

The Office of the Compliance Advisor/Ombudsman  
**2007–2008 Annual Report**





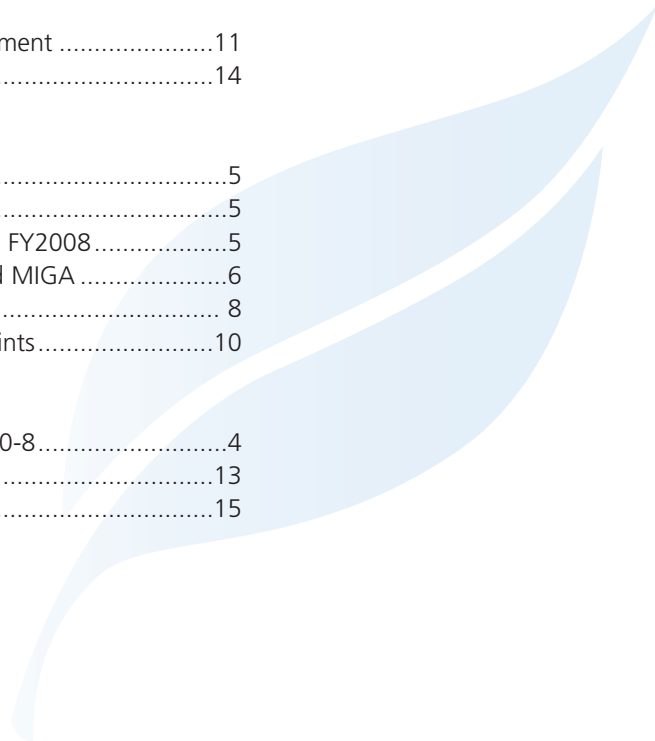
**Visit the CAO at [www.cao-ombudsman.org](http://www.cao-ombudsman.org)**

The CAO posts reports, presentations, and other documents on its Web site as soon they are released to the public.

Cover photo: Meeting of members from ASOCHIVIDA in Chichigalpa, Department of Chinandega, Nicaragua

# CONTENTS

Message from the World Bank Group President.....	1
Message from the Compliance Advisor/Ombudsman .....	2
The CAO's Caseload .....	4
Overview of the CAO.....	6
What We Do .....	7
Who We Are .....	7
How We Work.....	8
Confidentiality and Disclosure.....	9
CAO Ombudsman .....	11
FY2008 Ombudsman Update.....	13
CAO Compliance .....	14
FY2008 Compliance Update .....	15
CAO Advisor.....	16
FY2008 Advisory Update .....	16
FY2008 Advisory Highlight: Three New Advisory Notes.....	17
Civil Society Outreach .....	18
FY2008 Outreach Highlight: CAO Workshop in Zambia.....	19
Summary of CAO Cases, FY2008.....	20
CAO Archive, FY2000–7 .....	32
Funding Message.....	52
Strategic Advisors .....	53
CAO Staff.....	54
Reports and Publications, FY2008.....	56
CAO Complaint Log, FY2000–8.....	57
Further Information about the CAO.....	62
How to File a Complaint.....	62
Boxes	
Box 1. Criteria to Determine Eligibility for Assessment .....	11
Box 2. Audit Criteria .....	14
Figures	
Figure 1. CAO Cases by Region, FY2000–8.....	5
Figure 2. CAO Cases by Sector, FY2000–8 .....	5
Figure 3. Status of CAO Complaints Reviewed in FY2008.....	5
Figure 4. The CAO and Accountability at IFC and MIGA .....	6
Figure 5. The CAO's Three Roles .....	8
Figure 6. The CAO Process for Handling Complaints.....	10
Tables	
Table 1. Breakdown of CAO Complaints, FY 2000-8.....	4
Table 2. CAO Ombudsman Workload, FY2008 .....	13
Table 3. CAO Compliance Workload, FY2008 .....	15



## Our Mission

The CAO's mission is to serve as a fair, trusted, and effective independent recourse mechanism and to improve the social and environmental accountability of IFC and MIGA.





## Message from the World Bank Group President



The institutions of the World Bank Group pursue rigorous due diligence processes—both in making financial commitments to clients, whether governments or private sector entities, and in upholding a commitment to social and environmental standards that reflect best practices globally.

We also are accountable for what we do: if communities believe they may be harmed by the projects we support, they have unrestricted access to the World Bank Group's independent accountability mechanisms. In our private sector operations financed by IFC and MIGA, this commitment to accountability, independent recourse, and dispute resolution is supported by the work of the Office of the Compliance Advisor/Ombudsman (CAO).

The private sector offers great capacity for change—in creating jobs, building skills, and extending basic goods and services to people. But for such benefits to be meaningful, they should be both inclusive and sustainable. We need to listen to all the voices in the development process—not only to our shareholders and clients, but to workers and their dependents, communities affected by our projects, and the organizations that represent their interests.

The CAO provides a process through which people can raise their concerns. The CAO also helps foster the principle and practice of accountability at IFC and MIGA. Accountability is critical to doing good business. If we have made mistakes, we want to know, and we want to fix them. We aim to instill the same values in our clients. The pursuit of responsible practices is essential if we are to catalyze change that can empower the poor, protect the environment, and improve people's lives.

I am delighted to introduce the CAO's 2007–8 Annual Report, which showcases its activities during the past year. These pages speak to the commitment we make to managing the effects of projects, assuring the highest standard of performance for our social and environmental obligations, and learning lessons that help us improve our performance on the ground.

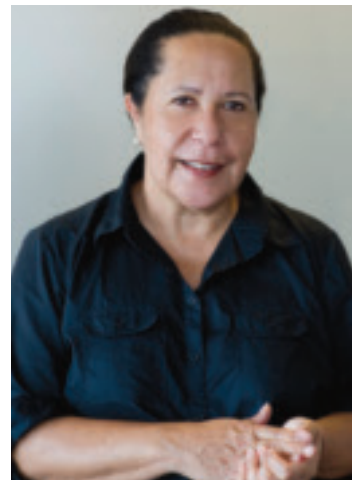
Robert B. Zoellick  
September 2008



## Message from the Compliance Advisor/Ombudsman

This has been a busy year for the CAO. We have worked on a record number of complaints, expanded our Advisory role, sharpened our tools for measuring our effectiveness, and considerably extended our outreach activities to civil society.

Starting with our core function—handling complaints on the social and environmental impacts of IFC and MIGA projects—the CAO received more new complaints this year than any other year since our Office was established, reviewing a total 26 new and ongoing complaints in FY2008. This year, we have worked under the new CAO Operational Guidelines, launched in FY2007, which have changed our process for handling cases to provide greater clarity between our Ombudsman and Compliance roles. This has led to an increase in the number of cases going to compliance appraisal and audit in the event that the CAO Ombudsman is unable to help parties reach settlement around issues of concern. I believe the new guidelines have helped our stakeholders to understand better how we work and what to expect from a CAO process.



The CAO produced three new Advisory Notes in FY2008 based on our experiences of responding to complaints across the IFC and MIGA project portfolio. These Notes, on local development impact reporting, grievance mechanisms, and participatory water monitoring, explore critical issues at the nexus of corporate-community relations. They aim to improve IFC/MIGA project performance systemically, while providing guidance to project sponsors on improving their engagement with local communities. The positive response we have had already to this work from the private sector demonstrates the increasing demand for guidance on issues related to alternative dispute resolution.

Many people have asked us this year about the CAO's effectiveness and how we measure it. The CAO monitors its overall effectiveness through a monitoring and evaluation program that was introduced as a response to our FY2006 Retrospective Review. We have recently developed a Management Action Tracking Record (MATR) to help us review IFC/MIGA's response to CAO findings. It will work in parallel with our other monitoring systems—such as CAO Ombudsman monitoring of commitments in settlement agreements, and CAO Compliance monitoring of responses to its audit findings. As it works currently, the MATR includes cases active as of July 1, 2007 and it will be made public by the CAO in FY2009. The quality of response from IFC and MIGA will have a tremendous bearing on the integrity of our Office—and how seriously both institutions take the work we do.

This fiscal year, we launched a global outreach program to civil society with the aim of raising awareness about the CAO. We have participated in meetings with local civil society in more than ten countries across three continents. We have also met with international nongovernmental organizations (NGOs) in North America and Europe. Most important is what we have learned. Already we see common themes emerging from this outreach: a lack of awareness among civil society about the existence of the CAO; a lack of understanding about IFC/MIGA; and a perceived lack of information about the projects they finance and their local development impact. We are learning firsthand how such systemic information gaps are compounding poor relations with civil society and eroding the institutional credibility of the World Bank Group.

All this raises the matter of challenges for the CAO in the coming year.

The CAO believes that both the affected community and the IFC/MIGA sponsor should know at the earliest stage about the existence of the CAO and what it can do. Therefore, institutionalizing the role of the CAO into IFC and MIGA client relationships is of paramount importance. The CAO welcomes IFC's inclusion of the CAO in its Mandate letter with clients and MIGA's inclusion of the CAO in the Definitive Application for all categories of projects. We believe that IFC can go further: first, by making mention of the CAO in IFC disclosures, particularly the Summary of Proposed Investment and the Environmental and Social Review Summary; second, that reference be made to the CAO where IFC requests sponsors to disclose additional information to local communities; and third, that IFC informs communities of the existence of the CAO (together with other community-level recourse mechanisms) as part of community engagement leading to broad community support. The CAO believes that both the local community and project sponsor benefit from knowing about the CAO and its value as an independent recourse and accountability mechanism. Indeed, the positive response to our work by both communities and IFC and MIGA clients validates this belief.

In all, it has been a very productive year and I am extremely pleased to see the three functions of the CAO all working effectively.

I thank you all, especially civil society and IFC/MIGA clients that the CAO has worked with this year to get results for communities at the project level.



Meg Taylor  
Vice President, CAO  
September 2008



## The CAO's Caseload

Since fiscal year (FY) 2000, the CAO has received 99 complaints on 27 different IFC and MIGA projects (see table 1). Of this number, 61 complaints fulfilled the CAO's eligibility for assessment (see CAO Archive, FY2000–7 and Summary of CAO Cases, FY2008, pp. 20-31). In FY2008, the CAO reviewed 26 complaints, of which 19 were new and 7 were carried over from previous fiscal years. Of the 19 new complaints, 11 were accepted as eligible for further assessment. Complaints accepted as eligible for assessment by the CAO Ombudsman, and/or appraisal and audit by CAO Compliance, are referred to as "cases." The complete CAO caseload is summarized in figures 1–3.



*Impacted community members, West Kalimantan, Indonesia*

**TABLE 1. BREAKDOWN OF CAO COMPLAINTS, FY2000-8**

Fiscal year	Deemed ineligible	Settled after ombudsman assessment	Ongoing ombudsman cases	Closed after ombudsman assessment and compliance appraisal	Closed after ombudsman assessment and compliance audit	Closed after referral and compliance audit	Ongoing compliance cases	Total new complaints
2000	0	0	0	0	0	0	0	0
2001	2	6	0	0	1	0	0	9
2002	0	3	0	0	0	0	0	3
2003	0	1	0	0	0	0	0	1
2004	4	9	0	0	1	0	0	14
2005	3	14	0	0	0	1	0	18
2006	13	2	0	1	1	1	0	18
2007	8	2	0	6	0	0	1	17
2008	8	0	8 <sup>a</sup>	1	0	0	2 (+1) <sup>a</sup>	19
<b>Total</b>	<b>38</b>	<b>37</b>	<b>8<sup>a</sup></b>	<b>8</b>	<b>3</b>	<b>2</b>	<b>3 (+1)<sup>a</sup></b>	<b>99</b>

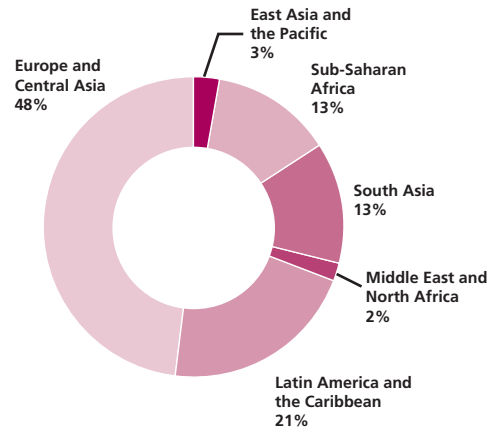
a. One complaint, Wilmar Group-01/West Kalimantan, had a concurrent ombudsman assessment and compliance audit ongoing as of June 30, 2008. For the purposes of this report, it is represented in the complaint count under "Ongoing ombudsman cases."





Ombudsman assessment, Webuye, Kenya

FIGURE 1. CAO CASES BY REGION, FY2000-8



Residents of Senujuh, Indonesia

FIGURE 2. CAO CASES BY SECTOR, FY2000-8

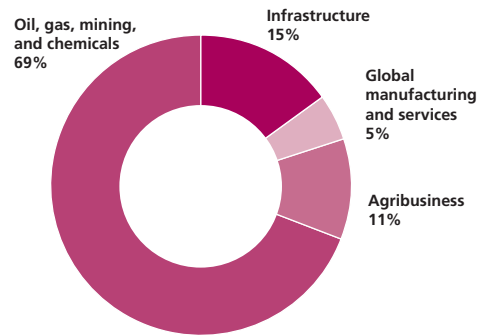
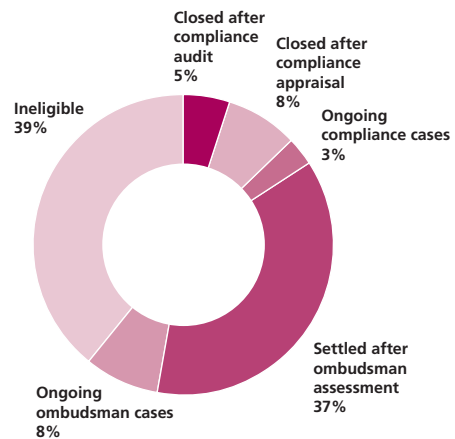


FIGURE 3. STATUS OF CAO COMPLAINTS REVIEWED IN FY2008



Figures 1 and 2 are based on 61 cases deemed eligible for assessment by the CAO since FY2000.

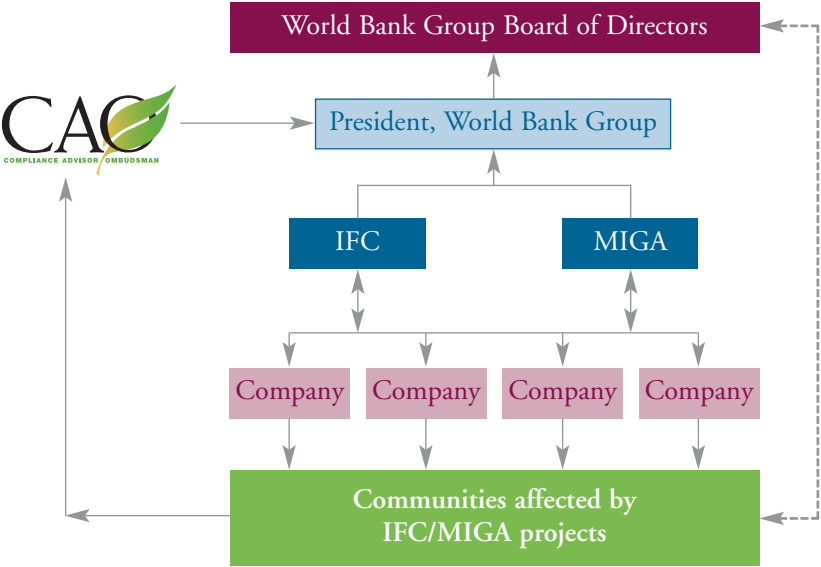
Figure 3 shows the status of the 26 complaints reviewed by the CAO in FY2008. It includes new complaints received (including those ineligible for assessment) and ongoing cases from previous fiscal years.



# Overview of the CAO

The Office of the Compliance Advisor/Ombudsman (CAO) was established in 1999 as the independent recourse mechanism for the private sector arms of the World Bank Group, the International Finance Corporation (IFC) and Multilateral Investment Guarantee Agency (MIGA). The CAO reviews complaints from individuals and communities that believe they are, or may be, adversely affected by IFC and MIGA projects and reports directly to the President of the World Bank Group.

**FIGURE 4. THE CAO AND ACCOUNTABILITY AT IFC AND MIGA**



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The CAO provides a direct avenue for the concerns of project-affected communities to be heard at the highest levels of decision making within the World Bank Group.

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*Ombudsman assessment, Council of Elders, Tinongdan, Philippines*

## What We Do

The CAO works to:

- Address the concerns of individuals and communities that are affected by IFC/MIGA projects
- Enhance social and environmental outcomes of IFC/MIGA projects, and
- Foster greater public accountability by IFC/MIGA.

Independence from IFC and MIGA line management and a reporting line to the World Bank Group President allows the CAO to serve as a trusted and impartial resource to stakeholders involved in a dispute and provide both institutions with objective advice aimed at improving social and environmental project outcomes.

## Who We Are

**The CAO staff** is committed to fair and transparent outcomes for each of the parties we serve. Our diverse team includes professionals from both the private and nonprofit sectors with experience in dispute resolution, compliance and accountability, research and analysis, and professional administration. When complaint resolution processes and compliance investigations require specific expertise, we hire short-term consultants with proven track records in the relevant field.

The CAO works with a **Strategic Advisors Group** comprised of professionals from civil society, private industry, academia, and the field of mediation and conflict resolution (see p. 53).



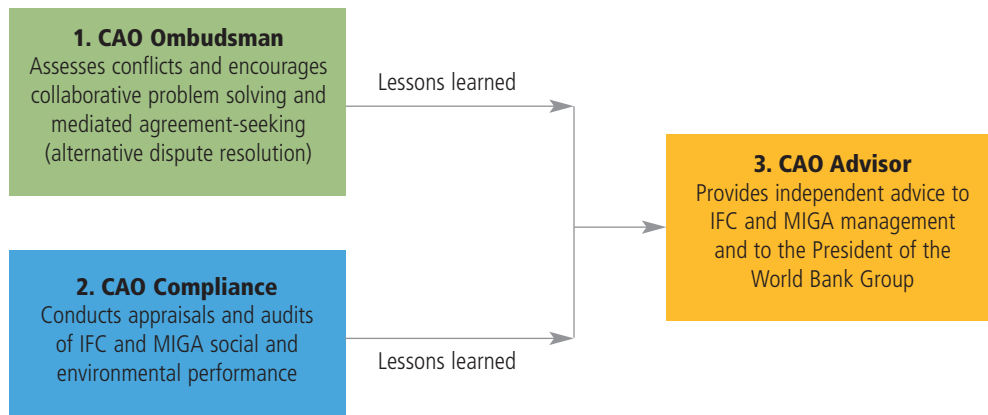
A **Reference Group** advises the CAO periodically on topics of accountability and strategic focus. Like the Strategic Advisors Group, the Reference Group includes independent professionals from around the world working in civil society, the private sector, and academia, as well as experts within the World Bank Group. Although the Reference Group does not give project-specific advice, it provides input on various aspects of the CAO's operational procedures and on our contributions to institutional policies and reviews.

The Compliance Advisor/Ombudsman, Meg Taylor, was recommended to the President of the World Bank Group by an external selection team made up of civil society and industry representatives. CAO specialists come from outside the World Bank Group.

## How We Work

The CAO has three unique and complimentary roles, which together provide a flexible framework for handling complaints and addressing systemic concerns (see figure 5).

**FIGURE 5. THE CAO'S THREE ROLES**



**CAO Ombudsman** reviews all complaints and makes an initial assessment of the situation, the stakeholders, and their interests (see box 1 and figure 6). The purpose of an ombudsman assessment is to help the parties identify alternatives and mutually agreeable solutions for resolving the issues. Successful ombudsman processes can involve a number of alternative dispute resolution approaches, including mediated agreements, joint fact-finding, multiparty monitoring programs, community development roundtables, or other collaborative approaches initiated by the parties involved in a complaint.

**CAO Compliance** conducts audits of IFC/MIGA social and environmental performance in the event that parties are unable or unwilling to reach agreement on how to resolve the complaint. All cases handled by CAO Compliance—whether transferred by the Ombudsman or by request from senior management or the CAO’s Vice President—first undergo an appraisal to determine whether an audit of IFC or MIGA is merited. CAO Compliance reports and discloses the results of the appraisal to the President and Board of the World Bank Group, IFC and MIGA senior management, and the public. If the CAO decides to initiate a compliance audit as a result of this appraisal, a terms of reference for the audit is developed in accordance with the CAO Operational Guidelines.

**CAO Advisory** work provides independent advice to IFC and MIGA management and the President of the World Bank Group on broader social and environmental issues. CAO Advisory Notes focus on policies, standards, procedures, guidelines, resources, and systems to strengthen accountability and ensure adequate monitoring and review of IFC/MIGA projects. The CAO does not provide project-specific advice, but rather generic advice on emerging issues or trends with the aim of improving performance systemically.

## Confidentiality and Disclosure

Trust and confidence are prerequisites for the CAO in helping parties to a complaint identify mutually acceptable solutions. The CAO places the concerns of the affected stakeholders at the center of the complaint resolution process. We respect requests for confidentiality during ombudsman assessment and agreement-seeking processes, and during a compliance appraisal and audit.

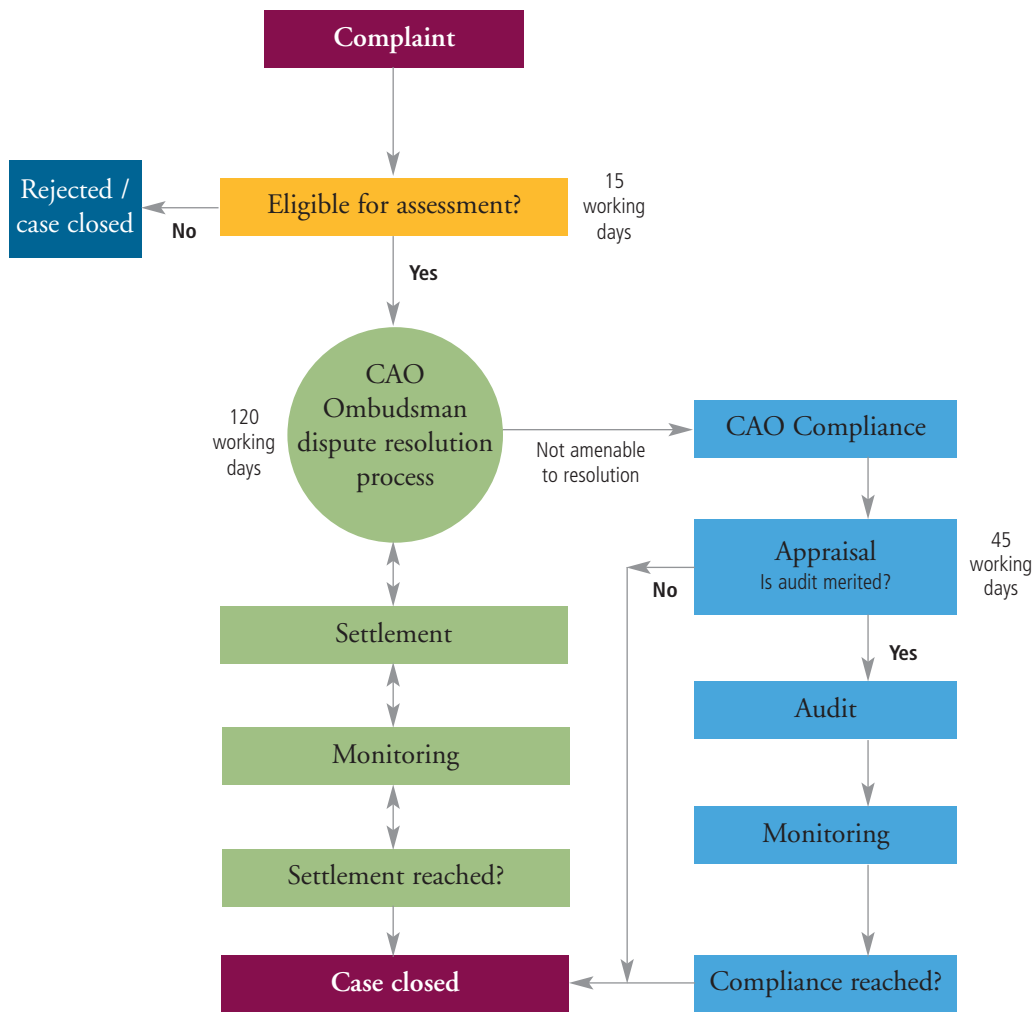
The CAO is committed to transparency and maximum disclosure of our work. We publicly disclose reports, findings, outcomes of CAO processes, and Advisory Notes on the CAO Web site and in hard copy (see p. 56). Disclosure of certain reports may be subject to limitations imposed at the request of affected parties.

We have been working with the management of IFC and MIGA to ensure that project staff includes notification of the CAO’s existence in all dealings with potential, new, and existing sponsors. Beginning this fiscal year, IFC now includes mention of the CAO in its Mandate letter with clients for Category A projects, and MIGA now includes reference to the CAO in the Definitive Application for all categories of projects.



The CAO is committed to ensuring that the perspectives and concerns of local communities and vulnerable groups are heard.

FIGURE 6. THE CAO PROCESS FOR HANDLING COMPLAINTS



Note: If the complaint includes allegations of fraud and/or corruption, the CAO will refer those allegations to the World Bank Group Office of Institutional Integrity.

## CAO Ombudsman

The goal of an ombudsman process is to address specific issues that have contributed to conflicts, and help people reach agreements that meet the interests of all the parties.

The CAO Ombudsman works with stakeholders to help resolve grievances about the social and environmental impacts of IFC/MIGA projects, and to improve outcomes on the ground. Through an ombudsman process, parties identify alternatives for resolving the issues of concern, and make informed decisions about the best way forward. CAO Ombudsman specialists are trained in alternative dispute resolution (ADR), with expertise in conflict assessment and management, stakeholder identification, and multiparty facilitation. The goal of an ombudsman process is to address specific issues that have contributed to conflicts, and help people reach agreements that meet the interests of all the parties. The CAO Ombudsman does not make a judgment about the merits of a complaint, nor does it impose solutions or find fault.

After receiving a complaint, the CAO Ombudsman first determines its eligibility for assessment (see box 1). The purpose of this assessment is to clarify the issues and concerns raised by the complainant, to gather information on how other stakeholders see the situation, and to help the stakeholders determine whether and how they might be able to resolve the issues.



*Ombudsman meeting with complainants, Naokhrebi, Georgia*

### **BOX 1. CRITERIA TO DETERMINE ELIGIBILITY FOR ASSESSMENT**

Complaints are deemed eligible for assessment if:

- The complaint concerns a project that IFC/MIGA is participating in, or is actively considering
- The issues raised in the complaint pertain to CAO mandate to address social and environmental impacts of an IFC/MIGA project
- The complainant (or those representing them) are, or may be, affected by the social and/or environmental impacts raised in the complaint.

Based on the results of the assessment process, the CAO Ombudsman will either:

- Work with the stakeholders to produce an explicit agreement on a process for addressing the issues raised in the complaint, and other issues that may have been identified during the assessment,

or

- Determine that a collaborative resolution is not possible. In this case, the CAO Ombudsman transfers the complaint to CAO Compliance for appraisal.

An ombudsman assessment concludes with a decision as to whether or not to proceed and a clear outline of the course of action proposed. An assessment report (including any agreements to proceed with a collaborative process or decisions to refer to CAO Compliance) is prepared for the stakeholders, the President and Board of the World Bank Group, and the public.

In FY2008, the CAO received more complaints than any year since our inception in 1999. While not all of those cases met our eligibility criteria for assessment, the number of filed complaints indicates a greater awareness of the CAO's existence and services by impacted communities and NGOs. An overview of the complaints that met our criteria for assessment during the past two fiscal years identifies an increase in complaints from IFC's agribusiness and infrastructure sectors. Complainant issues have related primarily to access to water, land use and compensation, and labor conditions.

This year, we received and assessed our first complaint from a project based in the Russian Federation, and our first complaint in Sub-Saharan Africa since FY2005. All of the ombudsman cases this year were handled in accordance with the revised CAO Operational Guidelines, resulting in a more streamlined process for transferring cases to CAO Compliance in the event the CAO Ombudsman is unable to help parties reach agreement. One complaint, Wilmar Group-01/West Kalimantan, is undergoing a concurrent ombudsman assessment and compliance appraisal.

*Ombudsman field assessment, West Kalimantan, Indonesia*





## FY2008 Ombudsman Update

In FY2008, the CAO Ombudsman handled a total of 25 complaints: 19 were new complaints received during the fiscal year, of which 8 were deemed not eligible for assessment and six were ongoing cases from previous fiscal years (see table 2). For descriptions, see Summary of CAO Cases, FY2008, pp. 20-31. Full reports are available on the CAO Web site.

**TABLE 2. CAO OMBUDSMAN WORKLOAD, FY2008**

No. of cases	Country	Complaint	Status <sup>a</sup>
1	Bangladesh	IFC/BICF	Ineligible
1	Bolivia	Sinchi Wayra (formerly COMSUR)	Ineligible
1	Brazil	Globalbix	Ineligible
1	Costa Rica	Alterra	Ineligible
1	Ecuador	Interagua-01/Guayaquil	Assessment ongoing
1	Georgia	BTC Pipeline-30/Vale	Monitoring settlement agreement
1	Georgia	BTC Pipeline-31/Naokhrebi	Transferred to CAO Compliance
1	India	AD Hydro Power Limited-01/Himachal Pradesh	Monitoring of agreement concluded and case closed
4	India	Mahindra Farm Services-01,02,03,04/Confidential	Transferred to CAO Compliance
1	India	Ramky-03/Gummidipoondi	Transferred to CAO Compliance
1	Indonesia	Wilmar Group-01/West Kalimantan	Ongoing assessment (part of case transferred to CAO Compliance)
1	Kazakhstan	Lukoil Overseas-02/Berezovka	Transferred to Compliance
1	Kazakhstan	Lukoil Overseas-03/Berezovka	Assessment ongoing
1	Kenya	Pan African Paper Mills-01/Webuye	Assessment ongoing
1	Nicaragua	Nicaragua Sugar Estates Limited-01/León and Chinandega	Assessment ongoing
1	Papua New Guinea	Digicel	Ineligible
1	Philippines	Ambuklao-Binga Hydroelectric Power-01/Binga	Assessment ongoing
1	Peru	Compañía Minera Antamina S.A.-03/Huarmey	Ineligible
1	Russian Federation	Russkiy Mir II-01/Taman	Transferred to Compliance
1	Russian Federation	Russkiy Mir II-02/Taman	Assessment ongoing
1	South Asia	Pakistan Banking	Ineligible
1	Zambia	Konkola Copper Mines Plc (KCM)-02/Kawama	Ineligible

a. Status is as of June 30, 2008



## CAO Compliance

Compliance audits focus on how IFC and MIGA assure themselves of their social and environmental commitments associated with a project.

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CAO Compliance oversees audits of IFC and MIGA's compliance with applicable policies, standards, guidelines, procedures, and conditions at the individual project level (see box 2). CAO audits aim to enhance the social and environmental outcomes of IFC/MIGA projects on the ground, and to strengthen adherence to IFC/MIGA policies and procedures.

Compliance audits focus on IFC and MIGA—not the project sponsor—and examine how the two institutions assure themselves that they have met their social and environmental commitments associated with a project. However, in many cases, in assessing the performance of the project and implementation of measures to meet relevant requirements, the CAO may conduct field assessments to review the actions of the sponsor and verify outcomes in the field.

CAO audits are independent of, but complementary to, IFC's and MIGA's internal assurance efforts.

### **BOX 2. AUDIT CRITERIA**

CAO's audit criteria include IFC/MIGA policies, performance standards, guidelines, procedures, and requirements. Violation of these provisions may result in adverse social and/or environmental impacts. Audit criteria may have their origin in social and environmental impact assessments or plans; host country legal and regulatory requirements (including international legal obligations); and the environmental, health, and safety provisions of the World Bank Group, IFC/MIGA, or conditions for IFC/MIGA involvement in a project.

The audit will typically be based on a review of documents, interviews, observation of project activities and outcomes, or other appropriate means. The verification of evidence is an important part of the audit process. Typically, CAO Compliance employs independent experts to conduct its audits.

CAO Compliance experienced a significant increase in the number of cases during FY2008 compared to earlier years. This increase is a direct consequence of the revised CAO Operational Guidelines, which call for the transfer of all cases, or parts of cases, for compliance appraisal and audit where the CAO Ombudsman is unable to facilitate a settlement agreement.



*Compliance audit team meet with resident of Berezovska, Kazakhstan*

During FY 2008, CAO Compliance also made public all appraisal reports, providing not only greater transparency for the reasons why a case merited an audit, but also providing a track record of issues raised with the CAO even where such issues were not eligible for further investigation in an audit.

## FY2008 Compliance Update

In FY 2008, CAO Compliance conducted six new appraisals and one ongoing audit regarding 10 different CAO cases (see table 3). Following appraisal, six cases were closed, and three were pending as of June 30, 2008. The one audit was released in March 2008; since IFC's response did not assure the CAO that the institution would move back into compliance, the case remained open as of June 30, 2008. See Summary of CAO Cases, FY2008, pp. 20-31. Full reports and findings are available on the CAO Web site.

**TABLE 3. CAO COMPLIANCE WORKLOAD, FY2008**

No. of cases	Country	Case(s)	Status <sup>a</sup>
1	Georgia	BTC Pipeline–31/Naokhrebi	Appraisal pending
4	India	Mahindra Farm Services–01,02,03,04/Confidential	Appraisal <sup>b</sup> closed
1	India	Ramky-03/Gummidipoondi	Appraisal closed
1	Indonesia	Wilmar Group–01/West Kalimantan	Appraisal pending
1	Kazakhstan	Lukoil Overseas–01/Berezovka	Audit open
1	Kazakhstan	Lukoil Overseas–02/Berezovka	Appraisal closed
1	Russian Federation	Russkiy Mir II–01/Taman	Appraisal pending

a. Status is as of June 30, 2008.

b. CAO Compliance conducted one appraisal for the four complaints.

## CAO Advisor

The CAO's experience and credibility make it an important source of independent advice to the President and senior management of the World Bank Group.

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The CAO's perspective of working with challenging projects, combined with its independence and credibility, enable it to provide insights and advice to the President and senior management of the World Bank Group. The CAO advisory role is a valuable opportunity to reinforce the effectiveness of both institutions.

The CAO's advice aims to improve performance systematically and provide guidance on emerging trends and strategic issues. In order to prevent conflicts of interest, the CAO does not give project-specific advice, but does derive its insights from its ombudsman and compliance experiences.

## FY2008 Advisory Update

The CAO produced three Advisory Notes during FY2008 focused on key issues that have emerged from its review of cases: grievance mechanisms for development projects; improving IFC's and MIGA's local development impact at the project level; and participatory water monitoring (see p. 17). These Advisory Notes are available on the CAO Web site.

*Community meeting, West Kalimantan, Indonesia*





## FY2008 Advisory Highlight: Three New Advisory Notes



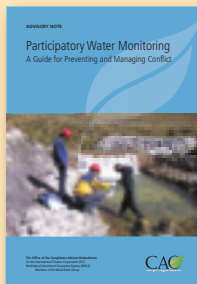
### **A GUIDE TO DESIGNING AND IMPLEMENTING GRIEVANCE MECHANISMS FOR DEVELOPMENT PROJECTS**

This guide provides practical advice on how to set up and manage an effective grievance mechanism at the project level. It captures insights and key design characteristics of grievance mechanisms that draws on the CAO's extensive experience, as well as a broad range of dispute resolution approaches implemented by private sector companies around the world.



### **IMPROVING IFC'S AND MIGA'S LOCAL DEVELOPMENT IMPACT AT THE PROJECT LEVEL**

This Advisory Note examines how awareness of, and access to, local development benefits at the project level are key ingredients to improved corporate-community relations. It draws on lessons learned from the CAO's experience in handling complaints from local communities concerning private sector projects and explores how possibilities for preventing conflicts can be improved by identifying stakeholder concerns early in project development, and reporting thoroughly on risks and benefits. This Note provides advice for IFC/MIGA and project sponsors on opportunities for generating local support for company activities, resolving conflicts before they escalate, and strengthening project performance and local development impacts.



### **PARTICIPATORY WATER MONITORING: A GUIDE FOR PREVENTING AND MANAGING CONFLICT**

Water is a critical concern for many rural communities and issues related to water quality, quantity, and distribution are a common source of complaints to the CAO. This guide distills lessons learned from our work around the Yanacocha mining project in Peru to show how participatory water monitoring can be a powerful tool for preventing and resolving disputes over project information. The guide provides practical advice on establishing monitoring programs that build trust and credibility, as well as practical models for collaborative engagement in environmental oversight in other contexts.



## Civil Society Outreach

CAO outreach is focused on discovering what obstacles exist to individuals in raising their voice around IFC/MIGA projects—and how we can help alleviate such barriers.



*CAO outreach to civil society organizations, Nairobi, Kenya*

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The CAO increased its focus on outreach to civil society in FY2008 with the primary goal of ensuring that people most likely to need the services of the CAO are aware of our existence. Internally, we have added in-house capacity for outreach and communications, working to disseminate information about the CAO in multiple languages, and commissioning a full redesign of the CAO Web site, to be launched in FY2009. Externally, we have supported the work of a number of initiatives to promote accountability and dispute resolution in the international community. For example, the CAO assisted in the launch of the African Mediation Association (AfMA), a network of dispute resolution professionals in Africa.

In FY2008, the CAO launched a global outreach initiative to communities and civil society organizations, targeting countries with a high number of IFC and MIGA commitments. This year, our outreach focused on countries in Africa, where we partnered with the independent accountability mechanisms of the African Development Bank (AfDB), Overseas Private Investment Corporation (OPIC), and World Bank Inspection Panel to participate in, and organize, workshops in Kenya, Mozambique, Tanzania, Tunisia, South Africa, and Zambia (see p. 19). CAO Outreach in FY2009 will focus on the Russian Federation and India, as well as countries in Latin America and West Africa.

The CAO has also held information sharing meetings with international NGOs in Amsterdam, London, San Francisco, and Washington, DC, and with local civil society organizations around our ombudsman assessments. These engagements have allowed the CAO to extend its network of global civil society contacts, and learn the common cultural, social, and political obstacles experienced in filing a complaint with the CAO. In addition to providing feedback to IFC and MIGA on these key issues, the CAO will explore further possibilities for collaborative partnerships with civil society organizations in FY2009.



## FY2008 Outreach Highlight: CAO Workshop in Zambia

In May 2008, the CAO held a one-day outreach workshop in Lusaka, Zambia which was attended by over 50 civil society representatives. Convened by the Zambian NGO, Citizens for a Better Environment, and facilitated by the African Initiative for Mediation, the workshop brought together environmental lawyers, human rights groups, trade unions, community groups, and project-affected peoples, as well as members of Parliament and professionals from the banking, mining, and tourism industries. The CAO was joined by colleagues from the AfDB's Compliance Review and Mediation Unit, OPIC's Office of Accountability, and the World Bank's Inspection Panel. The workshop was aimed at raising awareness about the activities of the international financial institutions and improving access to the independent accountability mechanisms. Civil society recommendations to the CAO focused on improving access to project information, promoting participatory approaches to project development, initiating dialogue between civil society and the country offices of international development banks, and finding ways to share information through local media outlets.



*CAO Civil Society Workshop, Lusaka, Zambia*

# Summary of CAO Cases, FY2008

CAO case names consist of:

- The country where the project is located
- The IFC/MIGA project name, along with the cumulative number of cases CAO has handled on that project
- The location of the complainant(s), if their identity is not confidential.

*This case summary includes only those complaints that met CAO eligibility criteria in FY2008, or were undergoing assessment from previous fiscal years. It does not include complaints that were rejected for assessment. Cases are listed alphabetically by country and by case, in the order in which they were received.*

## **ECUADOR**

### **Interagua-01/Guayaquil**

*Received January 2008; Ombudsman assessment is ongoing; Open*

A complaint signed by residents of the city of Guayaquil and the Asociación Movimiento Mi Cometa y Observatorio Ciudadano de Servicios Publicos was filed on January 15, 2008, regarding International Project Water Services Guayaquil (Interagua). The complaint raised the following social and environmental concerns:

- Repeated cuts of residential water to the poor
- Lack of service provision to poorer neighborhoods



*Ombudsman assessment, Guayaquil, Ecuador*





- Lack of sewage or wastewater treatment
- Noncompliance with the concession contract, resulting in infringements of MIGA's safeguard policies.

Interagua is supported by an \$18 million MIGA guarantee granted in 2001. The company seeks to improve the services and operating performance of the existing water utility in Guayaquil, Ecuador, as a private sector operator. It is publicly regulated under the terms of a concession contract, which sets out targets for quality of water provision, connections of potable water and sewage, and service coverage. The CAO Ombudsman made a preliminary assessment trip to the project site February 27–29, 2008, to meet with the complainants, the company, and the regulator. As of June 30, 2008, the parties were working with the CAO to identify options for resolving the issues.

## **GEORGIA**

### **Cases Concerning the BTC Pipeline**

*The Baku-Tbilisi-Ceyhan (BTC Co.) oil and gas pipeline runs 1,760 kilometers (km) from oilfields in Azerbaijan through Georgia to the Turkish coast. The pipeline is operated by British Petroleum (BP) and financed by a consortium of banks and other institutions. IFC has a \$250 million commitment in the project dating from 2004. As of June 30, 2008, the CAO has received 31 complaints about the BTC project from individuals, communities, and local organizations—mostly from Georgia. Concerns raised in the two complaints received during this fiscal year center primarily on adherence to the “Guide to Land Acquisition and Compensation in Georgia for BTC and South Caucasus,” which sets forth the required policies for land reinstatement and compensation.*

### **BTC Pipeline-30/Vale**

*Received August 2007; Ombudsman is monitoring agreement; Open*

Landowners in Vale, Georgia filed a complaint on August 20, 2007, alleging that BTC Co. did not fulfill specific project commitments regarding land compensation or implement a previously agreed community assessment of reinstated land to determine the pipeline's impacts on peoples' land and crops. The CAO Ombudsman visited the project site in March 2008 to meet with the stakeholders and assist them in identifying solutions. The parties reached agreement on a strategy for addressing the concerns, and the CAO Ombudsman is currently monitoring its implementation.

# Summary of CAO Cases, FY2008

## **BTC Pipeline-31/Naokhrebi**

*Received February 2008; Transferred to CAO Compliance for appraisal; Open*

Representatives of villagers in Naokhrebi, Georgia filed a complaint to the CAO on February 28, 2008, disputing BTC Co.'s process of registering and purchasing land for a BTC pump station. Complainants state that the land was held in common by residents, who can demonstrate ownership and use of the various parcels that make up the disputed area, but that they were never consulted nor compensated. BTC Co. says the land was registered as state-owned property, and a purchase agreement was conducted lawfully through the appropriate government agency. The case currently is being considered by the Georgian courts, which have several times ruled in favor of the complainants. However, BTC Co. has twice appealed the rulings on grounds that all Georgian laws and IFC guidelines were met. The complainants requested assistance from the CAO Ombudsman in making an out-of-court settlement with BTC Co. BTC Co. refused the offer, and the case was transferred to CAO Compliance for appraisal in June 2008. CAO Compliance asked how IFC assured itself that the relevant project guidelines on land acquisition and compensation were consistent with IFC's safeguard policies and adhered to. The compliance appraisal was ongoing as of June 30, 2008.



*Complainants and CAO team, Vale, Georgia*



## INDIA

### **AD Hydro Power Limited-01/Himachal Pradesh**

*Received October 2004; Monitoring of agreement concluded March 2008; Closed*

In October 2004, a complaint was filed by village residents of Himachal Pradesh concerning the diversion of the Duhangan River by Allain Duhangan Power Company Ltd. (AD Hydro). The project was supported by IFC with commitment of \$7 million in equity in 2005, and approximately \$46 million in debt in 2006. In 2008, IFC is expected to invest an additional \$32.75 million in the form of an A-loan and an additional \$9.25 million in equity. The complainants feared the diversion of the river would dry up village water supplies. They also raised questions about the completeness of the Environmental and Social Impact Assessment (ESIA) and the extent to which the sponsor would fulfill its commitments regarding social and environmental protection, and local developmental benefits.

The CAO Ombudsman facilitated an initial agreement between the parties in March 2005. However, the community made further complaints to the CAO in late 2005 and June 2006 that these agreements had not been kept. Subsequently, the CAO conducted two field visits in July and October 2006 to provide capacity-building support to the parties to help reach a mutually satisfactory conclusion.

In response to the complaint, the sponsor has provided new water infrastructure to communities. In addition, the sponsor makes monthly progress reports to communities on a commitments register prepared by the CAO and based on the original ESIA.

After monitoring more than six months of reports and receiving periodic supervision reports from IFC, the CAO ended its involvement in the case and released a conclusion report in March 2008. All reports and other documentation relating to this complaint are available on the CAO's Web site.

### **Mahindra Farm Services-01,02,03,04/Confidential**

*Received October 2006–March 2007; Transferred to CAO Compliance for appraisal; Closed*

The Mahindra ShubhLabh Services, Ltd. (MSSL) project was intended as an agricultural services project in multiple states of India, focused on increasing agricultural productivity through both private sector extension services and agricultural inputs. IFC approved the project in 2002 and has since invested \$2.2 million in equity.



# Summary of CAO Cases, FY2008

Between October 2006 and March 2007, the CAO received four separate complaints regarding the project. The complaints, from northern and southern India, claim that the sponsor's business practices led to a loss of livelihood for franchisees of the company's Agricultural Service Centers (ASCs), and to loss of income for the numerous farmers who the ASCs were intended to serve. Today, the company is no longer developing ASCs. It has shifted its business instead to the retail sale of agrichemicals—some of which the complainants believe are environmentally hazardous rather than eco-friendly, as the original IFC-supported project committed. Following an assessment of the four cases and a negotiated process with all the parties, the CAO Ombudsman was unable to help them agree on a strategy for resolving the complaint. This was due to differences of opinion in how the cases should be closed. MSSL requested they be settled through arbitration, while the complainants requested a mediated approach.

In March 2008, in accordance with CAO Operational Guidelines, the four complaints were transferred to CAO Compliance for appraisal to determine whether an audit of IFC was merited. The appraisal determined that nondelivery of potential positive financial outcomes for the ASCs could not be defined as loss of livelihood (adverse social impacts). However, the appraisal also raises questions about whether small businesses that signed the franchise agreements may have been misled by project projections and/or whether they fully understood the commercial implications of the project—and IFC's leverage in this matter. This could not be answered by an audit of the project's social and environmental outcomes. Consequently, the CAO closed the case in June 2008.

## **Ramky-03/Gummidipoondi**

*Received October 2007; Transferred to CAO Compliance for appraisal; Closed*

A complaint signed by residents of the village of Gummidipoondi, southern India, and the NGO, Corporate Accountability Desk, was filed with the CAO on October 14, 2007. The complaint related to an integrated hazardous waste treatment facility operated by the Ramky Group in the State Industries Promotion Corporation of Tamil Nadu (SIPCOT) Limited Industrial Area near Gummidipoondi. As of January 2008, IFC publicly stated it had invested \$20 million in the Ramky Group for various activities, including the SIPCOT facility. Complainants stated that the local community did not give statutory permissions to the company to proceed, and the local elected assembly, the Panchayat, issued resolutions against the project. In addition, the complainants say an incomplete ESIA was presented at public hearings for the project, which they believe violates municipal laws and IFC regulations.

On March 31, 2008, after consultation with the principal parties, the CAO Ombudsman concluded that the complaint was not amenable to resolution through a negotiated process. The case was



transferred to CAO Compliance for appraisal to determine whether the case merited an audit of IFC. The appraisal disclosed that IFC recently restructured its involvement with the client and is now engaged only with Ramky Infrastructures Limited, a construction company not involved in the solid or hazardous waste sector. IFC never invested in a Ramky company that was involved with the hazardous waste site near Gummidipoondi village. This raised the issue of nondeliverance of promised development outcome, but since there is no link between IFC's involvement and the site near Gummidipoondi, the CAO compliance appraisal concluded that the case did not merit an audit of IFC, and the case was closed in June 2008.

## **INDONESIA**

### **Wilmar Group-01/West Kalimantan**

*Received July 2007; Ombudsman assessment and compliance appraisal are ongoing; Open*

A complaint signed by representatives of 19 Indonesian and international NGOs was filed with the CAO in July 2007. The complaint concerned a series of IFC investments in companies of the Wilmar Group—an agribusiness conglomerate specializing in the production and trade of palm oil. IFC's support for the project includes an investment guarantee for \$33.3 million in April 2003, a loan of \$17.5 million in June 2006, and an additional guarantee for \$50 million in December 2006 to Delta-Wilmar CIS in Ukraine. In April 2007, IFC considered support to Wilmar through the Global Environment Facility-funded Biodiversity and Agricultural Commodities Program (BACP).



*Ombudsman assessment, West Kalimantan, Indonesia*



# Summary of CAO Cases, FY2008

The complaint raises concerns about the social and environmental impacts of Wilmar Group operations, including: land clearance without appropriate community approvals; land clearance without appropriate Environmental Impact Analysis (EIA) processes; violation of national regulations and laws; and noncompliance with IFC guidelines and protocols of the Roundtable on Sustainable Palm Oil.

The CAO Ombudsman visited the area in September and December 2007 to meet with stakeholders to design and implement a joint fact-finding process as a preliminary step toward resolution of their land claims. In addition, IFC's team in Jakarta is working with civil society organizations and others to establish an advisory project that will explore opportunities for addressing systemic, regulatory concerns affecting the oil palm industry in Indonesia.

In May 2008, Wilmar and community leaders in West Kalimantan signed and agreed to a memorandum of understanding and code of conduct to resolve the dispute under a mediation process led by the CAO. The dialogue process is ongoing, with commitments on the part of all key parties to seek good faith solutions together.

To address claims regarding IFC's due diligence on the project, the CAO Ombudsman convened a meeting among community leaders, civil society groups, and IFC in November 2007. The Ombudsman concluded, in March 2008, that the issues relating to IFC's categorization, its due diligence prior to engagement with Wilmar, and its supervision of the project were not amenable to resolution. In accordance with CAO Operational Guidelines, these issues were transferred to CAO Compliance for appraisal to determine whether the case merits an audit of IFC. The appraisal is ongoing and had not reached a conclusion as of June 30, 2008.

## **KAZAKHSTAN**

### ***Cases Concerning the Lukoil Overseas Project***

*The Lukoil Overseas Project is an IFC-financed investment in the Karachaganak Oil and Gas Condensate Field in the Western Kazakhstan Oblast. The field was purchased by the consortium, Karachaganak Petroleum Operating B.V. (KPO) (then "Karachaganak Integrated Operating") in 1998 to develop the fields and double crude oil and condensate production. Lukoil's share of project costs is \$575 million and IFC provided \$150 million in loans. The CAO has received three complaints concerning this project.*



### **Lukoil Overseas-01/Berezovka**

*Received September 2004; Compliance audit released March 2008; Open*

The NGO, Crude Accountability, filed the first complaint on behalf of residents of Berezovka in September 2004. The complaint raised concerns about the health of Berezovka residents due to emissions from the project. The complainants are seeking relocation of the village. Following an in-depth assessment by the CAO Ombudsman, the parties decided not to pursue further negotiations. In July 2006, the complaint was transferred to CAO Compliance for appraisal. CAO Compliance concluded its appraisal in April 2007, and determined that the issue related to air emissions fulfilled the criteria for further investigation in the form of an audit of IFC. CAO Compliance determined that other issues related to water quality and relocation did not fulfill the audit criteria. The audit of the issue related to air emissions was published in March 2008 and remains open. The CAO will monitor the situation until actions taken by IFC assure the CAO that IFC will move into compliance.

### **Lukoil Overseas-02/Berezovka**

*Received April 2007; Compliance appraisal released January 2008; Closed*

In April 2007, CAO received a second complaint regarding the Lukoil Overseas project. Filed by the NGO, Green Salvation, on behalf of residents of Berezovka, the complaint alleges violations by the sponsor and government of national and environmental protection laws and international covenants, with implications for relocation of villagers due to concerns about air quality and community health and safety. The CAO Ombudsman concluded that the parties were not willing to seek collaborative resolution of the issues, and the case was transferred to CAO Compliance for appraisal in November 2007. The compliance appraisal concluded that issues related to resizing of the sanitary protection zone and relocation of villagers did not fulfill the criteria for an audit of IFC. However, the issue related to air emissions and violations of IFC policy provisions did fulfill the CAO's criteria for further investigation in the form of an audit. Due to the similarity of the issues, CAO Compliance referred the complainant to its ongoing audit of IFC in relation to Kazakhstan/Lukoil Overseas-01/Berezovka (see above) and closed this appraisal in January 2008.

### **Lukoil Overseas-03/Berezovka**

*Received May 2008; Ombudsman assessment is ongoing; Open*

In May 2008, Crude Accountability and Green Salvation submitted a third complaint with the CAO on behalf of residents of Berezovka. The complaint maintains that the company is in violation of both national legislation and IFC policies and standards. Given the community's close proximity to

# Summary of CAO Cases, FY2008

the gas and condensate fields and the perceived social and environmental risks, the complainants continue to seek the relocation of the village. The complaint met the criteria for eligibility and the ombudsman assessment is ongoing.

## **KENYA**

### **Pan African Paper Mills-01/Webuye**

*Received February 2008; Ombudsman assessment is ongoing; Open*

In February 2008, the CAO received a complaint on behalf of residents of the town of Webuye in western Kenya from two Kenyan NGOs, the Resource Conflict Institute (RECONCILE) and the Center for Environmental and Development Education Programs (CEDEP). The complaint concerns Pan African Paper Mills (East Africa) Ltd, an IFC project dating from 1974. IFC holds a total of nine loans and equity investments in the project, which provides more than 80 percent of the country's paper and is one of the largest employers in western Kenya. The complaint raises a number of social and environmental concerns, including impacts to air and water quality resulting in various health problems, reduced agricultural productivity, and rapid deterioration of metal roofs and gates. A CAO Ombudsman team visited the area in May 2008 and met with the complainants, the company, local government representatives, health officials, and a number of residents and community-based organizations. The complainants identified several opportunities and ideas for working together to resolve the issues, and are currently discussing options for resolution. The ombudsman assessment is ongoing.



*Ombudsman assessment of residents' homes, Webuye, Kenya*





## NICARAGUA

### **Nicaragua Sugar Estates Limited-01/León and Chinandega**

*Received March 2008; Ombudsman assessment is ongoing; Open*

On March 31, 2008, the CAO received a complaint regarding Nicaragua Sugar Estates Limited (NSEL), the owner of an agro-energetic complex “Ingenio San Antonio” located northwest of Managua, in the Department of Chinandega. In October 2006, IFC approved a \$55 million loan to finance expansion of NSEL’s production and processing of sugarcane. The complaint was prepared by the Center for International Environmental Law (CIEL) and signed by 673 residents of communities in the Departments of Leon and Chinandega, and by some former NSEL employees.

Local communities are concerned about possible impacts to the health and livelihoods of community members, and environment, as a consequence of the agro-industrial company production and activities. They have also raised concerns about IFC’s compliance with its Performance Standards, its Policy on Social and Environmental Sustainability, its Disclosure Policy, and its Environmental and Social Review Procedures. Specific concerns include, among others, respect of rights of association of employees and formation of a labor union; inappropriate land acquisition with potential to impact indigenous communities; and offsite environmental effects, including pesticide run-off to farms and competition with local water supplies, and water contamination.

A CAO Ombudsman team visited the area in June 2008 to meet with the stakeholders. The assessment is ongoing.



*Members of ASOCHIVIDA in Chichigalpa, Chinandega, Nicaragua*

# Summary of CAO Cases, FY2008



CAO meeting with complainants, Baguio, Philippines

## THE PHILIPPINES

### **Ambuklao-Binga Hydroelectric Power-01/Binga**

*Received June 2008; Ombudsman assessment is ongoing; Open*

In June 2008, CAO received a complaint from members of the Ibaloi indigenous community and residents of Sitio Binga, Barangay Tinongdan, Municipality of Itogon, located near the Ambuklao and Binga hydroelectric power plants. The complaint raises concerns about the displacement of indigenous peoples and the deprivation of their properties, lands, and livelihoods. It also raises issues regarding inadequate settlement of employment benefits and job security as a possible consequence of plant privatization. IFC's investment in the project consists of a \$85 million A-loan for IFC's own account and a C-loan for up to \$15 million. The complaint was deemed eligible for assessment by CAO Ombudsman in June 2008 and the assessment is ongoing.

## RUSSIAN FEDERATION

### **Cases Concerning the Russkiy Mir II Project**

*The Russkiy Mir II project involves an IFC loan of up to \$100 million to develop the Taman Liquid Petroleum Gas (LPG)/Fuel Oil terminal and port on the Taman Peninsula of the Black Sea in the Russian Federation. The project involves the purchase and expansion of rail maintenance facilities, purchase of locomotives and rail cars, and purchase of a wheel-making/spare parts manufacturer and other*



rail-related infrastructure. IFC's investments consist of a \$45 million A-loan and a \$55 million B-loan. It is IFC's second investment in the Russkiy Mir Group; a \$15 million A-loan was approved in April 2004.

### **Russkiy Mir II-01/Taman**

*Received October 2007; Transferred to CAO Compliance for appraisal; Open*



*CAO meeting with Mayor of Taman, Russian Federation*

The CAO received a complaint in October 2007 from representatives of two NGOs, Save Taman! and North Caucasus Environmental Watch. The complainants believe the Russkiy Mir II project poses a number of threats to the natural and social environment surrounding the project. They also believe IFC's environmental categorization of the project as B, rather than A, was incorrect and prevented affected communities from accessing project information and commenting during IFC's due diligence phase.

A CAO Ombudsman team traveled to the region in March 2008 to meet with the parties and discuss options for resolution. A diverse group of stakeholders, including local NGOs, company representatives, and locally elected officials, identified several opportunities to work together to address community concerns related to the project. However, the signatories to the complaint believe the specific issue of IFC's categorization of the loan is not amenable to a negotiated resolution, and were unwilling to engage in further facilitated dialogue. Therefore, the complaint was transferred to CAO Compliance for appraisal. As of June 30, 2008, the compliance appraisal was ongoing.

### **Russkiy Mir II-02/Taman**

*Received February 2008; Ombudsman assessment is ongoing; Open*

A second complaint regarding the Russkiy Mir II project was filed in February 2008 by a farmer living in close proximity to the project site. The complaint raises concerns about the citing near his home of a gas pipeline, which he believes is closer than Russian legislation permits and which may threaten his family's safety. During the CAO Ombudsman assessment trip in March 2008, the team met with the farmer to discuss his concerns in detail. A representative of Save Taman!, which assisted the farmer in filing the complaint, agreed to arrange a meeting between the farmer and representatives of the Russkiy Mir project to discuss options for fact-finding and resolution. As of June 30, 2008, the ombudsman assessment was ongoing.



# CAO Archive, FY2000–7

CAO case names consist of:

- The country where the project is located
- The IFC/MIGA project name, along with the cumulative number of cases CAO has handled on that project
- The location of the complainant(s), if their identity is not confidential.

Complaints are listed alphabetically by country and by fiscal year, in the order in which they were received.

## FY2000 (July 1999–June 2000)

No complaints.

## FY2001 (July 2000–June 2001)

### **CHILE**

#### **Empresa Electrica Pangué S.A.-01/Upper Bio-Bio Watershed**

*Received August 2000; Closed January 2005*

In August 2000, the CAO received a complaint from a Pehuenche individual who had been resettled as a result of the Pangué hydroelectric project (see Empresa Electrica Pangué S.A.-02/Upper Bio-Bio Watershed in FY2003 section, p. 38) and alleged that he had not received due compensation. The CAO Ombudsman visited the region in June 2001 and helped negotiate an agreement between the complainant and the company, which was signed in 2001. In January 2005 the CAO closed the complaint.

### **JORDAN**

#### **Jordan Gateway Project Co.-01/Bet Shean Valley**

*Received December 2000; Deemed not eligible for assessment; Closed December 2000*

A complaint filed by Friends of the Earth, Middle East did not make it clear how the complainant would likely be affected by the project. The complaint was deemed not eligible for ombudsman assessment and was closed in December 2000.



### **Jordan Gateway Project Co.-02/Bet Shean Valley**

*Received January 2001; Closed January 2005*

Local residents filed a complaint expressing concerns about the environmental and social impacts of the Gateway industrial park project, and contended that the historical and cultural significance of the Jordan River would be negatively impacted. The CAO Ombudsman sent an assessment report to the complainants in February 2001, and sent a memorandum to the World Bank Group President. The CAO's recommendations to IFC and to the World Bank Group Board included that: the project and IFC management prepare a project brief and circulate it to affected people; Jordan Gateway Project management and IFC management work to encourage community dialogue over time and as the phases of development unfold; and the IFC project team ensure that in ongoing project supervision, communities on the Israeli and Jordanian sides are visited and their opinions and suggestions actively canvassed. The Board requested that IFC accept the CAO's recommendations. The complaint was closed in January 2005.

## **NIGERIA**

### **Niger Delta Contractor Revolving Credit Facility-01/Niger Delta**

*Received June 2001; Closed January 2005*

In June 2001, Environmental Rights Action, the Nigerian chapter of Friends of the Earth, filed a complaint regarding lack of consultation and transparency in preparing the Loan Facility; the security situation in the Delta; the choice of the Shell Petroleum Development Company (SPDC) as a partner, given its past and current environmental and social record; the environmental and social performance of Shell contractors; the employment practices of Shell contractors; the current record of community development by Shell; and lack of preexisting conditions of regulation and enforcement that would support compliance with the procedures for any Facility operating in the Delta and in the oil economy. The CAO Ombudsman appraised and accepted the complaint in June 2001. The Final Assessment Report, completed in August 2001, suggested that IFC and the Facility partners should consider criteria to ensure that the Facility serve contractors that are local and indigenous to the Delta; develop a participatory monitoring and evaluation program; and improve marketing to local contractors about the availability of low-interest loans. It also recommended that IFC/World Bank examine complementary facilities that would cater to the needs of small-scale entrepreneurs for microcredit and to ensure access to credit in the Delta. The complainants did not agree with the CAO's recommendations. The CAO Ombudsman closed the complaint in January 2005.

## PERU

### **Compañía Minera Antamina S.A.-01/Huarmey**

*Received September 2000; Transferred to Compliance September 2000; Case closed January 2005*

A local union chapter of the Federation of Peruvian Fishermen filed a complaint alleging inadequate consultation with local people, problems with the resettlement, and incomplete disclosure about mining activities and their environmental impacts concerning construction of a concentration plant and loading dock at Huarmey. The CAO Ombudsman assessed the complaint and the CAO Vice President requested a Compliance review of MIGA's social and environmental due diligence in September 2000. CAO Compliance conducted an audit of MIGA. The case closed in January 2005.

### **Yanacocha-01/Cajamarca**

*Received December 2000; Closed November 2003*

In December 2000, the CAO received a complaint from the Frente de Defensa de Choropampa, citizens affected by a June 2000 mercury spill, in which a truck contracted by the Yanacocha gold mine spilled elemental mercury along 41km of public road. Some local residents collected the mercury and were exposed to harmful levels of mercury. The complaint alleged that health problems were worsening, and that Yanacocha was failing to honor its commitments to the spill-affected people. The CAO Ombudsman had overseen an independent investigation of the mercury spill, made public in October 2000, which found there were several gaps in the company's hazardous waste management and emergency response procedures. In response to the complaint, the CAO Ombudsman met with the parties, who agreed that an independent health evaluation would help address health concerns. Over the next two and half years, the CAO Ombudsman helped implement recommendations in the evaluation and encountered several barriers from the Ministry of Health and civil society organizations. The CAO did not pursue the health study because it did not have institutional or social support. A group of people affected by the spill filed suit against one of the project sponsor companies, Newmont Mining, in U.S. and Peruvian courts. The cases continue to be deliberated in U.S. and Peruvian courts. The CAO closed the case in November 2003.

### **Yanacocha-02/Cajamarca**

*Received March 2001; Closed March 2006*

In March 2001, the CAO received a complaint filed by the Federation of Rondas Campesinas (FEROCAFENOP), which alleged various adverse social and environmental impacts of the Yanacocha gold mine on local farming communities in the Department of Cajamarca. Recognizing the need for



a comprehensive approach to addressing community-mine conflicts, the CAO supported the creation of a multistakeholder dialogue roundtable, the Mesa de Diálogo y Consenso, in Cajamarca.

The Mesa began functioning in September 2001, and over the next four and a half years it sought to create an open forum for dialogue that helped prevent and resolve conflicts between Cajamarca communities and Yanacocha. To this end, the Mesa facilitated conflict mediation training in 2002 and oversaw a 20-month independent participatory study of the mine's impact on water in the region, which was completed in October 2003. The Mesa subsequently led a participatory water monitoring program and presented the results to local groups throughout 2005 and the first quarter of 2006. These efforts contributed to dialogue and public understanding of water issues in the region and received positive recognition from a wide range of community, company, and government participants. In February 2005 the CAO commissioned an independent evaluation of the Mesa, which was made public in May 2005. The CAO concluded its phased withdrawal from the Mesa and also closed the complaint in March 2006. Both the Mesa and the monitoring work have concluded. In June 2007, the CAO published a series of monographs on the history, challenges, and lessons learned from its four-and-a-half year intervention in Cajamarca.

## **UGANDA**

### **Bujagali-01/Bujagali Falls**

*Received November 2000; Deemed not eligible for assessment; Closed December 2000*

The complaint, lodged by the National Association of Professional Environmentalists (NAPE), was filed before IFC had accepted an Environmental Impact Assessment from the project sponsor company, and while IFC was in negotiations with the project sponsor regarding some of the issues in the complaint. Therefore, the complaint was deemed not eligible for assessment and was closed in December 2000.

### **Bujagali-02/Bujagali Falls**

*Received June 2001; Closed January 2005*

This complaint, lodged by the National Association of Professional Environmentalists, focused on broad issues related to economic viability of the project, cost to low-income consumers, benefit to the people of Uganda, and key issues relating to the guidelines of the World Commission on Dams (WCD) and their application to the Bujagali project. The CAO Ombudsman facilitated a response from IFC, who replied directly to the complainant, to ensure that the Power of Purchase be released by the government. Other issues raised by the complainant referred directly to the activities of



# CAO Archive, FY2000–7

another member of the World Bank Group, the International Development Association (IDA). The CAO suggested that these matters be referred to the Inspection Panel, the independent recourse mechanism for IDA and the International Bank for Reconstruction and Development (IBRD). The complaint also raised issues of corruption and bribery, which were referred to the World Bank's Fraud and Corruption Unit. The CAO closed the complaint in January 2005.

## FY2002 (July 2001–June 2002)

### **INDIA**

#### **Chemplast-01/Cuddalore District**

*Received June 2002; Closed January 2005*

CorpWatch India and the Cuddalore District Consumer Federation Council filed a complaint on behalf of communities that would be affected by the project in Cuddalore. The complaint was closed in January 2005 because IFC did not renew the project.

### **TANZANIA**

#### **Bulyanhulu Project-01/Kankola**

*Received January 2002; Closed January 2005*

The Tanzanian NGO, Lawyers Environmental Action Team (LEAT) filed a complaint on behalf of the Small Scale Miners Committee of Kakola, Tanzania, alleging the mine's operations were not in compliance with World Bank Group standards. The CAO Ombudsman visited the site in March 2002 and found that the available evidence did not indicate that the mine was responsible for the miners' deaths. The CAO Ombudsman also found that claims were exaggerated about the number of people forcibly relocated by the mine at the time of land clearance. On environmental issues, the mine's activities were found to be in line with best practice in the mining industry. The CAO Ombudsman did not trigger a compliance audit, but recommended that the mine, the communities, local civil society organizations, and the government work together to strengthen their partnership, which might lead to greater investment in local communities. The complaint was closed in January 2005.





## **UGANDA**

### **Bujagali-03/Canada**

Received July 2001; Closed January 2005

The complainant, a Ugandan-born Canadian, claimed that the grave of his grandfather and others were located on Dumbell Island, which was to be submerged in the Bujagali Falls reservoir. The complainant alleged that Bujagali Falls in general, and his grandfather's gravesite in particular, were sacred sites that should be preserved, and that the project did not comply with World Bank Group policies regarding burial sites and protection of indigenous culture and traditions. The CAO Ombudsman concluded that the evidence provided by the complainant could not be verified. The complaint was closed in January 2005.

## **FY2003 (July 2002–June 2003)**

## **BOLIVIA**

### **Comsur V-01/Bosque Chiquitano**

*Received June 2003; Transferred to CAO Compliance November 2003; Case closed and compliance review published July 2004*

A complaint was filed by Coordinating Entity for the Ethnic People of Santa Cruz (CPESC), a CSO of representatives from communities in the Bosque Chiquitano. The complaint alleges that during implementation and development of the Don Mario mining project, there was inadequate consideration of the ecological value and sensitivity of the ecosystems, leading to a flawed Environmental Impact Study; that indigenous people in the project area were not adequately consulted or given enough information; that there were no Indigenous People's Development Plans (IPDPs), and no compensation for project impacts despite numerous objections; that the rights of indigenous people were violated, in violation of International Labour Organization (ILO) Convention No. 169 and the Environmental Law of Bolivia; and that appropriate World Bank guidelines were not followed. In July 2003, the CAO Ombudsman investigated and commissioned an independent review of COMSUR to evaluate its capacity for effective management of the social and environmental aspects of operations. The complaint was transferred to CAO Compliance in November 2003 to undertake this review. The review was completed and published in July 2004. The complaint was closed in July 2004.

## CHILE

### **Empresa Electrica Pangué S.A.-02/Upper Bio-Bio Watershed**

*Received July 2002; Closed February 2006*

In July 2002, a group of Pehuenche women filed a complaint alleging that the Pangué hydroelectric project was adversely impacting indigenous communities and the environment in the Upper Bio-Bio watershed, and that the project was failing to mitigate these impacts. The complaint also stated that the company had not adequately compensated people affected by the project. The CAO assessed the complaint and issued a report in May 2003. With CAO support, the complainants and the project sponsor arrived at an agreement that resolved the compensation issues. At the request of the complainants, the CAO Ombudsman continued to monitor the settlement, and in 2005 and early 2006, worked with local, indigenous organizations to address the broader cultural impacts of the project. A settlement agreement focusing on local development capacity building was finalized in February 2006. The CAO is continuing to monitor implementation of this agreement.

## FY2004 (July 2003–June 2004)

## GEORGIA

### **BTC Pipeline-01/Switzerland**

*Received December 2003; Deemed not eligible for assessment; Closed December 2003*

The World Wildlife Fund (WWF) filed a complaint arguing that the BTC pipeline posed a threat to Georgia's national parks and national mineral water industry. The complaint also alleged that local people were not presented with adequate information about the potential risks. The complaint did not meet the CAO's eligibility criteria because it was not filed by or on behalf of an individual, group, or community affected (or likely to be affected) by the social and/or environmental impacts of the project.

### **BTC Pipeline-02/Rustavi**

*Received March 2004; Closed April 2004*

Residents of subdistricts 18 and 19 in Rustavi, Georgia filed a complaint alleging they were not informed that the pipeline would pass within 250 meters of their homes until after construction had begun. They also raised issues about pipeline safety and the effects of construction and traffic vibration on their homes and apartment buildings. BTC Co. increased engagement with this community and some concerns were resolved. The CAO closed the case in April 2004.



### **BTC Pipeline-03/Switzerland**

*Received March 2004; Deemed not eligible for assessment; Closed April 2004*

The World Wildlife Fund filed a complaint expressing concerns about project impacts on the Caucasus-Anatolian-Hyrcanian temperate forests. The CAO traveled to the region in April 2004 to appraise the eligibility of the complaint. No link was found between the complainant and the affected persons or community. The complaint was deemed not eligible for ombudsman assessment.

### **BTC Pipeline-04/Switzerland**

*Received May 2004; Deemed not eligible for assessment; Closed May 2004*

The World Wildlife Fund submitted a complaint that included many of the same issues as a previous complaint that contained signatures from a number of community members. The CAO conducted an assessment in May 2004 to interview some of the signatories. No link was found between the complainant and the affected person or community. The complaint was deemed not eligible for ombudsman assessment and the case was closed in May 2004.

### **BTC Pipeline-05/Rustavi City**

*Received May 2004; Deemed not eligible for assessment; Closed June 2004*

A confidential complaint regarding land issues in Rustavi was deemed not eligible for ombudsman assessment in June 2004 because the case was being considered in a Georgian court. The CAO closed the case in June 2004.

### **BTC Pipeline-06/Bashkovi**

*Received May 2004; Closed February 2005*

An individual filed a complaint in May 2004, claiming to have lost significant income from his apiary because vegetation was removed from a pipeline right-of-way during construction. The complainant alleged he should have been provided with assistance to move his bees at least 7 km from the pipeline route. BTC Co. rejected the claim as being outside the physical boundary of claims qualifying for compensation and was unwilling to reopen negotiations on this case—despite claimant's request for special consideration. The CAO closed the complaint in February 2005.



## **BTC Pipeline-07/Dgvari**

*Received May 2004; Closed February 2005*

Residents of Dgvari village filed a complaint alleging that BTC Co. did not assess the affects of pipeline construction in the area, a severe landslide zone, and as a result, was unable to determine adequate mitigation measures. An ombudsman assessment found it unlikely that pipeline construction would change the landslide risk to Dgvari, based on BTC Co. studies demonstrating its landslide risk mitigation in the region. The CAO closed the complaint in February 2005.

## **BTC Pipeline-08/Sagrasheni**

*Received May 2004; Closed February 2006*

See summary of BTC Pipeline complaints 15–20 in the FY2005 section, p. 43.

## **BTC Pipeline-09/Tetrtskaro**

*Received May 2004; Closed February 2005*

An individual filed a complaint alleging that his telephone line and a wall surrounding his property were damaged by construction trucks. He also alleged that the movement of heavy trucks along the street adjacent to his house damaged water pipes. The parties were unwilling to negotiate a settlement, and the CAO believed no further progress could be made with this complaint. The CAO closed the complaint in February 2005.

## **BTC Pipeline-10/Tetrtskaro**

*Received May 2004; Closed January 2007*

See summary of BTC Pipeline complaints 15–20 in the FY2005 section, p. 43.

## **BTC Pipeline-11/Tsikhisjvari**

*Received May 2004; Closed June 2006*

The complainant, a landowner, filed a complaint alleging that sponsors' trucks and other vehicles drove across his pasture, using it as a short-cut road. He was promised compensation but did not receive it. The company was unwilling to negotiate a settlement and the CAO believed no further progress could be made to resolve the complaint. The CAO closed the complaint in June 2006.



### **BTC Pipeline-12/Tba, Tsemi, and Sadgeri**

*Received May 2004; Closed January 2005*

Three villages in the Borjomi district submitted complaints that raised issues about pipeline construction affecting village water supplies and the potential impact of oil spills and pipeline sabotage on agriculture and tourism. The complaints also charged that BTC Co. provided no or insufficient communication related to the pipeline. BTC Co. installed a new domestic water system to serve the three villages, and the CAO closed the complaint. The CAO closed the case in January 2005. However, Tsemi village filed a subsequent complaint (see BTC Pipeline-22/Tsemi in the FY2005 section, p. 44) alleging continued problems with domestic drinking water.

## **ZAMBIA**

### **Konkola Copper Mines Plc (KCM)-01/Ming'omba and Kawama**

*Received July 2003; Closed January 2005*

The CAO received a complaint in July 2003 from a local CSO, Citizens for a Better Environment (CBE), on behalf of people in Ming'omba and Kawama, who were involuntarily resettled as a result of mining operations. The complaint alleged that because of Anglo Gold's exit from the Konkola Copper Mine (KCM), IFC prematurely abandoned the project before full implementation of the Resettlement Action Plan (RAP), in violation of its own safeguard policies. The complaint also alleged that IFC did not consult or publicly disclose to the affected communities its decision to exit the project and the Resettlement Action Plan, contradicting its policy on public consultations and disclosure. The CAO Ombudsman found that neither IFC's operational procedures nor its investment and subscription agreements obligated it to remain engaged in the environmental and social performance of KCM after its exit as an investor and shareholder. However, at the time of exit, IFC did engage with KCM to help it continue its environmental and social programs and to ensure completion of the Resettlement Action Plan. The CAO Ombudsman recommended no further action on the complaint, but did advise that the resettlement should include coordination, partnership, patience, and creativity, and that IFC should find sources of technical support for KCM to increase capacity to fulfill its social agenda. IFC reported it had exited the project with many environmental and social commitments incomplete, but indicated that its involvement had led to considerable improvements in environmental and social conditions, as compared to before its investment. The CAO closed the case in January 2005.

## FY2005 (July 2004–June 2005)

### **BOTSWANA**

#### **Kalahari Diamond-01/Kalahari**

*Received November 2004; Closed June 2006*

San people representing the group First People of the Kalahari, Botswana, filed a complaint in November 2004 regarding a proposed diamond mine, alleging they were illegally evicted from their traditional hunting grounds because of the project. The CAO Ombudsman assessed the complaint in January 2005 and found that the San people had been displaced under a policy of the Government of Botswana unrelated to the diamond exploration activities. The CAO Ombudsman released a preliminary assessment report in March 2005, which observed that the mine did not appear to be invasive or disruptive to the San’s traditional hunting and gathering way of life. After receiving feedback from the complainants, project sponsors, and IFC, the CAO revised the assessment report, which was released in June 2005. The complaint was closed in June 2006.

### **BRAZIL**

#### **Amaggi Expansion-01/IFC Executive Vice President Request**

*Requested November 2004; Case closed and compliance audit published June 2005*

In November 2004, the Executive Vice President of IFC asked the CAO to audit IFC’s environmental categorization of a soybean investment—Grupo André Maggi Participações Limitada, or “Amaggi”—located in the Brazilian state of Mato Grosso. The audit was published in June 2005.

### **GEORGIA**

#### **BTC Pipeline-13/Tsalka**

*Received July 2004; Closed May 2005*

The complainants, individuals from the village of Tsalka, alleged that a pipeline construction work camp in their village caused multiple instances of flooding of homes and outbuildings because of an increase in impermeable surfaces and lack of adequate storm water management during BTC Co. work camp construction. The CAO found that BTC Co. and its subcontractor, Spie-Capag and Petrofac Joint Venture (SPJV), had responded to some of the complainants’ concerns, had provided some compensation to individuals, and had made some repairs to municipal roads and ditches. The CAO recommended that the complaint process be streamlined by BTC Co. and SPJV. The CAO closed the complaint in May 2005.

**BTC Pipeline-14/Vale**

*Received August 2004; Closed December 2005*

An individual filed a confidential complaint regarding land compensation. BTC Co. and the complainant agreed to a settlement facilitated by the CAO and Georgia Young Lawyers Association. The complaint was closed in December 2005.

**BTC Pipeline-15/Tetritskaro****BTC Pipeline-16/Tetritskaro****BTC Pipeline-17/Tadzrisi****BTC Pipeline-18/Tetritskaro****BTC Pipeline-19/Atskuri****BTC Pipeline-20/Atskuri**

In fiscal years 2004 and 2005, the CAO received eight complaints regarding alleged impacts to buildings from BTC Co. activity. Complaints 15, 16, 17, and 18 were filed in December 2004. Complaints 19 and 20 were filed in April 2005. Complaints 15, 16, 18, 19, and 20 (along with BTC Pipeline-08/Sagrasheni, filed in FY2004) were closed in February 2006. Complaint 17 (along with BTC Pipeline-10/Tetritskaro, filed in FY2004) was closed in January 2007.

In fiscal years 2004 and 2005, the CAO received eight complaints from four villages in the Borjomi region of Georgia, each alleging cracks to homes and buildings as a result of vibration from BTC Co. construction traffic and blasting. A series of negotiations between BTC Co. and the communities resulted in an independent technical analysis of the methods BTC Co. used to assess construction-related vibrations and the risks to buildings along the right of way. The independent consultant's report concluded that while BTC Co.'s methods for assessing vibration risks did not meet international standards, the observed cracks in buildings were unlikely to have been caused by construction vibration. Six complaints were closed in February 2006: Atskuri (two complaints), Tetritskaro (three complaints), and Sagrasheni. Two other complaints, in Tetritskaro and Tadzrisi, were closed January 2007, after a settlement agreement was reached between the parties.

## **BTC Pipeline-22/Tsemi**

*Received June 2005; Closed January 2007*

Residents from Tsemi Village in the Borjomi region filed a complaint in June 2005 seeking compensation for impacts to the village's drinking water supply and a consequent drop in tourism during the summers of 2004 and 2005. The impact occurred during construction of a BTC pipeline right-of-way, when topsoil from the project washed into the spring that serves as the domestic water supply for Tsemi and three other villages. BTC Co. acknowledged the problem and constructed a new head facility, but the delivery system into Tsemi village continued to impact the water. In December 2005, a CAO team met with the complainants and BTC representatives and facilitated a settlement among the parties. In December 2006, the CAO Ombudsman received a copy of a letter to BTC Co., signed by complainants from Tsemi, confirming that the terms of the agreement had been met. Following receipt of the letter, the CAO confirmed the authenticity of the letter with the complainants and company, and closed the complaint in January 2007.

## **BTC Pipeline-23/Tsemi**

*Received June 2005; Closed August 2006*

An individual from Tsemi Village alleged that his hay was damaged because of construction traffic and that BTC Co.—in assessing the claim—took the only copy of his land ownership documents for review and lost them. BTC Co. rejected the allegation of damaged hay and was unwilling to engage with the CAO or the complainant to resolve it. The CAO made a series of inquiries to help resolve the issue of the land ownership documents. BTC Co. responded that it does not have the documents. The CAO encouraged the CSO representing the complainants to pursue the matter through local government records offices to secure a copy of the documents. The complaint was closed in August 2006.

## **GUATEMALA**

### **Marlin-01/Sipacapa**

*Received January 2005; Closed May 2006*

A CSO representing indigenous people from the municipality of Sipacapa filed a complaint in January 2005, alleging that the Marlin gold mine would harm local water supply quality and quantity, harm the environment, and cause negative social impacts. The complainant also alleged that indigenous residents were not adequately consulted about the project. During its assessment of the complaint, the CAO Ombudsman met with the IFC project team, visited the project area in April 2005, conducted a desk review of project documentation, and commissioned an independent technical





review of the project's environmental documentation. An assessment report was released in September 2005. The CAO Ombudsman conducted two follow-up missions, one in October 2005 and the other in early 2006, and released a report. The CAO closed the complaint in May 2006 and requested that the parties monitor and report on the implementation of the CAO recommendations.

## **INDIA**

### **AD Hydro Power Limited-01/Himachal Pradesh**

Received October 2004; Closed March 2008

See Summary of CAO Cases, FY2008, p. 23.

## **KAZAKHSTAN**

### **Lukoil Overseas-01/Berezovka**

*Received September 2004; Transferred to CAO Compliance August 2006; Compliance appraisal published with decision to audit April 2007; Open*

See Summary of CAO Cases, FY2008, p. 27.

## **PERU**

### **Compañía Minera Antamina S.A.-02/Huarmey**

*Received June 2005; Closed May 2006*

In June 2005, a local union chapter of the Federation of Peruvian Fishermen and a CSO, Life and Environmental Impacts, filed a complaint claiming that the port facilities of the Antamina copper and zinc mine (a project guaranteed by MIGA), were harming the marine environment of Huarmey Bay. In November 2005 the CAO visited Huarmey to help parties identify steps toward resolution. The CAO also contracted an independent hydrologist to conduct a technical review of the potential impacts on the marine environment of the bay and groundwater sources near the town of Huarmey. In March 2006, the CAO returned to Huarmey to release the assessment report and results of the technical review. Although the technical assessment found no significant impacts from Antamina's operations on the marine environment, other issues regarding groundwater and information disclosure emerged during investigations by the independent hydrologist. The complaint was closed in May 2006. At the request of the parties the CAO Ombudsman returned to Huarmey in July 2006 to facilitate a workshop to assist the parties in designing a more collaborative approach for addressing issues of joint concern, including strategies for wastewater storage and treatment, and systematic approaches to data and information sharing.

## **TURKEY**

### **BTC Pipeline-21/Posof**

*Received June 2005; Closed July 2005*

At the request of the complainants, this confidential complaint relating to land compensation was closed in July 2005, before the CAO could determine whether it was eligible for assessment.

## FY2006 (July 2005–June 2006)

## **BELIZE**

### **NOVA Companies (Belize) Ltd. and Ambergris Aquaculture Ltd.-01/Ladyville**

*Received January 2006; Deemed not eligible for assessment; Closed January 2006*

The complainant, an individual residing near the agribusiness project, raised concerns about the adequacy of IFC's annual environmental and social monitoring reports, as well as concerns about possible environmental impacts to the barrier reef located near the project. Because the complainant was simultaneously working with IFC to resolve the issues, the CAO Ombudsman forwarded the complaint and supporting documentation to the Director of the IFC Agribusiness Department and requested that the department respond directly to the complainant.

## **DEMOCRATIC REPUBLIC OF CONGO**

### **Anvil Mining Congo, SARL-01/World Bank President Request**

*Requested July 2005; Case closed and compliance audit published February 2006*

In July 2005, the President of the World Bank Group requested the CAO to audit MIGA's due diligence for the Dikulushi Copper-Silver Mining Project in Katanga Province of the Democratic Republic of the Congo. A key issue addressed by the audit related to MIGA's due diligence with respect to security and human rights. The audit was completed in February 2006.

## **GEORGIA**

### **BTC Pipeline-24/Vale**

### **BTC Pipeline-25/Vale**

*Received August 2005; Deemed not eligible for assessment; Closed September 2005*

Two confidential complaints were filed by landowners in the village of Vale relating to land compensation. Because the complaints were also being investigated by the Georgian Young Lawyers



Association (GYLA), the CAO did not conduct an assessment. However, the CAO Ombudsman agreed to facilitate conversations between the company and GYLA, which subsequently reached agreement on a strategy for resolving the issues.

#### **BTC Pipeline-26/Krtsanisi**

*Received December 2005; Case closed and compliance appraisal published April 2007*

CAO received a complaint in December 2005 from residents of Krtsanisi over issues related to air pollution, water access, pipeline safety, participation, relocation, and compensation. BTC Co. was unwilling to negotiate the issues through a CAO ombudsman process, and in June 2006 the complaint was transferred to the CAO compliance function for appraisal. CAO Compliance determined that the issues did not meet the criteria for an audit. The appraisal was completed and published in April 2007. Both the appraisal and the complaint are closed.

#### **BTC Pipeline-27/Tbilisi**

*Received June 2006; Case closed and compliance appraisal published April 2007*

The CAO received a complaint in June 2006 from a land user who asserted that a land compensation package from BTC Co. did not accurately reflect the true value of his land and that BTC Co. unfairly restricted his access to the land. The CAO Ombudsman was unable to help the parties negotiate an agreement and transferred the case in September 2006 to the CAO compliance function for appraisal. CAO Compliance determined that the issues did not meet the criteria for an audit. As a result the case was closed and the appraisal decision made public in April 2007.

### **INDIA**

#### **Atul Ltd.-01/Gujarat**

*Received June 2006; Closed June 2007*

A complaint was lodged by the Brackish Water Research Information Center, a CSO in Gujarat, claiming that the chemical manufacturing project did not provide access to environmental and social documentation. In an agreement facilitated by the CAO Ombudsman, the company agreed to provide environmental and social documentation to the CSO. The complainants confirmed to the CAO Ombudsman that they were satisfied with the information provided. The CAO closed the complaint in June 2007.

## **AD Hydro Power Limited-02/Jagat Sukh**

*Received August 2005; Deemed not eligible for assessment; Closed September 2005*

A complaint filed by 35 individuals—different than those in a previous complaint filed in October 2004—raised similar concerns as the first complainants and thus was not eligible for assessment. The CAO Ombudsman closed this complaint in September 2005.

## **Ramky-01/Gummidipoondi**

*Received August 2005; Deemed not eligible for assessment; Closed October 2005*

A complaint lodged by individuals from a community near a potential location for the waste management project raised concerns about the procedure for approving the siting of the facility, as well as concerns about possible environmental impacts resulting from air and groundwater contamination. The CAO Ombudsman forwarded the complaint and supporting documentation to the Director of the IFC Infrastructure Department and requested that the department respond directly to the complainant. The case was closed in October 2005.

## **Ramky-02/Mumbai**

*Received September 2005; Deemed not eligible for assessment; Closed October 2005*

A complaint filed by an Indian CSO, the Corporate Accountability Desk, raised concerns stemming from a previous Ramky complaint filed in August 2005. Ramky-02 was deemed not eligible for ombudsman assessment because the CSO was not directly affected by the Ramky project.

## **KENYA**

### **AEF Lesiolo Grain Handlers Limited-01/Nakuru**

*Received April 2006; Deemed not eligible for assessment; Closed April 2006*

A complaint filed by directors of the company raised issues regarding the disbursement of funds by IFC. Because these issues are outside the mandate of the CAO, the complaint was forwarded with supporting documentation to the Director of IFC's Global Manufacturing and Services Department, requesting the department to respond directly to the complainant.



## **PAKISTAN**

### **DJ Khan-01/Kahoon**

*Received December 2005; Deemed not eligible for assessment; Closed January 2006*

The complaint, filed by an Environmental Protection Committee for the region, raised issues regarding the citing of several cement plants and the Environmental Impact Assessments that were completed for them. The CAO did not assess the complaint because the matter is pending in the courts.

## **PERU**

### **Yanacocha-03/Cajamarca Department**

*Received March 2006; Closed August 2006*

In March 2006, the CAO received a petition for assistance from 30 canal users who jointly submitted a request for CAO assistance in obtaining information about the current and potential impact of mining on the quantity of water in their canals, rivers, and mountain streams. The petition expressed satisfaction with the collaborative water quality work that stemmed from CAO's four-year dialogue process in Cajamarca and a desire to continue this type of work through an independent organization such as the CAO. In July 2006, the CAO Ombudsman facilitated an information-sharing workshop with the canal users and representatives from the mine's technical water/environmental staff. During the workshop, the mining company committed to distributing to canal users the final version of an area-wide hydrology report, which was to be published in November 2006 and would contain information and data that responds to the canal users' concerns. The CAO concluded its involvement in the petition, but is continuing to engage with the parties regarding water quantity issues.

## **URUGUAY**

### **Celulosas de M'Bopicia (CMB) & Orion-01/Argentina and Uruguay**

*Received September 2005; Case closed and compliance audit published March 2006*

More than 39,000 people in Argentina and Uruguay signed a complaint in 2005 claiming that proposed IFC and MIGA investments in two pulp mills in Uruguay—the Celulosas de M'Bopicia (CMB) and Orion mills—posed serious environmental and social risks. The CAO assessed the complaint for opportunities to negotiate a settlement. The CAO's preliminary assessment report was distributed to stakeholders, and the CAO Vice President triggered a compliance audit in November 2005. The audit report was publicly disclosed and the case closed in March 2006.



# CAO Archive, FY2000–7

## FY2007 (July 2006–June 2007)

### **GEORGIA**

#### **BTC Pipeline-29/Tsalka**

*Received August 2006; Closed July 2007.*

BTC Co. has made a settlement offer to a landowner who filed a complaint in August 2006 regarding BTC Co.'s methods for calculating the value of his leased land, BTC Co.'s restoration efforts on the land, and BTC Co.'s adherence to the Resettlement Action Plan. The complainant received some compensation from the sponsor, but contended for several years that the payments were inadequate and did not meet the terms of BTC Co.'s legal obligations. On May 25, 2007, the CAO facilitated a meeting between the parties in Tbilisi, during which a full and final compensation offer was made to the complainant. After a series of negotiations between the parties, a final settlement agreement was reached in May 2007 at a meeting facilitated by the CAO in Tbilisi. The parties agreed not to disclose the terms of the settlement. The CAO closed the complaint in July 2007.

### **INDIA**

#### **Mahindra Farm Services–01,02,03,04/Confidential**

*Received October 2006 to March 2007; Transferred to CAO Compliance for appraisal; Closed*

See Summary of CAO Cases, FY2008, pp. 23-24.

### **KAZAKHSTAN**

#### **Lukoil Overseas-02/Berezovka**

*Received April 2007; Compliance appraisal released January 2008; Closed*

See Summary of CAO Cases, FY2008, p. 27.



## **PERU**

### **Tecnosul-01/Ica**

*Received November 2006; Deemed not eligible for assessment; Closed January 2007*

In November 2006, the CAO received a complaint from a resident near the site of a copper sulfite plant relocation in Ica, Peru. During an assessment of the complaint, IFC clarified that Tecnosul was not an IFC borrower—although the controlling shareholder was a borrower for a separate project, Tecnofil. After investigating the relationship between the two projects, IFC contacted the client's general manager to convey IFC's expectations that, even in the absence of a contractual relationship, Tecnosul would abide by all the necessary administrative procedures governing its plans to relocate its copper sulfate plant to a new site. IFC requested that the company keep IFC informed of its plans, and the company's general manager agreed to do so. The CAO Ombudsman was copied on these communications and closed the complaint in January 2007.

## **TURKEY**

### **BTC Pipeline-28/Adana & Ceyhan**

*Received July 2006; Closed February 2007*

In July 2006, a Turkish CSO filed a complaint on behalf of fishermen in the Ceyhan Bay, alleging negative economic impacts to fishermen whom BTC Co. had failed to identify as project-affected people. The CAO encouraged a meeting between BTC Co.'s social and environmental specialist, the CSO, and the fishermen to discuss the issues. In September and December 2006, meetings between the company and the CSO were reportedly held. After multiple attempts to contact the CSO for a report on the outcome of those discussions and the status of their complaint, the CSO failed to respond. The CAO informed the parties in advance of its intent to close, and did so in February 2007.



## Funding Message

In FY2008, the CAO had an administrative budget of \$2,721,367. The Office also has an agreement with IFC and MIGA and additional funds from a CAO contingency fund will be made available, on request, in the event of an unexpected volume of complaints, a large-scale mediation effort, or other ombudsman-related activity. The contingency fund is \$1 million. In FY2008, CAO used \$287,715 from the contingency fund.

The CAO funds all assessments of complaints from its own operating budget. For complaints that are assessed, and for specific mediation activities to be organized and/or managed by the CAO Ombudsman, the parties to a dispute may contribute funds to a separate account managed by the CAO. If parties sign an agreement to mediate or a memorandum of understanding to negotiate, the CAO works with the parties to resolve payment issues. For parties who are not in a position to contribute, the CAO has the option to draw on its contingency fund.

No arrangements exist for separate funding on compliance cases or advisory work. The cost of compliance appraisals and audits, and CAO advisory work, are funded from the CAO's administrative budget.







## Strategic Advisors

<b>Ray Albright</b>	Managing Director, GlobalNet Financial Solutions
<b>Glen Armstrong</b>	Director, Sustainable Finance Ltd.
<b>Antonia Chayes</b>	Visiting Professor of International Politics and Law, Tufts University
<b>William (Bill) Davis</b>	Co-founder and President, DPK Consulting
<b>David Hunter</b>	Assistant Professor and Director, Environmental Law Program, Washington College of Law, American University
<b>Manuel Rodríguez</b>	Former Minister of Environment, Colombia
<b>Lori Udall</b>	International public policy and development consultant
<b>Susan Wildau</b>	Partner, CDR Associates



## CAO Staff



**Meg Taylor,  
Vice President,  
Compliance Advisor/Ombudsman**

A national of Papua New Guinea, Meg Taylor received her LL.B from Melbourne University, Australia, and her LL.M from Harvard University, USA. She practiced law in Papua New Guinea and serves as a member of the Law Reform Commission. She was Ambassador of Papua New Guinea to the United States, Mexico, and Canada in Washington, DC from 1989 to 1994. A co-founder of Conservation Melanesia and a member of the World Commission on Forests and Sustainable Development, she has served on the boards of the World Wildlife Fund-USA and the World Resources Institute, as well as a number of companies in Papua New Guinea in the natural resources, financial, and agricultural sectors.



**Amar Inamdar,  
Principal Specialist, Ombudsman**

A British national, Amar Inamdar leads complex multiparty dispute resolution process on sensitive private sector projects. Amar founded and managed a successful professional consulting practice in Oxford, UK, focused on international investment. He was a major contributor to the UK government's White Paper on "Making Globalisation Work for the Poor," and for two years worked to achieve a lasting compensation settlement between civil society groups and Rio Tinto in Indonesia. He has contributed to the MBA program at the University of Oxford's Said Business School and the Kennedy School of Government at Harvard. Amar started his professional career as a corporate strategy consultant with Cap Gemini and worked for the World Wide Fund for Nature in eastern Africa. He was born and lived in Kenya, educated at Oxford University, UK, and has a PhD from Cambridge University, UK.



**Henrik Linders,  
Senior Specialist, Compliance**

A Swedish national, Henrik Linders has a professional background in private sector project compliance and corporate risk. Before joining the CAO, he served as an advisor for infrastructure projects in Africa, South Asia, Europe, and the Americas, creating strategies and performing audits for companies on such issues as the environment, labor, health, safety, and management. He also served as senior project manager and environmental manager for a number of complex remediation projects in Norway and Sweden, and as manager at a Swedish environmental consultancy firm. He received his MS in engineering from the Norwegian Institute of Technology.



**Kate Kopischke,  
Specialist, Ombudsman**

A U.S. national, Kate Kopischke has a background as an independent mediator and facilitator with experience in multiparty conflicts and consensus building. Her expertise includes both private and public sector cases involving economic development, the environment and natural resources, and public-private partnering agreements. She holds a master's degree in intercultural communication. In addition to her private mediation practice, she served for five years as Program and Communications Manager for the Policy Consensus Initiative, a U.S.-based NGO that works with public leaders to strengthen and encourage the use of consensus building in the public sector.



**Michelle Malcolm,  
Program Assistant**

A Belgian national, Michelle Malcolm came to the CAO with extensive experience as a multilingual executive assistant and office manager in the private and public sectors in Europe, the Middle East, and North Africa. She worked with CAO Compliance, and provided administrative and consultant support to the CAO as a whole. Michelle retired in the spring of 2008 after seven years with the CAO.



**Paula Panton,  
Executive Assistant**

A Jamaican national, Paula brings to the CAO over 25 years of experience working with IFC. Known as the "Field Marshall," she works directly with Meg Taylor and provides administrative support to the unit.



**Rosemary Thompson,  
Program Assistant**

A U.S. national and native of Washington, DC, Rosemary Thompson brings a life of rich and eclectic experience to the CAO. Working for the CAO empowers her to believe that the extraordinary is possible and that the World Bank's mission statement is attainable.



**Charity Agorsor,  
Consultant Services Assistant**

A Ghanaian national, Charity Agorsor came to the CAO with extensive experience from IFC's Industry Department and provides procurement assistance to the CAO office. She is the focal point of contact for all consultants hiring and other resource management transaction processing for the CAO.



## Reports and Publications, FY2008

### Advisory Notes

*A Guide to Designing and Implementing Grievance Mechanisms for Development Projects*, June 2008

*Improving IFC's and MIGA's Local Development Impact at the Project Level*, June 2008

*Participatory Water Monitoring: A Guide for Preventing and Managing Conflict*, June 2008

### Ombudsman Reports

*Mahindra Farm Services Preliminary Assessment Report*, July 2007  
(CAO case: India/Mahindra Farm Services-01,-02,-03,-04/Confidential)

*Wilmar Preliminary Assessment Report*, November 2007  
(CAO case: Indonesia/Wilmar-01/West Kalimantan)

*Mahindra Farm Services Final Assessment Report*, March 2008  
(CAO case: India/Mahindra Farm Services-01,-02,-03,-04/Confidential)

*Allain Duhangan Conclusion Report*, March 2008  
(CAO case: India/AD Hydro Power Limited-01/Himachal Pradesh)

### Compliance Reports

*CAO Appraisal for Audit of IFC, Karachaganak Project, Case of Residents in the Village of Berezovka*, January 2008 (CAO case: Kazakhstan/Lukoil Overseas-02/Berezovka)

*CAO Audit of IFC, Karachaganak Project, Case of Residents in the Village of Berezovka*, March 2008 (CAO case: Kazakhstan/Lukoil Overseas-01/Berezovka)

*CAO Appraisal for Audit of IFC, BTC Project, Case of Residents in the Village of Naokhrebi*, June 2008 (CAO case: Georgia/BTC Pipeline-31/Naokhrebi)

*CAO Appraisal for Audit of IFC, Mahindra Subh Labh Services, Cases of Four Complainants*, June 2008 (CAO case: India/Mahindra Farm Services 01-04/Confidential)

*CAO Appraisal for Audit of IFC, Ramky REEL Project, Case of Residents in the Village of Gummidipoondi*, June 2008 (CAO case: India/Ramky-03/Gummidipoondi)

## CAO Complaint Log, FY2000–8

This log includes the entire history of complaints received by the CAO since FY2000. It includes those complaints that were deemed not eligible for assessment

OMBUDSMAN (98)			
Complaints	Date complaint received	Eligible for assessment?	Open or date closed
<b>FY 2000</b>			
No Complaints	n.a.	n.a.	n.a.
<b>FY 2001</b>			
<b>Chile:</b> Empresa Electrica Pangué S.A.-01/Upper Bio-Bio Watershed	Aug 2000	Yes	Jan 2005
<b>Peru:</b> Compañía Minera Antamina S.A.-01/Huarmey	Sep 2000	Yes	Sep 2000 <sup>a</sup>
<b>Uganda:</b> Bujagali-01/Bujagali Falls	Nov 2000	No	Dec 2000
<b>Jordan:</b> Jordan Gateway Project Co -01/Bet Shean Valley	Dec 2000	No	Dec 2000
<b>Peru:</b> Yanacocha-01/Cajamarca	Dec 2000	Yes	Nov 2003
<b>Jordan:</b> Jordan Gateway Project Co -02/Bet Shean Valley	Jan 2001	Yes	Jan 2005
<b>Peru:</b> Yanacocha-02/Cajamarca	Mar 2001	Yes	Mar 2006
<b>Nigeria:</b> Niger Delta Contractor Revolving Credit Facility-01/Niger Delta	Jun 2001	Yes	Jan 2005
<b>Uganda:</b> Bujagali-02/Bujagali Falls	Jun 2001	Yes <sup>b</sup>	Jan 2005
<b>FY 2002</b>			
<b>Uganda:</b> Bujagali-03/Canada	Jul 2001	Yes	Jan 2005
<b>Tanzania:</b> Bulyanhulu Project-01/Kankola	Jan 2002	Yes	Jan 2005
<b>India:</b> Chemplast-01/Cuddalore District	Jun 2002	Yes	Jan 2005
<b>FY 2003</b>			
<b>Chile:</b> Empresa Electrica Pangué S.A.-02/Upper Bio-Bio Watershed	Jul 2002	Yes	Feb 2006
<b>Bolivia:</b> Comsur V-01/Bosque Chiquitano	Jun 2003	Yes	Nov 2003 <sup>a</sup>
<b>FY 2004</b>			
<b>Zambia:</b> Konkola Copper Mines Plc (KCM)-01/Ming'omba and Kawama	Jul 2003	Yes	Jan 2005
<b>Georgia:</b> BTC Pipeline-01/Switzerland	Dec 2003	No	Dec 2003
<b>Georgia:</b> BTC Pipeline-02/Rustavi	Mar 2004	Yes	Apr 2004
<b>Georgia:</b> BTC Pipeline-03/Switzerland	Mar 2004	No	Apr 2004
<b>Georgia:</b> BTC Pipeline-04/Switzerland	May 2004	No	May 2004
<b>Georgia:</b> BTC Pipeline-05/Rustavi City	May 2004	No	Jun 2004
<b>Georgia:</b> BTC Pipeline-06/Bashkovi	May 2004	Yes	Feb 2005
<b>Georgia:</b> BTC Pipeline-07/Dgvari	May 2004	Yes	Feb 2005
<b>Georgia:</b> BTC Pipeline-08/Sagrasheni	May 2004	Yes	Feb 2006
<b>Georgia:</b> BTC Pipeline-09/Tetrtskaro	May 2004	Yes	Feb 2005
<b>Georgia:</b> BTC Pipeline-10/Tetrtskaro	May 2004	Yes	Jan 2007
<b>Georgia:</b> BTC Pipeline-11/Tsikisjvari	May 2004	Yes	Jun 2006
<b>Georgia:</b> BTC Pipeline-12/Tba, Tsemi, Sadgeri	May 2004	Yes	Jan 2005

**OMBUDSMAN (98) continued**

<b>Complaints</b>	<b>Date complaint received</b>	<b>Eligible for assessment?</b>	<b>Open or date closed</b>
<b>FY 2005</b>			
<b>Georgia:</b> BTC Pipeline-13/Tsalka	Jul 2004	Yes	May 2005
<b>Georgia:</b> BTC Pipeline-14/Vale	Aug 2004	Yes	Dec 2005
<b>Kazakhstan:</b> Lukoil Overseas-01/Berezovka	Sep 2004	Yes	Aug 2006 <sup>a</sup>
<b>India:</b> AD Hydro Power Limited-01/Himachal Pradesh	Oct 2004	Yes	Mar 2008
<b>Botswana:</b> Kalahari Diamond-01/Kalahari	Nov 2004	Yes	Jun 2006
<b>Georgia:</b> BTC Pipeline-15/Tetritskaro	Dec 2004	Yes	Feb 2006
<b>Georgia:</b> BTC Pipeline-16/Tetritskaro	Dec 2004	Yes	Feb 2006
<b>Georgia:</b> BTC Pipeline-17/Tadzrisi	Dec 2004	Yes	Jan 2007
<b>Georgia:</b> BTC Pipeline-18/Tetritskaro	Dec 2004	Yes	Feb 2006
<b>Indonesia:</b> Megaplast	Jan 2005	No	Feb 2005 <sup>b</sup>
<b>Guatemala:</b> Marlin-01/Sipacapa	Jan 2005	Yes	May 2006
<b>Argentina:</b> Holding Intergas S.A.	Mar 2005	No	Mar 2005 <sup>b</sup>
<b>Georgia:</b> BTC Pipeline-19/Atskuri	Apr 2005	Yes	Feb 2006
<b>Georgia:</b> BTC Pipeline-20/Atskuri	Apr 2005	Yes	Feb 2006
<b>Romania:</b> BCR	May 2005	No	May 2005 <sup>b</sup>
<b>Turkey:</b> BTC Pipeline-21/Posof	Jun 2005	Complaint withdrawn	Jul 2005
<b>Georgia:</b> BTC Pipeline-22/Tsemi	Jun 2005	Yes	Jan 2007
<b>Georgia:</b> BTC Pipeline 23/Tsemi	Jun 2005	Yes	Aug 2006
<b>Peru:</b> Compañía Minera Antamina S.A.-02/Huarmey	Jun 2005	Yes	May 2006
<b>FY 2006</b>			
<b>Yemen:</b> Aden Free Zone Development	Jul 2005	No	Jul 2005 <sup>b</sup>
<b>Georgia:</b> BTC Pipeline-24/Vale	Aug 2005	No	Sep 2005
<b>Georgia:</b> BTC Pipeline-25/Vale	Aug 2005	No	Sep 2005
<b>India:</b> AD Hydro Power Limited-02/Jagat Sukh	Aug 2005	No	Sep 2005
<b>India:</b> Ramky-01/Gummidipoondi	Aug 2005	No	Oct 2005
<b>India:</b> Ramky-02/Mumbai	Sep 2005	No	Oct 2005
<b>Uruguay:</b> Celulosas de M'Bopicua (CMB) & Orion-01/Argentina and Uruguay	Sep 2005	Yes	Nov 2005 <sup>a</sup>
<b>Russia:</b> DeltaCredit Bank	Oct 2005	No	Oct 2005 <sup>b</sup>
<b>Georgia:</b> BTC Pipeline-26/Krtsanisi	Dec 2005	Yes	June 2006 <sup>a</sup>
<b>Pakistan:</b> DG Khan-01/Kahoon	Dec 2005	No	Jan 2006
<b>South Africa:</b> African Bank	Dec 2005	No	Jan 2006 <sup>b</sup>

## OMBUDSMAN (98) continued

Complaints	Date complaint received	Eligible for assessment?	Open or date closed
<b>FY 2006 continued</b>			
<b>Belize:</b> NOVA Companies (Belize) Ltd. and Ambergris Aquaculture Ltd.-01/Ladyville	Jan 2006	No	Jan 2006
<b>Peru:</b> Yanacocha-03/Cajamarca Dept.	Mar 2006	Yes	Aug 2006
<b>Kenya:</b> AEF Lesiolo Grain Handlers Limited-01/Nakuru	Apr 2006	No	Apr 2006
<b>Southeast Asia:</b> Gender Discrimination	May 2006	No	May 2006 <sup>b</sup>
<b>Georgia:</b> BTC Pipeline-27/Tbilisi	Jun 2006	Yes	Sep 2006 <sup>a</sup>
<b>India:</b> Atul Ltd.-01/Gujarat	Jun 2006	Yes	Jun 2007
<b>Argentina:</b> Cencosud	Jun 2006	No	Jul 2006 <sup>b</sup>
<b>FY 2007</b>			
<b>Argentina:</b> Los Gigantes-Dioxitek	Jul 2006	No	Aug 2006 <sup>b</sup>
<b>Turkey:</b> BTC Pipeline-28/Adana & Ceyhan	Jul 2006	Yes	Feb 2007
<b>Argentina:</b> GEF Streetlight	Jul 2006	No	Aug 2006 <sup>b</sup>
<b>Georgia:</b> BTC Pipeline-29/Tsalka	Aug 2006	Yes	Jul 2007
<b>United States:</b> Microfinance Investment Vehicles	Oct 2006	No	Oct 2006 <sup>b</sup>
<b>India:</b> Mahindra Farm Services-01/Confidential	Oct 2006	Yes	Mar 2008 <sup>a</sup>
<b>India:</b> Mahindra Farm Services-02/Confidential	Oct 2006	Yes	Mar 2008 <sup>a</sup>
<b>Ghana:</b> Kayogbo Youth Club	Oct 2006	No	Nov 2006 <sup>b</sup>
<b>Netherlands:</b> ABCI Investments	Jan 2007	No	Jan 2007 <sup>b</sup>
<b>Peru:</b> Tecnosul-01/Ica	Nov 2006	No	Jan 2007
<b>Ethiopia:</b> National Land Claims	Feb 2007	No	Feb 2007 <sup>b</sup>
<b>India:</b> Mahindra Farm Services-03/Confidential	Feb 2007	Yes	Mar 2008 <sup>a</sup>
<b>India:</b> Mahindra Farm Services-04/Confidential	Mar 2007	Yes	Mar 2008 <sup>a</sup>
<b>Kazakhstan:</b> Lukoil Overseas-02/Berezovka	Apr 2007	Yes	Nov 2007 <sup>a</sup>
<b>Middle East:</b> GAL	May 2007	No	Jul 2007 <sup>b</sup>
<b>FY 2008</b>			
<b>Indonesia:</b> Wilmar Group-01/West Kalimantan	Jul 2007	Yes	Open <sup>a</sup>
<b>Brazil - Globalbix</b>	Aug 2007	No	Sep 2007 <sup>b</sup>
<b>Georgia:</b> BTC Pipeline-30/Vale	Aug 2007	Yes	Open
<b>South Asia:</b> Pakistan Banking	Sep 2007	No	Oct 2007 <sup>b</sup>
<b>India:</b> Ramky-03/ Gummidipoondi	Oct 2007	Yes	Mar 2008 <sup>a</sup>
<b>Russia:</b> Russky Mir II-01/Taman	Oct 2007	Yes	Jun 2008 <sup>a</sup>
<b>Bangladesh:</b> IFC/BICF Employment	Dec 2007	No	Feb 2008 <sup>b</sup>
<b>Ecuador:</b> Interagua-01/Guayaquil	Jan 2008	Yes	Open

OMBUDSMAN (98) continued			
Complaints	Date complaint received	Eligible for assessment?	Open or date closed
<b>FY 2008 continued</b>			
<b>Papua New Guinea:</b> Digicel	Jan 2008	No	Jan 2008 <sup>b</sup>
<b>Russia:</b> Russky Mir II-02/Taman	Feb 2008	Yes	Open
<b>Kenya:</b> Pan African Paper-01/Webuye	Feb 2008	Yes	Open
<b>Georgia:</b> BTC Pipeline-31/Naokhrebi	Feb 2008	Yes	Jun 2008 <sup>a</sup>
<b>Bolivia:</b> Sinchi Wayra (formerly COMSUR)	Mar 2008	No	May 2008
<b>Nicaragua:</b> Nicaragua Sugar Estates Limited-01/León and Chinandega	Mar 2008	Yes	Open
<b>Costa Rica:</b> Alterra	May 2008	No	May 2008 <sup>b</sup>
<b>Kazakhstan:</b> Lukoil Overseas-03/Berezovka	May 2008	Yes	Open
<b>Peru:</b> Compañía Minera Antamina S.A.-03/Huarmey	Jun 2008	TBD	Open
<b>Zambia:</b> Konkola Copper Mines Plc (KCM)-02/Kawama	Jun 2008	No	Jun 2008
<b>Philippines:</b> Ambuklao-Binga Hydroelectric Power-01/Binga	Jun 2008	Yes	Open

COMPLIANCE (17)			
Cases	Date triggered	Eligible for audit/review?	Open or date closed
<b>FY 2000</b>			
No audit requests	n.a.	n.a.	n.a.
<b>FY 2001</b>			
<b>Peru:</b> Compañía Minera Antamina-01/Huarmey	Sep 2000	Yes	Jan 2005
<b>FY 2002</b>			
No audit requests	n.a.	n.a.	n.a.
<b>FY 2003</b>			
No audit requests	n.a.	n.a.	n.a.
<b>FY 2004</b>			
<b>Bolivia:</b> Comsur V-01/Bosque Chiquitano	Nov 2003	Yes	Jul 2004
<b>FY 2005</b>			
<b>Brazil:</b> Amaggi Expansion-01/IFC Executive Vice President Request	Nov 2004	Yes	Jun 2005
<b>FY 2006</b>			
<b>Democratic Republic of Congo:</b> Anvil Mining Congo, SARL-01/World Bank President Request	Jul 2005	Yes	Feb 2006
<b>Uruguay:</b> Celulosas de M'Bopicua (CMB) & Orion-01/Argentina and Uruguay	Nov 2005	Yes	Mar 2006
<b>Georgia:</b> BTC Pipeline-26/Krtsanisi	Jun 2006	No	Apr 2007
<b>FY 2007</b>			
<b>Kazakhstan:</b> Lukoil Overseas-01/Berezovka	Aug 2006	Yes	Open
<b>Georgia:</b> BTC Pipeline-27/Tbilisi	Sep 2006	No	Apr 2007



COMPLIANCE (17) continued

Cases	Date triggered	Eligible for audit/review?	Open or date closed
<b>FY 2008</b>			
<b>Kazakhstan:</b> Lukoil Overseas-02/Berezovka	Nov 2007	No	Jan 2008
<b>India:</b> Mahindra Farm Services-01/Confidential	Mar 2008	No	Jun 2008
<b>India:</b> Mahindra Farm Services-02/Confidential	Mar 2008	No	Jun 2008
<b>India:</b> Mahindra Farm Services-03/Confidential	Mar 2008	No	Jun 2008
<b>India:</b> Mahindra Farm Services-04/Confidential	Mar 2008	No	Jun 2008
<b>Indonesia:</b> Wilmar Group-01/West Kalimantan	Mar 2008	TBD	Open
<b>India:</b> Ramky-03/ Gummidipoondi	Mar 2008	No	Jun 2008
<b>Georgia:</b> BTC Pipeline-31/Naokhrebi	Jun 2008	TBD	Open
<b>Russia:</b> Russky Mir II-01/Taman	Jun 2008	TBD	Open

a. CAO Ombudsman transferred the case to CAO Compliance.

b. The CAO assessed and handled those issues raised by the complainant that dealt with IFC. However, the complainant also raised issues outside of the CAO's mandate. The CAO referred these issues to other relevant parts of the World Bank Group.

n.a. - not applicable

TBD - to be determined



## Further Information about the CAO

The CAO aims for maximum disclosure of its reports, findings, and processes through reporting on its Web site. All other public documents, including past CAO Operational Guidelines, Annual Reports, and Advisory Notes, are available in hard copy and online. The CAO Operational Guidelines are available in seven official languages of the World Bank Group. Additional resources on how to file a complaint, including a model letter, are available in additional languages on the CAO Web site. For more information, see [www.cao-ombudsman.org](http://www.cao-ombudsman.org)

## How to File a Complaint

Complaints should be submitted in writing and may be presented in any language. The CAO will attempt to respond in the language of the complaint. Complaints should be sent by mail/post, fax, or e-mail or delivered to the Office of the CAO in Washington, D.C. The CAO will keep the identity of complainants confidential if requested, but anonymous complaints will not be accepted. Material may also be submitted on a confidential basis to support a complaint and will not be released without the consent of the party/parties that submitted it.

Compliance Advisor/Ombudsman (CAO)  
2121 Pennsylvania Avenue NW  
Washington, DC 20433 USA  
Telephone: + 1 202 458 1973  
Facsimile: + 1 202 522 7400  
e-mail: [cao-compliance@ifc.org](mailto:cao-compliance@ifc.org)

CAO Web site: [www.cao-ombudsman.org](http://www.cao-ombudsman.org)



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COMPLIANCE ADVISOR/OMBUDSMAN

2121 Pennsylvania Avenue NW

Washington, DC 20433 USA

Telephone: (202) 458-1973

Facsimile: (202) 522-7400

e-mail: [cao-compliance@ifc.org](mailto:cao-compliance@ifc.org)

Web site: [www.cao-ombudsman.org](http://www.cao-ombudsman.org)



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