



2013 ANNUAL REPORT

Compliance Advisor Ombudsman (CAO)



Independent Accountability Mechanism for the International Finance Corporation (IFC)
and the Multilateral Investment Guarantee Agency (MIGA), Members of the World Bank Group

About CAO

The Office of the Compliance Advisor Ombudsman (CAO) is the independent accountability and recourse mechanism for the International Finance Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA), the private sector lending and insurance arms of the World Bank Group. CAO addresses complaints from people affected by IFC and MIGA projects with the goal of improving social and environmental outcomes on the ground and fostering greater public accountability of IFC and MIGA. CAO reports directly to the World Bank Group President.

For more information about CAO, please visit www.cao-ombudsman.org



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Compliance Advisor Ombudsman (CAO)

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Our Mission

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.

FOREWORD FROM THE World Bank Group President

This year the World Bank Group set an ambitious agenda for the global development community: ending extreme poverty by 2030 while promoting shared prosperity for the bottom 40 percent of the population in developing countries. Achieving these goals will require synergy across the World Bank Group to ensure that, as a whole, we are delivering complementary development solutions to the most vulnerable populations of the world.

The International Finance Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA)—the World Bank Group’s private sector arms—offer valuable opportunities for creating economic growth. From small business to large infrastructure, the private sector has the potential to create jobs and change lives in the developing world. In order to ensure that these projects have

effective and sustainable outcomes, we must remain responsive and accountable to the people and communities that are impacted by private sector projects.

Over the last 13 years, the Office of the Compliance Advisor Ombudsman (CAO) has played a vital role in enhancing the accountability of the World Bank Group by offering a robust and effective citizen-driven accountability system for IFC and MIGA. CAO provides the space for communities to have direct access to those whose decisions can profoundly affect their lives. It ensures that their voices are heard and their concerns are acted upon. CAO helps to provide assurances that IFC/MIGA’s environmental and social standards and policies are translated into good practice on the ground.

World Bank Group President Jim Yong Kim is warmly greeted while touring the Rural Alliance Fair in Cliza, Bolivia on July 6, 2013.



CAO's dispute resolution work creates opportunities for companies and people affected by our projects to come together to address complex issues, and to explore innovative and cooperative ways to resolve them.

As we push toward our development goals by expanding our investment portfolio into new countries and frontier markets, there will undoubtedly be challenges along the way. It is therefore important that we are able to recognize the risks as well as the benefits of these projects. CAO's compliance work helps us to be aware of these risks by assessing the gaps between policy and due diligence and the subsequent impact on outcomes. This helps IFC/MIGA to identify potential harm, and to manage projects in a way that maximizes their social and environmental performance and encourages positive outcomes for people on the ground.

This year CAO finished its investigation of IFC's financial intermediaries, which involved an analysis of a sample of 188 investments in IFC's financial sector. CAO is now monitoring IFC's response to this investigation, as well as completed investigations of a manufacturing project in Mozambique and a power privatization project in Kosovo.

Gathering lessons from its compliance and dispute resolution cases, CAO's advisory work has helped shape IFC/MIGA's environmental and social policies and Performance Standards, and continues to provide the World Bank Group with valuable insights about systemic issues arising from the Bank's work.

I would like to thank the CAO—and those who work with them—for their commitment and hard work this year, and I wish them continued success for the challenges ahead. If we are to achieve our goals of ending poverty and increasing shared prosperity, we will need CAO to help us ensure that we are truly helping the people we are determined to serve.



Jim Yong Kim
President

MESSAGE FROM THE

Compliance Advisor Ombudsman

As begin my last year as Vice President of CAO, I look back and see how far we have come while at the same time realizing the challenges that lie ahead. The world has changed since CAO first opened its doors in 2000, as has the World Bank Group. Thinking about how these changes affect people in the countries where we work is of constant concern to the CAO team. Since we began our work, we have seen a steady increase in the number of complaints we receive, with a 30 percent increase in the cases we handled from last year to this year alone. As we strive to encourage citizen-driven accountability, this trend is encouraging because it indicates that our work is becoming more visible, and communities are accessing CAO's services with more confidence and capacity.

In the coming years we anticipate that the growth of CAO's caseload will continue, as IFC and MIGA's portfolios expand and diversify to include more investments in complex and risky projects, particularly in the infrastructure and agribusiness sectors. The growth of these large resource-intensive projects, coupled with environmental pressure due to climate change, will make conflicts over resources such as land and water a challenge for development. As evident in many of our cases, in which these issues are often intertwined, it is important that projects are established with a clear view of the inherent risks that they present. Furthermore, the complexity of the issues and the numbers of stakeholders involved in these cases pose worthy challenges to our work. This is particularly true in the design of dispute resolution processes, which must often accommodate a wide range of needs and interests. A big question we face is how a small Office like CAO will meet the rising demands of these cases, and if there are mechanisms at the project level that can provide more immediate remedy for people before they bring their concerns to CAO.

One of the ways we are trying to meet these challenges is by strengthening our own capacity in the field. We have worked hard to build the capacity of mediators on all continents so as to have a wealth of local knowledge and skills to draw upon. This past year we held training sessions for mediators in Latin America, East Africa, and Southern Africa. Over the next 12 months we will be working with local mediators and facilitators in West Africa and Asia, as well as running workshops on grievance mechanisms to help IFC/MIGA clients create the space for project-affected people to have their grievances heard and addressed.

However, an increase in the capacity of CAO needs to be coupled with a concerted effort to deal with issues at the investment and project level. We believe that better project preparation, better project consultation, diligent supervision of investments, and the right to redress are important ingredients for better development outcomes.

For the past seven years, our compliance team has been led by Henrik Linders, who has now returned to Scandinavia with his young family. I am indebted to Henrik for his commitment to the work of this Office, for building the work of CAO Compliance, and for his continued support through tough situations. The case load in Compliance has also been steadily increasing, a trend I believe will continue as complainants are now given the choice to request a compliance intervention rather than dispute resolution at first instance. This change took effect under CAO's new Operational Guidelines in March 2013.

Compliance work has a natural tension with the institution we are tasked to investigate. Over the past year, IFC's responses to our audits (now called investigations) have often been dismissive. One of the major challenges we have observed involves how IFC converts CAO findings into tangible improvements in its environmental and social

Meg Taylor meets with a member of ASOCHIVIDA in Nicaragua.



procedures and practices. In order to manage this concern, we have been working closely with IFC to develop a more structured approach to the way we engage with the institution during our post investigation monitoring phase.

It is important for us, and for the institutions we hold accountable, that we are able to draw lessons from our work. We have started to strengthen our Advisory function with the addition of a dedicated staff member and a robust work plan for the coming year. Feeding lessons learned back to the institution will continue to be a greater focus of CAO's work, which will include a series of learning events after case closure, informal briefings with IFC/MIGA investment teams on our cases, workshops on grievance mechanisms with IFC clients, as well as continued advice through Advisory Notes.

As the volume and complexity of our work increase, I am reminded that we are but one place where people can seek remedy for harm, and that there is a real need for more robust mechanisms to respond to project-affected communities. With the new direction of the World Bank Group, emphasis must be placed on ensuring that

communities are beneficiaries of investments and that they share in the opportunity and prosperity of World Bank Group interventions.

On a more personal note, the CAO team and those we have worked with, both mediators and community members, have felt the loss of life of friends and colleagues this year. We will forever remember Annabelle Abaya from the Philippines, Gamal Pasya from Indonesia, and Donald Cortez from Nicaragua, who have given much to making the peace between communities and companies. We also share the joys of life with the arrival of new family members. All in all, it is the commitment to those who need a voice in development that motivates us each day. I thank all of you who read this Annual Report of our work for your continued interest and support.

A handwritten signature in black ink that reads "Meg Taylor".

Meg Taylor
Vice President



OVERVIEW OF CAO



WHO WE ARE AND HOW WE WORK

CAO is the independent accountability and recourse mechanism for the private sector arms of the World Bank Group, the International Finance Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA). CAO reports directly to the President of the World Bank Group. It assists in addressing complaints from people affected by IFC/MIGA projects, with the goal of improving environmental and social outcomes on the ground and fostering greater public accountability of IFC and MIGA. CAO was established in 1999.

The head of the CAO Office is appointed after an independent selection process led by civil society and industry leaders. The CAO staff is made up of a diverse team of professionals from the public and private sectors (see pp. 104–107). CAO also works with numerous mediators and technical specialists around the world with proven track records in their fields, and meets regularly with a team of international strategic advisors, who provide critical insights to improve CAO's effectiveness (see p. 112).

CAO strives to respond to people's concerns in a manner that is fair, objective, and constructive, with the goal of delivering tangible outcomes for the parties involved. CAO's three roles—dispute resolution, compliance oversight, and independent advice—together provide a framework to address people's grievances and explore collaborative solutions, identify critical performance issues and remedy them, and share findings in a way that promotes systemic improvements at IFC and MIGA.

Assessment: If a complaint meets CAO's eligibility criteria (see box 1), CAO conducts an assessment. During the assessment phase, CAO engages with the complainants, IFC/MIGA staff and their client, and other local stakeholders to get a better understanding of the issues, gather additional information, and help the parties understand the options available to them through CAO. Ultimately, the parties will inform CAO whether they wish to trigger a CAO dispute resolution process or pursue a compliance investigation of IFC/MIGA.

CAO Dispute Resolution: Dispute resolution provides an avenue through which project-affected communities can engage directly with the IFC/MIGA client (project operator) to address concerns related to the environmental and social impacts of an IFC/MIGA project. If parties choose dispute resolution, CAO helps them design and implement flexible and collaborative processes aimed at seeking mutually agreeable solutions to the issues raised in the complaint. This may involve mediation, assisted dialogue, or joint fact-finding, among other approaches (see pp. 14–15). CAO monitors the implementation of any actions and agreements reached. If parties are unable to resolve their concerns through dispute resolution, the case is transferred to CAO Compliance.

Box 1. What Complaints Are Eligible?

CAO has three main criteria for determining whether a complaint is eligible for assessment:

- The complaint relates to a project in which IFC/MIGA is participating, or is actively considering.
- The issues raised are environmental and social in nature.
- The complainant is, or may be, affected by the environmental and social issues raised.

When screening a complaint for eligibility, CAO does not make a judgment about the merits of the issues raised, nor are complainants required to provide documentary evidence to support their claims.

CAO is not mandated to address complaints related to fraud and corruption. These types of complaints are handled by the World Bank Group's Integrity Vice Presidency, www.worldbank.org/investigations. Complaints regarding public sector projects of the World Bank (IBRD/IDA) are handled by the Inspection Panel, www.inspectionpanel.org.

BOX 2

CAO OPERATIONAL GUIDELINES UPDATE, FY2013

The Operational Guidelines articulate how CAO carries out its different roles. The original Guidelines were drafted shortly after CAO was established in 1999 and were the product of a wide-ranging consultation process involving civil society, the private sector, and IFC/MIGA staff.

We periodically review the Operational Guidelines to ensure that we remain responsive to our stakeholders and effective in our work, as well as to enable the Guidelines to reflect evolving best practice. In response to recommendations from an independent review of CAO's effectiveness in 2010, and recommendations from a 2011 review by the World Bank Group Board, we embarked on a fourth update to the Operational Guidelines in 2012. The year-long review process involved a series of consultations with IFC and MIGA staff, and a 60-day external consultation with civil society and other interested stakeholders, who were invited to provide comments and feedback. Subsequent revisions to the Operational Guidelines were approved by the President early in 2013, and CAO implemented the new Guidelines in March 2013.

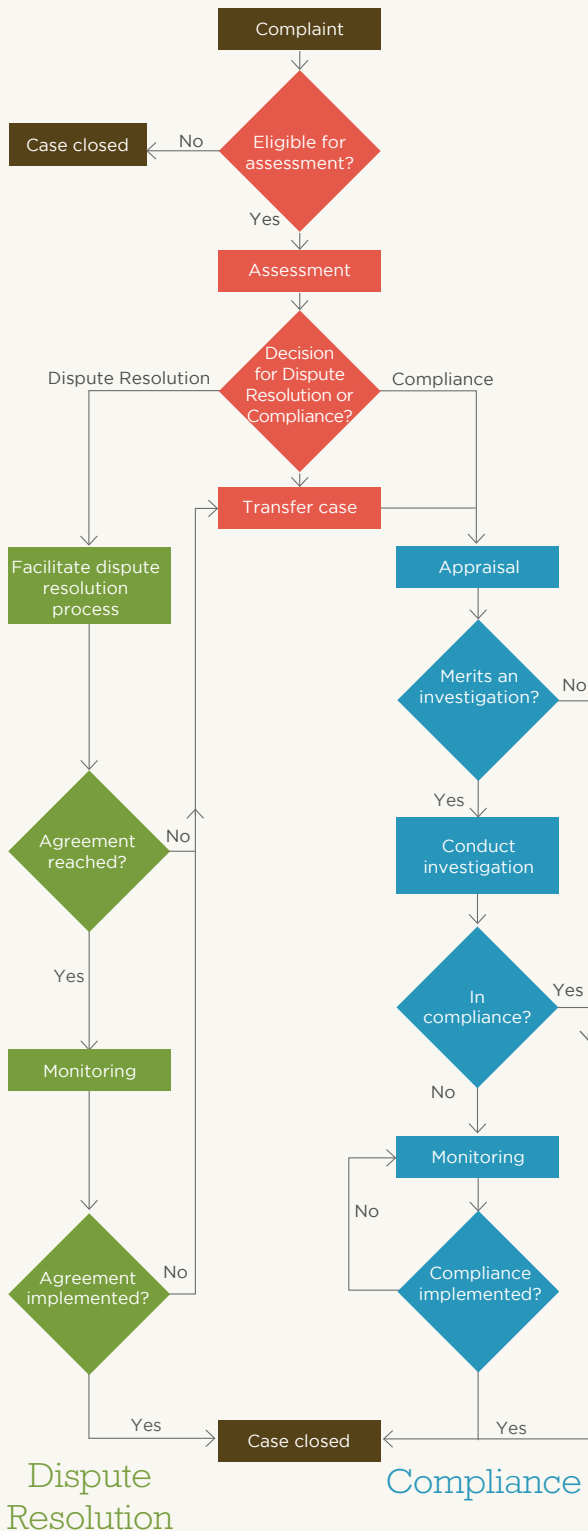
The new Guidelines incorporate a number of significant changes. During CAO's initial assessment of a complaint, the parties can choose which CAO function they wish to pursue: Dispute Resolution or Compliance. While CAO's dispute resolution specialists will lead the assessments given their unique skills in stakeholder mapping and conflict analysis, the assessment period is now housed as an "Office-wide" function. Another change is our use of the term "ombudsman"; this term has been changed to "dispute resolution" to better reflect our work. The term "audit" has also been changed to "investigation" to better reflect what is involved during the compliance process. Finally, the new Operational Guidelines better reflect CAO's original Terms of Reference, which allow for CAO investigations of one or more projects.

Diagram 1 outlines CAO's revised case handling process. The new Guidelines are available in seven languages on CAO's web site at www.cao-ombudsman.org.

CAO Senior Dispute Resolution Specialist meets with communities in Uganda



DIAGRAM 1
CAO PROCESS FOR HANDLING COMPLAINTS



CAO Compliance: CAO Compliance oversees investigations of IFC's/MIGA's compliance with relevant environmental and social policies, guidelines, procedures, and systems at the project level. One or more of the parties may choose a compliance intervention during the assessment phase, or if they are unwilling or unable to reach agreement through dispute resolution. The Compliance role may also be initiated at the discretion of the CAO Vice President, or at the request of the World Bank Group President or IFC/MIGA senior management. CAO first conducts an appraisal in order to decide whether an investigation of IFC/MIGA is warranted; if so, CAO appoints an independent panel to assist with an investigation (see pp. 16–19).

CAO Advisory: In its Advisory capacity, CAO provides guidance to the President and IFC/MIGA on broader environmental and social issues related to policy implementation, sectoral risks, emerging trends, and procedural concerns, among other considerations. The Advisory role is triggered at the discretion of the CAO Vice President or at the request of the World Bank Group President or IFC/MIGA senior management. CAO advice gathers lessons learned from its dispute resolution and compliance casework with the goal of improving IFC/MIGA performance in a systemic way.

All reports related to CAO's dispute resolution, compliance, and advisory work are available at www.cao-ombudsman.org. CAO's Operational Guidelines articulate in detail how these three roles interact.

BOX 3

CAO ASSESSMENTS

The assessment phase is an important first step in CAO's process. It provides an opportunity for us to engage directly with all the parties involved in a compliant and gain a deeper understanding of the key issues, while helping the parties decide the best course of action moving forward.

Previously, assessments were carried out by CAO's Dispute Resolution function, with an emphasis on exploring problem-solving options first to help resolve the issues. However, after reviewing our Operational Guidelines in response to external feedback about our work, we recognized the importance of giving parties the flexibility to decide which CAO process—dispute resolution or compliance—works best for them. CAO's new Operational Guidelines, launched March 2013, have put this into practice, and the assessment is now designed to allow the parties (namely, the complainants and the IFC/MIGA client company) to consider the options available through CAO. We work with the parties to ensure that they understand the relative benefits and challenges of a dispute resolution or compliance process, and that the parties are empowered to make an informed decision about which process may meet their needs.

Of course, dispute resolution processes are voluntary. If one party chooses collaborative methods to resolve the complaint while another party declines, dispute resolution will not be possible. In these circumstances, the complaint will automatically transfer to CAO Compliance.

CAO Dispute Resolution Specialist meets with community members in Cambodia.



DISPUTE RESOLUTION

CAO Dispute Resolution provides opportunities for project-affected people to engage directly with project operators to address environmental and social concerns related to IFC/MIGA projects. Through this work, CAO has made significant contributions toward enhancing the responsiveness of companies to address community concerns, helping in many instances to transform deeply held grievances at the project level.

In its Dispute Resolution role, CAO does not make a judgment about the merits of a complaint, nor does it find fault or impose solutions as conciliator, arbiter, or judge. Rather, the design of the process is flexible; it aims to address specific issues that have contributed to conflict and help the parties work together toward solutions that are practical, effective, and sustainable (see diagram 2).

CAO specialists work with the parties through a flexible range of alternative dispute resolution (ADR) approaches. ADR broadly refers to a variety of means by which parties can engage voluntarily with one another to settle disputes outside the court system. ADR approaches may involve joint fact finding, information sharing, facilitated negotiation, or assisted dialogue, which allow the parties to jointly address areas of concern and explore mutually agreeable solutions. When designing a process, CAO strives at all times to take into account existing local governance structures and customary methods of resolving disputes. CAO also monitors the implementation of any actions and agreements reached to the parties' satisfaction.

CAO works with local and regional mediators with the requisite language and cultural skills to understand the local context, build the trust of the parties, and promote dialogue. Partnering with local mediators not only allows CAO to respond more effectively to the parties' needs, but also to provide a more scalable, decentralized response to a growing caseload (see box 4).

Building Capacity for Dispute Resolution: Why This Is So Important

Dispute resolution seeks to achieve sustainable outcomes for local communities by empowering those directly affected by the issues to play a leading role in identifying and implementing their own solutions. To ensure that the parties can confidently and effectively participate in a dispute resolution process, CAO builds their capacity where needed. Capacity building frequently takes the form of on-site training, and we look for opportunities to train both the community and IFC/MIGA client representatives together, if appropriate.

Working directly with affected parties through capacity building also provides us an opportunity to better understand the context of disputes, and different interests and perspectives, local structures of decision making, as well as existing methods for resolving disputes. We try to integrate these elements into the training we provide to the parties, and the subsequent mediation process, in order to build a robust and effective framework for resolving the dispute.

This year, CAO conducted trainings in negotiation, communication, and conflict management for project-affected herders and company personnel in Mongolia (see Oyu Tolgoi 01 and 02, pp. 46-47) to help them prepare for a dialogue process. In a labor-related case in Uganda (see Bujagali Energy-04, p. 38), CAO held several information-sharing sessions to help employees better understand their rights and procedures related to reporting of work-related injuries, and to provide employees an opportunity to share their experiences with company management.

BOX 4

DEVELOPING THE CAPACITY OF MEDIATORS IN LATIN AMERICA

Local mediators are an integral part of CAO's dispute resolution teams, and work intensively with companies and communities on the ground to design a process that achieves positive outcomes for all involved. For CAO's work to be effective, it is important that we are able to identify and partner with professionals who know and understand the context (cultural, social, logistical) from which CAO cases originate. The mediators must also understand the private sector context in which CAO operates and how CAO works. In light of these needs, and to meet the demands of a growing caseload, we have embarked on a program to build CAO's network of mediators worldwide.

This year, we focused on expanding our network of local mediators in Latin America and Africa. We have had the opportunity to meet and share experiences with 13 mediators from 10 different countries in Latin America, and 33 mediators from 13 different countries across Sub-Saharan Africa. The caliber of mediators and strength of their experiences provided for rich discussions about the different practices of ADR around the world and enabled CAO to gain insight into how it can continue to grow the effectiveness of its dispute resolution work. In the upcoming year, CAO plans to hold similar events in West Africa, Eastern Europe, and Asia.

CAO team members gather with mediators from Latin America during a workshop in Peru.



DIAGRAM 2

A TYPICAL DISPUTE RESOLUTION PROCESS

1 Parties decide to enter dispute resolution

During assessment, the parties may decide to mediate the issues of concern. The CAO ensures this is an informed decision by all the parties.

2 Ground rules are established

Parties develop a set of “ground rules” that will govern the mediation process. They also identify which issues they are willing to mediate.

6 The settlement is monitored and the case is closed

The CAO monitors implementation of agreements and closes the case once all agreed actions are implemented.



Parties design a framework for engagement

The mediator works with parties to design a structure for the process. Training may be required for the parties to build their understanding and capacity to participate in a mediation process.



Needs are identified, options are explored, and a settlement is negotiated

The mediator works with the parties to identify their needs and interests, explore options to address them, and negotiate possible settlement of issues raised.

- Tools that may be used include:
- independent fact finding
 - participatory monitoring
 - expert advice
 - joint field trips.

The settlement agreement is concluded



If the parties reach a settlement, the mediator works with them to conclude a settlement agreement that captures actions and commitments.

COMPLIANCE

In its Compliance role, CAO uses a two-step process to examine how IFC/MIGA assure themselves that they have met their environmental and social commitments at the project level. Compliance appraisals and investigations focus on the actions of IFC and MIGA—not their private sector client. Appraisals may be triggered by the parties after assessment or when a case is transferred from dispute resolution. They may also be initiated by the CAO Vice President or at the request of the World Bank Group President or IFC/MIGA senior management. These cases typically involve serious security or safety concerns, or raise environmental and social performance issues not likely to be addressed through a complaint.

Appraisal

All compliance cases first undergo an appraisal to provide initial verification of IFC's/MIGA's compliance with environmental and social policies and procedures (see pp. 114-15). This process ensures that compliance investigations are initiated only for projects that raise substantial concerns about environmental and social outcomes on the ground. The appraisal process enables CAO to consider issues raised in the complaint against IFC's/MIGA's due diligence, and the findings determine whether or not a case merits further inquiry in the form of an investigation. Even in instances where an investigation is not deemed the appropriate course of action, the appraisal can uncover important insights about project performance and provide an early warning of emerging project risks. When appraising a case, CAO holds discussions with IFC/MIGA project teams and reviews project documents, as well as the issues raised in the complaint.

Investigation

If an investigation (formerly called an audit) is merited, CAO typically appoints an independent panel of experts to conduct the work. The panel builds on information already collected by CAO at appraisal. The investigation focuses specifically on whether environmental and social project outcomes are consistent with, or contrary to, the desired effect of IFC/MIGA policy provisions. The process may include interviews with complainants and other local stakeholders as relevant, as well as site visits, if needed, to observe project activities and outcomes. CAO maintains flexibility to consider other inputs as appropriate, and verification of the evidence is an important part of the process.

If IFC/MIGA is found to be out of compliance, CAO monitors remedial actions by IFC/MIGA until assured that its findings have been addressed. All CAO appraisal and investigation reports are disclosed publicly. (For more information about what an investigation involves, see diagram 3.)

BOX 5

MULTIPROJECT COMPLIANCE INVESTIGATIONS

Due to the diverse nature of IFC/MIGA business activities, and depending on the type of financial support provided to a client or location of a project, there may be instances when certain barriers may limit the accessibility of CAO's services to potentially affected communities. Through our casework over the years, we have also recognized that there may be issues that warrant further inquiry beyond any one individual case. To continue to be effective in helping IFC and MIGA improve their environmental and social performance, CAO sought to rectify this gap in its revised Operational Guidelines in 2013.

In line with our original Terms of Reference, CAO Compliance can now conduct an appraisal and investigation, if warranted, of multiple IFC/MIGA projects in order to examine the environmental and social performance of the respective institution at a broader level. These multiproject investigations may look at issues pertaining to a sector or region, or at a global level, and may be initiated at the discretion of the CAO Vice President, or at the request of the World Bank Group President or IFC/MIGA senior management.

Infrastructure project in South Asia.



DIAGRAM 3

TYPICAL COMPLIANCE INVESTIGATION PROCESS

1 The CAO releases appraisal report

The appraisal report outlines the CAO's decision to initiate and investigation IFC or MIGA.

2 The CAO drafts Terms of Reference for the investigation

The Terms of Reference defines the scope of the investigation.



9 The CAO monitors implementation of the investigation findings

The CAO monitors IFC/MIGA actions in response to the investigation findings until assured that all identified issues have been addressed and IFC/MIGA is/are in compliance, and then closes the case.



8 The investigation report and IFC/MIGA response are sent to the President

The World Bank Group President reviews the investigation report and, if satisfied with the IFC/MIGA response, clears both the report and the response for public disclosure.



3 An independent panel is appointed

The CAO assembles an independent panel: one to three individuals selected for their specific expertise.



4 The panel researches the case

Building on the work of the appraisal, the panel researches the project(s) and, with the CAO, interviews IFC/MIGA staff.

5 Site visits may be conducted

The panel may conduct site visits with the CAO to observe project activities, and meet with complainants and IFC/MIGA client(s).



6 The CAO and panel prepare a draft report



The panel writes up their findings, and with the CAO, prepare a draft report, which is sent to IFC/MIGA for factual comment.



7 The final investigation report is sent to IFC/MIGA for official response

IFC's/MIGA's official response should specify how the investigation findings will be addressed.

ADVISORY WORK

In its Advisory role, CAO gathers insights from its dispute resolution and compliance cases to provide advice to the World Bank Group President and IFC/MIGA senior management about systemic environmental and social issues related to policy implementation, procedures and systems, and emerging trends. The goal of this advice is to help improve the performance of IFC/MIGA.

Advice may be triggered by the CAO Vice President in response to systemic or critical issues arising from CAO's caseload or at the request of the President or IFC/MIGA senior management.

Advice generated by CAO's Advisory function is not case-specific. Rather, it is derived broadly from CAO's project experience through its dispute resolution and compliance interventions. This allows CAO to observe emerging trends and systemic concerns where its advice can provide important insights on aspects of private

sector development, including implementation of project-level grievance mechanisms and participatory approaches to monitoring projects.

Advisory Update 2013

This year, CAO hired its first-full time staff member to lead its advisory work. This was done as a means to develop a more systematic and robust method for feeding lessons learned from CAO's cases to IFC/MIGA. CAO Advisory also intends to engage with a wider stakeholder audience on best practices and lessons learned from our casework.

In the upcoming year, CAO's advisory work will focus on a participatory monitoring Advisory Note and a grievance mechanism Advisory Note, both of which will build on previous advice published by CAO in 2008. CAO will also work on other small pieces pertaining to our casework, as the need arises.

CAO advisory staff meeting mediators to share work of the CAO.



SUMMARY OF CAO ACTIVITIES, FY2013

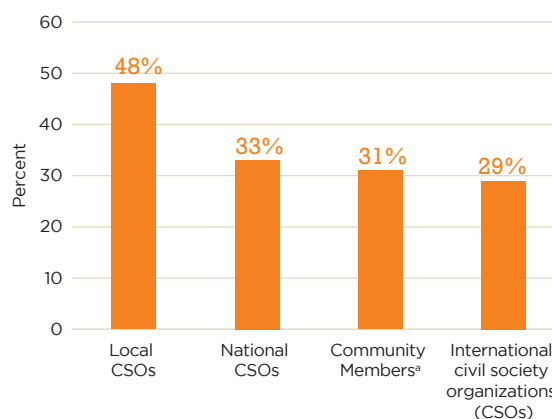


SNAPSHOT OF THE CAO CASELOAD, FY2013

CAO was active in all three roles during the year, handling more complaints and requests for audits than at any time in CAO's 13-year history. CAO addressed a total of 42 cases, of which 26 were carried over from 2012, and 16 were new cases in 2013. All 16 new cases relate to IFC projects, including one compliance appraisal triggered by the CAO Vice President.¹ Sixteen complaints received in 2013 were deemed ineligible. Details of these cases are provided in the Summary of CAO Cases, pp. 29-77.

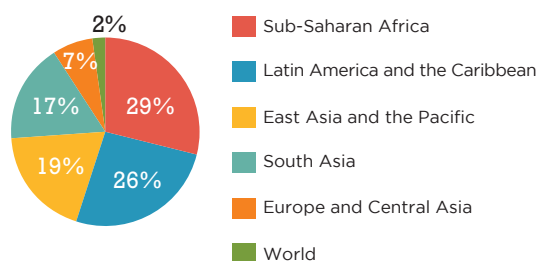
Forty-eight percent of cases handled in 2013 involved local civil society organizations, 33 percent were filed by national CSOs, 31 percent by community members, and 29 percent by international CSOs (see figure 1). Cases were distributed globally, with the majority relating to projects in Sub-Saharan Africa (29 percent), followed by Latin America (26 percent), and East Asia and the Pacific (19 percent) (see figure 2). The cases were in a variety of sectors, including extractive industries, infrastructure, agribusiness, Advisory Services to governments, manufacturing, and the financial sector (see figure 3).

Figure 1. Signatories to Complaints, FY2013



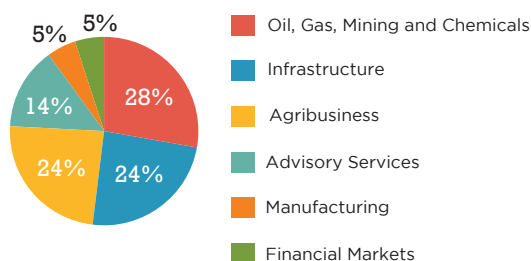
a. All complaints to CAO involve local community members. In some cases, international, national, or local CSOs file the complaint on behalf of local community members. Percentages add up to more than 100 percent because some complaints are filed by more than one type of signatory.

Figure 2. CAO Cases by Region, FY2013



Note: The "world" category relates to compliance casework that spans two or more regions.

Figure 3. CAO Cases by Sector, FY2013



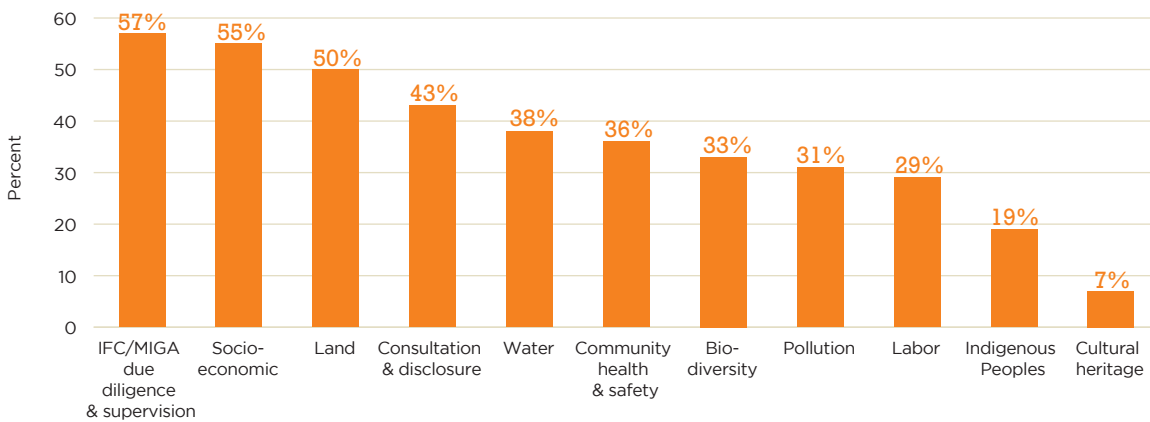
Note: The CAO's compliance work related to financial intermediary projects is counted as one project.

1. Figures for FY2013 include this compliance case, which will be disclosed after appraisal.

Core issues raised in letters of complaint included IFC/MIGA due diligence and supervision; socioeconomic benefits and loss of livelihoods; appropriation of land, resettlement, and compensation; inadequate consultation and information disclosure; water; community health and safety; biodiversity; pollution; labor issues; Indigenous Peoples; and cultural heritage (see figure 4).

IFC projects are assigned a category of A, B, or C in descending order of environmental and social sensitivity, or F1, in the case of financing to financial institutions. In FY2013, a total of 78 percent of cases related to category A and B projects: 36 percent and 42 percent, respectively (see figure 5). The status of CAO cases for FY2013 is summarized in figure 6.

Figure 4. Issues Cited in Complaints to CAO, FY2013



Note: Percentages add up to more than 100 percent because some complaints involve more than one type of issue.

Figure 5. CAO Cases by Environmental Category, FY2013

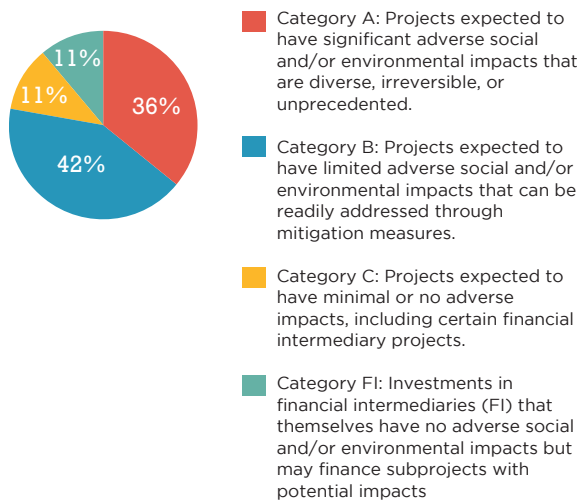
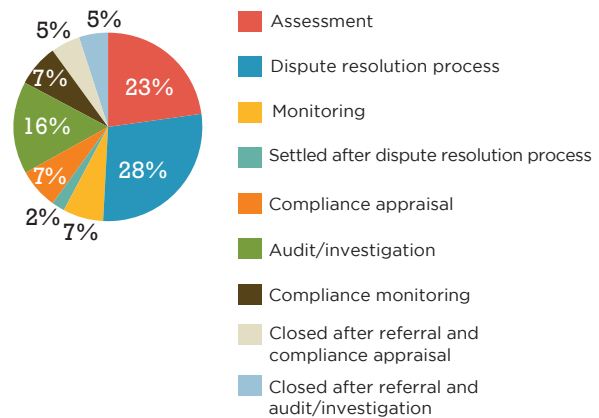


Figure 6. Status of CAO Cases, FY 2013



OUTCOMES: CAO CASE HANDLING, FY2013

DISPUTE RESOLUTION

In FY2013, CAO's dispute resolution team handled its largest case load ever. Growth in cases from Sub-Saharan Africa was especially great, and such cases accounted for 33 percent of the total workload. Cases related to all major sectors supported by IFC. MIGA's involvement pertained to just one project (Bujagali Energy, Uganda), for which CAO has three active cases.

30 CASES WERE HANDLED,

in Albania (2), Botswana, Cambodia, Cameroon (2), Chad, Colombia (2), India (5), Indonesia (2), Mexico, Mongolia (2), Nicaragua, Papua New Guinea, Peru (3), Uganda (5), and the Africa region.



Community beekeeping project in Uganda.

10 CASES ARE BEING ASSESSED.

1 case was closed after assessment (a labor complaint related to an IFC financial intermediary client; see p. 31).

For descriptions, see Summary of CAO Cases, FY2013, pp. 29-77.

12 CASES ARE UNDERGOING DISPUTE RESOLUTION.

3 SETTLEMENTS ARE BEING MONITORED:

one involving communities affected by palm oil plantations in Indonesia (p. 44), one involving communities affected by an airport development project in Cambodia (p. 42), and one between former workers and a sugar company in Nicaragua (p. 60).

5 CASES WERE TRANSFERRED

to Compliance for appraisal: 2 cases from India and 1 case each from Albania, Colombia, and Peru.



Workers from Kellyden, Assam, India learning about CAO process.

COMPLIANCE

CAO's Compliance team conducted more appraisals and investigations in FY 2013 than any other year, covering projects in all regions and in the financial intermediary, Advisory Services, mining, infrastructure, and agribusiness sectors.

17 CASES WERE HANDLED

3 CASES ARE BEING APPRAISED,

including a case relating to impacts of a port development project in India (p. 72); and a case from Albania concerning project due diligence (p. 51).



CAO visits the site of a port development project in India.

2 CASES WERE CLOSED AFTER APPRAISAL,

with no further action by CAO. One related to infrastructure in Panama (p. 62) and the other to mining in the Philippines (p. 49).

For descriptions, see Summary of CAO Cases, FY2013, pp. 29-77.

7 CASES ARE UNDER AUDIT/INVESTIGATION:

IFC's investments in coal-fired power plants, financial intermediaries (power sector), and tea plantations in India; air transportation in Colombia; palm oil in Honduras; mining in Colombia; and mining in Peru.



Panama Canal Expansion Project, Panama.

3 CASES ARE BEING MONITORED,

related to metals manufacturing in Mozambique, the power sector in Kosovo, and financial intermediaries around the world.

2 CASES WERE CLOSED AFTER BEING MONITORED

following an audit: CAO's 2000 audit of IFC's involvement in the oil palm sector in Indonesia (p. 44); and CAO's audit of IFC investments in agribusiness in the Ica Valley, Peru (p. 63).

TRENDS AND THEMES

Complexity

Since CAO began its work in 2000, the volume of cases has increased steadily. During the last year, we handled more cases—42—than at any time in CAO’s 13-year history. Not only is the volume of CAO’s caseload increasing, but so is the complexity of cases. In measuring complexity, we consider factors such as the number and type of stakeholders involved, whether capacity building is required for the parties to engage, the number and types of issues raised in complaints, the participation of government, and the nature IFC’s/MIGA’s role in the project.

CAO cases may range in scale from those filed by an individual employee citing concerns about compensation at work (AES Sonel-02, p. 33), to cases involving a whole family engaged in a land dispute (Yanacocha-04 & 05, pp. 65–66), to entire communities or groups of communities. For instance, CAO is working with dozens of dispersed communities numbering over 20,000 individuals affected by the Chad-Cameroon Pipeline Project (Chad-Cameroon Pipeline-02 & 03, p. 32 and p. 34), and addressing the concerns of people widely displaced in the districts of Kiboga and Mubende in Uganda (Agri-Vie-01 & 02, p. 37).

The communities we work with often do not have the capacity to bring complaints to CAO directly and are frequently supported by local, national, and/or international NGOs, which may provide support and advice to the complainants. In addition to the IFC/MIGA client, parties to disputes may include other private companies, such as a project subcontractor, or even a sub-subcontractor (Bujagali Energy-05, p. 39), or a subclient in the case of financial intermediary projects (India Infrastructure Fund-01, p. 68). In these cases, the roles and responsibilities of IFC/MIGA, their primary client, and these subentities pertaining to project-level issues are not necessarily clear cut. At times, government or public sector entities are involved: this may include local, regional, or national government agencies, public utilities, or other municipal agencies, all which may be significant stakeholders in both the issues presented and

possible solutions. In addition to external groups, there may also be instances where there are diverging views and interests within communities or complaint groups themselves. Balancing the interests of all these stakeholders is a vital part of CAO’s work, but the challenges involved in these cases require time and resources, which means some CAO cases take months, while others take years to reach full conclusion.

Over the years, the profile of IFC/MIGA business activities has changed substantially. For example, the growth in IFC’s financing through financial intermediaries has significantly increased since 2000, and by individual project count, IFC’s Advisory Services account for one of the institution’s largest business lines. Increasingly, CAO is receiving complaints related to these growing sectors and types of IFC financing. During the last year, complaints related to IFC Advisory Services accounted for the fifth largest sector in CAO’s caseload, after extractives, infrastructure, and agribusiness projects. These complaints concern IFC advice to governments on a range of major projects, including hydropower privatization in Albania (Hydros-01, p. 51); the development of a multipurpose seaport in India (Vizhinjam-01, 02, & 03, pp. 72–74); electricity privatization in Kosovo (KEK-01, p. 53); and development of a marine economic zone in Papua New Guinea (PNG SEZ-01, p. 48).

The involvement of government as IFC’s primary client has implications for both IFC’s and CAO’s leverage when dealing with Advisory Services projects. Particular complexities arise from the nature of IFC’s advice, which raises challenging questions about the boundary of IFC’s environmental and social responsibility—particularly whether IFC’s accountability is limited to the advice it delivers, or extends to project impacts and outcomes themselves. In turn, where IFC is viewed by relevant government and private sector entities to have limited role in the project after the advice has been offered, it affects CAO’s ability to convene stakeholders to address project-related issues with the agreement and cooperation of those entities that may be part of the solution.

Labor

In recent years, CAO has observed a steady increase in complaints raising labor-related grievances. This rise coincided with the adoption of IFC's Performance Standard 2 on Labor and working conditions (PS2) in 2006, which introduced a more comprehensive set of labor commitments into IFC's policy framework. Since almost every IFC client is an employer, PS2 is relevant across the entire IFC portfolio. With these new labor commitments, CAO's casework is revealing a new set of challenges emerging in policy application at the project level.

Labor grievances appeared in 29 percent of our cases this year. As the number of these types of cases increases, we are experiencing greater diversity in the breadth and depth of issues they raise. In our dispute resolution and compliance work, we are currently addressing labor issues ranging from individual employee claims to systemic workforce issues, including freedom of association, collective bargaining, occupational health and safety, and worker compensation, as well as respect and fairness in the workplace.

In Mexico, CAO has been facilitating negotiations between an employer—an IFC-supported network of English-language schools—and a number of individual teachers concerning employment rights, benefits, compensation, and fair treatment,

and has reached settlement in a majority of the claims (Harmon Hall-01, p. 59). In Uganda, CAO is nearing completion of a dispute resolution process addressing compensation claims for 93 employees for work-related injuries; 86 of these cases have now been addressed (Bujagali Energy-04, p. 38). CAO is currently assessing another complaint concerning labor and working conditions on tea plantations owned by Tata Tea in India (Tata Tea-02, p. 71). These and other labor cases have been amenable to resolution through company-employee mediation facilitated by CAO. More generally, however, these cases raise questions about the need for more robust social dialogue procedures or company grievance mechanisms to address workplace issues as they arise.

CAO has two labor-related cases in compliance appraisal, and two under investigation. The labor appraisals completed this year indicate that PS2 poses particular challenges that differ somewhat from those encountered in other environmental and social work. As a result, CAO questions whether IFC policies, procedures, and staffing structures provide a robust framework for the advancement of PS2 objectives with its clients. Given the relative newness of the labor standard, CAO has found IFC generally lacks deep experience with regard to labor issues and lacks appropriate frameworks for categorizing PS2 risk. Other challenges for both IFC and its clients include defining appropriate engagement with workers and their

Livelihood activity of a CAO complainant in Uganda.



representatives, including unions; and a tendency to rely overly on employer-reported information in relation to PS2 compliance.

For CAO, challenges moving forward center around the types of labor grievances that can reasonably be addressed under CAO's mandate, especially complaints regarding human resource issues and company-wide employment practices as they relate to domestic legislation versus the international standard of PS2.

Land and Water

Over the years, CAO's casework has demonstrated that two issues, land and water, frequently arise together. Since 2000, nearly a quarter of all cases we have handled have had both a land and a water component. Increased pressure on these resources leads to concerns over access, quantity, and management, and we have observed that both are often entwined with a sense of culture and identity.

It is not surprising that we encounter such a high number of land- and water-related conflicts in the realm of development. Extractive industries, infrastructure, and agribusiness typically require large tracts of land and water for their operations, and where these resource-intensive industries exist, they are likely to create competition with other local users. In CAO's land-related complaints, the dominant grievances raised by individuals are land acquisition (22 percent), compensation (33 percent), and resettlement (32 percent). These grievances have a clear social and economic dimension where communities are removed from their land, have their access limited, or where land is degraded in a way that reduces its productivity for livelihood activities. In both land and water cases, issues like these are compounded by irregularities in permitting, titling, and management, which are typically the purview of the public sector. This raises questions about whether and how communities are consulted about land and water as shared resources before private sector operators and financiers are even involved in a project.

In Uganda, CAO is handling two cases related to land evictions surrounding an IFC-sponsored agribusiness project. Serious livelihood impacts

have been experienced by communities in the area, raising questions about IFC's due diligence, particularly relating to the lack of baselines studies and genuine community consultation around the project (Agri-Vie Fund-01 & 02, p. 37). Similar issues around resettlement, loss of livelihoods, and community consultation have been raised in complaints relating to an airport redevelopment project in Cambodia (Cambodia Airport II-01 and Cambodia Airport-01, pp. 42-43). CAO is handling two cases related to compensation for land owed to a family near a mining concession in Peru (Yanacocha-04 & 05, pp. 65-66).

In Mongolia, the use of land and water resources for the development of a major mining project has created serious concerns for local herders (Oyu Tolgoi-01 & 02, pp. 46-47). Nomadic herder livelihoods are dependent on the ability to move across the land in search of pasture, and water is a vital life source for communities living in the region. Similarly, several complaints from local fishermen in India raise concerns about the development of a port project, which they claim has displaced them from their land, and limited their access to marine resources which are vital to their livelihoods (Vizinjam-01 & 02, pp. 72-73).

These sorts of cases demonstrate that the impacts of resource-heavy development may have negative consequences on all sectors of society, but especially vulnerable populations. With IFC, and the World Bank Group more broadly, discussing the need to increase large infrastructure projects as part of the new plan to end poverty, CAO anticipates that the upward trend in land and water cases will continue, particularly in contexts where regulatory reform is required. The complexity of these conflicts is likely to increase as pressures on critical resources increase globally as a result of climate change.

If resource-intensive industries are to have a positive impact on marginalized and poor communities by promoting development, it is important that their projects are established and implemented with a clear view of the inherent risks that they present, and that private sector operators and financiers employ a more timely and sophisticated approach to understanding, anticipating, and addressing these issues

SUMMARY OF CAO CASES, FY2013

KEY

The CAO case names consist of:


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


 IFC/MIGA due diligence and supervision

 Pollution

 Water


 Land


 Biodiversity

 Consultation and disclosure

 Socioeconomic impacts

 Labor

 Community health and safety

 Indigenous Peoples

 Cultural heritage

Note: Under CAO's revised Operational Guidelines, as of March 2013, CAO's Ombudsman function is called Dispute Resolution, and an audit is called an investigation.

Africa



AFRICA REGION



Africa Investco/01



IFC, Financial Markets; Received March 2012; Closed September 2012

PROJECT INFORMATION

Institution: IFC

Project Name & Number: Africa Investco 27819

Department: Financial Markets

Company: Baobab Investments Limited

Sector: Financial Intermediaries

Region: Sub-Saharan Africa

Environmental Category: C

Commitment: \$3 million equity

In March 2012, CAO received a complaint regarding unpaid salaries and expenses owed to employees of Baobab Investments Limited, an Africa-focused transport infrastructure development company. The complaint was filed by a former employee of Baobab Investments on behalf of himself and other former employees. In addition to issues related to unpaid salaries and expenses, the complaint also claimed that information regarding the liquidation of the company's U.K. subsidiary was withheld from the workforce.

At the beginning of the assessment, the complainant and IFC informed CAO that efforts to resolve the issues in the complaint were already under way. The parties expressed their preference for those efforts to continue with the hope of reaching a successful conclusion without CAO dispute resolution assistance. CAO maintained its involvement through regular communication with the complainant and IFC until the parties informed CAO that the issues had been resolved. CAO independently confirmed the complainant's satisfaction with the outcome and closed the case in September 2012.



CAMEROON

Chad-Cameroon Pipeline-02/Cameroon

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



PROJECT INFORMATION

Institution: IFC

Project Name & Number: Chad-Cameroon Pipeline 11124

Department: Oil, Gas, Mining, & Chemicals

Company: Cameroon Oil Transportation Company (COTCO)

Sector: Oil & Gas

Region: Sub-Saharan Africa

Environmental Category: A

Commitment: \$100 million A loan, \$100 million B loan

In 2002, the Cameroon Oil Transportation Company (COTCO) began construction of its Chad-Cameroon pipeline to deliver oil from Chad to a marine facility off the coast of Cameroon. The 1000-km long pipeline traverses about 240 villages in both countries. In 2011, four individuals and some community members representing their communities on the Cameroonian side of the project filed a complaint with CAO, requesting assistance in addressing various social and environmental concerns related to impacts experienced both during and after the construction of the pipeline, including health concerns, especially the rise in HIV/AIDS; loss of livelihood among local fishermen; displacement of Indigenous communities; poor management of waste from the pipeline; and inadequate compensation for injuries sustained during work on the pipeline.

Since 2005, NGOs have been working with Cameroonian citizens, COTCO, and the government to address compensation concerns related to the pipeline through a tripartite platform. However, according to the communities involved in the complaint, the platform has not succeeded in generating settlements for many involved, nor has it adequately addressed a large number of additional cases documented by NGOs. For this reason, the parties chose to address the specific issues raised in the complaint through CAO's Dispute Resolution function. In 2013, all four of the individual cases brought to CAO reached agreements through dialogue. A dialogue process is now also under way between COTCO and fishing communities from Kribi. CAO continues to work with the company and communities to explore options for dialogue around concerns related to waste management. In addition, CAO continues to provide capacity building sessions to parties to strengthen the tripartite platform so that broader community concerns may continue to be addressed through this avenue.

Meeting with Ebakka community in Cameroon.

All four of the individual complaints have been resolved and CAO is currently monitoring implementation of the agreement. A mediation process between COTCO and local fishermen has also commenced, as well as a dialogue process between COTCO and community members about waste management.



CAMEROON



AES Sonel-02/Douala



IFC, Infrastructure; Complaint received February 2013; CAO assessment ongoing; Open

PROJECT INFORMATION

Institution: IFC

Project Name & Number: AES Sonel 11579

Department: Industry, Infrastructure, Natural Resources

Company: AES Corporation

Sector: Infrastructure

Region: Sub-Saharan Africa

Environmental Category: B

Commitment: \$70 million

AES Corporation is a U.S.-based global power company that owns and operates production facilities in 27 countries around the world. In 2001, Cameroon's national electricity utility was privatized, and AES Corporation acquired majority shares in the newly formed energy supplier, AES Sonel. Upon privatization, the company was granted a 20-year concession for distribution, transmission, and generation of electricity throughout Cameroon. IFC is supporting a five-year investment plan to advance the company's concession plan.

In February 2013, CAO accepted a complaint from a Cameroonian national and employee of AES Sonel, who believes that he has been subjected to unfair treatment by the company, including

discrimination and harassment, and demotion from a managerial position, which has jeopardized his livelihood and professional integrity.

During assessment, CAO understood from the complainant and company that both parties were interested in engaging in a dispute resolution process. The first joint meeting took place in June 2013 and parties cordially had the opportunity to hear each other's concerns as well as to discuss opportunities for resolution. The two key points discussed relate to benefits that are believed to be due from the complainant's perspective and the pending decision of the Cameroonian Supreme Court on this case. The dialogue process is ongoing.

Chad-Cameroon Pipeline-03/Chad

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



PROJECT INFORMATION

Institution: IFC

Project Name & Number: Chad-Cameroon Pipeline 11125

Department: Oil, Gas, Mining, & Chemicals

Company: TChad Oil Transportation Company (TOTCO)

Sector: Oil & Gas

Region: Sub-Saharan Africa

Environmental Category: A

Commitment: \$100 million A loan, \$100 million B loan

The concerns of communities in Chad were brought to CAO in October 2011 by Groupe de Recherches Alternatives et de Monitoring du Projet Petrole Tchad-Cameroun (GRAMPTC), in collaboration with six other organizations, on behalf of an alleged 25,000 people. The complaint raises concerns about the rise in poverty since the construction of the pipeline, pressure on land and livelihoods, water pollution, inadequate compensation, and inadequate monitoring and assessment mechanisms related to the project. The complaint specifically concerns IFC's client, the Tchad Oil Transportation Company (TOTCO), a special-purpose company incorporated in Chad as a joint venture between the private sponsors and the government of Chad.

CAO completed its assessment in October 2012 after several field visits to Chad, where the team held public meetings with affected communities,

and conducted confidential bilateral meetings with the complainants, affected community representatives, and Esso Exploration and Production Chad Inc. (ESSO), an ExxonMobil subsidiary. The team also met with representatives from the Ministry of Energy and Petroleum.

During the assessment, the complainants, affected communities, and the company expressed interest in addressing concerns related to the pipeline through a CAO-facilitated dispute resolution process. CAO has conducted awareness-raising workshops in southern Chad to inform the broader community about the CAO process. ESSO and community representatives have also attended a capacity building workshop on negotiation and mediation skills. A dispute resolution process framework is currently being designed in consultation with the parties.

CAO team and community representatives arrive in Kome for community meetings, CAO assessment trip, Feb March 2012.



Affected community representatives and Exxon Mobil (ESSO) have agreed to engage in a dispute resolution process, and ground rules governing the process have already been concluded.



MOZAMBIQUE

Mozal-01/Matola and Maputo



IFC, Oil, Gas, Mining, & Chemicals; Received October 2010; Transferred to Compliance December 2011; Compliance audit (investigation) ongoing; Open

PROJECT INFORMATION

Institutions: IFC & MIGA

Project Names & Numbers: Mozal 7764 and 10323

Department: Oil, Gas, Mining, & Chemicals

Company: Mozambique Aluminum S.A.R.L (Mozal)

Sector: Mining

Region: Sub-Saharan Africa

Environmental Category: A

Commitment: Up to \$135 million in quasi-equity and loans

In October 2010, CAO received a complaint regarding Mozal’s smelter project, the first major foreign investment project in Mozambique and one of the largest smelting facilities in the world. The complaint was brought by a coalition of NGOs on behalf of local communities, and referred specifically to Mozal’s bypass program—a six-month program expected to release emissions into the air without passing through the plant’s treatment centers, which were being rehabilitated at the time. The complainants were concerned that the bypass program would expose the environment and local residents to harmful emissions. They questioned the company’s environmental and social due diligence during the initiation of the program, and the availability of project information to local stakeholders. They filed the same complaint with the European Investment Bank Complaints Mechanism and the UK OECD National Contact Point, with whom CAO coordinated closely.

The parties initially agreed to a dispute resolution process, which CAO helped facilitate in 2011. Early negotiations yielded several proposals, including Mozal’s disclosure of information about the program to the coalition of NGOs. However, the parties were unable to reach a final agreement.

In December 2011, the complainants requested that the case be transferred to CAO Compliance. An appraisal found that while IFC took actions to address and rectify the plant’s breakdown, a full audit (investigation) would be necessary to determine whether IFC had been sufficiently proactive in anticipating, supervising, and monitoring harmful emissions.

The audit (investigation) report, released in April 2013, found that fume treatment centers (FTCs) were known to be subject to corrosion and had previously been shut down for repairs. In this context, CAO found that there were shortcomings in the way IFC worked with Mozal to address the changing risk profile of project. In particular, CAO found that it would have been reasonable for IFC to have requested that Mozal assess, monitor, and manage the risk associated with possible future failures of the FTCs, and that had this been done appropriately, more effective consultation could have been carried out with affected communities. CAO is monitoring IFC’s response to the report recommendations, which include commitments to consider changes in annual reporting requirements to deal with the identified risks.



SOUTH AFRICA

Tsolido-01/Badplaas

IFC, Natural Resources; Received April 2013; Assessment ongoing; Open



PROJECT INFORMATION

Institution: IFC

Project Name & Number: Tsolido 29378

Department: Natural Resources

Company: Tsolido

Sector: Copper

Region: Sub-Saharan Africa

Environmental Category: B

Commitment: 14 percent equity

In April 2013, CAO received a complaint regarding the prospective mining activities of Tsolido Resources Limited, a Toronto-based exploration company in which IFC has a 14 percent equity investment. Tsolido currently has active concessions in northwestern Botswana, where it is exploring for diamonds, as well as base and precious metals. At its Annual Shareholders Meeting in March 2013, the company revealed its intention to obtain a Prospecting Right Application for its proposed Barberton Gold Au exploration project in Barberton, South Africa. The proposed exploration area is immediately adjacent to, and potentially overlapping with, land owned and protected by the Cradle of Life Project and the Nkomazi Game Reserve. The land, which has been part of a 14-year “healing of

earth” program, hosts a variety of conservation and ecotourism initiatives.

The complaint was filed by the Director of the Cradle of Life Initiative on behalf of himself and other landowners who are part of the initiative, claiming that prospective mining activities are in conflict with sustainable conservation and tourism projects, pose significant threats to the biodiversity and cultural heritage of the projected area, and have resulted in financial and employment losses.

CAO is assessing the complaint, and will engage with relevant stakeholders to gain a better understanding of the issues raised from all perspectives.



UGANDA

Agri-Vie Fund-01/Kiboga Agri-Vie Fund-02/Mubende



IFC, Financial Intermediary (Agribusiness); Received December 2011; Dispute resolution process ongoing; Open

PROJECT INFORMATION

Institution: IFC

Project Name & Number: Agri-Vie Fund 27674

Department: Global Financial Markets

Company: Agri-Vie Fund PCC

Sector: Financial Intermediary (Agribusiness)

Region: Sub-Saharan Africa

Environmental Category: FI

Commitment: \$7 million equity investment

In 2011, CAO received two separate complaints from Uganda regarding the activities of the New Forests Company (NFC), an investee of the IFC-supported Agri-Vie Agribusiness Fund. The complaints were filed by affected community members with support from Oxfam and the Uganda Land Alliance (ULA), and raise concerns about the forced eviction and displacement of more than 10,000 local people in the districts of Kiboga and Mubende, where NFC was allocated land for timber plantations. The complaint also voiced concerns about the impact of the project on community livelihoods, as well as broader concerns about IFC's environmental and social due diligence in relation to this project.

CAO's travelled to Uganda twice in 2012 to conduct an assessment of the complaint, meeting

with representatives of communities evicted from the Luwunga and Namwasa plantations, the company, district and national government, the National Forestry Authority (NFA), the Uganda Investment Agency (UIA), Oxfam, and ULA. During the assessment, the parties unanimously agreed to address concerns through a dispute resolution process. Dispute resolution began in June 2012 for both complaints.

In March 2013, the Mubende community and NFC signed a draft Framework Agreement establishing the principles upon which final agreement would be negotiated. The agreement outlines the joint implementation of a sustainable development program designed to benefit the affected community. The mediation process with NFC is ongoing for the affected community in Kiboga.

CAO team with representatives of the community in Kiboga, Uganda.

The CAO mediation team remains involved in mediation between New Forests Company (NFC) and affected communities in Kiboga. In Mubende, affected community members and NFC have entered into a framework agreement, outlining principles for final settlement.





UGANDA

Bujagali Energy-04/Bujagali (Workers)



IFC and MIGA, Infrastructure; Received March 2011; Dispute resolution process ongoing; Open

PROJECT INFORMATION

Institution: IFC & MIGA

Project Names & Numbers: Bujagali Energy Ltd 24408 (IFC) & 6732 (MIGA)

Department: Infrastructure

Company: Bujagali Energy (IFC); World Power Holdings (MIGA)

Sector: Utilities

Region: Sub-Saharan Africa

Environmental Category: A (IFC)

Commitment: \$100 million A & C loans (IFC), \$115 million guarantee (MIGA)

The Bujagali energy project, supported by IFC and several other international financial institutions including the African Development Bank, European Investment Bank, and World Bank, is a 250MW run-of-river hydropower project on the River Nile in Uganda. Since 2011, CAO has been working to address two separate complaints related to this project.

The first complaint was brought to CAO by 11 former employees of Bujagali Energy Ltd on behalf of themselves and more than 30 other former employees involved in the construction and maintenance of the project. This was the first case that CAO received regarding compensation for injured workers; it claimed that a large number of employees had sustained injuries from work-related accidents for which they

had not been properly compensated by the plant's subcontractor. The complaint also raises concerns about the transparency of the medical assessment and compensation process for injured workers, and noted the use of intimidation against workers requesting benefits.

At the conclusion of CAO's assessment, the parties opted to address issues through a dispute resolution process. Since 2011, CAO has been working with the parties to resolve outstanding worker compensation claims and to negotiate a framework through which future claims can be handled. Of the original 93 individual worker cases, only 6 remained unresolved at the end of the dispute resolution process. Those outstanding issues are being transferred to CAO Compliance.

Bujagali complainants deliberating over CAO process options.





UGANDA

Bujagali Energy-05/Bujagali (Community)



IFC and MIGA, Infrastructure; Received May 2011; Dispute resolution process ongoing; Open

PROJECT INFORMATION

Institution: IFC & MIGA

Project Names & Numbers: Bujagali Energy Ltd 24408 (IFC) & 6732 (MIGA)

Department: Infrastructure

Company: Bujagali Energy (IFC); World Power Holdings (MIGA)

Sector: Utilities

Region: Sub-Saharan Africa

Environmental Category: A (IFC)

Commitment: \$100 million A & C loans (IFC), \$115 million guarantee (MIGA)

While CAO was conducting an assessment of the first complaint in May 2011, a second complaint was filed by 29 community members on behalf of local communities living in the vicinity of the project. It raises concerns about aspects of the Bujagali project related to construction, particularly compensation for land acquired for construction of the dam, and the potential loss of livelihoods caused by the project's impact on Bujagali Falls, a local tourist attraction and popular destination for white water rafting on which communities have depended. Communities also raise concerns about the impacts of the company's rock blasting activities on local infrastructure, as well as on community health and safety more generally.

CAO completed its assessment of the complaint in December 2011, finding that both the communities and the company wished to address concerns through dispute resolution. A number of agreements have now been reached through the dialogue process, including agreements between the company and informal tourism operators. CAO will continue to help parties negotiate the remaining issues in collaboration with the complaints mechanism of the European Investment Bank, with whom CAO has been working on blasting and compensation issues.

Informal tourism operator who was compensated by the project shares his story with CAO mediator.

CAO's workshop on grievance mechanisms provided an opportunity for stakeholders to draw lessons from the Bujagali project's experience with managing grievances, and to discuss ways to apply this learning to the ongoing operations phase of the project, as well as to other development projects.





UGANDA

Bujagali Energy-06/Bujagali

IFC and MIGA, Infrastructure; Received April 2013; Assessment ongoing; Open



PROJECT INFORMATION

Institution: IFC & MIGA

Project Names & Numbers: Bujagali Energy Ltd 24408 (IFC) & 6732 (MIGA)

Department: Infrastructure

Company: Bujagali Energy (IFC); World Power Holdings (MIGA)

Sector: Utilities

Region: Sub-Saharan Africa

Environmental Category: A (IFC)

Commitment: \$100 million A & C loans (IFC), \$115 million guarantee (MIGA)

CAO received its sixth complaint related to the Bujagali Energy project in April 2013. The complaint was filed by the chairman of the Bujagali Workers Association on behalf of himself and over 300 former workers from Bujagali's dam construction sites. All signatories to the complaint claim to be former employees of Boshcon Civil and Electrical Construction Limited, a subcontractor of Salini Constructori, the main contractor engaged by

Bujagali Energy for work on the construction of the Bujagali dam.

Former employees and members of the workers association claim that they are owed unpaid wages, allowances, national security, and terminal benefits dating back to 2008. CAO's assessment of this complaint is under way.

CAO Mediator meeting with Bujagali Energy-06 complainants in Uganda.



East Asia and the Pacific





CAMBODIA

Cambodia Airport II-01/Preah Sihanouk

IFC, Infrastructure; Received December 2009; Monitoring underway; Open



PROJECT INFORMATION

Institution: IFC

Project Name & Number: Cambodia Airport II 25332

Department: Infrastructure

Company: Société Concessionnaire de l'Aéroport

Sector: Transportation

Region: East Asia & the Pacific

Environmental Category: B

Commitment: \$7.5 million

Societe Concessionnaire de l'Aeroport (SCA) is a special purpose company that holds a 45-year concession from the Royal Government of Cambodia to operate several airports across Cambodia, including the Sihanoukville International Airport (SIA). In December 2009, CAO received a complaint from a Cambodian NGO on behalf of 79 families living in the vicinity of SIA. It raised concerns about the impacts of an airport development project on local communities living within the proposed expansion zone, including improper land acquisition and compensation, loss of livelihood, noise pollution, environmental impacts to a local park, lack of community consultation, inadequate disclosure of project information to impacted communities, and more broadly doubts about the projects compliance with IFC Performance Standards.

Since the CAO Assessment Report was publicly released in August 2010, CAO's dispute resolution team has held regular meetings in Sihanoukville and Phnom Penh with various stakeholders, including project-affected households, local and national government representatives, SCA, Green Goal (government resettlement consultants), NGOs, and IFC. Approximately 37 affected households have been resettled and dozens more either have already been compensated or have signed compensation agreements. The dispute resolution process is now in a monitoring phase. The case will remain open while CAO ensures that all resettlement and compensation agreements are implemented to the satisfaction of affected parties.

CAMBODIA



Cambodia Airport-01/Phonm Penh

IFC, Infrastructure; June 2013; Assessment ongoing; Open



PROJECT INFORMATION

Institution: IFC

Project Name & Number: Cambodia Airport 21363

Department: Infrastructure

Company: Société Concessionnaire de l'Aéroport

Sector: Transportation

Region: East Asia & the Pacific

Environmental Category: B

Commitment: \$10 million

In June 2013, CAO received a complaint from a local Cambodian NGO on behalf of 59 households from Thmor Korl and Prey Chisak villages in vicinity of Phonm Penh International Airport. The complaint raises concerns over threatened land acquisition and forced evictions in connection

with the development of the airport, as well as poor community consultation and IFC due diligence in relation to the project.

At the time of writing, CAO was beginning its assessment of this complaint.

CAO Dispute Resolution team meets with community members, NGOs, IFC staff, and IFC client in Cambodia.





INDONESIA

Wilmar Group-01/West Kalimantan



IFC, Agribusiness; Received July 2007; CAO compliance audit (investigation) closed April 2013; Dispute resolution settlement being monitored; Open

PROJECT INFORMATION

Institution: IFC

Project Names & Numbers: Wilmar Group 25532 & 25532

Department: Agribusiness

Company: Wilmar Trading Pte. Ltd.

Sector: Agriculture and Forestry

Region: East Asia & the Pacific

Environmental Category: C

Commitment: \$33.3 million (guarantee), \$17.5 million (loan)

In July 2007, CAO received a complaint about the impacts of actions by Wilmar Group subsidiaries in West Kalimantan. Concerns included the acquisition of land without comprehensive environmental impact assessments, proper permits, or due process for Indigenous communities; as well as violations of IFC policies, particularly with respect to compliance with national regulations and laws and Principles and Criteria of the Roundtable on Sustainable Palm Oil (RSPO).

During CAO's assessment trip to Indonesia in 2007, the parties agreed to address key issues through a dispute resolution process. Wilmar declared a moratorium on further land clearance, and in 2008, a settlement was reached. The provisions allowed for community access and use of land not converted to plantations, compensation to over 1,000 people for appropriated lands, an increase in the proportion of lands to be allocated as smallholdings, and the return of those lands that the communities insisted not be cleared. Wilmar also agreed that land for palm oil plantations would be leased as "community land," ensuring its return to communities—and not the state—when the lease expired. Wilmar committed to adopting

new operational procedures to ensure compliance with RSPO standards. A joint monitoring and evaluation team comprising CAO, community, and company representatives has continued to monitor the implementation of these agreements, conducting regular visits to the field.

Issues related to IFC's due diligence were transferred to CAO's compliance team. The compliance investigation report, released in August 2009, concluded that commercial pressures had been allowed to prevail and overly influence the categorization of the project—actions that were counterproductive to IFC's development mission. In response to the investigation, the President of the World Bank Group suspended all new financing for palm oil projects, and the World Bank spent over a year developing a new strategy to inform investments in the palm oil sector. In March 2011, IFC released a new palm oil strategy. In 2012, IFC initiated various Advisory Services programs in Indonesia focused on diagnostics and good practices in the palm oil sector, particularly in relation to smallholder needs, community engagement around plantations, and risk screening. CAO closed the compliance audit (investigation) of IFC in April 2013.

INDONESIA



Wilmar Group 03/Jambi



IFC, Agribusiness; Received November 2011; Dispute resolution process ongoing; Open

PROJECT INFORMATION

Institution: IFC

Project Names & Numbers: Wilmar Group 25532 & 25532

Department: Agribusiness

Company: Wilmar Trading Pte. Ltd.

Sector: Agriculture and Forestry

Region: East Asia & the Pacific

Environmental Category: C

Commitment: \$33.3 million (guarantee), \$17.5 million (loan)

CAO received a third complaint about Wilmar's activities in the Indonesian palm oil sector in November 2011. (The second was closed in 2012.) The complaint was brought by several community groups, supported by local and international NGOs, in relation to unresolved land disputes between community groups and a majority-owned subsidiary of Wilmar; PT Asiatic Persada (PT AP). The complainants claimed that PT AP had violated terms of previous agreements with the communities by calling upon government forces to dismantle settlements on disputed lands—actions that also contradicted IFC's Performance Standards.

During its assessment of the case in 2011, a CAO team visited Jambi and met with the complainants, the company, and other stakeholders. Six community groups expressed interest in engaging with the company through a dispute resolution process. A joint mediation team comprised of CAO mediators and local government officials at both the district and provincial government levels assisted the parties in outlining issues, setting

a schedule for the process, and defining the role of various stakeholders, including the local government.

To prepare the parties for mediation, CAO engaged in capacity building activities with various stakeholders on the ground. A dispute resolution process facilitated by the Joint Mediation Team (Jomet) is ongoing. The local government has played an important role as part of the Jomet in addressing concerns between local communities and PTAP. The dialogue process focuses on competing land claims and issues related to community livelihoods. Considerable progress has been made in addressing the immediate needs of evicted individuals and communities.

Some of the original six communities have decided to pursue their interests using other channels, and the Jomet is currently active in only three of the disputes. In the course of the mediation, Wilmar sold its local subsidiary, PTAP. CAO continues to convene the mediation process between PTAP under new ownership and three communities.



MONGOLIA

Oyu Tolgoi-01/Khanbodg

IFC, Mining; Complaint received October 2012; Dispute Resolution process ongoing; Open



PROJECT INFORMATION

Institution: IFC

Project Name & Number: Oyu Tolgoi LLC 29007

Department: Oil, Gas, Mining, & Chemicals

Company: OT LLC

Sector: Mining

Region: East Asia & the Pacific

Environmental Category: A

Commitment: \$400 million A loan, \$1billion B loan

The Oyu Tolgoi (OT) mining project is a \$12 billion project to develop a copper and gold mine in Mongolia's southern Gobi desert. OT is the world's largest undeveloped copper-gold deposit, and is one of the largest financial undertakings in Mongolia's history. Construction of the mine began in 2010 and full production is set to begin in 2013.

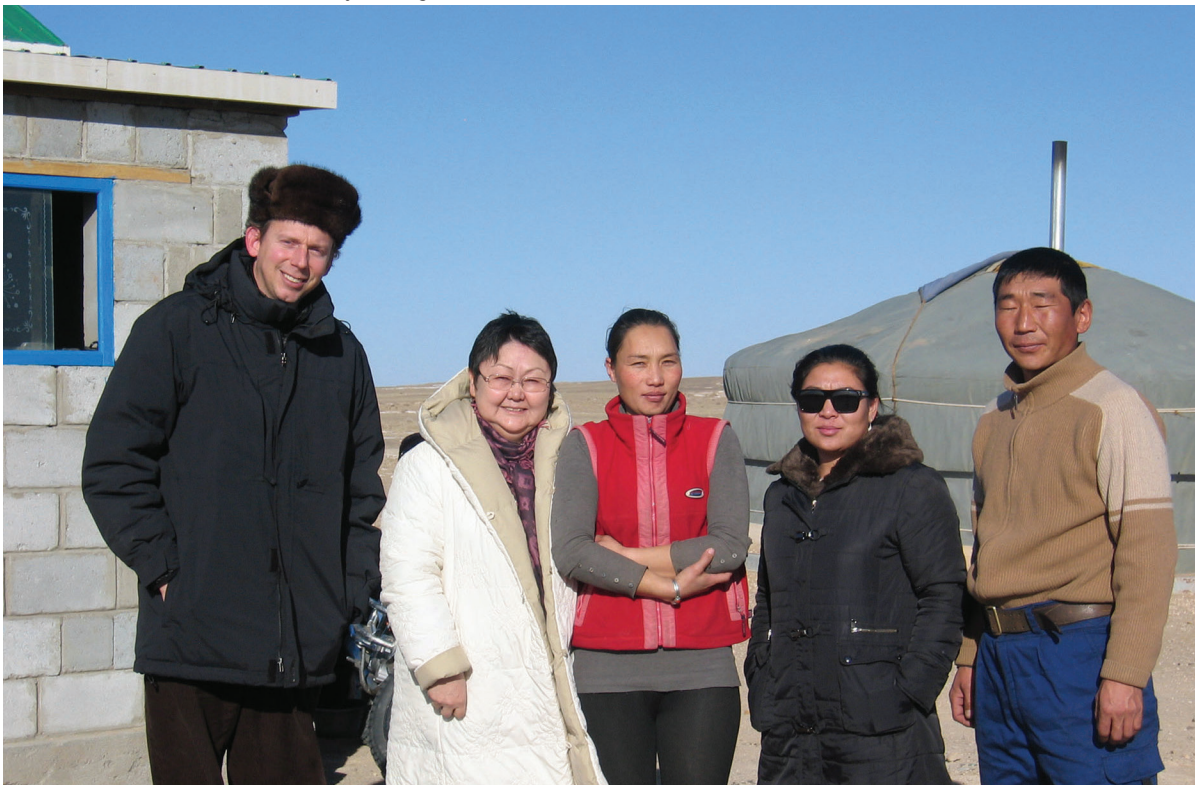
In October 2012, CAO received a complaint from nomadic herders living and working in the vicinity of the mine, with the support of local and national NGOs. The complainants requested CAO not to reveal their identities. The complaint raises concerns about impacts on traditional nomadic herding livelihoods caused by the project's use of land and water, particularly related to water scarcity, noise, and dust pollution. Residents of the area also believe that the current relocation and compensation programs being offered by

the company to local families are inadequate, failing to take into account the cultural value or traditional uses of the land.

CAO conducted several trips to Mongolia between November 2012 and February 2013, meeting with the complainants, IFC and MIGA project teams, and other stakeholders, including local Soum and Bagh government representatives, other affected community members, and Oyu Tolgoi project staff.

Based on these stakeholder meetings, CAO understood from the parties that they wish to try to address their concerns collaboratively through dispute resolution. CAO released its Assessment Report in April 2013 and continues to work with the parties in preparation for dialogue, and to assist them in building a framework for the dispute resolution process.

CAO team meets with local herder family in Mongolia.



MONGOLIA



Oyu Tolgoi-02/Khanbogd

IFC, Mining; Complaint received February 2013; CAO assessment ongoing; Open



PROJECT INFORMATION

Institution: IFC

Project Name & Number: Oyu Tolgoi LLC 29007

Department: Oil, Gas, Mining, & Chemicals

Company: OT LLC

Sector: Mining

Region: East Asia & the Pacific

Environmental Category: A

Commitment: \$400 million A loan, \$1billion B loan

CAO received a second complaint regarding Oyu Tolgoi in February 2013. The complaint came from seven local herders from Khanbogd Soum, with support from OT Watch, a national NGO, and Gobi Soil, an NGO based locally in Khanbogd. The main concerns in the second complaint relate specifically to a major component of the project, the diversion of the Undai River. The river is both sacred and a vital source of water to the region. Local herders and community members have raised fears that its diversion will lead to the drying up of crucial water systems and deterioration of pastureland, and have negative cultural and livelihood impacts.

CAO visited Mongolia to assess the complaint in February and March 2013, meeting with a range of stakeholders—including the complainants, community members, IFC and MIGA staff, project staff, and several government representatives—to discuss the issues related to the diversion of the Undai River.

During the assessment, parties agreed to work together through a CAO-facilitated dispute resolution process to see how the impacts of the mine on critical water sources could be properly managed or mitigated. The complainants' formal position is that all construction work related to the diversion of the river should be stopped until community consent can be obtained, while OT insists the work must continue in order to protect the river for the community and prevent water from flowing into the mine. Nonetheless, the parties agreed to work together through the CAO Dispute Resolution function to try to resolve the complaint in a mutually satisfactory manner.

In an effort to coordinate with the company and other stakeholders to resolve both complaints, local herders elected a team to represent them in the CAO process on both cases.

Herder representative shares information with CAO team member in Mongolia.





PAPUA NEW GUINEA

PNG SEZ-01/Madang Province

IFC, Advisory Services; Received July 2011; Dispute resolution process ongoing; Open



PROJECT INFORMATION

Institution: IFC

Project Name & Number: PNG SEZ 564427

Department: Advisory Services

Company: Department of Commerce & Industry, Papua New Guinea

Sector: N/A

Region: East Asia & the Pacific

Commitment: Non-fee-based-service

In July 2011, CAO received a complaint from a local NGO in Papua New Guinea. Filing on behalf of 105 local signatories, the Bismark Ramu Group raised concerns about social and environmental impacts of the Pacific Marine Industrial Zone (PMIZ) in Madang Province. This PMIZ is part of wider development plan that incorporates the concept of Special Economic Zones (SEZs) into the country's overall economic development strategy. IFC provided assistance to the government of Papua New Guinea in developing the legislative framework to establish these zones in the country; the framework was implemented in 2008.

The complaint raises concerns about the lack of environmental planning and consultation with local landowners; the implications of the project on local biodiversity, including fish populations, reefs, and lagoons; as well as IFC's overall role in assisting the government with the implementation of SEZs.

CAO conducted several assessment visits to Madang in 2011, engaging stakeholders at the national, regional, and community levels in discussions around the issues, as well as exploring options available to address them through CAO's processes. In April 2012, the parties, including the government of Papua New Guinea, expressed their preference to work through a CAO-facilitated dispute resolution process. Initial multistakeholder dialogue sessions took place in Madang in October 2012, covering key issues such as securing project benefits for local communities, minimizing environmental impacts, and respecting traditional and cultural rights, as well as increasing transparency and information about project development. The parties signed a Memorandum of Understanding (MoU). CAO continues to work with key stakeholders to implement the MoU and resolve the issues in the complaint.

Rempi community members in Papua New Guinea.



THE PHILIPPINES



Mindoro Resources-01/Jabonga



IFC, Oil, Gas, Mining, & Chemicals; Received September 2011; Transferred to Compliance May 2012; Closed after compliance appraisal October 2012

PROJECT INFORMATION

Institution: IFC

Project Name & Number: Mindoro Resources 26987

Department: Oil, Gas, Mining, & Chemicals

Company: Mindoro Resources Ltd.

Sector: Mining

Region: East Asia & the Pacific

Environmental Category: B

Commitment: \$9.5 million equity investment

In 2011, two Indigenous communities in Mindanao, with support from their traditional leadership as well as several local and international NGOs, filed a complaint with CAO concerning the mining activities of Mindoro Resources Ltd (MRL) on various nickel deposits on the northern part of the Island. In particular, communities living near one of the licensed tenement areas in Jabonga believed that MRL's exploration activities and mining developments were taking place on their ancestral lands. The communities feared that mining would negatively impact resources such as forests, land, water, and sacred cultural sites on which they traditionally depended. They also claimed that the company did not provide sufficient information about its exploration and prospective mining activities, and did not adequately consult with communities in the area before developing the project.

A CAO team visited Mindanao in December 2011 and February 2012, and met with local community members, and representatives from the company local government. During its second assessment trip, CAO also met with a wider group of community members not initially included in the complaint, some of whom expressed their support for the project. At the conclusion of the assessment, the complainants decided they did

not wish to engage with the company in a dispute resolution process, preferring to engage CAO's Compliance function. The case was transferred to Compliance in May 2012.

The appraisal found indications of shortcomings with regard to whether IFC ensured that the project's area of influence was appropriately defined at the time it conducted its Environmental and Social (E&S) review in 2010; whether the project was assigned the appropriate IFC E&S risk category; and whether the project was adequately supervised. More generally, CAO finds that this case raises issues regarding the effectiveness of IFC's policies, procedures, and standards in managing the necessarily undefined downstream risks of early stage investment in mining ventures. However, as the immediate impact of MRL's operations on communities was lessened by the company's decision to suspend its mining operations in the area contested by the complainants, the report concluded that no further investigation was warranted at the current stage of the project. Should MRL resume its mining activities in a way that negatively impacts communities, CAO reserves the right to revisit the issues raised in the complaint. The case was closed in October 2012.

Europe and Central Asia



ALBANIA



Albania Hydros-01/Tirana

IFC, Agribusiness, Complaint received January 2013; Compliance appraisal ongoing; Open



PROJECT INFORMATION

Institution: IFC

Project Name & Number: Albania Hydros 583387

Department: Advisory Services

Company: Government of Albania

Sector: Agribusiness

Region: Europe & Central Asia

Environmental Category: N/A

Commitment: Non-fee-based-service

In 2010, the government of Albania (GoA) hired IFC as its lead adviser in promoting private sector participation (PSP) in the country's energy sector. Many of the country's hydropower plants, as a major source of power, had already been partially rehabilitated with funding from multilateral financial institutions. To free up capital for other priority investments, the GoA decided to privatize a number of these plants, and turned to IFC for assistance in introducing private sector participation in a portfolio of hydropower stations, including Shkopeti, Ulza, Bistrice I, and Bistrice II.

In January 2013, CAO received a complaint from the Environmental Center for Development Education and Networking (EDEN) about the impacts of the hydropower privatization project on Albanian energy consumers. The complainants raised concerns about a potential reduction in the pool of energy available to the national electricity utility, a rise in electricity tariffs, continued energy shortages and power blackouts, and possible negative environmental and social impacts resulting from the operations of the private steel company believed to have acquired the hydropower plants. The

complaint also raises broader questions about IFC's due diligence and the transparency of the project, as well as the privatization processes as a whole.

CAO made an assessment trip to Albania in March 2013, conducting confidential bilateral meetings with a range of stakeholders, including the complainants, the IFC project team, energy experts, environmental activists, government representatives, and trade union representatives. Though government representatives were open to further discussions with complainants around the issues raised in the complaint, they maintained that the privatization process was carried out in accordance with Albanian regulations and legal requirements, and that a six-month public consultation phase had been held to allow feedback from civil society.

Based on discussions carried out during the assessment, as well as the current political climate within Albania, the complainants believe that their concerns are not amenable to collaborative engagement through dispute resolution and requested assistance from CAO Compliance. A compliance appraisal was initiated in May 2013.

CAO team meeting with complainants in Albania.





ALBANIA

Bankers Petroleum-01/Albania



IFC, Oil & GAs, Complaint received March 2013; CAO assessment ongoing; Open

PROJECT INFORMATION

Institution: IFC

Project Name & Number: Bankers Petroleum 273056

Department: Infrastructure

Company: Bankers

Sector: Oil & Gas

Region: Europe & Central Asia

Environmental Category: B

Commitment: \$55 million A loan, 10.4 percent equity

In 2009, IFC invested in Bankers Petroleum Ltd, a Canadian company with a primary focus on the exploration and production of oil and gas in Albania. The company's primary asset is the Patos Marinza oilfield, which it has progressively taken over from the Albanian national oil company, Albpetrol. The Patos Marinza field is located in the Fier District of Albania, and is in close proximity to several villages, including Patos and Zharrëza.

of IFC's environmental and social Performance Standards, and are negatively impacting communities in the area. Impacts noted in the complaint include earthquakes and earth movements induced by poor drilling techniques, cracks in nearby houses and buildings, dumping of oil in the Patos-Marinës irrigation network, as well as health risks and several reported deaths related to development-related accidents.

In March 2013, CAO received a complaint from a local environmental specialist on behalf of residents of Patos and Zharrëza. Local residents claim that the use of questionable oil extraction techniques in the Marinza field are in violation

As part of its assessment, a CAO team travelled to Albania in May 2013. At the time of writing, CAO was finalizing its assessment of the complaint, with parties expressing an interest in dispute resolution.

REPUBLIC OF KOSOVO



KEK-01/Prishtina



IFC, Advisory Services, Received August 2011; Transferred to Compliance January 2012; Monitoring underway; Open

PROJECT INFORMATION

Institution: IFC

Project Name & Number: Kosovo, KEK, 29107

Department: Advisory Services

Company: Kosovo Energy Corporation (KEK)

Sector: Infrastructure, Power Distribution

Region: Europe & Central Asia

Commitment: \$2.02 million

In 2009, the government of Kosovo engaged IFC as a transaction advisor to provide strategic, legal, technical, and financial Advisory Services for the privatization of the distribution and supply network of its publicly owned utility, the Kosovo Energy Corporation (KEK). In 2011, with support from international NGOs, local stakeholders filed a complaint with CAO regarding the privatization process. The complainants claimed that there was a lack of information and community consultation around the project and the privatization process, raising concerns that the removal of government subsidies in the energy sector would lead to tariff increases and job losses that would negatively impact local workers and communities.

CAO's assessment included a visit to Prishtina in November 2011, where the CAO team met with community members, the representatives from the company, the government, unions, and NGOs to discuss major concerns related to the privatization of KEK. While several stakeholders, including the company, expressed their willingness to participate in a collaborative dispute resolution process, the complainants believed that their

interests would be better served through CAO's Compliance function. The case was transferred to Compliance in June 2012.

CAO's compliance appraisal determined that a compliance audit (investigation) was merited, finding that the project lacked sufficient clarity and guidance regarding the scope of IFC's Advisory Services to ensure that the impacts and outcomes of the project were consistent with the desired effects of IFC's policy provisions.

The audit report, released in April 2013, found IFC to be in material compliance; however, the procedures at the time were not prescriptive. CAO made findings to the extent of IFC's assessment of the E&S impacts within the context of the procedures at the time. CAO found that IFC is unable to assure itself before commitment that its engagement will lead to improved E&S outcomes due to its lack of formal and informal leverage. CAO is currently monitoring IFC's response to recommendations put forth in the audit (investigation) report.

Latin America and the Caribbean



COLOMBIA



Alqueria 01/Cajica



IFC, Agribusiness; Complaint received April 2013; Assessment ongoing; Open

PROJECT INFORMATION

Institution: IFC

Project Name & Number: Alqueria 28492

Department: Agribusiness

Company: Alqueria

Sector: Dairy Products

Region: Latin America & the Caribbean

Environmental Category: B

Commitment: \$8 million A loan, \$5 million equity investment

Alqueria is the third largest dairy producer in Colombia. The company sources milk from some 5,610 farms across the country, and has three major plants (in Bogota, Cali, and Medellin), as well as a distribution plant in Bucaramanga.

In April 2013, CAO received a complaint from a family association that owns a farm near Alqueria's plant in Cajica, located some 40 kms north of Bogota. The complainant raises concerns about the environmental impacts of the plant on

the surrounding farms—particularly the pollution of air, soil, and local water sources caused by industrial discharge, and the inadequate disposal of toxic residues—and questions whether the company is operating under the appropriate environmental permits.

CAO is conducting an assessment of this complaint, and will be travelling to Colombia to meet with stakeholders and gain a better understanding of the issues from all perspectives.



COLOMBIA

Avianca-01/Bogota



IFC, Infrastructure; Received November 2011; Transferred to Compliance June 2012; Compliance audit (investigation) ongoing; Open

PROJECT INFORMATION

Institution: IFC

Project Name & Number: Avianca 25899

Department: Infrastructure

Company: Aerovias del Continente Americano S.A. (Avianca)

Sector: Transportation

Region: Latin America & the Caribbean

Environmental Category: B

Commitment: \$50 million corporate loan

In 2011, CAO received a labor-related complaint regarding Avianca, a commercial airline based in Colombia. The complaint was submitted by the International Trade Union Confederation/Global Unions, with support from the International Transport Workers' Federation and the AFL-CIO Solidarity Center, on behalf of three Colombian labor unions representing employees of Avianca.

Having previously attempted to resolve issues through court settlement, the parties submitted the complaint to CAO, raising concerns about the violation of labor rights at Avianca, including limits to freedom of association and anti-union discrimination against employees. The complainants also questioned IFC's assessment and supervision of labor-related risks, as well as disclosure and consultation requirements in relation to its Performance Standard 2 (PS2) on labor and working conditions.

Although local unions initially expressed an interest in engaging Avianca through dispute resolution, the company believed that the unions should continue to pursue internal channels of communication available to them. In the absence of a collaborative decision to engage in dispute resolution, the case was transferred to CAO Compliance in June 2012. Upon completion of the appraisal, questions remained for CAO as to extent to which IFC made an informed judgment as to the likelihood that this investment would meet the requirements of the Performance Standards and whether IFC took appropriate the steps to supervise its client's disclosure obligations under PS1. At a more general level, this case demonstrates challenges for IFC in its assessment and supervision of PS2 issues. A compliance audit (investigation) is ongoing.

COLOMBIA



Eco Oro-01/Bucaramanga



IFC, Oil, Gas, Mining, & Chemicals; Received June 2012; Transferred to Compliance in November 2012; Compliance investigation ongoing; Open

PROJECT INFORMATION

Institution: IFC

Project Name & Number: Eco Oro 27961

Department: Oil, Gas, Mining, & Chemicals

Company: Eco Oro Minerals Corp

Sector: Mining

Region: Latin America

Environmental Category: B

Commitment: \$9 Million

IFC is financing the completion of a bankable feasibility study, environmental and social impact assessments, and other groundwork for the development of the Angostura gold and silver exploration project of Eco Oro Minerals Corp (formerly Greystar Resources Ltd) near Bucaramanga, Colombia. In 2012, CAO received a complaint from Comité por la Defensa del Agua y el Paramo de Santurbán, a coalition of individuals and NGOs working near the project.

The complainants raised concerns about the location of the project within a critical ecosystem, the Santurban Paramo, which generates water resources for 2 million people in the region. Complainants believe that mining activities will negatively impact both the quantity and quality of water generated, as well as the biodiversity of this vital ecosystem, and are concerned about the socioeconomic impacts of the project on surrounding communities, especially farmers

and small-scale producers likely to be affected by large-scale mining activities. More broadly, the complainants question the quality of the environmental and social impact assessments conducted for the project, and IFC's compliance with its own policies and Performance Standards.

During the assessment, the affected parties indicated that they were not interested in addressing their concerns through dispute resolution, preferring to address the issues through CAO's Compliance function. The case was transferred to Compliance in November 2012. A compliance appraisal was released in June 2013, finding that further investigation was necessary to determine whether IFC's approach to the definition of the project and the assessment of its environmental and social risks and impacts was adequate. The case is now undergoing a compliance investigation.

CAO team meets with Eco Oro complainants in Bucaramanga, Colombia.





HONDURAS

Dinant Investment-01/CAO Vice President Request



IFC, Agribusiness; CAO Vice President triggered compliance appraisal April 2012; Compliance audit (investigation) ongoing; Open

PROJECT INFORMATION

Institution: IFC
Project Name & Number: Dinant 27250
Department: Agri & Services
Company: Corporación Dinant S.A. de C.V. (Dinant)

Sector: Palm Vegetable Oil
Region: Latin America & the Caribbean
Environmental Category: B
Commitment: \$30 million

In 2009, IFC invested in the expansion of Corporación Dinant, a palm oil and food company in Honduras. The company's planned expansion included increased production capacity in its snacks and edible oils divisions; the expansion and upgrade of its distribution network; the development of young palm oil plantations; and the construction of a biogas facility to generate electricity for use by the company and third parties.

A year following IFC's investment, a letter was submitted to the World Bank Group President raising concerns about forced evictions and violence against local farmers in and around Dinant's plantations in the Aguan Valley, as well as the use of public and private security forces by Dinant for this purpose. In response to these concerns, and following discussions

with local NGOs regarding Dinant's social and environmental performance in Honduras, CAO's Vice President initiated a compliance appraisal of IFC's investment in the project in April 2012.

The appraisal concluded that IFC's social and environmental performance merits further inquiry. A compliance audit (investigation) is ongoing. The audit (investigation) will make findings as to whether IFC exercised due diligence in reviewing the social risk of the project; whether IFC responded adequately to the context of intensifying social and political conflict surrounding the project following commitment; and whether IFC's policies and procedures provide adequate guidance to staff on how to assess and manage social risks associated with projects in areas that are prone to or subject to conflict.

MEXICO



Harmon Hall-01/Mexico



IFC, Health & Education; Received December 2011; Dispute resolution process ongoing; Open

PROJECT INFORMATION

Institution: IFC

Project Name & Number: Harmon Hall 29753

Department: Health & Education

Company: Harmon Hall Holding, S.A. de C.V.

Sector: Education

Region: Latin America & the Caribbean

Environmental Category: B

Commitment: \$7.9 million equity

In December 2011, CAO received a complaint regarding labor issues at Harmon Hall, a chain of English-language schools in Mexico with a network of over 100 schools across the country. The initial complaint was filed by a former teacher of the company, and was shortly followed by similar complaints from eight other complainants. In the course of CAO's engagement in the case, additional teachers and former employees came forward, raising the total complaint count to 17. The majority of complaints raised concerns related to employment rights and the unfair treatment of the company's employees, including inadequate wages, long working hours, health care, employee benefits, and other concerns related to compensation.

During its assessment, a CAO team travelled to Mexico and spoke with some twenty teachers and former employees, as well as administrative staff at three of the company's schools. Due to teachers' concerns about confidentiality, CAO conducted a separate series of conversations with the company's management to discuss key issues, as well as potential management responses to them. At the conclusion of CAO's

assessment, both the complainants and Harmon Hall management agreed to work with the CAO to address their issues through a mediated process. The dispute resolution process adopted a "shuttle diplomacy" approach due to continued confidentiality concerns from teachers that allowed the parties to address both systemic labor concerns as identified by the complainants and more personal concerns raised by some individuals.

The parties reached an agreement on proposed remedial actions for systemic concerns in June 2012; in addition, 13 out of 17 cases have so far been resolved through this remedial action framework. Systemic changes implemented by the company as part of the remedial action framework include targeted training of its staff; the development of job descriptions; class assignment methodologies; making available information materials; and strengthening the company's complaints service. CAO will continue to monitor the implementation of agreements over the upcoming year. Remaining cases that are not resolved through dispute resolution will be transferred to CAO Compliance for appraisal.



NICARAGUA

Nicaragua Sugar Estates Limited-01/León and Chinandega



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

PROJECT INFORMATION

Institution: IFC

Project Name & Number:

Nicaragua Sugar Estates Limited S.A. 25331

Department: Agribusiness

Company: Nicaragua Sugar Estates Limited (NSEL)

Sector: Agriculture and Forestry

Region: Latin America & the Caribbean

Environmental Category: B

Commitment: \$25 million (A loan), \$30 million (B loan)

In March 2008, CAO received a complaint from the Center for International Environmental Law on behalf of communities living in the Department of León and Chinandega raising concerns about environmental and social impacts of Nicaragua Sugar Estates Limited (NSEL), a sugarcane producer and agribusiness client of IFC. Of particular concern was a potential linkage between the companies' sugarcane production activities and a high incidence of Chronic Kidney Disease (CKD) in its workforce.

NSEL and ASOCHIVIDA, an association of over 2,000 former sugarcane workers and their families affected by CKD, agreed in November 2008 to address critical issues through a CAO-facilitated dispute resolution process. The process focused on three main areas: improvements in medical care for sufferers of CKD, meeting the day-to-day needs of those affected by the disease, and supporting research into causes of the disease and its linkages to the sugarcane industry. Efforts in these three areas have been ongoing since 2009, with considerable achievements in each.

The cause of this epidemic of CKD in Nicaragua is unknown to science and scientific research needs to continue. Independent research into

the causality has been carried out by Boston University, whose team was jointly chosen by the parties. Research has indicated that the type of CKD affecting former NSEL workers is also present in other industries in Nicaragua and throughout the Pacific zone of Central America. The findings suggest some evidence of early-stage kidney damage in adolescents who have not yet entered the workforce, which appears to be occurring in all regions studied in Nicaragua, although more frequently in Chichigalpa. These preliminary findings are a notable step toward understanding the disease and create a strong foundation for further research on both occupational and non-occupational factors.

In June 2012, ASOCHIVIDA and NSEL signed an agreement and formally closed the CAO-convened dispute resolution process. The agreement includes a continued commitment to dialogue and sustained efforts around parties' work on CKD. Efforts to address the larger health issue are ongoing, involving a range of stakeholders, including with the Director for Health, Nutrition and Population for the World Bank's International Bank for Reconstruction and Development, to explore opportunities to raise awareness of CKD both regionally and globally.



IN MEMORIAM DONALD CORTEZ

CAO would like to take this opportunity to honor Donald Cortez, the president of ASOCHIVIDA, whose incredible dedication and commitment has contributed to the sustained success of the dispute resolution process. Donald died on July 16, 2013 in Chichigalpa, Nicaragua.

Donald was himself a sufferer of CKD, yet despite his own struggle with the disease, he fought tirelessly with an admirable commitment and smile to secure benefits for the 2,200 members of his organization and to find the cause of the illness. Donald was strong, both mentally and physically, and had a clarity of vision and resolute determination that left no doubt that he would achieve his goal. Donald was trusted and admired, and the members of ASOCHIVIDA knew that he had their best interests at heart.

Donald played a key role in helping to secure many benefits through the mediation, including a commitment of \$320,000 to build a renal clinic to provide dialysis and improved care next to the new general hospital in Chichigalpa; the monthly distribution of basic food provisions; income generation projects that have benefited more than 500 members; a new peritoneal dialysis program; and 60 new houses (another 40 are under construction) that provide the clean and sanitary conditions necessary for people suffering from CDK to receive dialysis.

Donald's legacy is immense and will not be forgotten. In every decision he made, he put the interests of his community before his own. If science is at all closer to finding the cause of CKD, we very much owe the progress to him.

Donald Cortez surrounded by ASOCHIVIDA members in Nicaragua.





PANAMA

Panama Canal Expansion-01/Lake Gatún



IFC; Infrastructure; Received May 2011; Transferred to Compliance February 2012; Closed after appraisal June 2013

PROJECT INFORMATION

Institution: IFC

Project Name & Number

Panama Canal Expansion 26665

Department: Infrastructure

Company: La Autoridad del Canal de Panama

Sector: Transportation

Region: Latin America & the Caribbean

Environmental Category: A

Commitment: \$500 million A loan

The Panama Canal, originally completed in 1914, is one of the largest engineering projects ever undertaken. Connecting the Atlantic and Pacific Oceans, the canal is a major conduit for international maritime trade. In light of its increasing use and importance of the canal, the Panama Canal Authority (PCA) has commenced an expansion program to increase the canal's capacity. IFC is providing finance for the project, which includes the construction of two new sets of locks at the Pacific and Atlantic ends of the canal, the widening and deepening of navigational channels in Lake Gatún, and the deepening of the Culebra Cut.

A complaint was lodged with CAO in May 2011 by Alianza Pro Panama, an organization consisting of several grassroots environmental and citizens' rights groups concerned about the canal expansion project. The complaint raised a number of social and environmental issues, including threats to coastal biodiversity and marine resources, the salinization of critical freshwater sources, relocation of communities, and threats to community health and safety posed by the construction of a dam near a seismic fault line. The complainants questioned IFC's due diligence

process in approving the project. The complaint was followed by letters of support from other organizations and communities living close to the Panama Canal watershed, and a complaint was also filed with the European Investment Bank's Complaints Mechanism, with which CAO coordinated with during its assessment.

A CAO team travelled to Panama during its assessment of the complaint in 2011, and met with PCA, community residents near Lake Gatún and in the western region of the Panama Canal watershed, as well as individuals and organizations representing Alianza ProPanama. After a series of discussions, CAO understood from key stakeholders that they did not wish to address concerns through dispute resolution. The case was transferred to CAO Compliance in February 2012. The appraisal found that well developed environmental and social management and monitoring systems were in place and that the issues of concern related significantly to future risks, which IFC has undertaken to monitor through supervision. In this context, an investigation was not merited, and the case was closed after appraisal in June 2013.

PERU



Agrokasa-01/Ica



IFC, Agribusiness; Complaints filed June 2009; Transferred to Compliance March 2010. Audit (investigation) completed February 2011; Closed June 2013

PROJECT INFORMATION

Institution: IFC

Project Name & Number:

Sociedad Agricola Drokasa S.A. 26821 (withdrawn by client)

Department: Agribusiness

Company: Sociedad Agricola Drokasa S.A (Agrokasa)

Sector: Agriculture and Forestry

Region: Latin America & the Caribbean

Environmental Category: B

Commitment: Up to \$10 million (withdrawn by client)

Sociedad Agricola Drokasa S.A. (Agrokasa) is a major producer and exporter of grapes, asparagus, and avocados in Peru. Two of the company's largest farms are located in the Ica Valley, some 300 kms south of Lima. In June and July 2009, six complaints were filed on behalf of local water associations, NGOs, and other stakeholders in the Ica Valley. All raised concerns about the depletion of the Ica aquifer as a result of excessive drilling throughout the Valley, and the impacts and legality of Agrokasa's water transfer project between its two farms, as well as the disclosure of information to other growers in the region. Shortly after CAO received the complaints, Agrokasa withdrew its request for IFC funding for the Ica project. The project would have been its third major loan from IFC since 1999.

During its assessment trip to Peru in 2009, CAO met with stakeholders in Ica and Lima, as well as with relevant IFC staff. A Working Group was launched by two of the local water users associations that had lodged the complaint, and drew on collaboration from water authorities, Agrokasa, and other local water

associations. CAO facilitated monthly meetings of the Working Group until November 2010, when several agreements were reached on the joint development of strategies for managing water resources in the Ica Valley sustainably, including a participatory water monitoring program.

Issues that were not addressed, or could not be resolved through the dialogue process, were transferred to CAO Compliance in March 2010. The compliance audit (investigation), released in February 2011, found that IFC had intended to seek project approval for a third Agrokasa investment before adequate environmental assessments had been prepared or reviewed, and despite the fact that IFC knew about the overexploitation of the Ica aquifer and the extent of local concerns. Though these concerns had been raised internally within IFC, commercial pressure to expedite the project, and an absence of effective IFC management support, meant that the professional advice offered by IFC's environmental and social specialists was effectively overruled, and community objections were ignored. The case was closed in June 2013.



PERU

Quellaveco-01/Moquegua



IFC, Oil, Gas, Mining, & Chemicals; Received November 2011; Transferred to Compliance September 2012; Compliance audit (investigation) ongoing; Open

PROJECT INFORMATION

Institution: IFC

Project Name & Number: Quellaveco, 3823

Department: Oil, Gas, Mining, & Chemicals

Company: Anglo American Quellaveco S.A.

Sector: Mining

Region: Latin America & the Caribbean

Environmental Category: B

Commitment: \$60 million equity (currently divested)

Quellaveco is a copper mining concession located in the Department of Moquegua in southeastern Peru that was privatized in 1993. The concession is in its preconstruction phase. IFC held an equity stake in Anglo American Quellaveco from 1993 until divesting to Mitsubishi in February 2012.

In November 2011, CAO received a complaint raising concerns about the actual and anticipated impacts of the project on local people and the environment, including water pollution, water scarcity, land acquisition, and adequacy of community engagement.

Between the time that CAO receive the complaint and the time the case was found eligible, IFC sold its shares in Quellaveco. CAO's role, as well as

the implications of IFC's exit from the project, were discussed with stakeholders during the assessment phase. Though the company was initially open to addressing community concerns through dialogue, it believed that an existing government-led dialogue table was the best avenue through which to do so and therefore declined to participate in a CAO-facilitated dispute resolution process. The case was transferred to Compliance in September 2012.

The appraisal report, released May 2013, found that a review of certain aspects of the project, which relate to its nature as an early equity mining investment, might better inform the application of policies. A compliance investigation is ongoing.

PERU



Yanacocha-04/Cajamarca



IFC, Mining; Complaint received November 2012; Dispute resolution process ongoing; Open

PROJECT INFORMATION

Institution: IFC

Project Name & Number: Yanacocha 2983

Department: Oil, Gas, Mining, & Chemicals

Company: Minera Yanacocha S.A.

Sector: Mining

Region: Latin America & the Caribbean

Environmental Category: A

Commitment: 5 percent equity stake

Located in the Peruvian Andes, Minera Yanacocha has one of the largest open-pit gold mines in Latin America. Since it began its operations in 1993, the company has produced more than 26 million ounces of gold from its three open pit mines. In November 2012, CAO received a complaint from the Pajares family, a local family living near the mine in the Department of Cajamarca. Members of the family believe that the company failed to provide compensation for lands the mine purchased from their father, and claimed that the company has initiated legal proceedings against the 19 heirs to the land in an attempt to deny them rights to due compensation. The family members contend that this has placed them in a situation of economic hardship.

CAO conducted an assessment trip to Peru in January–February 2013 to meet with members of the Pajares family and Yanacocha, to better

understand the issues around land raised in the complaint. The assessment revealed that although the parties differed in their opinions about the rightful ownership of the land, both the company and the family preferred to address these issues through a collaborative dispute resolution process.

With both parties expressing interest in addressing issues collaboratively, a CAO dispute resolution team is working with them to develop a framework for the process, which, at the agreement of the family and the company, will cover issues pertaining to the clarification of boundaries of the original family estate according to the family's title deeds, land ownership, and ultimately the question of compensation. Yanacocha has agreed to suspend its lawsuits against members of the Pajares family for 60 days, and will extend the suspension for as long as necessary if constructive dialogue can be achieved.

The CAO team meets with the Yanacocha-04 complainants in Cajamarca, Peru.





PERU

Yanacocha-05/Cajamarca

IFC, Mining; Complaint received May 2013; Assessment ongoing; Open



PROJECT INFORMATION

Institution: IFC

Project Name & Number: Yanacocha 2983

Department: Oil, Gas, Mining, & Chemicals

Company: Minera Yanacocha S.A.

Sector: Mining

Region: Latin America & the Caribbean

Environmental Category: A

Commitment: 5 percent equity stake

In May 2013, CAO received its fifth complaint regarding Yanacocha. The complaint relates, as does the fourth Yanacocha complaint, to land dispute in which a Cajamarca-based family (Cerna Sanchez) claim that the company illegally occupied land that was owned by their parents, and have failed to fairly compensate the family for these lands.

CAO began its assessment of the complaint in June 2013, and is discussing the issues raised with relevant parties to see whether they would like the complaint to be handled by CAO's Dispute Resolution or Compliance function.

Local residents of Cajamarca.



South Asia





INDIA



India Infrastructure Fund-01/Dhenkanal District

IFC, Global Financial Markets; Received April 2011; Transferred to Compliance April 2013; Compliance investigation ongoing; Open

PROJECT INFORMATION

Institution: IFC

Project Name & Number: India Infrastructure Fund 26237

Department: Global Financial Markets

Company: India Infrastructure Fund (IFF)

Sector: Finance & Insurance

Region: South Asia

Environmental Category: FI

Commitment: \$100 million equity investment

Odisha Chas Parivesh Sureksha Parishad (Odisha Agriculture and Environmental Protection Council) and the Delhi Forum, an Indian advocacy and research organization, jointly filed a complaint with CAO in April 2011 on behalf of people affected by the Kamalanga Energy Project, a coal-fired power plant located in India's Odisha state, and an investee of the IFC-supported India Infrastructure Fund (IIF).

The complaint was the first case CAO had received relating to an IFC financial intermediary subproject, and raised concerns about the lack of disclosure of project information, particularly the lack of transparency around potential environmental and social impacts such as negative health impacts, pollution, and access to water. The complainants also questioned the lack of information about IFC's role in financing the project.

A CAO team travelled to India several times between September 2011 and March 2012, and during the course of the assessment, the parties expressed their interest in pursuing a dispute resolution process. The capacity building activities conducted by CAO, and conversations between the parties leading up to dispute resolution, created an opportunity for the company and communities to interact and communicate in a more open and collaborative manner. However, the parties were ultimately unable to reach a consensus on the parameters for dialogue, particularly with regard to issues of representation of parties within the process. Due to this impasse, CAO concluded its dispute resolution process and in April 2013 transferred the case to Compliance. An appraisal report was released in June 2013, finding that a further examination of the issues would be warranted. The compliance investigation will look at whether IFC's investment in GRM Kamalanga Energy Limited was appraised, structured, and supervised in accordance with applicable IFC policies, procedures, and standards.

CAO dispute resolution team with stakeholders from a dialogue process in Orissa, India.



INDIA



Tata Mega Ultra-01/Mundra and Anjar

IFC, Infrastructure; Received June 2011; Transferred to Compliance February 2012; Compliance audit (investigation) ongoing; Open

PROJECT INFORMATION

Institution: IFC

Project Name & Number: Tata Ultra Mega 25797

Department: Infrastructure

Company: Coastal Gujarat Power Limited

Sector: Power

Region: South Asia

Environmental Category: A

Commitment: \$450 million A loan, \$300 million B loan, \$50 million equity

Costal Gujarat Power Limited (CGPL) has been developing a 4,000 MW “ultra mega” coal-fired power plant in India. Located in the port city of Mundra, the plant will be driven by supercritical technology, and imported coal. In June 2011, CAO received a complaint from Machimar Adhikar Sangharsh Sangathan (MASS, Association for the Struggle for Fishworkers Rights), an organization representing fisherpeople in Gujarat. Raising concerns about the social and environmental impacts of the project on local fishing communities, the complaint cited concerns around the deterioration of water quality, impacts on fish populations and other natural marine ecosystems such as mangroves, community health impacts related to air emissions, as well as the forced displacement of local fisherpeople. The complainants also questioned the adequacy of cumulative impact assessments and community consultation during project planning.

During its assessment in 2011, CAO travelled to the Kutch district in Gujarat for several meetings with the complainants, the company, and residents of

fishing communities near the project. During a series of discussion with stakeholders, the complainants expressed their concerns about threats to their livelihoods posed by the increasing industrialization of the coastline. While the company recognized these concerns and was open to the possibility of addressing them, it maintained that resolution of these issues could not be done without the involvement of a wider range of stakeholders, including other industrial players and the state government. After exploring their options with CAO, the complainants expressed their preference to deal with the case through CAO’s Compliance function.

The case was formally transferred in February 2012. The appraisal found that several of the issues raised by the complainants merited further inquiry, including IFC’s due diligence in assessing social and environmental impacts, cumulative impacts, and the level of community support and consultation during project planning. A CAO panel was assembled to carry out the investigation, and travelled to India in January 2013. A compliance investigation is ongoing.

Seasonal fishing in the vicinity of the CGPL development.





INDIA

Tata Tea-01/CAO Vice President Request



IFC, Agribusiness; CAO Vice President triggered compliance appraisal May 2012; Compliance audit (investigation) ongoing; Open

PROJECT INFORMATION

Institution: IFC
Project Name & Number: Tata Tea 25074
Department: Agribusiness
Company: Amalgamated Plantations Private Limited

Sector: Agribusiness
Region: South Asia
Environmental Category: B
Commitment: \$7.8 million equity

In May 2012, the CAO Vice President triggered a compliance appraisal of IFC’s involvement in Amalgamated Plantations Private Limited (APPL), an investment designed to support the acquisition and management of 24 tea plantations in Assam and West Bengal, previously owned by Tata Tea Limited (TTL).

The appraisal request was based on allegations submitted to IFC’s Communication Portal for Performance Standard 2 (PS2) by the International Union of Food Workers (IUF). Concerns about labor-related aspects of IFC’s investment in APPL

were sparked by violent incidents that took place on two of the company’s plantations in 2009 and 2010, leading to disputes between the company and unions representing APPL workers.

CAO’s appraisal found that there were challenges in IFC’s assessment and supervision of PS2 risks emerging from the nature of the relationship between APPL, its workers, and the unions representing them. Based on the need for further inquiry into these issues, CAO is conducting an investigation.

CAO Specialist learning about APPL tea production.



INDIA



Tata Tea-02/Assam



IFC, Agribusiness; Complaint received February 2013; Assessment ongoing; Open

PROJECT INFORMATION

Institution: IFC

Project Name & Number: Tata Tea 25074

Department: Agribusiness

Company: Amalgamated Plantations Private Limited (APPL)

Sector: Agribusiness

Region: South Asia

Environmental Category: B

Commitment: \$7.87 million equity

In May 2012, CAO's Vice President initiated a compliance appraisal into IFC's investments in Amalgamated Plantations Private Limited (APPL), a company set up to acquire and operate 24 tea plantations in northeastern India owned by Tata Tea Limited (TTL) through a "worker-shareholder" model. While this project was already under compliance investigation, a separate complaint was received in February 2013 from three NGOs on behalf of tea workers living and working in the company's plantation areas.

The second case, which relates to Tata's Nahorani, Majuli, and Hattigor plantations in Assam, raises similar concerns about labor and working conditions, exploitative working contracts, long working hours, undue compensation, and concerns about workers' living conditions. The complainants also question the integrity of the worker share-buying program, claiming that the company made it a requirement for workers to buy

shares without providing adequate information about the risks of investing in the program.

A CAO team conducted an assessment visit to Assam in April 2013, engaging in stakeholder discussions with tea workers, NGOs, and company representatives. Parties differ in their views over the integrity of the worker-share buying program, and whether the issues raised in the complaint constitute violations of Indian labor laws. All parties recognize the Plantation Labor Act as the basis for standards that must be maintained on plantations, and as a basis for discussions around labor conditions in APPL's plantations.

CAO is conducting an assessment of this complaint and still must learn from all involved whether they wish to proceed with a dispute resolution or compliance process in addressing their concerns.

An APPL tea garden in India.





INDIA

Vizhinjam-01/Kerala

IFC, Advisory Services; Complaint received August 2012; CAO assessment ongoing; Open



PROJECT INFORMATION

Institution: IFC

Project Name & Number: Kerala Port, Vizhinjam 28991

Department: Advisory Services

Company: Vizhinjam International Seaport Limited (VISL)

Sector: Port and Harbor Operations

Region: South Asia

Environmental Category: N/A

Commitment: Non-fee based service

The proposed Vizhinjam seaport project, to which IFC is providing Advisory Services, is a joint venture between the government of India (GoI) and Vizhinjam International Seaport Limited (VISL). The project is intended to increase the port's capacity through a large-scale National Marine Development Project (NMDP) that will develop Vizhinjam's deepwater port, providing access to larger ships and allowing it to take advantage of its proximity to international shipping routes.

In August 2012, CAO received a complaint from tourism workers, businesses, and local residents of Vizhinjam, supported by the Kerala branch of Exnora International, Kerala Hotels and Restaurants Association, and the People's Resistance Committee. The complaint raises concerns about the impacts of the project on the well-being and livelihoods of communities along

the coast, as well as on the local tourism industry. In addition to social and environmental impacts such as water scarcity, loss of land, and inadequate compensation for land, the complainants also raise doubts about the comprehensiveness of the project's impact assessments, and IFC's social and environmental due diligence as a whole.

A CAO team conducted an assessment visit to Kerala in October 2012 to hold discussions with key stakeholders, and also facilitated an information session between the complainants and IFC, which took place in Delhi in December 2012. After an extension of the assessment period to allow the parties' time to establish whether a dialogue process would be possible, the parties were not able to agree on such a process. At the time of writing, the complaint was being transferred to CAO's compliance function for appraisal.

CAO team meeting with VISL (Vizhinjam International Seaport Limited) representatives.



INDIA



Vizhinjam-02/Kerala



IFC, Advisory Services; Complaint received September 2012; Transferred to Compliance May 2013; Compliance appraisal ongoing; Open

PROJECT INFORMATION

Institution: IFC

Project Name & Number: Kerala Port, Vizhinjam 28991

Department: Advisory Services

Company: Vizhinjam International Seaport Limited (VISL)

Sector: Port and Harbor Operations

Region: South Asia

Environmental Category: N/A

Commitment: Non-fee based service

In September 2012, CAO received a second complaint related to Vizhinjam International Seaport Limited (VISL). The complaint, filed by a community fishing group (Kerala Independent Fish Workers Federation), raised concerns about the impact of the port on local fishing communities. The major impacts cited by the group include the possible displacement of fishermen from the project area, impaired access to fishing grounds and obstruction of fishing vessels, pollution from port operations, damage to marine biodiversity, and subsequent loss of overall fishing livelihoods. The complainants also raise questions about the distribution of project benefits and employment opportunities for local communities.

During the course of the assessment visit to Kerala, VISL (the company) informed CAO that it was already working to address a number of the concerns raised by the fishing communities through its own project plans, such as integrating new landings for fishing boats into the port design. Preferring to continue addressing the concerns of fishing communities through its own internal channels, the company declined to take part in a CAO-facilitated dispute resolution process with the complainants. The complaint was therefore been transferred to CAO's Compliance function in May 2013, and is undergoing an appraisal.

CAO meets with local stakeholders in Kerala, India.





INDIA

Vizhinjam-03/Mulloor

IFC, Advisory Services; Complaint received April 2013; CAO assessment ongoing; Open



PROJECT INFORMATION

Institution: IFC

Project Name & Number: Kerala Port, Vizhinjam 28991

Department: Advisory Services

Company: Vizhinjam International Seaport Limited (VISL)

Sector: Port and Harbor Operations

Region: South Asia

Environmental Category: N/A

Commitment: Non-fee based service

In April 2013, CAO received its third complaint regarding the Vizhinjam Port Project in Kerala. Lodged by local residents of Mulloor, one of 11 villages along the coastline near the project, the complaint raises concerns about a newly constructed port access road, which runs through the village of on its way to Vhizinjam's port location. Mulloor residents claim that the road has been constructed on their farmland, and believe that the dumping of construction waste is

aggravating water retention issues, and that the road is impeding water flow and aquifer recharge and leading to sever water shortages in the area.

CAO is currently conducting an assessment of this complaint to gather more information about the issues raised by communities in Mulloor, and to determine how parties wish to proceed in addressing their concerns.

Local fishermen in Vizhinjam fishing harbor.



World



MULTIREGIONAL

Financial Intermediaries-01/CAO Vice President Request



IFC, Global Financial Markets; CAO Vice President triggered a compliance appraisal February 2011; Compliance audit (investigation) ongoing; Open

PROJECT INFORMATION

Institution: IFC

Department: Global Financial Markets

Sector: Financial Intermediaries

Region: World

Environmental Category: FI

An increasing portion of IFC financing to private sector projects in emerging markets is provided through third-party entities, also known as financial intermediaries (FIs). These intermediaries may be commercial banks, private equity funds, or other entities that provide on-lending to companies, including micro, small and medium-scale enterprises, through a variety of financial products. IFC considers these subclients and subprojects as its “indirect” investments in the financial sector, as compared to the “direct” investments it makes in the real sector.

In recent years, scrutiny of financial sector transparency and accountability has intensified, and concerns have arisen that the structure and complexity of financial sector investments not only obscures what development outcomes are achieved at the subclient level, but may also limit the ability of potentially affected communities and individuals to access CAO’s services. In response to these concerns, the CAO Vice President initiated an audit (investigation) of a sample of IFC financial sector investments in February 2011 to provide assurance of IFC’s environmental and social performance.



CAO appraised 844 FI investments, from which a sample of 188 were selected for audit relating to 63 IFC clients. The CAO team, comprising three expert panelists, travelled to 25 countries, visiting 37 IFC clients and a number of subclients. CAO also interviewed relevant IFC staff. The purpose of these meetings was to discuss IFC's approach and determine what effect IFC's involvement had on the environmental and social performance of its clients.

The audit report, released in February 2013, found that while IFC had processed the majority of the investments in the sample in compliance with its procedures, IFC does not have a methodology for determining whether its principle requirement for clients—the implementation of an environmental and social management system—achieves the core objectives to “Do no harm” or improve environmental and social outcomes at the subclient level. This means that IFC has no quantitative or qualitative basis on which to assert that its financial intermediation investments achieve such outcomes, which are a crucial part of its strategy and central to IFC's Sustainability Framework. More generally, the audit findings show that IFC's approach is not

designed to support broader outcomes that are commensurate with IFC's prominent leadership role in the financial sector as a champion of environmental and social responsibility.

CAO made further observations that it hopes will support IFC in improving its performance and expanding its approach to the sector. These include IFC providing more of a leadership role in the development of international standards, especially supporting existing initiatives in reporting and disclosure; and ensuring consistency with other development finance institutions. CAO also hopes IFC will provide greater clarity regarding the environmental and social risks it is seeking to manage, and how resources are deployed to do so. During the coming year, CAO will be monitoring IFC actions in response to the audit findings.

This year, CAO also addressed four complaints filed by affected people regarding IFC financial sector investments in the Africa and South Asia regions. For more information, see Summary of CAO cases, Agri Vie (pp.37) and IIF (pp.68) Harmon hall (pp.59)

Local Boat Operators in Myanmar.



MONITORING AND EVALUATION



In order to ensure that CAO continues to remain accessible and responsive to affected communities, it is important to capture feedback about the strengths and shortcomings of our work. In 2009 we began to develop a monitoring and evaluation (M&E) system for this purpose. Since that time, surveys have become one of the main tools we have used to gather information from stakeholders involved in our cases. We administer surveys on a rolling basis as complaints proceed from one phase to the next during the dispute resolution and compliance processes.

This year we conducted surveys related to 15 cases, and collected information from 21 respondents in total (community members, civil society organizations, IFC/MIGA staff, and client companies). Results are summarized in box 6.

Though surveys help us gauge the impact of our work by gathering feedback from those involved in our cases, we recognize the need to improve the number of survey respondents, particularly by facilitating better access for complainants, and encouraging more feedback from IFC/MIGA project teams and clients. In order to develop a more robust M&E system, in the coming year we will be working on identifying effectiveness and outcomes indicators to help us further ascertain how CAO is performing and what challenges stakeholders experience with the process, as well as to identify areas for improvement.

BOX 6

RESULTS OF M&E SURVEYS

Complaint handling. All survey respondents (100 percent) found that filing a complaint with CAO was easier than the alternative means of addressing their issues—including legal proceedings and protests—and felt well informed about the choices available to them through CAO. Eighty-two percent found that CAO fairly balanced information from all parties during our processes.

Dispute resolution. Respondents who worked through CAO's dispute resolution process (59 percent) chose to do so because they trusted CAO to facilitate and support rational dialogue, they wanted to improve engagement with communities, and they wanted to solve issues that they could agree on through CAO Dispute Resolution and transfer what they could not agree on to CAO Compliance. Though survey results indicate that dispute resolution encourages dialogue and engagement between parties, they also underline the need for building the capacity of parties to participate in the process. Of the 78 percent of complainants who said they had the time and access to engage in discussions, only 44 percent felt they had the skills to do so.

Compliance. There were mixed feelings about the transparency and predictability of CAO's compliance appraisal process. Twenty-five percent of respondents found the process to be transparent and predictable, 50 percent partly so, and 25 percent not at all. Suggestions about areas of improvement include stricter adherence to time frames, seeking more information through site visits, and providing more information to stakeholders on the issues that initially informed the appraisal decision.

Other Monitoring and Evaluation Tools

In addition to gathering feedback from our stakeholders, we also track IFC/MIGA's actions in response to our work. At the request of the World Bank Group Board's Committee on Development Effectiveness (CODE), CAO developed a Management Action Tracking Record (MATR) to track the actions of IFC/MIGA's senior management in response to each of CAO's dispute resolution and compliance cases, as well as our Advisory Notes. The MATR increases IFC/

MIGA's knowledge about CAO cases, stimulates follow-up actions, and encourages IFC/MIGA to institutionalize their responses to our work.

CAO also reports quarterly to the President of the World Bank Group, annually to the Committee on Development Effectiveness (CODE), and meets quarterly with IFC's Corporate Risk Committee, providing us an avenue through which to raise concerns about trends or systemic issues that we observe through our caseload.

OUTREACH



CAO has a proactive public outreach program to ensure that people who may need CAO's services are aware of our existence, understand how we work, and can access the Office to raise issues of concern. CAO's outreach extends to potentially affected communities, civil society organizations, and IFC/MIGA staff and clients, as well as the broader private sector, academia, dispute resolution community, and international development agencies.

In FY2013, CAO conducted outreach to civil society and other stakeholders in Central Asia, East Asia, Europe, Latin America, Sub-Saharan Africa, and the United States. Highlights included outreach to civil society organizations in China and Myanmar (see boxes 7 and 8), as well in Ethiopia, Mongolia, Papua New Guinea, and Ukraine. CAO participated in the CIVICUS World Assembly in Montreal and UN Permanent Forum on Indigenous Issues in New York, and hosted

BOX 7

CAO MEETS WITH ENVIRONMENTAL NGOS IN CHINA

In October 2012, CAO staff traveled to China for meetings with civil society for the first time since 2000. CAO participated in an environmental policy capacity building workshop convened by International Rivers, and held one-on-one meetings with civil society over several days organized by Greenovation Hub (G:HUB), an NGO set up in 2012 that promotes green solutions among civil society, companies, and government. CAO met with a number of prominent Chinese environmentalists, including Goldman Prize winners Ma Jun, who founded the Institute of Public and Environmental Affairs, a water and air pollution watchdog; and Dr. Yu Xiaogang, founder of Green Watershed, one of the original Chinese NGOs, which focuses on participatory watershed management. CAO also met Wang Yongchen, an award-winning environmental journalist and founder of Green Earth Volunteers, and Wu Dengming, a seasoned environmentalist who started the student-based Green Volunteer League of Chongqing and has worked for over 20 years to save rivers and forests in China. CAO also met with Green Beagle, a network of eco-investigators, the think tank Global Environmental Institute, and Oxfam's corporate social responsibility advocacy team. There was interest in CAO as a model for independent accountability and oversight, with CAO's role as a mediator and auditor resonating with many organizations. While much of their focus is on Chinese industry, NGOs told us there is growing interest in the role of external financiers and their influence on standard setting; however, the greatest barrier to progress is transparency of information.

CAO staff during an outreach trip to Asia.



BOX 8

WORKSHOP FOR CIVIL SOCIETY ON PRIVATE SECTOR OPPORTUNITIES AND RISKS IN MYANMAR

In May 2013, CAO traveled to Yangon for a capacity building workshop and information exchange on the private sector in Myanmar in the context of transition. As Myanmar reengages with the international community, the private sector is becoming a major focus for international agencies as a driver of growth. Close proximity to Asian markets and an abundance of natural resources are mixed in Myanmar with a weak policy framework and lack of institutional capacity to take advantage of these opportunities. Ongoing conflicts in resource-rich ethnic areas pose additional risks. The two-day workshop, organized by a group of NGOs, including Paung Ku, the Bank Information Center, and the Burma Partnership, aimed to improve understanding of the constraints, opportunities, and risks within the private sector during Myanmar's transition; establish a knowledge base on the roles of the international financial institutions in contributing to the development of business, including their lending requirements and accountability mechanisms; and discuss initiatives for informed stakeholder engagement in private sector investments. The workshop attracted civil society organizations from across Myanmar. Speakers from the Asian Development Bank, the World Bank, and IFC presented their assessments of Myanmar's economy and private sector perspectives. CAO participated in the workshop to provide an introduction of its role as IFC's independent accountability mechanism. IFC established a presence in Myanmar in August 2012, with an initial program to support development of small and medium enterprises and microfinance institutions.

CAO Vice President Meg Taylor during an outreach visit to Myanmar.



sessions at the World Bank Group Annual and Spring Meetings in Tokyo and Washington, DC, respectively, which were attended by civil society delegates from around the world.

In our outreach, we continue to see a general lack of awareness about IFC and MIGA activities with civil society at the national level. This presents additional challenges for CAO in raising awareness about our role, particularly as this relates to communities potentially affected by IFC/MIGA projects. We are increasing our efforts to reach out to stakeholders through more accessible channels, such as social media and video. This year, we commissioned a series of films to document the outcomes of a CAO dialogue process in Nicaragua (see box 9). We are also updating our information materials to meet the needs of different audiences following the 2013 revisions to CAO's Operational Guidelines.

During the year, CAO implemented a learning series for IFC/MIGA staff to share insights from significant cases, which is part of our efforts to strengthen CAO's Advisory role. We also participate actively in staff inductions and trainings

to ensure understanding of CAO's role and work within IFC and MIGA. In June, CAO conducted a master class for IFC staff on grievance handling related to the Bujagali hydropower project in Uganda (see pp. 38-40).

Demand for guidance on good practice dispute resolution and compliance methodologies continues to increase from both the public and private sectors. In December 2012, CAO traveled to the World Legal Forum at the Hague and UN Forum on Business and Human Rights in Geneva, where we discussed our dispute resolution work. In April 2013, we participated in an International Experts Workshop on Non-Judicial Access to Remedy at the invitation of the Canadian government, as well as a learning event for UN staff hosted by the UN Interagency Framework Team for Preventative Action. Outreach with the private sector included a keynote address at the International Symposium on Indigenous Peoples' Economic Empowerment hosted by the University of Melbourne, and participation in the Extractive Industries Transparency Initiative (EITI) Global Conference in Sydney and an Ethos Institute seminar on human rights and grievance mechanisms in Brazil.

BOX 9

FILM SERIES DOCUMENTING THE CAO DIALOGUE PROCESS IN NICARAGUA

In 2012, CAO commissioned a series of short films documenting the outcomes of a four-year dialogue process between an IFC client, Nicaragua Sugar Estates Limited (NSEL), and ASOCHIVIDA, an association of 2,000 former sugarcane workers affected by chronic kidney disease in Chichigalpa, Nicaragua. Three films feature several local businesses (a bakery, a hardware store, and two village stores) run by families with members affected by the disease; the businesses have benefited from a microcredit fund the company set up to support income generation projects. Another film documents a food aid project the company has supported since 2009, which distributes food packages consisting of rice, beans, grain, and sugar monthly to help affected families who have suffered income loss because of the illness. The fifth film documents an independent study into the causes of chronic kidney disease by Boston University School of Public Health. Boston University was chosen jointly by the community and company to conduct the work, and its research has been unprecedented in Nicaragua considering its scope, rigor, and unrestricted access to the company's operations. All five films are available in English and Spanish at www.cao-ombudsman.org. For more information about this case, see p.60.

APPENDIX

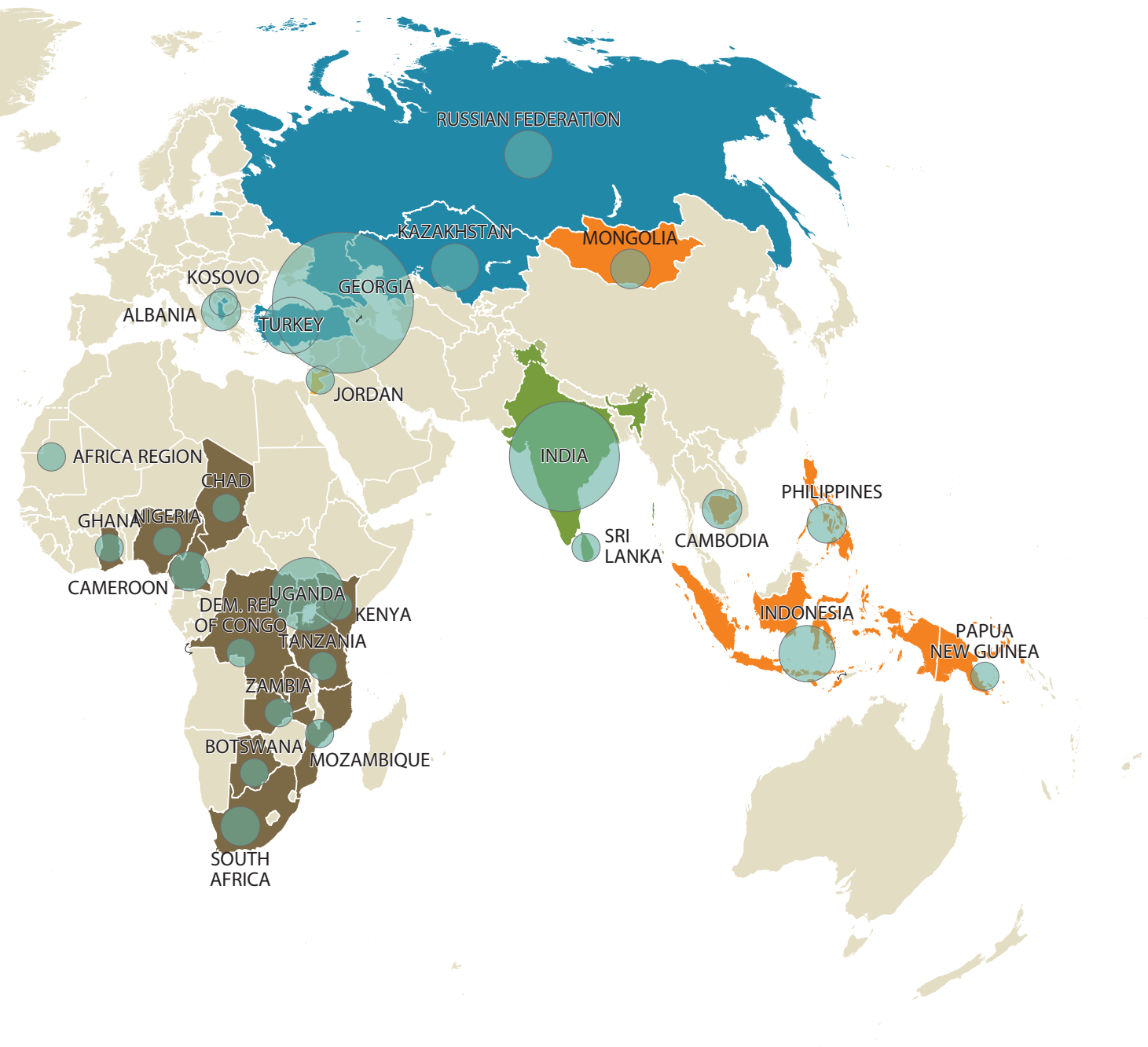


APPENDIX A. WORLD MAP OF CAO CASES, FY2000-13

MAP A1. CAO CASES BY COUNTRY, FY2000-13



IBRD 38100 | SEPTEMBER 2013
This map was produced by the Map Design Unit of The World Bank. The boundaries, colors, denominations and any other information shown on this map do not imply, on the part of The World Bank Group, any judgment on the legal status of any territory, or any endorsement or acceptance of such boundaries.



APPENDIX B. COMPLAINT LOG, FY2000–13

Complaint	Date submitted	Eligible for assessment?	Ombudsman activities	Transfer to Compliance	Eligible for audit?	Compliance activities	Date case closed
FY 2000							
No complaints							
FY 2001							
Chile: Empresa Electrica Pangué S.A.-01/Upper Bio-Bio Watershed	Aug 2000	Yes	Settled	--	--	--	Jan 2005
Peru: Compañía Minera Antamina S.A.-01/Huarmey	Sep 2000	Yes	Assessed and transferred to Compliance	Sep 2000	Yes	Review	Jan 2005
Uganda: Bujagali-01/Bujagali Falls	Nov 2000	No	--	--	--	--	Dec 2000
Jordan: Jordan Gateway Projects Co.-01/Bet Shean Valley	Dec 2000	No	--	--	--	--	Dec 2000
Peru: Yanacochoa-01/Cajamarca	Dec 2000	Yes	Settled	--	--	--	Nov 2003
Jordan: Jordan Gateway Projects Co.-02/Bet Shean Valley	Jan 2001	Yes	Settled	--	--	--	Jan 2005
Peru: Yanacochoa-02/Cajamarca	Mar 2001	Yes	Settled	--	--	--	Mar 2006
Nigeria: Niger Delta Contractor Revolving Credit Facility-01/Niger Delta	Jun 2001	Yes	Settled	--	--	--	Jan 2005
Uganda: Bujagali-02/Bujagali Falls	Jun 2001	Yes ^a	Settled	--	--	--	Jan 2005
FY 2002							
Uganda: Bujagali-03/Canada	Jul 2001	Yes	Settled	--	--	--	Jan 2005
Tanzania: Bulyanhulu Project-01/Kankola	Jan 2002	Yes	Settled	--	--	--	Jan 2005
India: Chemplast-01/Cuddalore District	Jun 2002	Yes	Settled	--	--	--	Jan 2005
FY 2003							
Chile: Empresa Electrica Pangué S.A.-02/Upper Bio-Bio Watershed	Jul 2002	Yes	Settled	--	--	--	Feb 2006
Bolivia: Comsur V-01/Bosque Chiquitano	Jun 2003	Yes	Assessed and transferred to Compliance	Nov 2003	Yes	Review	Jul 2004
FY 2004							
Zambia: Konkola Copper Mines Plc (KCM)-01/Ming'omba and Kawama	Jul 2003	Yes	Settled after Assessment	--	--	--	Jan 2005
Georgia: BTC Pipeline-01/Switzerland	Dec 2003	No	--	--	--	--	Dec 2003
Georgia: BTC Pipeline-02/Rustavi	Mar 2004	Yes	Settled	--	--	--	Apr 2004
Georgia: BTC Pipeline-03/Switzerland	Mar 2004	No	--	--	--	--	Apr 2004
Georgia: BTC Pipeline-04/Switzerland	May 2004	No	--	--	--	--	May 2004
Georgia: BTC Pipeline-05/Rustavi City	May 2004	No	--	--	--	--	Jun 2004

Complaint	Date submitted	Eligible for assessment?	Ombudsman activities	Transfer to Compliance	Eligible for audit?	Compliance activities	Date case closed
Georgia: BTC Pipeline-06/ Bashkovi	May 2004	Yes	Settled	--	--	--	Feb 2005
Georgia: BTC Pipeline-07/ Dgvari	May 2004	Yes	Settled	--	--	--	Feb 2005
Georgia: BTC Pipeline-08/ Sagrasheni	May 2004	Yes	Settled	--	--	--	Feb 2006
Georgia: BTC Pipeline-09/ Tetrtskaro	May 2004	Yes	Settled	--	--	--	Feb 2005
Georgia: BTC Pipeline-10/ Tetrtskaro	May 2004	Yes	Settled	--	--	--	Jan 2007
Georgia: BTC Pipeline-11/ Tsikisjvari	May 2004	Yes	Settled	--	--	--	Jun 2006
Georgia: BTC Pipeline-12/ Tba, Tsemi, Sadgeri	May 2004	Yes	Settled	--	--	--	Jan 2005
FY 2005							
Georgia: BTC Pipeline-13/ Tsalka	Jul 2004	Yes	Settled	--	--	--	May 2005
Georgia: BTC Pipeline-14/ Vale	Aug 2004	Yes	Settled	--	--	--	Dec 2005
Kazakhstan: Lukoil Overseas-01/Berezovka	Sep 2004	Yes	Assessed and transferred to Compliance	Aug 2006	Yes	Audit	Apr 2009
India: AD Hydro Power Limited-01/Himachal Pradesh	Oct 2004	Yes	Settled	--	--	--	Mar 2008
Brazil: Amaggi Expansion-01/ IFC Executive Vice President request	--	--	--	Nov 2004	Yes	Audit	Jun 2005
Botswana: Kalahari Diamond-01/Kalahari	Nov 2004	Yes	Settled	--	--	--	Jun 2006
Georgia: BTC Pipeline-15/ Tetrtskaro	Dec 2004	Yes	Settled	--	--	--	Feb 2006
Georgia: BTC Pipeline-16/ Tetrtskaro	Dec 2004	Yes	Settled	--	--	--	Feb 2006
Georgia: BTC Pipeline-17/ Tadzrisi	Dec 2004	Yes	Settled	--	--	--	Jan 2007
Georgia: BTC Pipeline-18/ Tetrtskaro	Dec 2004	Yes	Settled	--	--	--	Feb 2006
Indonesia: Megaplast	Jan 2005	No ^a	--	--	--	--	Feb 2005
Guatemala: Marlin-01/ Sipacapa	Jan 2005	Yes	Settled	--	--	--	May 2006
Argentina: Holding Intergas S.A.	Mar 2005	No ^a	--	--	--	--	Mar 2005
Georgia: BTC Pipeline-19/ Atskuri	Apr 2005	Yes	Settled	--	--	--	Feb 2006
Georgia: BTC Pipeline-20/ Atskuri	Apr 2005	Yes	Settled	--	--	--	Feb 2006
Romania: BCR	May 2005	No ^a	--	--	--	--	May 2005
Turkey: BTC Pipeline-21/ Posof	Jun 2005	Complaint withdrawn	--	--	--	--	Jul 2005
Georgia: BTC Pipeline-22/ Tsemi	Jun 2005	Yes	Settled	--	--	--	Jan 2007
Georgia: BTC Pipeline-23/ Tsemi	Jun 2005	Yes	Settled	--	--	--	Aug 2006
Peru: Compañía Minera Antamina S.A.-02/Huarmey	Jun 2005	Yes	Settled	--	--	--	May 2006

Complaint	Date submitted	Eligible for assessment?	Ombudsman activities	Transfer to Compliance	Eligible for audit?	Compliance activities	Date case closed
FY 2006							
Democratic Republic of Congo: Anvil Mining Congo, SARL-01/World Bank President Request	--	Yes	--	Jul 2005	Yes	Audit	Feb 2006
Yemen: Aden Free Zone Development	Jul 2005	No ^a	--	--	--	--	Jul 2005
Georgia: BTC Pipeline-24/ Vale	Aug 2005	No	--	--	--	--	Sep 2005
Georgia: BTC Pipeline-25/ Vale	Aug 2005	No	--	--	--	--	Sep 2005
India: AD Hydro Power Limited-02/Jagat Sukh	Aug 2005	No	--	--	--	--	Sep 2005
India: Ramky-01/ Gummidipoondi	Aug 2005	No	--	--	--	--	Oct 2005
India: Ramky-02/Mumbai	Sep 2005	No	--	--	--	--	Oct 2005
Uruguay: Celulosas de M'Bopicua (CMB) & Orion-01/Argentina and Uruguay	Sep 2005	Yes	Assessed and transferred to Compliance	Nov 2005	Yes	Audit	Mar 2006
Russian Federation: DeltaCredit Bank	Oct 2005	No ^a	--	--	--	--	Oct 2005
Georgia: BTC Pipeline-26/ Krtsanisi	Dec 2005	Yes	Assessed and transferred to Compliance	Jun 2006	No	Appraisal	Apr 2007
Pakistan: DG Khan-01/ Kahoon	Dec 2005	No	--	--	--	--	Jan 2006
South Africa: African Bank	Dec 2005	No ^a	--	--	--	--	Jan 2006
Belize: NOVA Companies (Belize) Ltd. and Ambergris Aquaculture Ltd.-01/ Ladyville	Jan 2006	No	--	--	--	--	Jan 2006
Peru: Yanacochoa-03/ Cajamarca Dept.	Mar 2006	Yes	Settled	--	--	--	Aug 2006
Kenya: AEF Lesiolo Grain Handlers Limited-01/Nakuru	Apr 2006	No	--	--	--	--	Apr 2006
Southeast Asia: Gender Discrimination	May 2006	No ^a	--	--	--	--	May 2006
Georgia: BTC Pipeline-27/ Tbilisi	Jun 2006	Yes	Assessed and transferred to Compliance	Sep 2006	No	Appraisal	Apr 2007
India: Atul Ltd.-01/ Gujarat	Jun 2006	Yes	Settled	--	--	--	Jun 2007
Argentina: Cencosud	Jun 2006	No ^a	--	--	--	--	Jul 2006
FY 2007							
Argentina: Los Gigantes-Dioxitek	Jul 2006	No ^a	--	--	--	--	Aug 2006
Turkey: BTC Pipeline-28/ Adana & Ceyhan	Jul 2006	Yes	Settled	--	--	--	Feb 2007
Argentina: GEF Streetlight	Jul 2006	No ^a	--	--	--	--	Aug 2006
Georgia: BTC Pipeline-29/ Tsalka	Jul 2006	Yes	Settled	--	--	--	Jul 2007
United States: Microfinance Investment Vehicles	Oct 2006	No ^a	--	--	--	--	Oct 2006
India: Mahindra Farm Services-01/Confidential	Oct 2006	Yes	Assessed and transferred to Compliance	Mar 2008	No	Appraisal	Jun 2008

Complaint	Date submitted	Eligible for assessment?	Ombudsman activities	Transfer to Compliance	Eligible for audit?	Compliance activities	Date case closed
India: Mahindra Farm Services-02/Confidential	Oct 2006	Yes	Assessed and transferred to Compliance	Mar 2008	No	Appraisal	Jun 2008
Ghana: Kayogbo Youth Club	Oct 2006	No ^a	--	--	--	--	Nov 2006
Peru: Tecnosul-01/Ica	Nov 2006	No	--	--	--	--	Jan 2007
Netherlands: ABCI Investments	Jan 2007	No ^a	--	--	--	--	Jan 2007
Ethiopia: National Land Claims	Feb 2007	No ^a	--	--	--	--	Feb 2007
India: Mahindra Farm Services-03/Confidential	Feb 2007	Yes	Assessed and transferred to Compliance	Mar 2008	No	Appraisal	Jun 2008
India: Mahindra Farm Services-04/Confidential	Mar 2007	Yes	Assessed and transferred to Compliance	Mar 2008	No	Appraisal	Jun 2008
Kazakhstan: Lukoil Overseas-02/Berezovka	Apr 2007	Yes	Assessed and transferred to Compliance	Nov 2007	No	Appraisal	Jan 2008
Middle East: GAL	May 2007	No ^a	--	--	--	--	Jul 2007
FY 2008							
Indonesia: Wilmar-01/West Kalimantan	Jul 2007	Yes	Settlement in monitoring	Mar 2008	Yes	Closed after Audit	Open
Brazil: Globalbix	Aug 2007	No ^a	--	--	--	--	Sep 2007
Georgia: BTC Pipeline-30/Vale	Aug 2007	Yes	Settled	--	--	--	Oct 2009
South Asia: Pakistan Banking	Sep 2007	No ^a	--	--	--	--	Oct 2007
India: Ramky-03/Gummidipoondi	Oct 2007	Yes	Assessed and transferred to Compliance	Mar 2008	No	Appraisal	Jun 2008
Russian Federation: Russkiy Mir II-01/Taman	Oct 2007	Yes	Assessed and transferred to Compliance	Jun 2008	No	Appraisal	Oct 2009
Bangladesh: IFC/BICF Employment	Dec 2007	No ^a	--	--	--	--	Feb 2008
Ecuador: Interagua-01/Guayaquil	Jan 2008	Yes	Settled	--	--	--	Jan 2011
Papua New Guinea: Digicel	Jan 2008	No ^a	--	--	--	--	Jan 2008
Russian Federation: Russkiy Mir II-02/Taman	Feb 2008	Yes	Assessed and transferred to Compliance	Aug 2008	No	Appraisal	Oct 2009
Kenya: Pan African Paper-01/Webuye	Feb 2008	Yes	Settled	--	--	--	Dec 2009
Georgia: BTC Pipeline-31/Naokhrebi	Feb 2008	Yes	Assessed and transferred to Compliance	Jun 2008	No	Appraisal	Nov 2008
Bolivia: Sinchi Wayra (formerly COMSUR)	Mar 2008	No ^a	--	--	--	--	May 2008
Nicaragua: Nicaragua Sugar Estate Limited-01/León and Chinandega	Mar 2008	Yes	Settlement in monitoring	--	--	--	Open
Costa Rica: Alterra	May 2008	No ^a	--	--	--	--	May 2008
Kazakhstan: Lukoil Overseas-03/Berezovka	May 2008	Yes	Assessed and transferred to Compliance	Apr 2009	No	Appraisal	Oct 2009

Complaint	Date submitted	Eligible for assessment?	Ombudsman activities	Transfer to Compliance	Eligible for audit?	Compliance activities	Date case closed
Peru: Compañía Minera Antamina S.A.-03/Huarmey	Jun 2008	No	--	--	--	--	Jun 2008
Zambia: Konkola Copper Mines Plc (KCM)-02/Kawama	Jun 2008	No	--	--	--	--	Jun 2008
Philippines: Ambuklao-Binga Hydroelectric Power-01/Binga	Jun 2008	Yes	Settled	--	--	--	Jun 2010
FY 2009							
Bangladesh: RAK Ceramics	Aug 2008	No ^a	--	--	--	--	Sep 2008
Turkey: Standard Profil II-01/Duzce	Sep 2008	Yes	Settled	--	--	--	Jun 2012
Georgia: BTC Pipeline-32/Vale	Sep 2008	Yes	Settled	--	--	--	Oct 2009
Russian Federation: Russkiy Mir II-03/Taman	Sep 2008	Yes	Settled	--	--	--	Dec 2009
Turkey: Assan Aluminium-01/Dilovasi	Sep 2008	Yes	Settled	--	--	--	Aug 2010
Chile: Empresa Electrica Pangué S.A.-03/Mulchen	Oct 2008	No	--	--	--	--	Oct 2008
Indonesia: Wilmar-02/Sumatra	Dec 2008	Yes	Settled	--	--	--	Jun 2012
World: SN Power-01/CAO Vice President Request	--	--	--	Dec 2008	No	Appraisal	Jun 2010
Egypt: Makka Leasing	Mar 2009	No	--	--	--	--	Mar 2009
Serbia: Gemax & Lemna	Mar 2009	No ^a	--	--	--	--	Mar 2009
India: Crompton	May 2009	No	--	--	--	--	May 2009
Peru: Agrokasa-01/Ica	Jun 2009	Yes	Settled	Mar 2010	Yes	Closed after audit	Jun 2013
FY 2010							
Uruguay: Orion-02/Gualeguaychu	Aug 2009	Yes	Assessed and transferred to Compliance	Jan 2010	No	Appraisal	Mar 2010
Sri Lanka: Rainforest Ecolodge Linkages-01/Deniyaya	Aug 2009	Yes	Settled	--	--	--	Jun 2011
Chad-Cameroon: Chad-Cameroon Pipeline-01	Oct 2009	No ^a	--	--	--	--	Oct 2009
Pakistan: Twin City Centrum	Oct 2009	No	--	--	--	--	Oct 2009
United States: DTT	Oct 2009	No	--	--	--	--	Oct 2009
Chile: Aconcagua-01/Santa Barbara	Nov 2009	Yes	Settled	--	--	--	Jun 2010
Colombia: TCBuen-01/Buenaventura	Dec 2009	Yes	Settled	--	--	--	Nov 2010
Cambodia: Cambodia Airport II-01/Preah Shihanouk	Dec 2009	Yes	Settlement in monitoring	--	--	--	Open
Panama: Pando Montelirio-01/Chiriqui	Jan 2010	Yes	Assessed and transferred to Compliance	Apr 2011	No	Appraisal	Feb 2012
Malaysia: Reges	Feb 2010	No ^a	--	--	--	--	Feb 2010
Togo: Heidelberg Cement	Feb 2010	No	--	--	--	--	Feb 2010

Complaint	Date submitted	Eligible for assessment?	Ombudsman activities	Transfer to Compliance	Eligible for audit?	Compliance activities	Date case closed
United States: TD Bank	Feb 2010	No	--	--	--	--	Feb 2010
Russian Federation: Quadriga Capital	Mar 2010	No ^a	--	--	--	--	Mar 2010
Peru: Maple Energy-01/ Nuevo Sucre and Canaán	Apr 2010	Yes	Assessed and transferred to Compliance	Nov 2011	No	Appraisal	May 2012
Ethiopia: Coca-Cola Sabco	Apr 2010	No ^a	--	--	--	--	Jun 2010
FY 2011							
Indonesia: PT Weda Bay Nickel-01/Weda Bay	Jul 2010	Yes	Assessed and transferred to Compliance	Jun 2011	No	Appraisal	Oct 2011
Tajikistan: Giavoni	Jul 2010	No	--	--	--	--	Sep 2010
Turkey: Public Energy & Energy Efficiency Project	Jul 2010	No ^a	--	--	--	--	Jul 2010
Ghana: Tullow Oil, Kosmos Energy & Jubilee FPSO-01/ CAO Vice President Request	Aug 2010	--	--	Aug 2010	No	Appraisal	Jun 2011
Mozambique: Mozal-01/ Matola and Maputo	Oct 2010	Yes	Assessed and transferred to Compliance	Dec 2011	Yes	Audit in monitoring	Open
Bangladesh: AK Khan WaterHealth-01/Dhaka	Nov 2010	No	--	--	--	--	Dec 2010
Mozambique: Africap Investment Fund	Dec 2010	No ^a	--	--	--	--	Dec 2010
Ecuador: Pronaca Expansion-01/Santo Domingo	Dec 2010	Yes	Assessed and transferred to Compliance	Jun 2011	No	--	Nov 2011
World: Financial Intermediaries-01/CAO Vice President Request	Feb 2011	--	--	Jun 2011	Yes	Audit in monitoring	Open
Uganda: Bujagali Energy-04/ Bujagali	Mar 2011	Yes	Ongoing case	--	--	--	Open
Brazil: Anima Educacao	Mar 2011	No ^a	--	--	--	--	Apr 2011
Vietnam: Global CyberSoft	Apr 2011	No ^a	--	--	--	--	Apr 2011
India: India Infrastructure Fund-01/Dhenkanal District	Apr 2011	Yes	Assessed and transferred to Compliance	Apr 2013	Yes	Audit/ Investigation	Open
Panama: Panama Canal Expansion-01/Lake Gatún	May 2011	Yes	Assessed and transferred to Compliance	Feb 2012	No	Closed after appraisal	Jun 2013
Nigeria: Nun River Kolo Creek Oil Pipeline	May 2011	No	--	--	--	--	May 2011
Uganda: Bujagali Energy-05/ Bujagali	May 2011	Yes	Ongoing case	--	--	--	Open
Cameroon: Chad-Cameroon Pipeline-02/Cameroon	May 2011	Yes	Ongoing case	--	--	--	Open
Georgia: BTC Pipeline-33/ Vale	May 2011	Yes	Settled	--	--	--	Jan 2012
India: Tata Mega Ultra-01/ Mundra and Anjar	Jun 2011	Yes	Assessed and transferred to Compliance	Feb 2012	Yes	Audit/ Investigation	Open
Sri Lanka: Sinharaja Forest	Jun 2011	No	--	--	--	--	Jun 2011

Complaint	Date submitted	Eligible for assessment?	Ombudsman activities	Transfer to Compliance	Eligible for audit?	Compliance activities	Date case closed
FY 2012							
Papua New Guinea: PNG SEZ-01/Madang Province	Jul 2011	Yes	Ongoing case	--	--	--	Open
Republic of Kosovo: KEK-01/Prishtina	Aug 2011	Yes	Assessed and transferred to Compliance	Jan 2012	Yes	Audit in monitoring	Open
Philippines: Mindoro Resources-01/Jabonga	Sep 2011	Yes	Assessed and transferred to Compliance	May 2012	No	Closed after appraisal	Oct 2012
Chad: Chad-Cameroon Pipeline-03/Chad	Oct 2011	Yes	Ongoing case	--	--	--	Open
Indonesia: Wilmar Group-03/Jambi	Nov 2011	Yes	Ongoing case	--	--	--	Open
Colombia: Avianca-01/Bogota	Nov 2011	Yes	Assessed and transferred to Compliance	Jun 2012	Yes	Audit/ Investigation	Open
Peru: Quellaveco 01/Moquegua	Nov 2011	Yes	Assessed and transferred to Compliance	Sep 2012	Yes	Audit/ Investigation	Open
Mexico: Harmon Hall-01/Mexico	Dec 2011	Yes	Ongoing case	--	--	--	Open
USA: Manor Care Rossville	Dec 2011	No	--	--	--	--	Dec 2011
Uganda: Agri-Vie-01/Kiboga	Dec 2011	Yes	Ongoing case	--	--	--	Open
Uganda: Agri-Vie-02/Mubende	Dec 2011	Yes	Ongoing case	--	--	--	Open
Laos: Burapha	Feb 2012	No	--	--	--	--	Feb 2012
African Region: Africa Investco-01	Mar 2012	Yes	Settled	--	--	--	Sep 2012
Honduras: Dinant Investment-01/CAO Vice President request	Apr 2012	--	--	Apr 2012	Yes	Audit/ Investigation	Open
India: Tata Tea-01/CAO Vice President Request	May 2012	--	--	May 2012	Yes	Audit/ Investigation	Open
Turkey: UHG-ADM-01/Turkey	May 2012	No	--	--	--	--	Jun 2012
Ukraine: MHP-01/Ukraine	May 2012	No	--	--	--	--	May 2012
Colombia: Eco Oro-01/Bucaramanga	Jun 2012	Yes	--	Nov 2012	Yes	Audit/ Investigation	Open
FY 2013							
Madagascar: Ambatovy	Jun 2012	No	--	--	--	--	Jul 2012
India: Vizhinjam-01/Kerala	Aug 2012	Yes	Ongoing case.	--	--	--	Open
Nepal: Upper Trishuli 1-02	Aug 2012	No	--	--	--	--	Sep 2012
MENA Region: GAC-01	Aug 2012	No	--	--	--	--	Oct 2012
Cameroon: AES Sonel-01/Douala	Sep 2012	No	--	--	--	--	Sep 2012
India: Vizhinjam-02/Kerala	Sep 2012	Yes	Assessed and transferred to Compliance	May 2013	TBD	Appraisal	Open
Mongolia: Oyu Tolgoi-01/Khanbodg	Oct 2012	Yes	Ongoing case	--	--	--	Open
Thailand: Novica United-01	Oct 2012	No	--	--	--	--	Oct 2012
Peru: Yanacochoa-04/Cajamarca	Nov 2012	Yes	Ongoing case	--	--	--	Open
Pakistan: Saudi Pak Bank-01	Jan 2013	No	--	--	--	--	Jan 2013

Complaint	Date submitted	Eligible for assessment?	Ombudsman activities	Transfer to Compliance	Eligible for audit?	Compliance activities	Date case closed
India: Mumbai Railway Vikas-01/	Jan 2013	No	--	--	--	--	Jan 2013
Albania: Albania Hydros-01/ Tirana	Jan 2013	Yes	Assessed and transferred to Compliance	May 2013	TBD	Appraisal	Open
Romania: Edy Group-01/ Romania	Jan 2013	No	--	--	--	--	Jan 2013
India: Tata Tea-02/Assam	Feb 2013	Yes	Ongoing case	--	--	--	Open
Azerbaijan: AccessBank	Feb 2013	No	--	--	--	--	Feb 2013
Mongolia: Oyu Tolgoi-02/ Khanbodg	Feb 2013	Yes	Ongoing case	--	--	--	Open
Cameroon: AES Sonel-02/ Douala	Feb 2013	Yes	Ongoing case	--	--	--	Open
India: Navi Mumbai	Mar 2013	No	--	--	--	--	Mar 2013
Trinidad & Tobago - TCL	Mar 2013	No	--	--	--	--	Mar 2013
Albania: Bankers Petroleum-01/Albania	Mar 2013	Yes	Ongoing case	--	--	--	Open
Trinidad & Tobago - TCL-02	Apr 2013	No	--	--	--	--	Apr 2013
Uganda: Bujagali Energy-06/ Bujagali	Apr 2013	Yes	Ongoing case	--	--	--	Open
Colombia: Alqueria-01	Apr 2013	Yes	Ongoing case	--	--	--	Open
India: Vizhinjam-03/Mulloor	Apr 2013	Yes	Ongoing case	--	--	--	Open
South Africa: Tsodilo-01/ Badplaas	Apr 2013	Yes	Ongoing case	--	--	--	Open
Peru: Yanacocha -05/ Cajamarca	May 2013	Yes	Ongoing case	--	--	--	Open
India: Belstar-01	May 2013	No	--	--	--	--	Jun 2013
India: Ranbaxy-01	May 2013	No	--	--	--	--	Jun 2013
China: Azure-01	Jun 2013	No	--	--	--	--	Jun 2013
India: Vizinjam-04	Jun 2013	No	--	--	--	--	Jun 2013
Cambodia: Cambodia Airport-01/Phnom Penh	Jun 2013	Yes	Ongoing case	--	--	--	Open

TBD-To be determined, as of June 30, 2013.

a. CAO assessed and handled any issues raised by the complaint that dealt with IFC/MIGA. However, the complainant also raised issues outside of CAO's mandate. CAO referred these issues to other relevant parts of the World Bank Group.

APPENDIX C. CAO CASELOAD, FY2000–13

Since its inception in 1999, CAO has accepted 119 complaints and requests for audits spanning 40 countries (see figure C.1 and appendix A). Eighty-five percent of the complaints relate to IFC's involvement in a project; 9 percent to IFC and MIGA together; and 6 percent to MIGA alone. Just over 50 percent of complaints to the CAO are filed by local civil society organizations acting on behalf of affected communities (see figure C.2). Individuals and community members have also filed complaints alone without assistance from other organizations. Analysis of the CAO's caseload data reveals patterns in the distribution of cases by sector and region, as well as the systemic environmental and social issues that predominate in complaints.

Regional distribution: Projects in Europe and Central Asia have accounted for 32 percent of complaints to CAO since 1999. This figure reflects a large number of complaints filed for one project: the Baku-Ceyhan-Tbilisi Pipeline. The Latin America region accounts for a quarter of CAO cases. The share of cases from the Asia and Africa regions has grown in recent years (see figure C.3). CAO's experience from its caseload and outreach suggests that relatively larger shares of complaints from some regions compared to others typically reflects the level of mobilization of civil society, awareness of IFC/MIGA and CAO, and size of the IFC/MIGA regional portfolio.

Sector distribution: Four industry sectors in the real sector—extractives, infrastructure, agribusiness, and manufacturing—have predominated in complaints to the CAO since 1999 (see figure C.4). CAO attributes this pattern of complaints to the resource intensity of these industries: specifically, intense uses of land, water, or both. A growing share of IFC's investments are in the financial sector. Since 2010, CAO has received three complaints related to IFC's financial sector investments.

Issues raised by complainants: Impacts to natural resources are a predominant theme in complaints to CAO since 1999: pollution is cited in 45 percent of complaints; CAO has handled 67 land-specific cases, making up about 56 percent of the total

caseload; and concerns related to water have accounted for 41 percent of cases. Community health and safety concerns have been raised in 44 percent of cases. A major underlying theme is the distribution of project benefits and how this affects community livelihoods, with socioeconomic issues at the heart of 70 percent of complaints to CAO. The majority of complaints also cite concerns related to project processing and supervision (69 percent) and consultation and information disclosure (61 percent)—roles and responsibilities that are shared by IFC/MIGA and their clients (see figure C.5).

Project categorization: IFC projects are assigned a category of A, B, or C in descending order of environmental and social sensitivity, or FI, in the case of financial institutions that on lend to clients whose activities may present environmental and social concerns. Fifty-seven percent of IFC projects cited in complaints to the CAO since 1999 have been Category A projects, which are classified as having potentially significant adverse social and/or environmental impacts. A further 34 percent of complaints related to Category B projects, with potentially limited adverse social and/or environmental impacts (see figure C.6).

Case handling: Forty-three percent of cases handled by the CAO have been settled through a dispute resolution process since 2000 (not counting cases in an ongoing dispute resolution process). An additional 26 percent of cases have been handled by CAO Compliance to assess IFC's/MIGA's environmental and social performance related to a project(s). Of this 26 percent, 7 percent of cases resulted in a full investigation of IFC or MIGA (see figure C.7).

Ineligible complaints: CAO has deemed 80 complaints ineligible for assessment since 1999. The majority did not fall within the CAO's social and environmental mandate, or were not IFC/MIGA projects. A large number of the complaints that fell outside of the CAO's mandate raised concerns about fraud and corruption. The CAO referred these complaints to the World Bank's Integrity Vice Presidency.

Figure C.1. Eligible CAO Complaints, FY2000–13

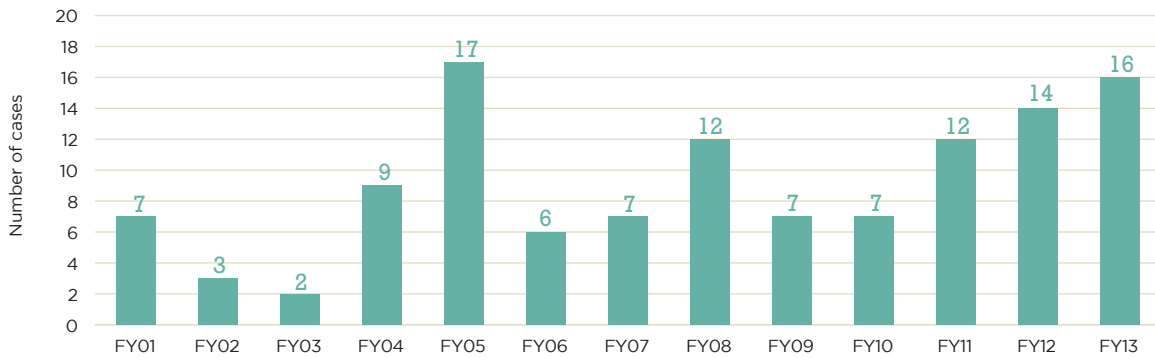
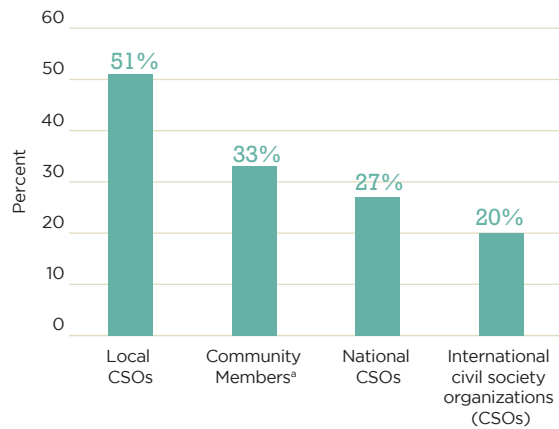
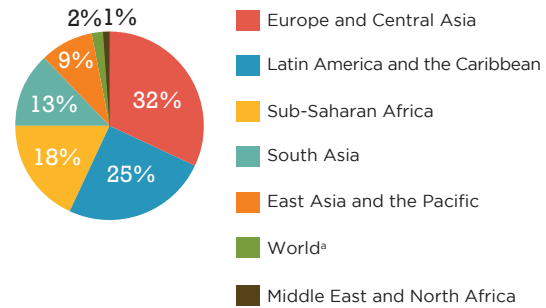


Figure C.2. Signatories to Complaints, FY2000–13



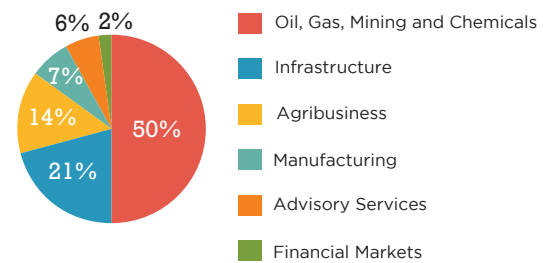
a. All complaints to the CAO involve local community members. In some cases, international or local CSOs file the complaint on behalf of local community members. Percentages add up to more than 100 percent because complaints are typically filed by more than one type of group.

Figure C.3. CAO Cases by Region, FY2000–13



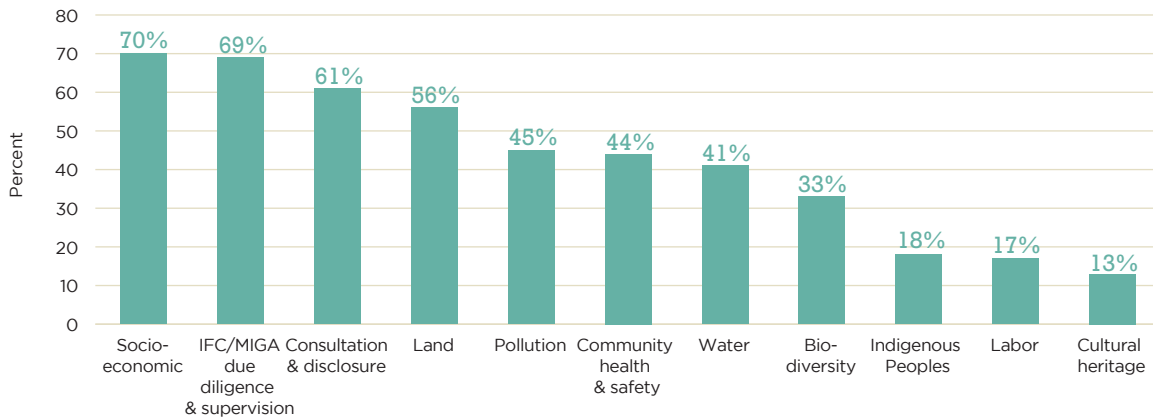
a. The "world" category relates to compliance casework that spans two or more regions.

Figure C.4. CAO Cases by Sector, FY2000–13



Note: The CAO's compliance work related to financial intermediary projects is counted as one project.

Figure C.5. Issues Cited in Complaints to CAO, FY2000–13



Note: Percentages add up to more than 100 percent because some complaints involve more than one type of issue.

Figure C.6. CAO Cases by Environmental Category, FY2000–13

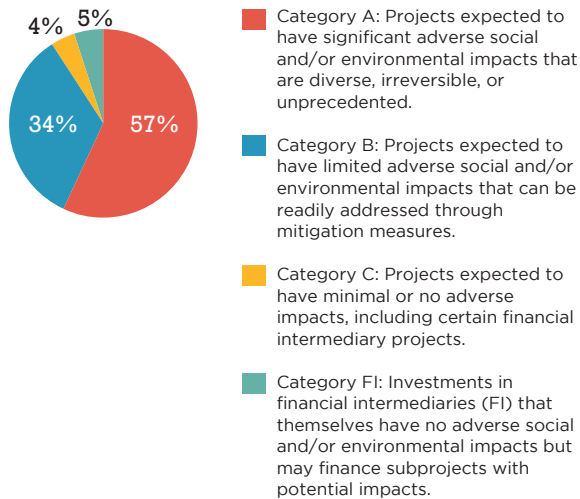
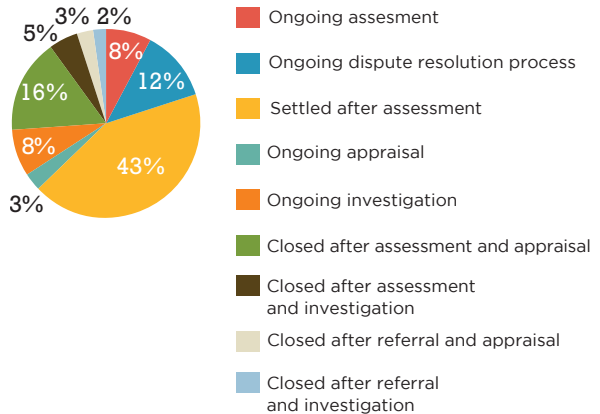
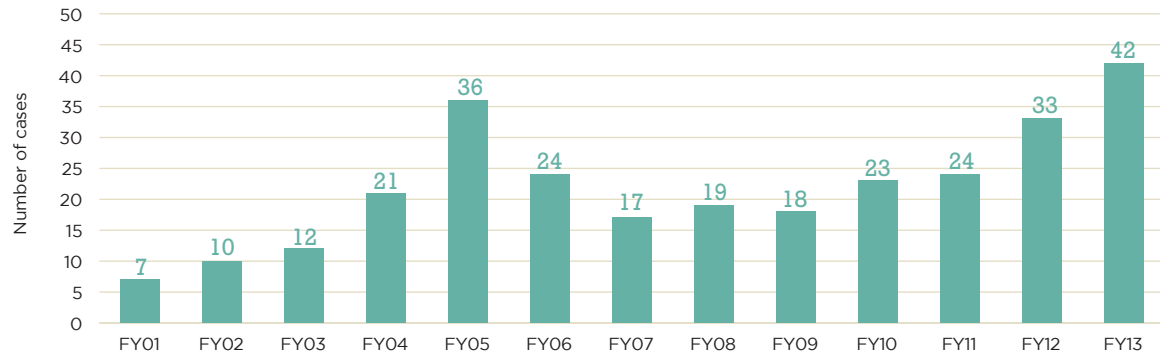


Figure C.7. Status of CAO Cases, FY2000–13



Note: Wilmar-01 is counted twice (once as a dispute resolution case, and once as a compliance case). "Settled after assessment" refers to the pre-FY2013 Operational Guidelines update, when assessments were handled through CAO's Ombudsman (Dispute Resolution) function.

Figure C.8. Number of Cases Handled per Fiscal Year, FY2000-13



APPENDIX D. REPORTS AND PUBLICATIONS, FY2013

Entries are grouped by type of report and appear chronologically by month and year of publication.

Assessment Reports

Complaint Regarding Community and Civil Society Concerns of 3rd Compliant in Relation to Wilmar Group (IFC # 25532 & 26271), Indonesia, July 2012
(Case: Wilmar-03/Jambi)

Complaint Regarding IFC's Harmon Hall Project (IFC # 29753), Mexico, July 2012
(Case: Harmon Hall-01/Mexico)

Complaint Regarding Community and Civil Society Concerns in Relation to IFC's Quellaveco Project (IFC #3823), Peru, July 2012
(Case: Quellaveco-01/Moquegua)

Complaint Regarding Africa Investco Project (IFC #27819), Africa Region, September 2012
(Case: Africa Region/Africa Investco-01)

Third Complaint Regarding Chad-Cameroon Pipeline Project in Chad (IFC # 11125), Chad, November 2012
(Case: Chad-Cameroon Pipeline-03/Chad)

Complaint Regarding Community and Civil Society Concerns in Relation to IFC's Eco Oro Project (IFC #27961), Colombia, November 2012
(Case: Eco Oro-01/Bucaramanga)

Complaint Regarding IFC's Investment in India Infrastructure Fund (IFC #26237), India, March 2013
(Case: India Infrastructure Fund-01/Dhenkanal District)

Complaint Regarding Yanacochoa Gold Mine (IFC # 2983), Peru, May 2013
(Case: Yanacochoa-04/Cajamarca)

First Complaint Regarding Oyu Tolgoi Mining Project (IFC #29007, MIGA #7041) Mongolia, May 2013
(Case: Oyu Tolgoi-01/Khanbogd)

Compliant Regarding the Albania Hydros (IFC #583387) Albania, May 2013
(Case: Hydros-01//Tirana)

Second Complaint Regarding the Vizhinjam Port Project (IFC #28991) India, May 2013
(Case: Vizhinjam-02/Kerala)

Dispute Resolution Reports

Conclusion Report, Second Complaint Regarding Community and Civil Concerns Related to Activities of Wilmar Group of Companies (IFC #25532 & 26271), Indonesia, June 2012
(Case: Wilmar Group-02/Sumatra)

Conclusion Report, Complaint Regarding IFC's Investment in India Infrastructure Fund (IFC #26237), India, March 2013
(Case: India Infrastructure Fund-01/Dhenkanal District)

Other Dispute Resolution Reports

Summary Report: Boston University Investigation of Chronic Kidney Disease in Western Nicaragua, Independent Report Prepared by Boston University Research Team (Daniel Brooks and Michael McClean), August 2012
(Case: Nicaragua: Nicaragua Sugar Estate Limited-01/Leon and Chinandega)

Progress Report with Details of Final Agreement, Mubende, March 15, 2013
(Case: Uganda/Agri-Vie Fund-02/Mubende)

Compliance Reports

Appraisal Reports

Case of IFC's Investment in Mozambique Aluminum S.A.R.L. (MOZAL), IFC Mozal II Project (IFC #10323), Mozambique, July 2012
(Case: Mozal-01/Matola and Maputo)

Case of IFC's Investment in Costal Gujarat Power Limited (IFC # 25797), India, July 2012
(Case: Tata Ultra Mega-01/Mundra and Anjar)

Case of IFC's Investment in Corporacion Dinant S.A de C.V (IFC #27250), Honduras, August 2012
(Case: Dinant-01/CAO Vice President Request)

Case of IFC's Investment in Mindoro Resources Limited (IFC # 26987), the Philippines, October 2012
(Case: Philippines/Mindoro Resources-01/Jabonga)

Case of IFC's Investment in Avianca S.A (IFC #25899), Colombia, January 2013
(Case: Avianca-01/Colombia)

Case of IFC's Investment in Amalgamated Plantations Private Limited (APPL) (IFC # 25074), India, January 2013
(Case: India/Tata Tea/CAO Vice President Request)

Case of IFC's Investment in Quellaveco Copper Project (IFC # 3823), Peru, May 2013
(Case: Quellaveco-01/Moquegua)

Case of IFC's Investment in Eco Oro Minerals Corps (IFC # 27961), Colombia, June 2013
(Case: Eco Oro-01/Bucaramanga)

Case of IFC's Investment in India Infrastructure Fund (IIF) (IFC # 26237), India, June 2013
(Case: India Infrastructure Fund-01/Dhenkanal District)

Case of IFC's Investment in Panama Canal Expansion (IFC # 26665), Panama, June 2013
(Case: Panama Canal Expansion-01/Gatún)

Audit (Investigation) Reports

CAO Audit of a Sample of IFC Investments in Third-Party Financial Intermediaries, Multi-Regional, October 2012
(Case: Financial Intermediaries-01/CAO Vice President Request)

Case of IFC Advisory Services Project with the Korporata Energjetike e Kosovës (KEK) (IFC # 29107), Kosovo, February 2013
(Case: KEK-01/Prishtina)

Case of IFC's Investment in Mozambique Aluminum S.A.R.L (Mozal) (IFC #10323), Mozambique, April 2013
(Case: Mozal-01/Matola and Maputo)

Other Compliance Reports

Monitoring and Closure Report: IFC's response to the CAO Audit of IFC's Investments in Wilmar Trading (IFC # 20348), Delta-Wilmar CIS (IFC # 24644), Wilmar WCap (IFC # 25532) and Delta-Wilmar CIS Expansion (IFC No. 26271), Indonesia, March 27, 2013
(Case: Wilmar Group-01/West Kalimantan)

Monitoring and Closure Report: IFC's Response to CAO Audit of IFC's Investments in Agribusiness in the Ica Valley (IFC # 26821), Peru, June 20, 2013
(Case: Agrokasa-01/Ica)

APPENDIX E. FUNDING, FY2013

In FY2013, CAO had an administrative budget of \$4,332,018 (see table E.1). CAO's administrative budget covers the costs of staff salaries, consultants, travel, communications, contractual services, and other administrative expenses. CAO's administrative budget is funded by IFC and MIGA on a cost-sharing basis. Fixed costs are shared by IFC and MIGA on a 50/50 basis. Variable costs are shared based on the ratio of time spent by CAO staff on each institution's business matters (see table E.2).

CAO also has an agreement with IFC and MIGA whereby additional funds from a Contingency Fund will be made available, on request, in the event of an unexpected volume of complaints, a large-scale mediation effort, or other extraordinary activity related to dispute resolution (see table E.3). 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 CAO Dispute Resolution, the parties to a dispute may contribute funds to a separate account managed by CAO. If parties sign an agreement to mediate or a Memorandum of Understanding to negotiate, CAO works with the parties to resolve payment issues. For parties that are not in a position to contribute, 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 (investigations), and CAO advisory work, are funded from CAO's administrative budget.

Table E.1. CAO's Administrative Budget, FY2013 (U.S. dollars)

Salaries	1,527,027
Travel	871,733
Benefits	782,159
Consultants	657,754
Contractual services	286,067
Communications and IT services	53,147
Temporaries	47,219
Publications	46,806
Other expenses	10,401
Equipment and building services	7,850
Representation and hospitality	4,259
Total expenses	4,294,422
Current budget	4,322,018

Table E.2. IFC/MIGA's Contribution to CAO's Administrative Budget, FY2000–13 (U.S. dollars)

Fiscal year	IFC	MIGA	Total
FY2000	641,600	160,400	802,000
FY2001	1,096,800	262,500	1,359,300
FY2002	1,381,800	319,100	1,700,900
FY2003	1,794,900	374,800	2,169,700
FY2004	1,550,500	380,200	1,930,700
FY2005	1,573,800	392,100	1,965,900
FY2006	2,030,700	507,500	2,538,200
FY2007	2,135,300	523,400	2,658,700
FY2008	2,182,900	538,400	2,721,300
FY2009	2,899,900	407,000	3,306,900
FY2010	2,930,600	513,600	3,444,200
FY2011	2,941,911	634,434	3,576,345
FY2012	3,627,286	548,815	4,176,101
FY 2013	3,868,495	463,523	4,332,018
Total	30,656,492	6,025,772	36,682,264

Contingency Fund

The Environmental/Social Mediation and Conflict Resolution Contingency Fund helps CAO budget for extraordinary mediation and conflict resolution activities that extend over several years. This Fund was established in FY2003 in response to the creation of the multiyear mediation process following two complaints received against Minera Yanacocha in Peru. Allocations from the Fund are made by CAO and are used to pay for the services of specialist mediators and related out-of-pocket expenses. CAO staff time and related expenses are not charged to the Fund.

The Contingency Fund is \$1 million. When the Fund was established, IFC committed to contribute 80 percent (\$800,000) of the \$1 million, with MIGA contributing 20 percent (\$200,000) each year. To date, it has not been necessary for the CAO to access MIGA's 20 percent commitment. In FY2013, the CAO used \$753,836 from its Contingency Fund.

Table E.3. CAO Contingency Fund, FY2003–13 (U.S. dollars)

Fiscal year	Total
Direct contributions from IFC	
FY2004	317,500
FY2005	451,500
FY2006	352,900
FY2007	37,900
FY2008	319,100
FY2009	613,100
FY2010	768,000
FY2011	743,627
FY2012	706,836
FY2013	753,836
Subtotal	5,064,299

Contributions from IFC sponsors, FY 2003–13:
Contribution from Minera Yanacocha: \$3,231,000
Contribution from Nicaragua Sugar Estates Limited: \$789,733
Total funds expended on extended term mediation: \$9,085,032

APPENDIX F. STAFF

Meg Taylor, Compliance Advisor Ombudsman and Vice President



Meg Taylor, a national of Papua New Guinea, received her LL. B from Melbourne University, Australia, and her LL.M from Harvard University, United States. 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. She is co-founder of Conservation Melanesia, was a member of the World Commission on Forests and Sustainable Development, and has served on the Boards of international conservation and research organizations. In addition, Meg has served as a Board member of a number of companies in Papua New Guinea in the natural resources, financial, and agricultural sectors and Boards of companies listed on the Australian Securities Exchange. She was appointed to the post of Vice President of the World Bank Group and CAO in 1999, following a selection process led by civil society and industry.

Scott Adams, Specialist, Dispute Resolution



A U.S. national, Scott has over 17 years of diverse domestic and international experience in providing dispute resolution, management consulting, and training services. His clients and industry experience include the nonprofit sector, government, higher education, utilities, health care, biotechnology, transportation, and international development. Before joining CAO, Scott founded and managed a private mediation and consulting practice. He has also served in senior positions at Search for Common Ground and CDR Associates, and was formerly an Associate in Booz Allen Hamilton's Organization and Strategy Practice. Scott received his B.A. in Political Science and Russian from Emory University, and an LL.M in Public International Law from Leiden University, the Netherlands.

Daniel Adler, Specialist, Compliance



Before joining CAO, Daniel worked in social development with the World Bank in the East Asia Pacific region. His work has focused on fragile and post conflict countries, where he has covered issues including land management, resettlement, labor relations, social accountability, and justice reform. He is a Barrister and Solicitor of the Supreme Court of Victoria and holds degrees in law and social sciences from the University of Melbourne, Australia.

Charity Agorsor, Consultant Services Assistant



A Ghanaian national, Charity Agorsor came to CAO with extensive experience from IFC's Industry Departments, and provides procurement assistance to the CAO Office. She is the contact point for the hiring of consultants and for processing other management transactions for CAO.

Gina Barbieri, Senior Specialist, Dispute Resolution



Gina Barbieri, a South African human rights lawyer and dispute resolution professional, manages CAO's Dispute Resolution function. Before joining CAO, she ran a legal practice specializing in mediation and other forms of alternative dispute resolution (ADR). She has mediated numerous disputes in the employment, commercial, and community arena and is the author of two books on labor practice in the public and private sector. Gina coauthored and edited two IFC publications on the establishment of ADR Centers in emerging markets and guidelines on the practice of ADR. She is a cofounder of the African Institute for Mediation, served as the Deputy Head of the Africa Center for Dispute Settlement, Stellenbosch University Business School, and sat on the steering committee for the establishment of the African Mediation Association. She obtained her BComm LLB from the University of KwaZulu-Natal and is a CEDR (UK) and IMI accredited international mediator.

Anke Campbell, Team Assistant



Born in Germany, Anke migrated with her family to the United States at the age of 10. Before joining CAO, Anke worked as an Account Manager, providing tax credit services, and as a Senior Customer Service Representative in various insurance industries, focusing on vision and auto. Anke works directly with Gina Barbieri and assists specialists and consultants with travel logistics and administrative issues.

Patrick Flanagan, Research Analyst, Compliance



Before joining CAO, Patrick worked with Accenture and Allied Irish Banks Capital Markets. An Irish national, he received his M.A. in International Relations and International Economics from the Johns Hopkins School of Advanced International Studies (SAIS) and his Bachelors of Commerce from University College, Dublin.

Julia Gallu, Specialist, Dispute Resolution



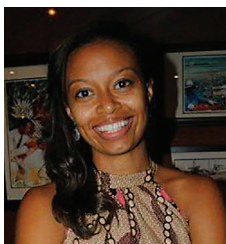
A German national, Julia Gallu was a sustainability risk manager at Swiss Reinsurance Company in Zurich, Switzerland, where she helped develop sustainability risk management policies before joining CAO. Previously, she was part of the World Bank Group Extractive Industries Review team, and worked for IFC in the area of environmental and social standards and development impact measurement. Julia holds an M.A. in International Relations from Johns Hopkins School of Advanced International Studies (SAIS), and a M.A. Joint Honours in Politics and Economics from the University of Edinburgh, Scotland.

Emily Horgan, Communications and Outreach Officer



A British national, Emily Horgan is a communications specialist with expertise in social and environmental issues. Emily manages CAO's communications and outreach program to civil society and other stakeholders. Before joining CAO, Emily worked for the World Bank Group Extractive Industries Review and IFC's Environment and Social Development Department, as well as in the areas of operation evaluation, sustainability reporting, HIV/AIDS, and the Millennium Development Goals. Formerly, Emily worked for the *Financial Times* in London. Emily holds a M.A. in International Relations from the Johns Hopkins School of Advanced International Studies (SAIS), and a B.A. Joint Honours in Politics and History from the University of Durham, England.

Elizabeth Mensah, Associate, Advisory



A Canadian and Ghanaian national, Elizabeth Mensah has expertise in grassroots development and conflict management in Africa. Before joining CAO, she taught at Bloomberg School of Public Health (Johns Hopkins). She has also worked with, and serves on the boards of, local and international NGOs in Canada and Ghana. Elizabeth holds a Ph.D. in International Relations from Johns Hopkins School of Advanced International Studies (SAIS).

Abisola Odutola, Research Analyst



Abisola is a Nigerian national with environmental consultancy experience within various sectors, including oil & gas, metal production, chemical manufacturing, food processing and production, and power generation industries. Before joining CAO, Abisola worked in the United Kingdom as an environmental consultant on a range of projects involving environmental compliance, environmental permitting, site protection monitoring programs, site investigation, environmental impact assessment, environmental legislation review, Best Available Techniques (BAT) assessments, and due diligence audits. Abisola received her MSc. in Environmental Technology (Water Management) from Imperial College, London and a BSc. in Geology from the University of Ibadan.

Paula Panton, Executive Assistant



A Jamaican national, Paula brings to CAO more than 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.

Andrea Repetto Vargas, Specialist, Dispute Resolution



A Chilean national, Andrea Repetto has worked with human rights issues in Latin America. In Chile, she worked for academia and for a nongovernmental organization dealing mostly with public interest matters. Before joining CAO, Andrea worked as a human rights specialist at the Inter-American Commission on Human Rights, mainly on following up on human rights and international humanitarian law aspects of the demobilization process of the illegal armed group United Self-Defense Forces of Colombia (AUC), and as country lawyer for Brazil. She earned her law degree from University Diego Portales in Chile, and a LL.M. in international and comparative law from the George Washington University Law School.

Susana Rodriguez, Associate Operations Analyst



An Ecuadorian and Spanish national, Susana received her M.A. in International Relations from Johns Hopkins School of Advanced International Studies (SAIS), and her B.A. in Political Science from Davidson College, North Carolina. Before joining CAO, she worked in various local and international NGOs in the United States, Switzerland, and South Africa, as well as for United Nations Development Program in Ecuador. Susana’s areas of professional interest are conflict management and African studies.

Amenah Smith, Program Assistant



Amenah is an Indonesian national. Before joining CAO, she was working for the World Bank Group in Jakarta as a Program Assistant in the Operations Services Unit, Legal Department, as well as a Country Program Assistant for the Indonesia Country Management Unit in Washington, DC. Amenah joined CAO as a backup for the Consultant Services Assistant and provides administrative support to the Office.


IN MEMORIAM

GAMAL PASYA

Gamal played a critical role as the lead mediator for CAO cases related to oil palm plantations in Kalimantan, Sumatra, and Jambi, Indonesia, where he quickly earned the respect and trust of the key stakeholders. He also assisted CAO with the assessment of a case related to the Weda Bay Nickel Mine on Halmahera Island in North Maluku. While the parties in North Maluku did not agree to a dispute resolution process, Gamal was nevertheless able to help them in bridging some of their differences and left a legacy through the training he led (under CAO auspices) on project governance and dispute prevention for the concerned parties.

Staff at CAO who worked closely with Gamal noted that he was remarkably talented yet conducted his work, and his life, with great humility and modesty. Peacemaking and justice were, and remain, part of his enduring spirit. Upon his passing, one CAO staff member, who is also a professional mediator, remarked, “I was always learning from Gamal. Some of his words that left a particular and lasting impression on me were ‘Sometimes you have to go slow in order to go fast’—a lesson that he had to repeat for me a few times before I got it, but which has guided my dispute resolution work ever since.”





Ruwindrijarto Ambrosius, a member of our team in Indonesia, shared how Gamal's work and life touched many others beyond CAO.

"Gamal told me with his own words that conflicts can only be mediated by people who have a heart like the ocean—an ocean that is able to absorb everything and anything that is dumped into it. Like the ocean, Gamal listened to everybody and understood everybody's problems and interests. Like the ocean, Gamal absorbed and kept all the pain, worries, sadness, and tears inside the breadth of his chest. Only smiles and gracious manners ever came out of Gamal. And he excelled at his work.

A vivid example was when we held one of those many meetings in our conflict resolution case. It was tense and prolonged. We started in the morning, and by midnight an elderly member of the community was angry and very agitated. Decades ago, he started the communities' struggle against the company, and over time, had become exhausted from the long fight, and the ever-growing political and financial demands. None of us knew quite what to do, but Gamal came to our rescue. Elegantly and gallantly he calmed him down, hugged him, and escorted him out of the room, out and away from the delicate situation toward conflict resolution that night.

He truly cared about and stood by that old man in the meeting, just like he truly cared about and stood by me and my family, his friends at CAO, his friends at Samdhana Institute, his childhood and school friends, his colleagues at the Regional Development Planning Agency, and his NGO friends in Lampung. He truly cared about and stood for all parties in all conflicts he mediated, both affected communities and corporations. Above all, Gamal cared and loved his wife Dewi, daughter Dea, and son Afif.

As our friendship progressed, I was charmed by Gamal's interest in engines, mechanics, and automotives. He loved the power and beauty of machines that take people fast, far, and high from their daily lives and work. Gamal must be flying his own plane now, high in the sky, with a big smile on his face. Those of us who are left behind will just carry on with the best of his qualities in our hearts and minds."


IN MEMORIAM

ANNABELLE ABAYA

Annabelle Abaya was a dear friend and colleague to all of us at CAO. She worked closely with us on several cases in the Philippines, leading training and dialogue in a dispute resolution process that led to positive outcomes for the parties and cultivated a strong relationship between communities and companies.

“Belle”—as her friends, colleagues and family knew her—lived a life of excellence that inspired all around her. She was a strong-willed, independent, and intellectual woman with a sincere passion for helping Filipinos and her country. Starting as an alumni at Saint Theresa’s College in the Philippines, where she majored in Psychology, she reinvented herself by obtaining a Masters degree in Public Policy from the Harvard Kennedy School of Government and a second Masters degree in Dispute Resolution from the University of Massachusetts, Boston, as well as a doctorate degree in Conflict Resolution from Tuft’s University’s Fletcher School of Law and Diplomacy.





Belle's studies in conflict and dispute resolution led her to found The Conflict Resolution Group (CoRe), a foundation dedicated to promoting the use of dialogue to help settle disputes. In 2009, she was appointed as Secretary of the Office of the Presidential Adviser on the Peace Process. During her tenure and with strong beliefs that Filipinos can and will achieve peace, she successfully reopened negotiations on multiple deadlocked fronts with the Communist Party, New People's Army, and National Democratic Front. In recognition of her work, she was awarded the Presidential Order of Lakandula, Rank of Bayani, or National Hero.

She lived her life teaching others the importance of open communication. She mentored and trained a new generation of Philippine mediators in these same philosophies and was considered by many to be the "Mother of Peace and Mediation" in the Philippines. Above and beyond her professional accomplishments and in spite of her demanding career, she was also a nurturing, caring, and loving mother to her three children, Victor, Margaux, and Anton, and a loving wife to her husband Tony.

She fought her battle with cancer the way she has lived her life: with courage, integrity, sincerity, and open arms to whatever was to come. And so with her battle behind her and clear skies ahead, we take comfort in knowing that she is now resting and at peace and on her way to her next adventure.

-Anton Abaya

APPENDIX G. STRATEGIC ADVISORS

CAO's Strategic Advisors Group has been active since 2002. Current members are:

Ray Albright	Managing Director, AMB International Finance, LLC
Glen Armstrong	Independent Advisor
David Hunter	Assistant Professor and Director, Environmental Law Program, Washington College of Law, The American University
David McDowell	Former Director General, International Union for the Conservation of Nature (IUCN), and former New Zealand Ambassador to the United Nations
Manuel Rodríguez Becerra	Professor of Environmental Policy and Public Management, Universidad de los Andes, and Former Minister of Environment, Colombia
Lori Udall	International public policy and development consultant
Susan Wildau	Partner, CDR Associates

APPENDIX H. INDEPENDENT ACCOUNTABILITY MECHANISMS

The Independent Accountability Mechanisms (IAMs) were set up in response to increased public pressure for greater accountability and transparency of the international financial institutions. The IAMs were founded with similar mandates: to provide recourse for people who believe they have been harmed by the projects of these institutions when the application of operational standards are perceived to have failed. While the mechanisms

differ in the way they process complaints, they all provide an independent body to investigate compliance issues and publicly address social and environmental concerns raised by project-affected communities. Where relevant, CAO coordinates complaint handling with the IAMs. Should CAO receive a complaint relating to a project under the purview of another IAM, CAO will make efforts to forward the complaint to the correct body.

International Financial Institution	Independent Accountability Mechanism
African Development Bank (AfDB)	Compliance Review and Mediation Unit
Asian Development Bank (ADB)	Office of the Special Project Facilitator and Office of the Compliance Review Panel
European Bank for Reconstruction and Development (EBRD)	Independent Recourse Mechanism
European Investment Bank (EIB)	Office of the Inspector General Complaints
European Union (EU)	European Ombudsman
Inter-American Development Bank (IDB)	Independent Consultation and Investigation Mechanism
International Finance Corporation (IFC) and Multilateral Investment Guarantee Agency (MIGA)	Office of the Compliance Advisor Ombudsman (CAO)
Japan Bank for Regional Cooperation (JBIC)	Office of Examiner for Environmental Guidelines
Nippon Export and Investment Insurance (NEXI)	Office of Examiner for Environmental and Social Considerations Guidelines
United States Overseas Private Investment Corporation (OPIC)	Office of Accountability
World Bank Group International Bank for Reconstruction and Development (IBRD) and International Development Association (IDA)	Inspection Panel

APPENDIX I. IFC AND MIGA POLICIES

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

IFC Sustainability Framework

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

IFC Policy on Environmental and Social Sustainability (January 2012)

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

IFC Performance Standards on Social and Environmental Sustainability (January 2012)

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

They include:

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

IFC Access to Information Policy (January 2012)

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

MIGA Policy on Social and Environmental Sustainability (October 2007)

MIGA Performance Standards on Social and Environmental Sustainability (October 2007)

MIGA Policy on Disclosure of Information (October 2007)

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

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

General EHS Guidelines

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

Industry Sector Guidelines

Agribusiness/Food Production
Chemicals
Forestry
General Manufacturing
Infrastructure
Mining
Oil and Gas
Power

IFC's Policy on Social and Environmental Sustainability (April 2006)

IFC's Performance Standards on Social and Environmental Sustainability (April 2006)

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

Safeguard Policies (before February 2006)

Child and Forced Labor Policy Statement (March 1998)

Cultural Property (OP 11.03, September 1986)

Environmental Assessment (OP 4.01, October 1998)

Forestry (OP 4.36, November 1998)

Indigenous Peoples (OP 4.20, September 1991)

International Waterways (OP 7.50, November 1998)

Involuntary Resettlement (OP 4.30, June 1990)

Natural Habitats (OP 4.04, November 1998)

Pest Management (OP 4.09, November 1998)

Safety of Dams (OP 4.37, September 1996)

Disclosure Policies

IFC's Disclosure Policy (September 1998) was replaced by the revised IFC Policy on Disclosure of Information in April 2006, which was replaced by the IFC Access to Information Policy in January 2012.

MIGA's former Disclosure Policy was replaced by the revised MIGA Policy on Disclosure of Information in October 2007.

For more information, see IFC's web site, www.ifc.org/enviro, and MIGA's web site, www.miga.org/policies.

APPENDIX J. FILING A COMPLAINT

Frequently Asked Questions about Filing a Complaint

Who may submit a complaint?

Any individual or group of individuals who believe they are, or might be, affected by the environmental and social impacts of an IFC/MIGA project(s) may lodge a complaint with CAO. Organizations or individuals may lodge complaints on behalf of those affected so long as they clearly identify the people on whose behalf they are filing the complaint, and provide evidence to support their authority to present the complaint.

What types of complaints are accepted?

To be eligible for assessment, complaints must meet the following three eligibility criteria:

- the complaint must pertain to a project that IFC/MIGA is participating in or actively considering
- the issues raised must pertain to environmental and social impacts of IFC/MIGA investments
- the complainant(s) are, or may potentially be affected by the social and/or environmental impacts raised in the complaint.

What types of complaints are not accepted?

CAO cannot accept complaints that do not meet the three eligibility criteria. If complaints relate to the projects of other international financial institutions (not IFC or MIGA), CAO endeavors to direct the complainant to the appropriate Independent Accountability Mechanism (see appendix H).

CAO will direct complaints relating to fraud and corruption to the World Bank Office of Institutional Integrity (INT). CAO also cannot review complaints related to IFC and MIGA procurement decisions, nor does the Office accept complaints that are viewed as malicious, trivial, or generated to gain competitive advantage.

What evidence is needed to support a complaint?

Complainants do not need to submit supporting evidence to make a complaint. However, additional material is welcomed, whether submitted at the time or after a complaint is lodged with CAO.

Can complainants request confidentiality?

Yes. CAO takes confidentiality extremely seriously and, if requested, will not reveal the identity of complainants. Where confidentiality is requested, a process for handling the complaint will be agreed jointly between CAO and the complainant. In addition, materials submitted on a confidential basis will not be released without consent of the relevant party. However, it is important to note that CAO cannot accept anonymous complaints. This is because CAO processes require it to conduct field assessments to inform its work, which cannot be done unless complainants are identified.

What happens after a party has filed a complaint?

CAO will acknowledge receipt of the complaint in the language in which it was received. Within 15 working days (not counting the time required to translate complaints and supporting documents), CAO will inform the complainant(s) whether the complaint is eligible for further assessment. If eligible, the complainant will receive information explaining how CAO will work with the parties to help address the issues of concern, and a CAO specialist will contact the complainant(s) personally.

How does the complaint handling process work?

CAO follows a specific procedure for every complaint and is committed to addressing complaints in a timely manner. If a complaint meets CAO's three eligibility criteria, the following steps will apply:

- **Assessment:** CAO will first conduct an assessment of the complaint, engaging with the complainants, IFC/MIGA, IFC/MIGA client,

and other local stakeholders to gain a better understanding of the issues and to help the parties understand what options are available to them through CAO. Without passing judgment on the merits of the complaint, the assessment will determine which CAO role the affected community wishes to initiate: Dispute Resolution or Compliance.

- **Dispute Resolution:** If the parties wish to work together to address the concerns, CAO's Dispute Resolution team will help them design and implement a flexible, collaborative, problem solving process aimed at seeking mutually agreeable solutions to the issues raised.
- **Compliance:** If the affected community chooses CAO's Compliance role, or if the parties are unwilling or unable to reach agreement through Dispute Resolution, a two-step compliance approach will be initiated. CAO will first undertake an appraisal—a desk review—to determine whether the case raises substantial concerns regarding IFC's/MIGA's compliance with relevant environmental and social policies, standards, guidelines, and procedures. If the appraisal determines that substantial concerns exist, CAO will initiate a full compliance investigation of the case. Otherwise, the case will be closed after appraisal.

See CAO's Operational Guidelines for details on the process and time line.

What does CAO Dispute Resolution do?

CAO Dispute Resolution does not make a judgment about the merits of a complaint, nor does it impose solutions or find fault. Dispute resolution specialists work together with the parties to identify alternative approaches and strategies for addressing the issues. This could involve joint fact-finding, facilitating discussions between key stakeholders, mediating disputes between parties, or establishing a dialogue table or joint monitoring program. CAO dispute resolution specialists have expertise in conflict

assessment and management, and multiparty facilitation. CAO works with a roster of global mediators with the appropriate language and cultural skills. This allows CAO to provide a scalable, decentralized, adaptable response aimed at ensuring accessibility for the parties and respect for indigenous dispute resolution. Browse Our Cases to see examples of our work.

What does CAO Compliance do?

CAO oversees compliance investigations of the environmental and social performance of IFC and MIGA to ensure the application of relevant policies, standards, guidelines, procedures, and conditions for IFC/MIGA involvement. The first step, the appraisal, acts as a "compliance check" in order to assess whether issues raised in the complaint raise questions about IFC's or MIGA's due diligence on the relevant project(s). If the appraisal finds that further examination of the issues is necessary, an independent panel is convened for the purpose of conducting a full compliance investigation. Findings are reported to the World Bank Group president and publicly disclosed. CAO monitors implementation of its findings until assured that IFC/MIGA are in compliance. Importantly, CAO's compliance work focuses on IFC and MIGA—not the IFC/MIGA client company.

How and where do I file my complaint?

Complaints must be submitted in writing. They may be in any language. Complaints can be sent by e-mail, fax, or mail/post, or delivered to the Office of CAO in Washington, DC. For guidance on how to write a complaint, see the Model Letter of Complaint (p. 118).

Office of CAO
2121 Pennsylvania Avenue, NW
Washington, DC 20433 USA
Tel: + 1 202 458 1973
Fax: + 1 202 522 7400
e-mail: cao-compliance@ifc.org
www.cao-ombudsman.org

Model Letter of Complaint to the CAO

To:
Office of CAO
2121 Pennsylvania Avenue NW
Washington, DC 20433 USA
Fax: +1 202 522-7400
e-mail: cao@ifc.org

Date:

I/we, lodge a complaint concerning the _____ project, located in _____.

This complaint is made on behalf of _____ (ignore if not applicable).

I/we live in the area known as _____ (show on an attached map if possible). I/we can be contacted through the following address, telephone and fax numbers, and e-mail:

Street address: _____
Mailing address (if different from street address): _____
Country and postal code: _____
Telephone: _____
Fax: _____
e-mail: _____

I/we do not wish our identity to be disclosed (ignore if not applicable).

I/we have been, or are likely to be affected by social or environmental impacts of the project in the following way(s):

If possible, please provide the following information:

- A description of the name, location, and nature of the project (provide a map, if possible)
- A description of the action taken by me/us to try to resolve these issues (include dates or time frame, if possible)
- A list of other person(s) contacted by me/us in attempting to resolve these issues (attach copies of correspondence, if possible)
- Any other relevant facts to support this complaint.

In addition, please answer the following question:

- I/we would like to see this complaint resolved in the following way: (CAO cannot guarantee to help the complainant achieve this result, but this information will help focus on problem-solving approaches.)

Attach copies of any relevant documents and other material.

Note: CAO will keep the identity of complainants confidential if requested to do so, but will not accept anonymous complaints. Material may also be submitted on a confidential basis to support a complaint and will not be released without the consent of the party that submitted it.

Complainants should be aware that other affected parties, including the sponsor and IFC/ MIGA staff, will usually be informed about the substance of the complaint. Complainants should identify to CAO from the start any information that complainants do not wish to be disclosed. A process for handling the complaint will be agreed with the complainant.

More Information

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

Contact Us

To request information, file a complaint, or learn more about our work, contact us at:

Office of CAO
2121 Pennsylvania Avenue, NW
Washington, DC 20433 USA
Telephone: + 1 202 458 1973
Fax: + 1 202 522 7400
e-mail: cao@ifc.org
Web site: www.cao-ombudsman.org
Facebook: www.facebook.com/CAOOffice

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Multilateral Investment
Guarantee Agency



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