of the dispute resolution process, and worked closely with the parties,

particularly affected community representatives, to build their capacity for dialogue. A moral observers group was also set up to help monitor and inform the dialogue process. The group consists of senior clerics representing the main faiths of the region. In April 2013, the parties agreed upon an agenda of issues for negotiation, and a series of plenary sessions have since been held to discuss the issues outlined. In 2014 and 2015, CAO and the parties conducted a number of field visits to consult affected communities and to see first-hand the impact discussed in plenary sessions. The parties also agreed to engage independent experts to advise on options to address the issues. Consequently, subcommittees on compensation and the environment were formed and have been meeting for the last year to review individual and community-level claims.



CAO mediator, NGOs and consortium representatives visit fields and land claimed by complainants in Southern Chad to identify damaged trees, November 2014 (CAO).

## South Africa

### **LONMIN-02/MARIKANA**

IFC, Oil, Gas and Mining, Received June 2015; Assessment ongoing; Open.



In June 2015, CAO received a complaint from a local NGO in South Africa regarding the impacts of Lonmin's Marikana mine. The complainants include women who live in and around the mine site, supported by the Centre for Applied Legal Studies (CALs). The complainants claim that the mines operations have resulted in a number of negative impacts on local communities in the vicinity of

the mine, such as pollution to air and groundwater, lack of infrastructure, and lack of employment, especially for women. The complaint also cites concerns about non-compliance with national law and other project compliance issues. CAO is conducting an assessment of the complaint.

### **TSODILO-01/BADPLAAS**

IFC, Mining; Received April 2013; Closed after appraisal August 2014.



In April 2013, CAO received a complaint from the Director of the Cradle of Life Initiative, a privately owned bio-park and nature reserve in South Africa hosting a variety of conservation and ecotourism initiatives. The complaint related to the prospective mining activities of Tsodilo Resources Ltd., a Toronto-based exploration company, and raised concerns about the impacts of mining exploration licenses being granted to the company on land owned and protected by the Cradle of Life Project and the Nkomazi Game Reserve. The complainants believed that the proposed exploration activities would have adverse environmental impacts on the biodiversity and cultural heritage of the protected area, as well as impacts on livelihoods and local employment opportunities.

During an assessment of the complaint in 2013, the company expressed its belief that a dialogue process would be premature because no prospecting license had yet been granted. The case was referred to CAO Compliance in October 2013. An appraisal, completed in August 2014, determined that while a prospecting rights application might have adverse impacts, any potential significant environmental and social (E&S) impacts of the project would likely be contingent on the approval of a prospecting rights application and subsequent exploration activities. In this context, CAO noted the steps taken by IFC to assure itself that the company has in place E&S policies and procedures appropriate to identify and mitigate the impacts of mineral exploration activities, and concluded that an investigation was not warranted. The case was closed in August 2014.



## Togo

### LCT-01/LOMÉ

IFC, Infrastructure; Received March 2015; Pending referral to Compliance for appraisal; Open.



CAO meets with complainants during an assessment trip to Togo, June 2015 (CAO).

Lomé Container Terminal SA is a locally incorporated company that was awarded a 35-year concession by the government of Togo to develop, construct, and operate a greenfield container terminal within the Port of Lomé.

In March 2015, CAO received a complaint from the *Collectif des personnes victimes d'érosion côtière*, a collective of community members living in the vicinity of the project site, which raised concerns about the impacts

of construction of the terminal, including coastal erosion and related issues. The complainants also raised issues related to the project's Environmental Impact Assessment (ESIA). A CAO team traveled to Lomé in June 2015 to meet with the complainants, the company, and other relevant stakeholders. At the time of writing, the case was pending referral to compliance for appraisal of IFC.

## Uganda

### AGRI-VIE FUND-01/KIBOGA AND AGRI-VIE FUND-02/MUBENDE

IFC, Financial Intermediary (Agribusiness);

Received December 2011; Dispute resolution process concluded; Settlement in monitoring; Open.



In 2011, CAO received two complaints from affected communities living in the Kiboga and Mubende districts of Uganda, with support from Oxfam and the Uganda Land Alliance. The complaints raised concerns about displacement of community members living in the vicinity of commercial timber plantations under development by the New Forest Company (NFC). NFC receives funding from the Agri-Vie Agribusiness Fund, an equity fund supported by IFC with investments in southern and eastern Africa.

Following CAO's assessment of the complaints, two separate mediation processes were initiated between NFC and the Kiboga and Mubende communities, respectively. CAO worked with the parties to build their capacity to engage effectively in mediation, and held bilateral, plenary, and caucus sessions with the parties, as well as with Oxfam and the Uganda Land Alliance, which served as advisors and legal representatives to the affected communities.

Agreements were reached between NFC and the Mubende community in July 2013, and between NFC and the Kiboga community in May 2014. Both agreements commit the parties to a joint program of sustainable development and to building more solid, mutually beneficial relations. Two community cooperatives, the Mubende Bukakikama Cooperative Society and the Kiboga Twegatte Cooperative Society, have been set up to implement joint community development projects, and NFC has been expanding its social responsibility programs to support them. Both affected communities have agreed to respect NFC's legal rights to operate within the boundaries of the Ugandan government's forest reserves.

Since the signing of the agreement, the Mubende community has acquired 500 acres of land in the vicinity of the Namwasa Central Forest Reserve. Over 270 households have now been allocated plots for resettlement based on a resettlement plan, and the community has started to harvest crops from the new land. A cooperative development coordinator, appointed by CAO, is assisting the Joint Development Forum in the implementation of several other development initiatives, many with support from the company. These include developing a five-year strategic plan; an agricultural

inputs loan scheme; a communal beekeeping initiative; a village saving scheme offering loans to community members; a tree planting project; a goat herding project; establishment of a mobile clinic; construction of a maize storage facility; and construction of a borehole for clean water. The cooperative has also started a community school.

The Kiboga community has acquired two parcels of land, and about 140 households have resettled to date, with more planned in the near future. The Cooperative Society has set up an internal land committee to allocate land among its members, as well as to consult and develop a resettlement plan to map the communal areas and assist families in the resettlement process. The land committee has demarcated land plots and plots for the location of a school, a trading center, and a health center. Roads and a borehole have already been established. CAO continues to monitor both cases while agreements are being implemented.



CAO Vice President Osvaldo Gratacós visits the Mubende community in Uganda, July 2014 (CAO).



#### **BUJAGALI ENERGY-04 AND 06/BUJAGALI (WORKERS)**

**IFC and MIGA, Infrastructure; Received March 2011 and April 2013; Cases were merged at appraisal; Compliance investigation ongoing; Open.**



Former Bujagali construction workers meet with CAO to discuss concerns related to unpaid wages and benefits. CAO is conducting a compliance investigation of IFC and MIGA regarding the Bujagali hydropower project in Uganda (CAO).

In March 2011 and April 2013, CAO received its fourth and sixth complaints regarding the Bujagali Energy project, a 250-megawatt (MW) run-of-river hydropower project on the River Nile in Uganda. The fourth complaint (Bujagali-04) was filed by former employees of Salini Costruttori, the Engineering, Procurement and Construction (EPC) contractor engaged by Bujagali Energy Limited (BEL), regarding inadequate compensation for work-related injuries, intimidation of workers requesting their benefits, and the transparency of the compensation process. The sixth complaint (Bujagali-06) raises a number of concerns related to unpaid wages, allowances, national social security, and termination benefits. The complaint was filed by the chairman of an informal association of former Bujagali construction workers, acting on behalf of himself and approximately 300 other former employees of Boshcon Civil and Electrical Construction Limited, a subcontractor of Bujagali's main contractor, Salini Costruttori.

Following an assessment of the fourth complaint (Bujagali-04), the parties agreed to address the concerns through a dispute resolution process. This led to the resolution of 86 out of 93 individual workers cases, amongst other outcomes. A new community-based organization was established to create and

sustain livelihood activities for the complainants and other disabled workers. A Medical Arbitration Board—one of the mechanisms available to resolve individual worker compensation cases under Ugandan law—was resuscitated and strengthened. CAO also convened a workshop in Uganda focused on strengthening company-level grievance mechanisms. In December 2013, six out of the seven unresolved cases were transferred to CAO Compliance for appraisal.

With regard to Bujagali-06, the parties initially agreed to work together through dispute resolution. However, they were ultimately unable to reach consensus on how to move forward with the process, and the case was referred to CAO Compliance for appraisal in November 2014.

Bujagali-04 and Bujagali-06 were merged for the purposes of a compliance appraisal, which was completed in April 2015. The appraisal determined that an investigation was merited to establish whether IFC adequately reviewed and supervised labor-related aspects of the project, as required by Performance Standard 2. The investigation, which is underway, will look in particular at occupational health and safety issues, and issues related to workers compensation raised in the complaints.

#### **BUJAGALI ENERGY-05/BUJAGALI (COMMUNITY)**

**IFC and MIGA, Infrastructure; Received May 2011; Dispute resolution process concluded; Settlement in monitoring; Open.**



In May 2011, CAO received a complaint from local community members living in the vicinity of the Bujagali Energy project on the River Nile in Uganda. Bujagali Energy Limited (BEL) also managed the construction of approximately 100 kilometers of a 132 kilovolt (kV) transmission line on behalf of the Uganda Electricity Transmission Company Ltd. to improve transfer of electricity from the plant. This was the fifth complaint received by CAO regarding the project. During CAO's assessment, the parties chose to try to resolve the issues through dispute resolution. The relevant stakeholders agreed to three separate and parallel processes, each focused on a different issue: i) Loss of informal tourism livelihoods; ii) Damage caused by blasting during construction (referred to as the "blasting mediation"); and iii) Transmission line and dam site land compensation (referred to as the "T-line mediation").

The issues of the first complaint group (livelihoods) were resolved through direct negotiation between BEL and local informal tourism operators, resulting in written agreements that had all been implemented as of September 2012.

A complaint raising blasting-related issues was also submitted to the European Investment Bank Complaints Mechanism (EIB-CM). A mediation led by EIB-CM has resulted in some agreements on the blasting-related complaints. However, in November 2014, a lawsuit against BEL was filed by community members, including some CAO and EIB-CM complainants dissatisfied with the outcome of the mediation process, claiming damages from blasting. CAO is actively monitoring the ongoing

EIB-CM-led mediation and court process as they relate to the CAO complaint.

T-line complainants fell into two categories, which came to be known as the "557" and the "non-557." The 557 are members of the Bujagali Affected community (BAfC) who brought a legal case in the High Court of Uganda in 2009 against the Uganda Electricity Transmission Company Ltd (UETCL). They sought compensation for land, structures, and crops, which they claimed were either not paid at all, or not paid in accordance with the prevailing rates at that time. The non-557 are 27 individual CAO complainants who had not joined the court suit. In April 2015, the parties reached consensus and signed a Mediation Agreement. In May 2015, the Mediation Agreement was adopted by the High Court of Uganda as a Judgement of the Court. Implementation of the Agreement and resolution of the "non-557" claims are underway.



CAO team meets with Bujagali-05 complainants in Uganda (CAO).

#### **BUJAGALI ENERGY-07/BUJAGALI**

**IFC and MIGA, Infrastructure; Received February 2015; Assessment ongoing, Open.**



CAO received its seventh complaint related to the Bujagali Energy project in February 2015. The complaint was filed by four community members on behalf of some 200 others living in the vicinity of the project site, and

relates to inadequate compensation for crops damaged by project activities. CAO is currently conducting an assessment of this complaint.



# MULTIREGIONAL

## [FINANCIAL INTERMEDIARIES-01/CAO VICE PRESIDENT REQUEST](#)

IFC, Global Financial Markets; CAO Vice President initiated April 2011; Compliance monitoring ongoing; Open.



Financial intermediaries (FIs)—such as banks, insurance companies, leasing companies, microfinance institutions, and private equity funds—make up a large and growing portion of IFC financing to private sector projects in developing countries and emerging markets. In April 2011, CAO’s Vice President initiated a compliance appraisal of IFC’s FI investments in response to growing public scrutiny of the financial sector and a number of reports outside the World Bank Group questioning how IFC monitors the application of environmental and social standards in its financial sector investments.

CAO’s audit report, released in February 2013, found that IFC does not have a methodology for determining whether its principle requirement on clients—the implementation of an environmental and social management system—achieves the core objective of “doing no harm” or improving environmental and social outcomes at the subclient level. Further, CAO found that IFC procedures are not designed to support the broader outcomes that are commensurate with IFC’s prominent leadership role as a promoter of environmental and social responsibility. In the course of its audit, CAO undertook a detailed desk review of 188 investments relating to 63 FI clients, and a CAO team travelled to 54 locations in 25 countries to conduct face-to-face interviews with IFC clients, staff, and a number of subclients.

In response to CAO’s audit, IFC released an Action Plan in September 2013 focused on a Continual Improvement Framework for managing the environmental and social

performance of its FI business; strengthening IFC’s Advisory Services to raise the standard of E&S risk management in the FI sector in emerging markets; and establishing a formal process of outreach and consultation with key stakeholders concerning IFC’s FI business.

CAO released a monitoring report in October 2014, which considered actions taken by IFC in response to the FI audit findings and systemic findings in CAO’s subsequent Ficohsa investigation. CAO welcomed IFC’s commitment to continuous improvement in the implementation of its Sustainability Policy through FIs and IFC’s increasing acknowledgement of the importance of engagement with E&S risk at the subclient level. At the same time, CAO noted that important findings from the audit remain unaddressed, including IFC’s lack of a systematic methodology for determining whether the implementation of an E&S management system achieves IFC’s objectives of doing no harm or improving E&S outcomes on the ground. More specifically, CAO raises concerns that IFC’s response may not adequately address identified weaknesses in its approach to the review and supervision of E&S risk at the subclient level. The report also welcomed greater disclosure of subprojects by IFC’s Private Equity clients, but noted that the end-use of the majority of FI investments is not yet subject to disclosure.

CAO plans to release a follow-up monitoring report in relation to this audit no later than October 2015.



A CAO complainant at his coastal dwelling in Togo, June 2015 (CAO).

# Appendix A. IFC AND MIGA POLICIES

The following resources define the roles and responsibilities of IFC and MIGA and their client companies. CAO considers these documents, among others, when it conducts a compliance appraisal or audit.

## **IFC Sustainability Framework**

The updated 2012 version applies to all investment and advisory clients whose projects go through IFC's initial credit review process after January 1, 2012. The 2006 edition of IFC's Sustainability Framework applies to investments that went through IFC's initial credit review process from February 2006 to December 31, 2011. Investments made before February 2006 are subject to the Safeguard Policies (see list below).

## **IFC Policy on Environmental and Social Sustainability (2012)**

IFC's Sustainability Policy defines IFC's responsibilities in supporting project performance in partnership with clients.

## **IFC Performance Standards on Social and Environmental Sustainability (2012)**

IFC's Performance Standards (PS) define clients' roles and responsibilities for managing their projects and the requirements for receiving and retaining IFC support. They include:

- [PS1: Assessment and Management of Environmental and Social Risks and Impacts](#)
- [PS2: Labor and Working Conditions](#)
- [PS3: Resource Efficiency and Pollution Prevention](#)
- [PS4: Community Health, Safety, and Security](#)
- [PS5: Land Acquisition and Involuntary Resettlement](#)
- [PS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources](#)
- [PS7: Indigenous Peoples](#)
- [PS8: Cultural Heritage](#)

## **IFC Access to Information Policy (2012)**

IFC's Policy on Disclosure of Information defines its obligations to disclose information about itself and its activities.

## **MIGA Policy on Environmental and Social Sustainability (2013)**

## **MIGA Performance Standards on Environmental and Social Sustainability (2013)**

## **MIGA Access to Information Policy (2013)**

## **World Bank Group Environmental, Health, and Safety (EHS) Guidelines**

The EHS Guidelines are technical reference documents with general and industry-specific examples of Good International Industry Practice (GIIP), as defined in IFC's 2006 Performance Standard 3 on Resource Prevention and Pollution Abatement. Performance Standard 3 requires IFC clients to follow the EHS Guidelines.

## **General EHS Guidelines**

The General EHS Guidelines contain information on crosscutting environmental, health, and safety issues potentially applicable to all industry sectors. They are designed to be used together with the relevant industry sector guideline(s).

## **Industry Sector Guidelines**

- [Agribusiness/Food Production](#)
- [Chemicals](#)
- [Forestry](#)
- [General Manufacturing](#)
- [Infrastructure](#)
- [Mining](#)
- [Oil & Gas](#)
- [Power](#)

## **2006 POLICIES**

### **IFC's Policy on Social and Environmental Sustainability (2006 version)**

### **IFC's Performance Standards on Social and Environmental Sustainability (2006 version)**

- PS1: Social and Environmental Assessment and Management Systems
- PS2: Labor and Working Conditions
- PS3: Pollution Prevention and Abatement
- PS4: Community Health, Safety and Security
- PS5: Land Acquisition and Involuntary Resettlement
- PS6: Biodiversity Conservation and Sustainable Natural Resource Management
- PS7: Indigenous Peoples
- PS8: Cultural Heritage

### **IFC Policy on Disclosure of Information (2006)**

### **MIGA Policy on Social and Environmental Sustainability (2007)**

### **MIGA Performance Standards on Social and Environmental Sustainability (2007)**

### **MIGA Policy on Disclosure of Information (2007)**

## **PRE-2006 POLICIES**

### **Safeguard Policies (Pre-2006 versions)**

- [Child and Forced Labor Policy Statement \(March 1998\)](#)
- [Cultural Property \(OP 11.03, September 1986\)](#)
- [Environmental Assessment \(OP 4.01, October 1998\)](#)
- [Forestry \(OP 4.36, November 1998\)](#)
- [Indigenous Peoples \(OP 4.20, September 1991\)](#)
- [International Waterways \(OP 7.50, November 1998\)](#)
- [Involuntary Resettlement \(OP 4.30, June 1990\)](#)
- [Natural Habitats \(OP 4.04, November 1998\)](#)
- [Pest Management \(OP 4.09, November 1998\)](#)
- [Safety of Dams \(OP 4.37, September 1996\)](#)

## **DISCLOSURE POLICIES**

### **IFC's Disclosure Policy (September 1998)**

### **MIGA Policy on Disclosure of Information (1999)**

For more information, see IFC's web site, [www.ifc.org](http://www.ifc.org) and MIGA's web site, [www.miga.org](http://www.miga.org).



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## **MORE INFORMATION**

CAO reports, findings, and case updates are available on CAO's website. All other public documents, including CAO Advisory Notes and past Annual Reports, also are available in hard copy. CAO's Operational Guidelines are available in the seven languages of the World Bank Group. Further resources on how to file a complaint are available in additional languages on CAO's website. For more information, see [www.cao-ombudsman.org](http://www.cao-ombudsman.org).