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MEDIA COMMUNIQUÉ

Investigation of IFC's Environmental and Social Performance Related to Cement Plant Investment in Egypt

Washington, D.C., January 10, 2017 – The Compliance Advisor Ombudsman (CAO), the independent accountability mechanism for the International Finance Corporation (IFC), a member of the World Bank Group, is conducting a compliance investigation related to IFC's investment in the Alexandria Portland Cement Company (APCC), part of Titan Group. The investigation was initiated following a complaint to CAO about the project's environmental and social impacts.

IFC's support for Titan Group involves the expansion of Titan's Egyptian operations, including the Alexandria Portland Cement Company (APCC). IFC holds an equity investment of €80 million in Titan's holding company, Alexandria Development Limited (ADL).

A complaint was filed to CAO in April 2015 by community members living in close proximity to the cement plant and former employees of APCC, with assistance from local civil society organizations. The complaint raised concerns about the effects of the plant on community health and safety, compliance with national legislation, labor issues, information disclosure, and community consultation. During CAO's assessment of the complaint, there was a lack of consensus amongst the parties to engage in dispute resolution to address the issues, and the case was referred for a compliance review of IFC's performance.

A CAO team is in Egypt this week to conduct informational interviews with the relevant local stakeholders.

"The investigation is ongoing in coordination with the parties involved. The focus is IFC's performance, not the client, and CAO has made no determination at this stage regarding IFC's compliance with its environmental and social requirements related to the project." said Osvaldo Gratacós, CAO and Vice President of the World Bank Group.

More information about this case is available at www.cao-ombudsman.org.
Information about the project can be found on IFC's website at www.ifc.org/disclosure

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About CAO:

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), members of the World Bank Group. CAO's mandate is to address complaints from people affected by IFC and MIGA projects in a manner that is fair, objective, and constructive, and to improve environmental and social outcomes on the ground. www.cao-ombudsman.org.