



## CAO Conclusion Report - AES Sonel-02/Cameroon

*This report summarizes the CAO's dispute resolution process in relation the complaint*

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### BACKGROUND

#### The IFC investment

The project is a corporate loan to AES Sonel to finance a portion of its comprehensive five-year investment program (2005-2009) designed to improve AES Sonel's operations and meet the objectives of a 20-year concession agreement.

#### The complaint

In February 2013, a complaint was lodged with CAO by a current AES Sonel employee, Mr. Teumagnie. The complainant raised specific concerns about his position within AES Sonel and what he believes are illegitimate actions taken by the company to demote him, and deprive him of benefits that he believes he is due. The full complaint is available on CAO's website at: [www.cao-ombudsman.org](http://www.cao-ombudsman.org).

### CAO ASSESSMENT

After determining the case eligible according to CAO's operational guidelines, CAO began an assessment of the complaint in February 2013. The purpose of the CAO assessment is to clarify the issues and concerns raised by the complainant and to help the concerned parties determine which CAO function should be triggered: dispute resolution or compliance. The CAO does not gather information to make a judgment on the merits of the complaint during its assessment.

The assessment process consisted of project documentation review, review of information received from both sides, and interviews with the parties and the IFC project team. The assessment resulted in the case being transferred to CAO dispute resolution as both the complainant and AES Sonel indicated a willingness to engage in a CAO convened mediation process.

### DISPUTE RESOLUTION PROCESS

The parties engaged in a mediation process which started with a joint meeting in June 2013. CAO continued to seek resolution through this process through December 2013. The substantive points of the mediation are confidential in nature.

In December, CAO concluded its involvement on the dispute resolution side, because a solution to address the outstanding claims could not be found. In January 2014, the case was transferred to CAO compliance for appraisal of IFC's performance.

### LESSONS AND INSIGHTS

CAO is developing its methodology for handling labor complaints that pertain to individual disputes. While CAO was not designed to become the equivalent of a company level grievance mechanism, it is meant to be accessible to individuals with social concerns, which include concerns related to labor conditions. Further, individual disputes can at times reveal broader, more systemic labor challenges.

CAO's approach in this case was to engage a local mediator and attempt to help bring a collaborative solution to a long standing dispute. Ultimately, CAO was unable to resolve this complaint through dispute resolution.

### NEXT STEPS

CAO's dispute resolution function is concluding its involvement in this case, and the case will now be transferred to CAO's compliance function for appraisal of IFC's role. This is standard practice as per CAO's Operational Guidelines for complaints that are not amenable to, or cannot be resolved through, dispute resolution.