The Office of the Compliance Advisor Ombudsman (CAO) gives a voice to communities impacted by private sector projects supported by the World Bank Group. As the independent accountability mechanism for the International Finance Corporation (IFC) and Multilateral Investment Guarantee Agency (MIGA), CAO engages local communities, companies, civil society, and other stakeholders to improve project outcomes and enhance the public accountability of IFC and MIGA. Find out more about who we are and what we do at www.cao-ombudsman.org.

HAVE YOU HEARD ABOUT US?

Joint Solutions through CAO Dispute Resolution in Nicaragua and Cambodia

Nicaragua: In March 2008, CAO received a complaint concerned with the potential linkage between Nicaragua Sugar Estate Limited’s sugarcane production activities, and a high incidence of Chronic Kidney Disease (CKD) among the company’s workforce and local communities. After several years of dialogue and work between ASOCHIVIDA, an association of 2,000 former NSEL workers, and NSEL, CAO’s dispute resolution intervention in Nicaragua has come to an end. ASOCHIVIDA and NSEL continue to collaborate on solutions for the many families severely affected by CKD.

Cambodia: In December 2009, a local NGO in Cambodia filed a complaint with CAO on behalf of 79 families living near Sihanoukville Airport, who believed that they had been negatively affected by an IFC-supported project developing several airports in Cambodia. The parties involved agreed to try to resolve the complaint issues, including impacts on livelihoods, community consultation and access to information, and land compensation, among other issues, through a CAO-convened dispute resolution process. In February 2015, CAO convened a final closure meeting in Sihanoukville, and received confirmation of satisfaction on all sides.

CAO’s dispute resolution process in the Ratanakiri Province of Cambodia, agreements have been reached between the Vietnamese corporation Hoang Anh Gia Lai (HAGL), which has rubber plantations in Cambodia, and fourteen of Ratanakiri’s indigenous communities. During mediation sessions that took place from September 16th to 19th, 2015, HAGL committed not to clear and develop any additional land used and occupied by these villages for its plantations and, should the company be found to have developed community land, they will first negotiate compensation, and should that fail, return this land to the villages. Full conclusion reports for the NSEL case and the Cambodia airport case are available on CAO’s website: www.cao-ombudsman.org/cases

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CAO Releases First Compliance Investigation on Labor Issues

In 2006, IFC launched its Sustainability Framework including, for the first time, a standard on labor and working conditions—Performance Standard 2, known as PS2. In May 2015, CAO released its first compliance investigation related to PS2 issues. The investigation was initiated in response to a complaint from a trade union representing employees of the Colombian-based airline, Avianca, in which IFC had an investment. The complainants raised concerns related to labor rights and freedom of association. CAO’s investigation found that IFC had an inadequate understanding of the labor related risks attached to this investment.

CAO also identified weaknesses in IFC’s supervision of the investment with the result that IFC staff struggled to understand the Freedom of Association issues raised by the complainants at the level of detail needed to ensure that they were being adequately addressed. Of broader importance, CAO found that IFC’s policies and procedures provided staff with limited guidance on how to respond to complaints regarding a client’s environmental and social performance. CAO is now monitoring IFC’s actions in response to the investigation findings and will publish a monitoring report before May 2016. More information is available on the CAO website www.cao-ombudsman.org/cases

CAO Strengthens Network of Local Mediators

Since 2012, CAO has been developing a capacity-building program with mediators regionally, with the goal of introducing qualified local mediators to the work of CAO and its dispute resolution function. In 2013, CAO launched a regional mediator training program and, since that time, has held mediator workshops in Africa, Latin America, and East Asia. This past May, CAO met with 21 mediators from 20 different West African countries. The caliber of the local mediators, and the strength of their experiences, provided for rich discussions about the different practices of alternative dispute resolution in that region.

CAO CASE TRACKER FY16
As of September 15, 2015.

NEW ELIGIBLE CASES

<table>
<thead>
<tr>
<th>Country</th>
<th>Case Name</th>
<th>Sector</th>
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<th>Date Received</th>
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<tr>
<td>Albania</td>
<td>Enso</td>
<td>Infrastructure (hydropower)</td>
<td>Biodiversity; Critical habitats; Ecotourism livelihoods</td>
<td>June 22, 2015</td>
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<td>Albania-01</td>
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<tr>
<td>Guatemala</td>
<td>Hidro Santa Cruz</td>
<td>Infrastructure (hydropower)</td>
<td>Destruction of sacred indigenous land; Violence against local community; Access to electricity</td>
<td>July 16, 2015</td>
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OPEN CASES BY SECTOR

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<tr>
<th>Sector</th>
<th>Number of Cases</th>
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<tbody>
<tr>
<td>Oil, Gas, Mining, Chemicals</td>
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<td>Infrastructure</td>
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<tr>
<td>Agribusiness</td>
<td>8</td>
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<td>Financial Intermediaries</td>
<td>7</td>
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<tr>
<td>Manufacturing</td>
<td>3</td>
</tr>
<tr>
<td>Advisory Services</td>
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</table>
Civil Society Dialogue Raises Regional Issues: Turkey and Lebanon

**Turkey:** In May 2015, CAO co-hosted an outreach workshop in Turkey for civil society organizations (CSOs) from ten countries in Eastern and Central Europe, and Central Asia. The goal of the two-day event—a joint collaboration between CAO, the World Bank Inspection Panel, and the independent accountability mechanisms of the European Bank for Reconstruction and Development, European Investment Bank, and Black Sea Trade and Development Bank—was to raise awareness about access to recourse around projects financed by international financial institutions (IFIs) and learn from civil society experiences in the region.

Discussion focused on the lack of information about IFI projects in most countries and options for affected communities to access effective grievance mechanisms. Regional concerns raised included labor rights, extractives and infrastructure projects, and discrimination of minority groups.

**Lebanon:** In September 2015, CAO participated in an outreach workshop in Beirut hosted by Bank Information Center (BIC) with civil society from six countries across the Middle East and North Africa region. The workshop focused on the role of the World Bank Group in the region and strategies to ensure that affected communities have access to effective and efficient grievance mechanisms, including CAO and the Inspection Panel.
New Advisory Activities: Workshops, Publications, and Capturing Stakeholder Feedback

Through its Advisory Role, CAO conducted a second joint learning workshop with IFC staff focused on applying lessons learned from managing environmental and social risks in projects from the financial intermediary sector. CAO Advisory also held several consultations with IFC on a grievance mechanism guide, which will be published in the coming year, and published a paper on insights from CAO land cases, which was prepared for the World Bank Conference on Land and Poverty.

Advisory activities also include revisions to CAO’s monitoring and evaluation system to enhance the capture of lessons, and stakeholder perspectives from CAO’s work. Among other improvements, Advisory has developed a new framework for recording issues raised in complaints. This framework enhances analysis of environmental and social issues raised in CAO’s cases. New data shows that close to a third of issues raised in complaints relate to community health, an impact which had not been previously noted.

Advisory has also revised CAO’s stakeholder feedback surveys. The revised system has already doubled response rates from CAO surveys—especially among community members. These improvements will generate important insights regarding CAO’s outcomes and performance, and help the office become more accountable, transparent, and effective in its work.

To learn more about our Advisory role, visit us online! http://www.cao-ombudsman.org/howwework/advisor/

UPCOMING EVENTS

World Bank Group/IMF Annual Meetings, Lima, October 5-12, 2015

In October, CAO will be at the World Bank Group Annual Meetings in Peru. Events include a civil society workshop on Monday, October 5, 2015, co-hosted with the independent accountability mechanisms of the World Bank (Inspection Panel), Inter-American Development Bank, European Investment Bank, and five regional civil society organizations.

The one-day workshop will include presentations by the mechanisms and over 50 civil society organizations from the Latin America region.

CAO will also host a discussion at the Civil Society Policy Forum and hold meetings with stakeholders during the week.