



CAO ASSESSMENT REPORT

**Second Complaint regarding IFC's Investment in Lomé Container Terminal (LCT)
(IFC Project #29197) in Lomé, Togo**

August 2018

Office of the Compliance Advisor Ombudsman
for the
International Finance Corporation and
Multilateral Investment Guarantee Agency,
Members of the World Bank Group
www.cao-ombudsman.org

About the CAO

The Office of the Compliance Advisor Ombudsman (CAO) is the independent accountability mechanism for the International Finance Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA), the private sector arms of the World Bank Group. CAO reports directly to the President of the World Bank Group, and its mandate is to assist in addressing complaints from people affected by IFC/MIGA projects in a manner that is fair, objective, and constructive, and to enhance the environmental and social outcomes of those projects.

For more information, see www.cao-ombudsman.org.

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LIST OF ACRONYMS

CAO	Office of the Compliance Advisor Ombudsman
IFC	International Finance Corporation
MIGA	Multilateral Investment Guarantee Agency
LCT	Lomé Container Terminal
MLS	Marine Lashing Services
MMLK	Martin Luther King Movement (Mouvement Martin Luther King)
PAL	Port Authority of Lomé
RAP	Resettlement Action Plan
UTRANSAM	Sea Sand Transporter Union (Union du transporters du sable du mer)
AfDB	African Development Bank

1. OVERVIEW

In February 2018, CAO received a complaint from the “Mouvement Martin Luther King – La voix des sans voix” (MMLK), an organization representing five groups of affected community members (the market gardeners, the women sand collectors, the sand loaders, the caterers, and the lashing-men) who claim to be negatively impacted by the operations of Lomé Container Terminal S.A. (the “Company” or “LCT”). The complainants raise concerns about inadequate implementation of the project’s Resettlement Action Plan (RAP), which they suggest did not respect the frameworks of the World Bank Group (WBG) or African Development Bank (AfDB), or the other legal frameworks, including the Togolese Constitution and the Universal Declaration of Human Rights (UDHR). They also raise concerns regarding the socioeconomic and health impacts of the project on local communities, and LCT’s labor practices. The CAO found the complaint eligible in March 2018. During CAO’s assessment of the complaint, both parties elected to address the issues raised through CAO’s Dispute Resolution Function.

2. BACKGROUND

2.1 The Project

IFC has an active investment with LCT, a locally incorporated company that was awarded a 35-year concession by the Government of Togo, with an optional ten-year extension, to develop, construct, and operate a greenfield transshipment container terminal within the Port of Lomé, in Togo. Upon final completion, the terminal is expected to have an estimated handling capacity of up to 2.2 million twenty-foot equivalent unit (“TEU”) moves per annum.¹ The LCT project cost an estimated €353 million (about \$415 million). IFC provided senior debt financing of €85.5 million (about \$100 million) for its own account and mobilized €170 million (about \$200 million) from other lenders. As per IFC, the project is classified as Category A.

2.2 The Complaint

The complaint was submitted to CAO by the “Mouvement Martin Luther King – La voix des sans voix” (MMLK) – an organization representing five groups of affected community members: the market gardeners, the women sand collectors, the sand loaders, the caterers, and the lashing-men.² The complaint was signed by six individuals, representing all of these groups (the “Complainants”), who claim LCT’s operations have negatively impacted their lives. The Complainants allege that LCT has not respected its commitments in relation to the project’s Resettlement Action Plan (RAP). Some of these groups allege that the execution of the RAP did not respect the environmental and social frameworks of the World Bank Group, African Development Bank, or other national and international legal frameworks, including the Togolese Constitution and the Universal Declaration of Human Rights (UDHR). The Complainants further claim that the project has impoverished surrounding communities, and raise concerns regarding ambient pollution and health impacts to “marine sand drippers,” who worked on the site. The complaint also raises labor concerns, in particular with regards to the hiring practices, dismissals, and wages of lashing operations personnel (“lashing-men”), who were hired by a subcontractor to conduct work for LCT.

¹ For further information on IFC’s initial investment in LCT (IFC Project #29197) see <https://disclosures.ifc.org/#/projectDetail/SPI/29197>. IFC approved a €10 million follow-on investment in LCT in August 2015 to help finance additional equipment. As LCT’s environmental and social profile remained the same, there was no separate environmental and social disclosure required for the project.

² Manual and skilled dock workers, who play a specific role of attaching containers in ships.

3. ASSESSMENT SUMMARY

3.1. Methodology

The aim of the CAO assessment is to clarify the issues and concerns raised by the Complainants, by gathering information and views from different stakeholders without making a judgment on the merits of the complaint. The assessment also seeks to determine whether the Complainants and the Company would like to pursue a dispute resolution process facilitated by CAO, or whether the complaint should be handled by CAO's Compliance function for appraisal of IFC's performance (see Annex A for CAO's complaint-handling process).

In this case, CAO's assessment of the complaint included:

- a desk review of project documentation, as well as documentation submitted in support of the complaint by the Complainants;
- calls with Complainants, IFC's project team, and LCT
- meetings in Lomé with Complainants, LCT, and the Port Authority of Togo (PAL); and
- site visits to the alternative site allocated to the sand loaders, and several sites where the market gardeners are renting space for their operations.

3.2. Summary of Issues

Complainant's perspective

During the assessment, CAO met with a delegation of 12 people representing the victims of five groups, and MMLK who are co-chairs of the five affected groups. A second meeting brought together the committees of all these groups, expanded to other members (47 people in total). A third meeting brought together the larger group of affected community members that these five groups represent (an estimated 400 -500 people).

The Complainants explained that four of the five groups (excluding the lashing-men) were working on and/or living at the beach where the LCT project was constructed. According to the Complainants, many of them have worked and/or lived at the beach site for generations and were a close-knit community. The sand loaders and sand collectors collected sand, which was used in construction. The gardeners lived at the beach site and grew vegetables to sell at the markets in Lomé. The caterers sold food to the sand loaders, sand collectors, and gardeners who were living and/or working at the beach site. The lashing-men were hired by subcontractors to conduct work for LCT, and while they were not living and/or working on the site, they raised concerns regarding labor practices of the subcontractors.

The Complainants claim that in 2009, someone who identified himself as a "sociologist" came to conduct a survey of the people living and working on the beach. The "sociologist" informed the community that they would be moved from the beach site to make way for the "LCT project," which was to be built at that location, but did not specify a date for the move. The "sociologist" went on to ask questions about their activities, how much revenue they generate, the number of children they had, and how much rent they pay for their accommodation. The Complainants added that they did not have enough information to understand who had hired the consultant. All they knew at the time was that he was coming to talk to them about the survey he was conducting, and that he was a "sociologist".

The Complainants allege that after the survey was conducted by the "sociologist", nothing further was communicated to them about the move. In 2010, the Ministry of Mines and Energy and the Ministry for Environment and Forest Resources organized a meeting with the Sea Sand Transporters Union (UTRANSAM) – a union that historically represented all those involved in transporting marine sand, including the truck drivers who collected sand at the beach, the sand collectors, and the women team leaders. However, the Complainants

indicated that, due to the resettlement process, UTRANSAM currently represents only the interests of the drivers, although they believe that, technically, UTRANSAM should represent them all. The Complainants explained that they attended the meeting to get more information about the relocation process, but, although they were allowed to be present, the government staff refused the opportunity to provide input or actively participate in the meeting.

The Complainants explained that, as per their normal schedule, they stopped working at the end of December 2010 to take their two-week holiday break. When they returned to the beach site in the period between December 2010 and January 2011, they discovered that access to the beach site had been blocked, and they were not able to continue working to generate an income. The Complainants explained that when they were contacted about the relocation, they learned that assistance to relocate to a new site would only be available to the gardeners and sand loaders. The women sand collectors were to be compensated, and no compensation was to be provided for the caterers, although the RAP says the contrary.

Gardeners

The gardeners explained that before the site was closed, they were invited to a validation meeting in which the Company promised to do everything possible to help them relocate to a new site that would be bought by PAL. It was then agreed that a committee should be formed to look for appropriate land for relocation. Thereafter, they spent some time with the government and the IFC looking for appropriate land. When the land was found, there was no agreement on the terms of use. The gardeners allege that the PAL explained that when the gardeners were offered land, they would have to repay the costs for the purchase of the land. According to the gardeners, the proposed repayment was too expensive, and as a result there was no agreement reached to purchase land. They then requested to be compensated in cash. Compensation was provided by the Port Authority only for their wells, borehole, water reservoir, and cultivated areas. According to the gardeners, the Company compensated them for their economic crops and for the sheds used as shelter or accommodation. Payments ranged from 27,000 West African Francs (CFA) to 1,000,000 CFA (about \$50-\$1,800). Those who received compensation of less than 27,000 CFA (about \$48) were given an additional 200,000 CFA (about \$360).

The gardeners claim that the compensation given was inadequate, and that most gardeners were not able to start other gardens. Some had to resort to planting crops on other people's land, with the knowledge that they might be evicted at any time. Other gardeners, who were able to borrow additional money from their families or microfinance structures, are using the site of an abandoned hotel, the Tropicana, where they pay government security guards "rent" for the use of the land.

Sand Loaders

The sand loaders explained that when the site was closed they were offered an alternative site where they could work. Negotiations regarding the site location took place between the Ministry of Mines and UTRANSAM. The latter, at that time, was representing the interests of the truck drivers. The first site that they were given was condemned, and the Ministry purchased another site for 250,000,000 CFA (about \$450,000). The site offered was far away from where they lived, and the sand there was harder and more difficult to work because it was not beach sand. The site itself was in the bush, and after digging in the area, caves formed in the sand and land caved in on them. The site was unsafe, and often rocks would fall and injure and/or kill workers. Some workers were bitten by snakes, and the distance to get to hospitals and clinics was very far. Because the site was far away, transportation costs were very high. Some sand loaders would seek accommodation from community members living in the area, which often involved sleeping on the kitchen floor. Others would walk long distances to save on the costs of transportation to and from the new site. Living away from family took its toll on family life and created social problems. The sand loaders explained that the second site has currently been

mined to its capacity. Some sand miners now have individual deals (if they have the means) with private landowners, while others now do not have a way of mining sand.

Women Sand Collectors or Team Leaders

The women sand collectors explained that when the site was operational they used to make a minimum of 8,000 CFA (about \$14) per day. When the site was shut down, it took two years before they received preliminary financial support. LCT gave them 100,000 CFA (about \$180) each and told them that they would be given more compensation after two weeks. However, they said it was only after a year of waiting that they received this second amount of financial support, equivalent to 450,000 CFA (about \$807). Of this second amount, 325,000 CFA was distributed by LCT to the women in order that they purchase goods to begin trading. The women sand collectors self-deducted twenty thousand CFA (about \$34) from each beneficiary to address some internal group issues. The rest, 105,000 CFA (about \$186), was given to them for transport and incidental costs. The women sand collectors explained that they did not have any choice regarding what to purchase, as this was already predetermined by the Port Authority and LCT. When they made suggestions about what to purchase, their suggestions were declined. They requested to be given the money in cash, because they had no trading skills given their primarily working experience was working with sand. They were not business women, and feared they would not be able to run profitable businesses. However, they were not given cash, and no assistance or training for developing business skills was provided.

Caterers

The caterers stated that no compensation was given to them even though, when the survey was conducted in 2009, they were promised compensation. They explained that the Resettlement Action Plan stated that the relocation process should take the caterers into account. Up to today, the people to whom they sold food still owe them money. The caterers had taken out loans before conducting their cooking activities.

They could not continue their activities on any of the sites, because these were too far (5Km from Lomé, compared with 40Km for the new sites).

Lashing-men

The lashing-men explained that they used to work for Marine Lashing Services (MLS), a sub-contractor of LCT. MLS had initially signed a two-year contract with the Company to provide lashing services. When the two-year contract elapsed, it was renewed for a further year and several months. The lashing-men worked for MLS, bringing and safeguarding containers onto ships, which they stated is a rare skill in Togo. They worked with MLS for the duration of both contracts between MLS and LCT.

The lashing-men allege that MLS was not adhering to any health and safety regulations. No health insurance was provided to the workers, and they had to use their own money to seek medical care if they got injured in the workplace. They did not receive any leave, there was no payroll, they did not receive payment for overtime, and they were not issued with employment contracts.

They stated that they wrote a letter to the Company complaining about the conditions of service with MLS. However, the Company informed them that they could not interfere with the operations of the sub-contractor. They claim that during the second contract with the Company, MLS brought several dockers³ who worked with the Port Authority to be trained as lashing-men. MLS required the lashing-men to provide training to the dockers.

³ A person who works at a port, putting goods onto and taking them off ships.

The lashing-men claim that once the dockers were trained, 121 lashing-men were dismissed by MLS. Prior to dismissal, the lashing-men demanded a wage increase and better conditions of employment, as per the agreement with MLS, when the second contract was signed with the Company. The lashing-men threatened to strike if their demands were not met. However, none of their demands were met. Instead, one morning in January 2018, they were verbally told to stop working and return all of MLS's keys. Their employment was terminated, and MLS closed operations. They have, to date, not had their rights reinstated. The lashing-men explained that the dockers who were trained by them were employed by the Company. However, none of the former lashing-men were called back or employed, even though many had previously worked for the Port Authority.

Additional impacts on the Lashing-men

The Complainants collectively stated that their unfair dismissal from MLS resulted in some people applying for micro-finance loans to make ends meet. However, due to lack of income, many are unable to re-pay the loans. Some have become homeless, as they do not have money to pay rent. The Complainants indicate that some among them have fallen sick and died, because they could not afford medical care, and others have not been able to pay school fees. Families were torn apart because they had to find separate alternative accommodation, and those responsible for providing income were unable to do so. This has also led to a situation of children living on the street ("street children").

The Complainants also explained that they became involved with MMLK in 2012 through UTRANSAM, who are not part of the current complaint because their members were to be compensated. Before the truck drivers were compensated, MMLK wrote to the Company about the Complainants' grievances, and were informed that everything which was promised on the Resettlement Action Plan (RAP) had been delivered. In March 2013, close to the 2013 legislative elections, MMLK organized a protest that resulted in the Ministry of Mines and Energy assuring them that the situation would be handled. They allege that the Ministry would have paid compensation to UTRANSAM, but did not compensate the rest of the group. MMLK continued advocating for compensation for the sand loaders, women sand collectors, caterers, and gardeners. MMLK also raised the complaint with the IFC on the 14th of December 2017. The Complainants explained that at this meeting the IFC undertook to revert back to the community in February 2018. The Complainants claim that nothing has been done since. They also allege MMLK wrote to MLS concerning lashing men and MLS refused to meet them.

The community expressed disappointment with the IFC, because they believe that the responsibility to ensure compliance with the RAP rests with the IFC. They further stated that much more can be done to help them rebuild their lives and restore their livelihoods.

Company's perspective

The Company explained that the gardeners lived and worked on the site, while the sand loaders, women sand collectors, and caterers came to the site to work. Furthermore, the gardeners were on the actual site where the LCT operation was built, whereas the sand workers and caterers were operating at a beach location that was unaffected by LCT operations. The Company explained further that the reason the Complainants had to move from the beach site was because of a moratorium on the exploitation of marine sand, due to coastal erosion on the West African coastline.⁴ A directive was issued by the Ministry for the Environment and Forest Resources prohibiting the exploitation of marine sand. The directive is part of a sub-regional directive from the West African Monetary Union (only Francophone Africa) to ban all marine sand mining, due to its negative effects on coastal erosion. Furthermore, the site was to be given free of any occupation, commitment or constraint to the

⁴ The Moratorium is the result of an Interministerial decision from both the Ministry of Environment and Forest Resources and the Ministry of Energy and Mines - n°031/MME/MERF/2011 05 May 2011 - to enforce the Directive issued by the West African Economic and Monetary Union.

LCT by the Government of Togo to develop, construct, and operate a greenfield container terminal within the Port of Lomé.⁵ LCT was to take ownership of the site free of encumbrance.

The Company explained that government was responsible for the resettlement of the Complainants. According to the Company, consultation led by the Government with the Complainants to resettle them to alternative locations commenced in 2009. A consultant was brought to assist with putting together a Resettlement Action Plan (RAP) based on his knowledge of the IFC Performance Standards. It is the Company's understanding that a notice was issued by the Port Authority to inform everyone that the site would be closed because of the planned construction. The first deadline given to them to move was not adhered to. Hence, a second notice was issued. The Port Authority requested that the Ministry of Mines and Energy evacuate the site.

The Company stated that they had a meeting with MMLK in December 2017, at which they discussed the market gardeners and sand miners' resettlement and were informed by MMLK that these groups were not compensated. The Company showed MMLK evidence of payment, and informed MMLK about actions planned as part of the Community Development Plan (CPD). MMLK then asked to work with the Company on the CDP. However, this request was declined by the Company. The Company was also in a process of capacity building with the gardeners and sand miners. However, when MMLK filed the complaint, they could not continue with the capacity building. The Company also explained that they would like to establish who was working at the beach site, who was compensated and/or relocated, and who was not compensated at all. The Company indicated that this would help them understand what, if any, action needs to be taken.

The Company explained that they felt they have an obligation to the gardeners, in terms of ensuring compensation was fully met. They also indicated that they would like to live in harmony with their community, and they would consider meeting requirements of the other groups of complainants through their Corporate Social Responsibilities' commitments.

Gardeners

The Company explained that a RAP was put in place to relocate the gardeners to a new site. The goal of relocation was to find land to replace the land that they were being moved from. However, the gardeners wanted to be compensated in cash. According to the Company, LCT and the IFC tried to persuade the gardeners that cash would not be a sustainable option. However, the gardeners were adamant that they wanted cash compensation. Finally, it was decided that their wishes had to be respected, even though compensating cash for land was contrary to normal practice.

A total of 175 gardeners were compensated. A survey was conducted to determine what each gardener should be paid. The Port Authority argued that the land belonged to the port, and therefore compensation was paid for the crops, shelter, and equipment. According to the company, market gardeners were compensated in cash as per their request. They were paid 45,555,000 CFA (about \$80,742) by Port Authority and 33,681,400 CFA (about \$59,697) by LCT, an amount of 79,036,400 CFA (about \$140,000) in total. Many gardeners received very little compensation. About 70 percent of them did not receive amounts that would allow them to continue their livelihood activities elsewhere. Requests were made for complimentary aid. As a result, the Company paid an additional total amount of 200,000 CFA (about \$360) to all the gardeners who received little compensation.

Sand Loaders and Women Sand Collectors

⁵ LCT was awarded a 35-year concession in December 2008 by the Government of Togo, with an optional 10-year extension, to develop, construct and operate a greenfield container terminal within the Port of Lomé.

The Company explained that the women sand collectors and the sand loaders were always seen as part of UTRANSAM. The truck drivers would come to the beach to load sand, and each woman sand collector would be responsible for loading the truck using a team of sand loaders, which she managed. Therefore, when the resettlement discussions were taking place with UTRANSAM, there was a presumption that the women sand collectors and sand loaders were included in the plan. The Company also explained that the land on which they operate is not the land where the sand workers were working, and, even with the presence of LCT, the sand workers could theoretically continue working. It is LCT's view that the directive related to coastal erosion is what affected the sand loaders and women sand collectors.

The Company indicated that the Ministry of Mines and Energy was responsible for purchasing alternative land for UTRANSAM. Because they did not have sufficient funds, the Directorate of Mines gave UTRANSAM a loan of 20 million CFA (about \$36,000) to purchase a new site. When the land was purchased, a dispute arose between the truck drivers and the sand loaders and women sand collectors. The women sand collectors were not able to work at the new site because it was challenging terrain, and the truck drivers did not want the sand loaders working at the new site. This resulted in the disbanding of the sand loader and the women sand collector teams. When the Ministry submitted the budget for relocation to finance it was rejected. They asked the Port to provide finances for the relocation. The Port pre-financed 250 million CFA (about \$450,000).

The Company stated that the women sand collectors were then taken to the local market to purchase goods, which they could sell to generate income. They were given an opportunity to select what they wanted. The women initially wanted cash. However, cash compensation was declined because it was unsustainable. At the end of the process, the women thanked the Company for the assistance. The male sand collectors were not given this opportunity. This is because it is the Company's view that only the women sand collectors received compensation given that it was considered feasible for the men to work on the land allocated to UTRANSAM.

The Company further stated that a separate piece of land was bought for the sand loaders, but they complained that it was difficult to work on the new site because the sand was hard. They preferred beach sand, which is easier to exploit and which they considered of better quality. The Company explained, however, that beach sand is actually of poorer quality in the long run because it contains salt and causes erosion. LCT is aware that inland sand mining is more difficult than marine sand mining. The Company also indicated that, as a result of the moratorium on marine sand mining, any inland location where sand workers are located would still be more difficult to mine than marine sand. LCT believes that the government has compensated all the sand workers.

Caterers

The Company explained that when the survey was conducted in 2009, it identified people who should be relocated. Everyone was informed that they would have to leave the site. No further discussions were held with the caterers, because they came to sell food to the people who worked at the beach site. Therefore, they could easily move to sell somewhere else.

Lashing-Men

The Company explained that MLS was a sub-contractor of LCT. The Company received complaints from the lashing-men about low salaries, lack of social security registration and lack of bonus payment (13th cheque). The Company raised these concerns with the management of MLS. The Company also put MLS in touch with the Labor Inspector, who inspected the working conditions of those complaining. The Company explained that they spoke to MLS and the Labor Inspector to urge them to resolve the issues raised, otherwise it would result in a lose-lose situation for all. Furthermore, they explained to MLS that, as the Company's sub-contractor, they were obliged to comply with IFC Performance Standards. The

Company was made to understand by MLS management that they were in compliance with requirements.

The Company also mentioned that in response to the lashing-men's complaints about low salaries, they paid bonus cheques to the workers through MLS, because they could not pay this directly to the workers. The Company is aware that workers received the money, because the workers thanked them for this initiative.

The Company also alleged that by using MLS they were breaching the concession agreement, which required that LCT ensure that all non-skilled labor be hired through the Port Authority. It was only in the situation where the Port Authority was unable to provide the labor that MLS could look for casual workers elsewhere. In this instance, MLS did not seek labor from the Port Authority. When this was discovered, LCT organized training-for-trainers to MLS staff who in return were requested to train PAL Dockers for capacity building, which would allow them to meet requirements that LCT had to use labor from the Port. The Company explained that they provided free training to lashing-men and cleaners, explaining to them that eventually they would have to also train others. The workers from the Port Authority were trained through this initiative. The workers from the Port were then hired by LCT through the Port Authority, as per the concession agreement. None of the existing lashing-men were employed by LCT through the Port Authority.

The Company alleged that the existing lashing-men (who are part of the group of Complainants) were very upset that they did not get employment. They believed that they had the right to gain employment from LCT, and their complaints became very disruptive. The Company tried to find lashing-men to work with the newly trained lashing-men at LCT. However, this group of complainants engaged MMLK, who filed a complaint with the CAO. The Company made a decision that once the complaint is resolved, they will re-engage some of the lashing-men as not all of them, in the Company's view, were disruptive when they were complaining. This decision was also communicated to the lashing-men.

4. NEXT STEPS

During CAO's assessment process, the Complainants and the Company indicated an interest in addressing the issues raised in the complaint through a voluntary dialogue process convened by CAO's Dispute Resolution Function. CAO will facilitate the process, including assisting the parties to prepare for dialogue, agreeing on ground rules, and working together in a collaborative way to try and reach resolution of the issues raised in the complaint and summarized in this assessment report.

ANNEX A. CAO COMPLAINT HANDLING PROCESS

Once CAO declares a complaint eligible, an initial assessment is conducted by CAO's Dispute Resolution function. The purpose of CAO's assessment is to: (1) clarify the issues and

concerns raised by the complainant(s), (2) gather information on how other stakeholders see the situation, and (3) help stakeholders understand the recourse options available to them and determine whether they would like to pursue a collaborative solution through CAO's Dispute Resolution function, or whether the case should be reviewed by CAO's Compliance function. As per CAO's Operational Guidelines,⁶ the following steps are typically followed in response to a complaint that is received:

Step 1: **Acknowledgement** of receipt of the complaint.

Step 2: **Eligibility:** Determination of the complaint's eligibility for assessment under the mandate of the CAO (no more than 15 working days).

Step 3: **CAO assessment:** Assessing the issues and providing support to stakeholders in understanding and determining whether they would like to pursue a consensual solution through a collaborative process convened by CAO's Dispute Resolution function, or whether the case should be handled by CAO's Compliance function to review IFC's/MIGA's environmental and social due diligence. The assessment time can take up to a maximum of 120 working days.

Step 4: **Facilitating settlement:** If the parties choose to pursue a collaborative process, CAO's dispute-resolution process is initiated. The dispute-resolution process is typically based on or initiated by a Memorandum of Understanding and/or mutually agreed-upon ground rules between the parties. It may involve facilitation/mediation, joint fact finding, or other agreed resolution approaches leading to a settlement agreement or other mutually agreed and appropriate goals. The major objective of these types of problem-solving approaches will be to address the issues raised in the complaint, and any other significant issues relevant to the complaint that were identified during the assessment or the dispute-resolution process, in a way that is acceptable to the parties affected.⁷

OR

Compliance Appraisal/Investigation: If the parties opt for a Compliance process, CAO's Compliance function will initiate an appraisal of IFC's/MIGA's environmental and social due diligence of the project in question, to determine whether a compliance investigation of IFC's/MIGA's performance related to the project is merited. The appraisal time can take up to a maximum of 45 working days. If an investigation is found to be merited, CAO Compliance will conduct an in-depth investigation into IFC's/MIGA's performance. An investigation report with any identified non-compliances will be made public, along with IFC's/MIGA's response.

Step 5: **Monitoring and Follow-up**

Step 6: **Conclusion/Case Closure**

⁶ For more details on the role and work of CAO, please refer to the full Operational Guidelines: http://www.cao-ombudsman.org/documents/CAOOperationalGuidelines_2013.pdf

⁷ Where stakeholders are unable to resolve the issues through a collaborative process within an agreed time frame, CAO Dispute Resolution will first seek to assist the stakeholders in breaking through impasse(s). If this is not possible, the Dispute Resolution team will inform the stakeholders, including IFC/MIGA staff, the President and Board of the World Bank Group, and the public, that CAO Dispute Resolution has closed the complaint and transferred it to CAO Compliance for appraisal.