



FEBRUARY 18, 2026

Compliance Appraisal Report

Regarding a Complaint to CAO about IFC Investments and MIGA Guarantees in Benban Solar Park, Egypt

Egypt: Al Subh Solar Power, Sunrise Energy and Rising Sun Energy-01

IFC Project #39995, #39997, #39729

MIGA Project #14080, #14059, #14043

About CAO

The Office of the Compliance Advisor Ombudsman (CAO) is the independent accountability mechanism of the International Finance Corporation (IFC) and Multilateral Investment Guarantee Agency (MIGA), members of the World Bank Group. We work to facilitate the resolution of complaints from people affected by IFC and MIGA projects in a fair, objective, and constructive manner, enhance environmental and social project outcomes, and foster public accountability and learning at IFC and MIGA.

CAO is an independent office that reports directly to the IFC and MIGA Boards of Executive Directors. For more information, see www.cao-ombudsman.org.

About the Compliance Function

CAO's compliance function reviews IFC and MIGA compliance with environmental and social policies, assesses related harm, and recommends remedial actions where appropriate.

CAO's compliance function follows a three-step approach:

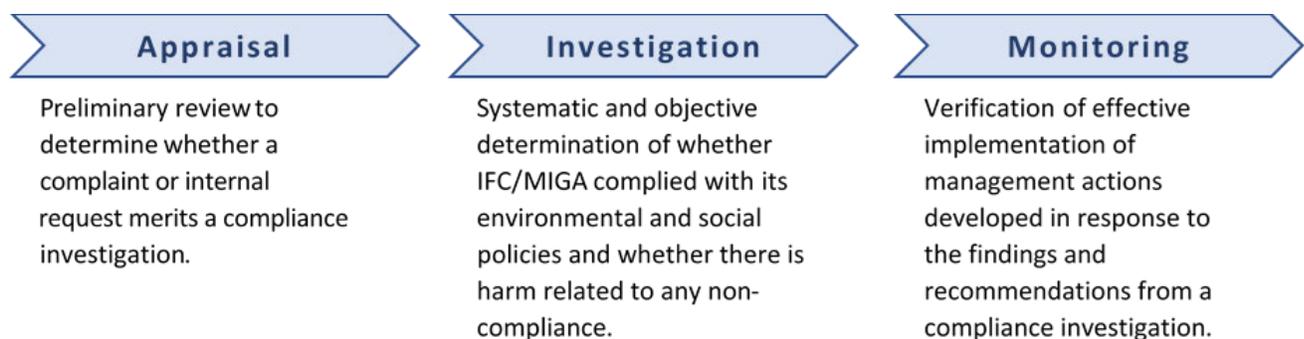


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Acronyms

AfDB-IRM	Independent Review Mechanism of the African Development Bank
AMR	Annual Monitoring Report
BSDA	Benban Solar Developers Association
CAO	Office of the Compliance Advisor Ombudsman (IFC and MIGA)
DFIs	Development Finance Institutions
E&S	Environmental and Social
EETC	Egyptian Electricity Transmission Company
EPC	Engineering Procurement and Construction
ESAP	Environmental and Social Action Plan
ESMP	Environmental and Social Management Plan
ESDD	Environmental and Social Due Diligence
ESHS MS	Environmental, Social, Health and Safety Management System
ESIA	Environmental and Social Impact Assessment
ESRS	Environmental and Social Review Summary
FMC	Facility Management Company
GCF-IRM	Independent Redress Mechanism of the Green Climate Fund
HAS	Hassam Allam Services
HR	Human Resources
HSH	Health and Safety Home
IAM	Independent Accountability Mechanism
IEG	Independent Evaluation Group
IESC	Independent Environmental and Social Consultant
IFC	International Finance Corporation
KPI	Key Performance Indicator
MIGA	Multilateral Investment Guarantee Agency
NREA	New and Renewable Energy Authority
O&M	Operations and Management
PS	IFC / MIGA Environmental and Social Performance Standards
PS1	Performance Standard 1: Assessment and Management of Environmental and Social Risks and Impacts
PS2	Performance Standard 2: Labor and Working Conditions
QHSSE	Quality, Health, Safety, Security, and Environment
SESA	Strategic Environmental and Social Assessment
SP	MIGA Policy on Environmental and Social Sustainability
WGM	Workers' Grievance Mechanism

Executive Summary

Since 2019, IFC has supported the construction and operation of 13 solar power plants at the Benban Solar Park in the Arab Republic of Egypt. MIGA provides political risk insurance in relation to 12 Benban projects, including three joint projects with IFC. This report documents CAO's compliance appraisal of a March 2024 complaint by an employee of a security services firm operating at the Al Subh Solar Power, Sunrise Energy, and Rising Sun Energy project sites. The complaint raises concerns about the non-renewal of his fixed-term contract, alleged unpaid dues, the loss of employment documents, and unfavorable working conditions. Based on the evidence set out in this report, CAO concludes that the complaint does not meet the criteria for a compliance investigation and has closed this case.

IFC Investment and MIGA Guarantees

The Benban Solar Park spans 37.2 square kilometers and is divided into 41 plots, 32 of which now host operational solar plants operated by different companies. IFC, together with a group of international banks, has provided financing support to 13 projects totaling approximately US\$653 million. MIGA has active guarantees covering 12 Benban projects through 22 guarantee contracts, covering equity sponsors and commercial lenders against political risks in the total outstanding amount of US\$241.4 million. Of these, three projects are jointly supported by IFC and MIGA and are relevant to this case.

The Complaint

In March 2024, CAO received a complaint from an individual formerly employed by Securitas Egypt, a private firm providing site-level security services at the Al Subh Solar Power, Sunrise Energy, and Rising Sun Energy project sites at the Benban Solar Park.

On the final day of his contract, Securitas Egypt informed the complainant verbally that it would not be renewed and he should not return to work the following day. He alleges that the failure to renew his contract was unfair and linked to earlier requests for a wage increase and improved working conditions.

He also asserts that he did not receive full payment for the final employment period, or other dues he believed he was owed, and raised concerns about the loss of employment-related documents held by Securitas Egypt after his contract ended.

The complaint also raised broader issues about unfavorable on-site working conditions at the three solar plants, including security personnel bringing their own food and water due to lack of meal provision and inconsistent access to drinking water.

IFC and MIGA Management Response

IFC and MIGA state that, while responsibility for managing environmental and social (E&S) risks rests with their clients who operate the three plants, they supervise E&S performance at both project and solar park levels. According to their joint Management Response, supervision has included site visits during construction and subsequent visits including in September 2022; January, June, and November 2023; December 2024; and July and September 2025; reviews of client E&S systems and procedures; and engagement with project developers through the park-wide Benban Solar Developers Association (BSDA) and Facility Management Company (FMC)

in relation to labor management, grievance handling, and contractor oversight. They also note that workers have access to a tiered grievance mechanism and that their supervision identified areas for the park operators to strengthen recordkeeping and clarify grievance timelines.

With respect to the complaint, IFC and MIGA note that prior notice for the non-renewal of a fixed-term employment contract is not required under Egyptian labor law, although considered good practice.

IFC and MIGA state that they have acted in accordance with their respective E&S policies in relation to these investments and guarantees, including by conducting appropriate due diligence and supervision in line with IFC/MIGA Sustainability Policies.

CAO Compliance Appraisal Analysis

The CAO compliance appraisal process determines whether a complaint merits an investigation by applying three criteria: (i) whether there are preliminary indications of Harm or potential Harm; (ii) whether there are preliminary indications that IFC and MIGA may not have complied with their E&S Policies; and (iii) whether the alleged Harm is plausibly linked to the potential noncompliance.

Based on a review of available information, CAO concludes that the complaint does not meet the three criteria for a compliance investigation, as summarized below.

Preliminary indications of Harm

Non-renewal of fixed-term contract: The complainant worked under successive fixed-term contracts, most recently a one-year contract ending in March 2024. The contract stated that renewal would require written agreement by both parties and that non-renewal would not require prior written notice. On the final day of his contract, Securitas Egypt informed him verbally that the contract would not be renewed. He reports that this occurred shortly after he raised concerns about salary and meal provision and that he had expected prior notice. The complainant also told CAO that the non-renewal resulted in an immediate loss of income causing economic hardship and personal distress. In considering Harm, in line with PS2 (Labor and Working Conditions) CAO focused on how the decision was communicated and handled, rather than the legality of the contract. On this basis, CAO finds preliminary indications of Harm, including uncertainty and distress associated with the sudden loss of employment and income.

Compensation and entitlements: The complainant alleges non-payment for the final 15 days of his employment, and that he was entitled to additional end-of-service compensation and other dues or allowances, including for lack of food provision. CAO did not have access to payroll or financial records to verify these claims. During the workers' grievance mechanism (WGM) process initiated by the complainant, BSDA's E&S consultant consulted the local Government Labor Office. The office indicated that, upon expiry of a fixed-term contract, entitlements are limited to the final salary period, and no additional dues would be owed in this case. On this basis, CAO concludes that there is insufficient information to establish preliminary indications of Harm related to non-payment of salary, end-of-service compensation, or other employment-related dues.

Loss of employment-related documents: The complainant reports that Securitas failed to return his military service and educational certificates and later informed him of their loss in an

accidental fire. He claims the absence of these documents has had an ongoing adverse effect on his ability to seek and secure new employment, as their replacement requires significant time and travel to another governorate. CAO finds preliminary indications of Harm related to the loss of employment documents, while noting that the complainant did not collect them when a meeting was arranged with Securitas and declined monetary compensation to support their replacement.

Unfavorable working conditions regarding meal and water provision: The complainant alleged that security personnel were required to bring their own food and water during shifts due to the lack of meal provision and inconsistent access to drinking water. During CAO's assessment of this complaint, the IFC/MIGA clients at the Al Subh Solar Power, Sunrise Energy, and Rising Sun Energy sites stated that canteen facilities were available and that Securitas Egypt provided cash allowances for meals. CAO also notes that the complainant's employment contract did not include terms related to meals or meal-related allowances. CAO did not have access to relevant records or inspection reports confirming these conditions. On this basis, CAO concludes that there is insufficient information to establish preliminary indications of material Harm.

Preliminary indications of IFC and MIGA noncompliance

Based on the information available to CAO, there are no preliminary indications that IFC and MIGA failed to comply with their E&S obligations under the Sustainability Policy (2012) in relation to the issues raised by the complaint.

During their pre-investment due diligence, records indicate that IFC and MIGA applied the Sustainability Policy at Benban, undertook document review and appraisal site visits, and required client compliance with the PSs through project-specific ESAPs addressing PS2-aligned labor policies and procedures, effective WGMs, and management of third-party workers.

The supervision record reflects sustained engagement by IFC and MIGA with Benban project companies during construction and operations, including site visits, review of E&S documentation and progress reports, engagement with lenders' technical and E&S consultants, and follow-up on gaps in client performance related to labor management, contractor oversight, and grievance handling. When shortcomings in ESMS implementation were identified, IFC and MIGA engaged with sponsors to strengthen policies, procedures, and oversight arrangements, and tracked agreed actions. On this basis, CAO finds no preliminary indications of non-compliance by IFC or MIGA with their supervision obligations in relation to the non-renewal of contracts, compensation-related concerns, loss of employment-related documents, or the allegation of unfavorable working conditions.

Plausible link

Since CAO does not identify preliminary indications of IFC and MIGA noncompliance, a plausible link between the alleged Harms in this case and potential noncompliance cannot be established.

CAO Decision and Next Steps

CAO determines that the complaint relating to the Al Subh Solar Power, Sunrise Energy and Rising Sun Energy projects does not merit a compliance investigation and has closed the case.

CAO shares this Compliance Appraisal Report with the Board, the World Bank Group President, IFC and MIGA Management, the company, and the complainant. CAO publishes this report as well as IFC and MIGA's Management Response on its website.

1. Introduction

The Benban Solar Park, supported by a consortium of banks and development finance institutions (DFIs), aims to deliver 1,650 megawatts of renewable energy through the largest solar farm in Africa, supporting sustainable economic growth in Egypt. This section provides an overview of IFC's investment and MIGA's guarantees in Benban power plants, the Al Subh Solar Power, Sunrise Energy and Rising Sun Energy complaint to CAO, and the IFC/MIGA joint Management Response. It also includes a timeline for the project and this CAO case.

1.1 The Benban Solar Park Project, IFC Investment and MIGA Guarantees

The Benban Solar Park spans 37.2 square kilometers divided into 41 plots, 32 of which now house operational solar plants transmitting electricity to Egypt's national grid. Plots are owned and operated by different energy companies. The park is 12 km east of the nearest village, Benban, 15 km west of the Nile River, and about 40 km northwest of Aswan City in the Aswan Governorate of Upper Egypt.

IFC provided financing support to 13 solar power plants at the Benban Solar Park, each with a capacity of approximately 20–50 MW, with investments approved between July¹ and September² 2017. All investments were classified as Category B, reflecting moderate environmental and social (E&S) risks.³ IFC's financing package across the 13 projects comprised US\$166.5 million in A-Loans, US\$23.8 million in C-Loans, and US\$12 million in interest rate swaps, alongside US\$450.8 million mobilized through B-Loans and parallel loans, for a total of approximately US\$653 million. The investments involved six different sponsor groups⁴ and 15 project sponsors alongside a syndicate of lenders⁵.

MIGA has active guarantees covering 12 Benban projects, including three joint projects with IFC. Across all 12 projects, there are 22 guarantee contracts covering equity sponsors and commercial lenders against political risks in the total outstanding amount of US\$241.4 million. The remaining nine projects are financed by a consortium led by the European Bank for Reconstruction and Development (EBRD).

The client companies subject to this complaint, Al Subh Solar Power S.A.E., Sunrise Energy S.A.E., and Rising Sun Energy S.A.E., are three Special Purpose Vehicles (SPVs)⁶ (the

¹ IFC Project [#37637](#), [#39728](#), [#37580](#), [#40019](#), [#37713](#), [#37591](#), [#39995](#), [#39997](#), [#39729](#)

² IFC Project [#37633](#), [#40386](#), [#40390](#), [#37636](#)

³ IFC uses a process of environmental and social categorization to reflect the magnitude of risks and impacts. Category B signifies: "Business activities with potential limited adverse environmental or social risks and/or impacts that are few in number, generally site-specific, largely reversible, and readily addressed through mitigation measures." IFC Sustainability Policy, 2012 & MIGA's Policy on Environmental and Social Sustainability (2013).

⁴ IFC Clients: (i) Acciona/Swicorp/TBEA, (ii) Alcazar, (iii) Enerray/SECI/DT, (iv) Phoenix/Infinity, (v) Shapoorji Pallonji, and (vi) TAQA Aravia.

⁵ African Development Bank (AfDB), Arab Bank of Bahrain, Asian Infrastructure Investment Bank (AIIB), British International Investment (BII), Dutch Entrepreneurial Development Bank (FMO), Europe Arab Bank, Austrian Development Bank (OeEB), European Bank for Reconstruction and Development (EBRD), Finnfund (Finland), Green for Growth Fund, Proparco (France), and Industrial and Commercial Bank of China.

⁶ Project entities at the Benban Solar Park are referred to in different documents as *clients*, *sponsors*, *developers*, or *special purpose vehicles (SPVs)*, depending on context. In this report, "client" refers to the IFC or MIGA investee or guarantee-holder (i.e., the project companies/SPVs—Al Subh Solar Power S.A.E., Sunrise Energy S.A.E., and Rising Sun Energy S.A.E.). "Sponsors" refers to the equity owners of the project companies, including entities within the joint venture consortium led by Acciona Energía Global and Enara Bahrain SPV W.L.L., which hold governance and decision-making roles and are responsible for ensuring compliance through contractual and oversight arrangements. "Developers" is used as a collective term where reference is made to the broader group of project companies and sponsors operating at the park level.

“projects”⁷ responsible for the development and operation of three individual solar photovoltaic plants in the Benban Solar Park, each with a capacity of 50 MW. These project companies are owned by a joint venture consortium led by Acciona Energía Global and Enara Bahrain SPV W.L.L. The projects were approved by IFC in July 2017 and form part of the IFC- and MIGA-supported portfolio at the Benban Solar Park that is the subject of this complaint.

1.2 Project E&S Risk Management and Organizational Structure

In 2015, the New and Renewable Energy Authority (NREA) in Egypt commissioned a Strategic Environmental and Social Assessment⁸ (SESA) for the Benban Solar Park with support from EBRD. This resulted in IFC and EBRD jointly leading coordination efforts among DFIs involved in the solar park project to establish a unified and consistent approach to managing key E&S risks.

This led, in turn, to the establishment of the Benban Solar Developers Association (BSDA)⁹, a non-governmental body governed by representatives of the project sponsors, bringing together the majority of solar park project developers to address E&S risks in a structured manner. In coordination with NREA and the Egyptian Electricity Transmission Company (EETC), the BSDA appointed a Facility Management Company (FMC) to coordinate and manage park-wide activities. IFC and MIGA clients have contractual agreements with BSDA, which in turn contracts the FMC. Each IFC and MIGA client contributes a share of FMC-related costs.

BSDA has appointed two FMCs to date, one during project construction and the second for the operation and maintenance (O&M) phase. Hassan Allam Services (HAS) served as the FMC during construction, with its contract concluding in November 2020. The same month, BSDA appointed Health and Safety Home (HSH) as FMC for the O&M phase, under a multi-year contract.¹⁰

Under the site-wide management arrangements established, the FMC serves as the central mechanism for coordinating and managing cumulative E&S risks and impacts across the solar park. This role includes responsibility for developing, implementing, and maintaining an Environmental, Social, Health and Safety Management System (ESHS MS)¹¹ aligned with IFC Performance Standard 1 (PS1)¹² and relevant international standards.

Specifically, the FMC’s remit includes preparing and implementing site-wide E&S management plans and strategies. These cover, among other areas, labor and worker relations, security management, traffic risk assessment and management, occupational health and safety, emergency medical and fire response, waste management, and site security. The FMC is also responsible for managing park-level elements of onsite worker and community grievance

⁷ For the purpose of this report, the term “solar park project” refers to the overall Benban Solar Park development comprising multiple plots owned and operated by different sponsors, while references to “the projects” or to individual projects refer specifically to IFC and MIGA financed plot-level projects.

⁸ NREA (2016), [Strategic Environmental and Social Assessment \(SESA\)](#)

⁹ Earlier project documentation, including the ESRs, refers to the developers association as the Benban Developers Association (BDA). Later documentation refers to the same entity as the Benban Solar Developers Association (BSDA).

¹⁰ HSH’s contract was scheduled to conclude in November 2025 and was subsequently extended by six months.

¹¹ In IFC documentation for the Benban Solar Park, including the ESRs and ESAPs, IFC refers to an ESHS MS. This terminology corresponds to what is commonly described as an ESMS in IFC PS1.

¹² IFC Performance Standards on Environmental and Social Sustainability (IFC, 2012). Available at: <https://www.ifc.org/en/insights-reports/2012/ifc-performance-standards>

mechanisms¹³, conducting stakeholder engagement at the park level, and supporting consistent application of E&S requirements across developers, contractors, and subcontractors.

Security services at Benban Solar Park are provided by Securitas Egypt. This private firm provides both perimeter and park-wide security services under arrangements coordinated through the FMC and separate but parallel security services for individual solar plants through contracts linked to the O&M contractors engaged by specific SPVs. Regarding the AI Subh Solar Power, Sunrise Energy, and Rising Sun Energy projects that are subject to this complaint, Securitas Egypt was engaged to provide site-level security services during the operational phase. Security personnel assigned to these sites, including the complainant, were employees of Securitas Egypt and were not employed by the FMC, the project SPVs, or the O&M contractors directly.

An external consulting firm served as the Independent E&S Consultant (IESC) for the project lenders, including IFC and MIGA. During the pre-investment and construction phases, the IESC conducted site visits to monitor E&S performance at both project and park levels, including the roles of the project SPVs, BSDA, and the FMC.

Since December 2024, BSDA has engaged an E&S consultancy to support its oversight of the FMC's E&S performance. This firm provides advisory, monitoring, and capacity building services, including assistance related to grievance management and the strengthening of site-level E&S procedures. It reports to the BSDA, which in turn reports to the individual project companies on a quarterly basis, while IFC and MIGA engage with and supervise their clients through the clients' Annual Monitoring Reports (AMRs) and site visits.

In line with MIGA's Policy on Environmental and Social Sustainability¹⁴, IFC and MIGA agreed that MIGA would rely on IFC for E&S due diligence and monitoring of the joint projects at Benban Solar Park, as well as for assessing E&S risks at the park level. Given the similarity of the individual projects supported by IFC and MIGA, the E&S Review Summaries (ESRS)¹⁵ and Environmental and Social Action Plans (ESAPs) prepared for each investment and guarantee were broadly consistent.

1.3 CAO Case Handling Process for Benban Solar Park

To date, CAO has received 25 complaints related to the Benban Solar Park,¹⁶ of which eight were deemed eligible and registered as CAO cases when this appraisal report was published. Following CAO's assessment process, all eight eligible cases were initially referred to CAO's Dispute Resolution function. Four cases—Benban-03, Benban-04, Benban-05, and Benban-07—were successfully resolved through mediation, while Benban-01 remains in the dispute resolution process.

¹³ The FMC operates within a tiered WGM framework at the Benban Solar Park by supporting site-wide coordination, managing park-level grievance channels, and maintaining a separate grievance mechanism for its own employees.

¹⁴ MIGA Policy on Environmental and Social Sustainability, para. 6, available at: https://www.miga.org/sites/default/files/archive/Documents/Policy_Environmental_Social_Sustainability.pdf

¹⁵ For each proposed Category A and B project, IFC discloses a summary of its review findings and recommendations, the Environmental and Social Review Summary (ESRS).

¹⁶ At the time of publication, 17 complainants have chosen to engage directly with IFC to seek early resolution before CAO initiated an eligibility determination. For further information on the other Benban-related cases, please refer to the following links: [1](#), [2](#), [3](#), [4](#), [5](#), [6](#), [7](#) & [8](#)

This case, AI Subh Solar Power, Sunrise Energy and Rising Sun Energy-01, is the third complaint related to the Benban Solar Park to be considered by CAO's Compliance function. The first case to proceed to Compliance, Benban-02, was closed at the appraisal stage in September 2025¹⁷, while the sixth eligible case, Benban-06, was closed in February 2026.¹⁸

AI Subh Solar Power, Sunrise Energy, and Rising Sun Energy case

On March 17, 2024, CAO received a complaint filed by three individuals employed as security guards by Securitas Egypt and assigned to provide site-level security services at the AI Subh Solar Power, Sunrise Energy, and Rising Sun Energy plants—all IFC and MIGA supported projects.¹⁹

In May 2024, CAO determined that the complaint met its three eligibility criteria²⁰ and initiated an assessment of the issues raised. During the assessment phase, one of the three complainants informed CAO that he wished to withdraw from the complaint.

Following the assessment, the parties agreed to a voluntary CAO-facilitated dispute resolution process and the case was transferred to CAO's Dispute Resolution function. The mediation process between the complainants and the three SPVs (the clients) began in February 2025 but concluded without agreement. During the early stages of the dispute resolution process, one of the remaining complainants also withdrew. As a result, one individual ("the complainant") remained and continued to participate in the dispute resolution and compliance processes.

In June 2025, the complainant requested that the case be transferred to CAO's Compliance function to determine whether to conduct an investigation of IFC's E&S performance in relation to the complaint issues.²¹

1.4 Complaint Summary

This section summarizes the complaint attached to this report as Appendix 1. The scope of the issues addressed in this compliance appraisal reflect those established and clarified during the assessment, dispute resolution, and compliance appraisal processes through CAO's engagement with the complainant.

The issues raised by the complainant relate to the non-renewal of his fixed-term employment contract. He alleged that the failure to renew his contract was unfair and linked to earlier requests for a wage increase and improved working conditions. He also claimed that he did not receive full payment for his final period of employment following non-renewal of his contract, as well as other dues he believed he was entitled to receive. The complaint also raised broader issues about unfavorable on-site working conditions, including food and water provision. In addition, the complainant raised concerns regarding the loss of certain employment-related documents held by Securitas Egypt following the end of his employment, which he indicated were important for securing new employment.

¹⁷ See CAO case page: [Egypt: Benban Solar-02](#)

¹⁸ See CAO case page: [Egypt: Benban Solar-06](#)

¹⁹ See Appendix 1.

²⁰ CAO Policy 2021: para. 37.

²¹ The conclusion of the Dispute Resolution phase was documented in a [CAO Dispute Resolution Conclusion Report](#) published on 27 October 2025.

Concerns related to threats and reprisals raised during the assessment phase of this case were clarified during the subsequent CAO-facilitated discussions and no longer pursued by the complainant as part of the complaint.

Section 3 provides further details of the complaint issues and CAO's related appraisal analysis.

1.5 IFC and MIGA Management Response

IFC and MIGA provided a joint Management Response, attached in full in Appendix 2, addressing the complaint issues. The response sets out IFC's and MIGA's understanding of the complaint, summarizes relevant documentation provided by the clients, and describes IFC's and MIGA's views regarding the actions taken and the application of relevant E&S requirements in relation to the issues raised.

IFC and MIGA reiterated that responsibility for managing E&S risks and impacts rests with their clients, and that IFC seeks, through due diligence, monitoring, and supervision, to ensure that financed activities are implemented in accordance with the IFC Performance Standards on Environmental and Social Sustainability (PSs).²² With respect to labor and working conditions, IFC and MIGA note that Performance Standard 2: Labor and Working Conditions (PS2) requires clients to establish policies and procedures to manage and monitor subcontractor performance in line with applicable requirements.

According to the Management Response, IFC has conducted E&S supervision at both the project and solar park levels since due diligence, including site visits during construction between 2018 and 2022²³, reviews of E&S systems and procedures, and engagement with developers through the BSDA and the FMC. IFC reports that additional supervision visits took place in September 2022; January, June, and November 2023; December 2024; and July and September 2025, including engagement on labor management, grievance handling, and contractor oversight.

With respect to the non-renewal of the complainant's contract, IFC and MIGA state that the complaint relates to the expiration and non-renewal of a fixed-term contract and that such non-renewal is distinct from dismissal. Following an IFC review of documentation related to the grievance and the handling of the matter by relevant parties, IFC and MIGA state that they did not identify information indicating non-compliance with the PSs in relation to the non-renewal of the contract. The Management Response further notes that prior notice for fixed-term contracts is not required under Egyptian labor law, although it is considered good practice.

IFC and MIGA also noted that workers at the solar park can access a tiered grievance mechanism, including project-level mechanisms and park-level escalation through the FMC and the BSDA. IFC states that it reviewed grievance-related documentation during supervision visits and follow-up engagements in 2023 and 2024. According to IFC, these reviews included assessment of grievance procedures and related records, and identified areas where record keeping and clarity on timelines could be strengthened.

In regard to concerns about threats and reprisals raised during the assessment phase of the complaint, IFC and MIGA confirmed that these concerns were subsequently clarified during CAO-facilitated discussions and were no longer pursued by the complainant. More broadly, IFC

²² IFC Performance Standards on Environmental and Social Sustainability (IFC, 2012). Available at: <https://www.ifc.org/en/insights-reports/2012/ifc-performance-standards>

²³ Some of the missions were virtual during the COVID-19 pandemic.

and MIGA stated that retaliation against project stakeholders is not tolerated and described steps taken at the park level, including communication of relevant position statements, review of grievance close-out documentation, and the development of an anti-retaliation policy by the FMC.

1.6 Client Response

CAO did not receive a separate written statement from the project clients specifically for purposes of this compliance appraisal. However, the clients' perspectives on the complaint are reflected in CAO's Assessment Report issued in November 2024,²⁴ as summarized below.

The client SPV companies that operate the Al Subh Solar Power, Sunrise Energy and Rising Sun Energy plants stated that, in their view, the complaint primarily concerned non-renewal of the complainants' fixed-term employment contracts, and that the other allegations were not substantive, justified or consistent with applicable law.

The clients refuted the allegation that the non-renewal of the contracts was unfair or retaliatory. They stated that internal reviews were conducted with Securitas Egypt, the FMC, the BSDA's E&S consultant, and the Government Labor Office, and that these consultations confirmed that the non-renewal of the complainants' contracts was consistent with the nature of fixed-term employment contracts under Egyptian labor law. The clients also stated that wage-related requests previously raised by security personnel had been addressed.

The clients further stated that they regularly reviewed employment contracts and engaged periodically with representatives of the security personnel to receive feedback and address concerns. With respect to working conditions, they claimed that operations at the three project sites were conducted in an organized manner. In relation to food provision, the clients indicated that canteen facilities were available at the project sites and that cash allowances were provided to workers at their request. On this basis, the clients expressed the view that allegations of unfavorable working conditions lacked objectivity.

Regarding alleged unpaid dues, the clients stated that Securitas Egypt had provided all entitlements owed to the complainants. According to the clients, efforts were made to facilitate the return of all documents owed to the complainants by sending them to the complainants' residences. One complainant (who is not the remaining complainant in this case) accepted these materials while others declined.

1.7 Timeline of Benban Solar Park Development and Al Subh Solar Power, Sunrise Energy and Rising Sun Energy-01 Complaint

The development of the Benban Solar Park unfolded over several years, beginning with IFC and MIGA Board approvals and the signing of most project-related legal agreements in June 2017, followed by the start of construction in February 2018. Construction was completed by November 2019 when the projects reached full commercial operation.

²⁴ CAO Assessment Report, Egypt: Al Subh Solar Power, Sunrise Energy, and Rising Sun Energy, November 2024. Available at: <https://www.cao-ombudsman.org/case/egypt-al-subh-solar-power-sunrise-energy-and-rising-sun-energy-01>

IFC/MIGA Actions	CAO Process
<p>July 2017</p> <p>IFC approves financing for three 50-MW Benban solar projects, with approximately US\$64 million in total cost per project, including IFC loans and syndicated financing; MIGA approves guarantees of approximately US\$10.2 million per project.</p>	
<p>February 2018</p> <p>Construction begins at the Benban Solar Park</p>	
<p>November 2019</p> <p>Construction work ends</p>	
<p>November 2020</p> <p>O&M facility management company (FMC), HSH, replaces construction phase FMC</p>	
	<p>March 2024</p> <p>CAO receives the AI Subh Solar Power, Sunrise Energy and Rising Sun Energy-01 complaint</p>
	<p>May 2024</p> <p>Complaint determined eligible, CAO assessment begins</p>
	<p>November 2024</p> <p>CAO assessment completed, voluntary dialogue process begins</p>
	<p>October 2025</p> <p>Case transfers to CAO Compliance function after the complainant and project clients fail to resolve the dispute</p>
<p>December 2025</p> <p>CAO receives IFC/MIGA's Management Response to the AI Subh Solar Power, Sunrise Energy and Rising Sun Energy-01 complaint</p>	

2. Compliance Appraisal Scope, Methodology, and Process

The scope of this compliance appraisal²⁵ is limited to issues raised in the complaint²⁶ and CAO's Assessment Report of November 2024, as established and clarified through CAO's engagement with the complainant.²⁷ A CAO appraisal involves a preliminary review of available information. It does not lead to any definitive assessments or findings of harm or IFC/MIGA non-compliance²⁸ but provides an analysis of three appraisal criteria required to determine whether to initiate a CAO compliance investigation. These criteria are:

- a) Whether there are preliminary indications of Harm or potential Harm;
- b) Whether there are preliminary indications that IFC/MIGA may not have complied with its E&S policies; and
- c) Whether the alleged Harm is plausibly linked to the potential IFC/MIGA non-compliance.

²⁵ CAO Policy 2021: para. 88.

²⁶ See Appendix 1.

²⁷ Egypt: AI Subh Solar Power, Sunrise Energy and Rising Sun Energy-01: [CAO Assessment Report](#)

²⁸ CAO Policy 2021: para. 94.

CAO's appraisal decision is based on these criteria and other relevant considerations contained in the CAO Policy. For this case, the appraisal involved a preliminary review of the following information:

- Documentation related to the complaint, CAO's Assessment Report, and IFC/MIGA's Management Response;²⁹
- Project documentation shared by IFC/MIGA and documentation available on their websites;
- Information gathered through discussions with the complainant and IFC/MIGA staff; and
- Relevant publicly available documentation.

CAO extends its appreciation to all parties mentioned in this report who have shared their perspective, knowledge, and time with the CAO compliance team.

3. CAO Appraisal Analysis of Complaint Issues

This section presents CAO's analysis and findings on whether the complaints raised by the former security guard merit a CAO investigation. The analysis addresses preliminary indications of Harm and potential IFC/MIGA non-compliance, as well as whether any alleged Harms are plausibly linked to noncompliance.

The CAO Policy defines Harm as "any material adverse environmental and social effect on people or the environment resulting directly or indirectly from a Project or Sub-Project. Harm may be actual or reasonably likely to occur in the future."³⁰ A preliminary indication of Harm is determined when CAO's initial review of available information during appraisal generates a plausible or credible concern that Harm has happened or is reasonably likely to occur. It is not equivalent to a finding of Harm, which may only result from a compliance investigation.³¹

3.1 Preliminary Analysis of Harm

3.1.1. Non-Renewal of Contract, Non-Payment of Compensation, and Loss of Employment Documents

This section examines a set of closely related issues arising from the end of the complainant's employment at Securitas Egypt, including the non-renewal of his fixed-term contract, allegations of unpaid remuneration and other employment-related dues, and the loss of employment documents. CAO has considered these matters together as they arose in close succession around the contract non-renewal.

The complainant worked at the Benban Solar Park for approximately four years under successive fixed-term employment contracts of varying duration, most recently under a one-year contract ending in March 2024. This latest contract specified the following: i) it was a fixed-term agreement with a defined start and end date; ii) renewal would require written agreement by both parties; iii) non-renewal would not require written notice; and iv) the employment relationship would be deemed completed upon expiration of the contract term. The contract also indicated that the

²⁹ IFC & MIGA Management Response, see Appendix 2.

³⁰ CAO Policy 2021, glossary.

³¹ Para. 94 of the CAO Policy establishes that "the appraisal process does not lead to a definitive assessment of IFC/MIGA's compliance with its E&S Policies or related Harm. CAO may make these assessments only in the context of an investigation."

complainant acknowledged having read and agreed to the company's internal regulations and disciplinary procedures.

The complainant stated to CAO that he understood his employment to be based on fixed-term contracts that were subject to renewal. He reported that he had an expectation that his contract would continue to be renewed while acknowledging that his employment was not based on an open-ended contract.

In March 2024, on the final day of his contract, Securitas Egypt informed the complainant verbally that his contract would not be renewed and that he should not return to work the following day. He stated to CAO that he had expected to receive prior notice of the non-renewal. He further reported that the notification occurred shortly after he had raised concerns regarding his salary and the provision of meals during working hours, and that he believed the two events were connected.

The complainant also told CAO that the non-renewal of his contract resulted in an immediate loss of income which caused economic hardship and personal distress.

CAO notes that the complainant also raised his concerns through the tiered Workers' Grievance Mechanism (WGM) in place at the Benban Solar Park, which provides for escalation from project-level engagement to review by the FMC and, where relevant, to oversight by the BSDA. Records indicate that the complainant raised his concerns verbally with the project SPVs immediately following the end of his contract, submitted the complaint to the FMC in mid-March 2024, and then approached the BSDA's E&S consultant in late March 2024. Information reviewed during CAO's appraisal indicates that, in the context of this specific complaint, the E&S consultant engaged by the BSDA documented its consultations with officials at the Government Labor Office in Aswan regarding the complainant's employment contract. According to the information recorded, the Labor Office indicated that the complainant's fixed-term contract may expire without prior notice under Egyptian labor law.³²

In considering harm associated with the non-renewal of the complainant's fixed-term employment contract, CAO focused on the manner in which the decision was communicated and handled, rather than on the legality of the contractual arrangement. CAO's analysis was guided by the requirements of IFC Performance Standard 2: Labor and Working Conditions, and its accompanying Guidance Note³³, which recognize that working conditions extend beyond the physical workplace to include the treatment of workers in connection with employment-related decisions, including termination, and whether such processes respect workers' personal dignity.

In this case, CAO notes that the complainant reported being informed verbally on the final day of his contract that it would not be renewed and that he should not return to work the following day. While the complainant's contract allowed for non-renewal without prior written notice, CAO considers that the timing and manner in which the decision was communicated, as described by the complainant, plausibly contributed to uncertainty and distress associated with the sudden loss of employment and income. On this basis, CAO concludes that there are preliminary indications of Harm related to the manner in which the contract non-renewal was carried out,

³² The Labor Office's view was provided with reference to Egyptian Labor Law No. 12 of 2003, which at the time was in force. The 2003 law has since been replaced by a new labor law adopted in 2025.

³³ IFC has prepared Guidance Notes corresponding to the PSs on Environmental and Social Sustainability. These provide guidance on PS requirements, including reference materials and good sustainability practices to improve project performance. They are not intended to establish policy by themselves, but to explain PS requirements and assist clients and IFC staff in applying them, taking into account project context and professional judgment.

including the economic disruption associated with the immediate loss of employment and income.

With regard to compensation following the end of his employment, the complainant alleged that he did not receive full payment for the final 15 days of his employment. He also stated that he believed he was entitled to additional end-of-service compensation based on his years of service, as well as other employment-related dues or allowances, including amounts he associated with lack of food provision during working hours.

CAO did not have access to payroll records, pay slips, or other financial documentation to independently verify whether any salary, end-of-service compensation, or other allowances remained unpaid. Information reviewed during appraisal indicates that, in the context of the WGM process initiated by the complainant, the BSDA's E&S consultant also consulted officials at the Government Labor Office in Aswan regarding remuneration and end-of-contract entitlements for fixed-term workers. According to the information recorded, the Labor Office indicated that, where a fixed-term contract expires, a worker's entitlement is limited to payment of the final salary period, and that no additional financial dues would be owed beyond this amount in the complainant's case.

CAO also notes that, based on the information available, Securitas Egypt attempted to arrange a meeting for the complainant to collect remuneration corresponding to his final period of employment, together with employment-related documents. The complainant did not attend the scheduled meeting, stating to CAO that personal and family circumstances prevented him from doing so at the time.

On this basis, CAO concludes that there is insufficient information to establish preliminary indications of Harm related to non-payment of salary, end-of-service compensation, or other employment-related dues.

With respect to the loss of employment-related documents, the complainant reported that his military service certificate and educational certificate were not returned following the end of his employment and were later reported by Securitas Egypt to have been lost in an accidental fire.

The complainant indicated that the absence of these documents has had an ongoing adverse effect on his ability to seek and secure new employment, as replacement requires significant time and travel to another governorate.

Based on the information available, CAO concludes that there are preliminary indications of Harm resulting indirectly from the projects as it relates to the loss of the complainant's employment documents. CAO also notes, however, that the complainant did not collect the documents when Securitas Egypt sought to arrange a meeting in early April 2024 and later declined monetary compensation offered to support their replacement, factors that may have affected the extent and duration of the impacts described.

3.1.2. Unfavorable Working Conditions

The complainant also raised concerns regarding unfavorable working conditions during his employment, alleging that security personnel were required to bring their own food and water during shifts due to the lack of meal provision and inconsistent access to drinking water. During the assessment phase, the clients stated that canteen facilities were available at the project sites

and that Securitas Egypt provided cash allowances to cover meals.³⁴ CAO also notes that the complainant's employment contract did not include any terms related to meals or meal-related allowances. CAO did not have access to relevant records or site inspection reports specific to these allegations, or other evidence confirming the conditions described.

Based on the information available, CAO concludes that there is insufficient information to establish preliminary indications of material Harm associated with the types of unfavorable working conditions alleged by the complainant.

3.2 Analysis of Preliminary Indications of IFC and MIGA Non-Compliance with the E&S Sustainability Framework

A CAO compliance appraisal must consider whether there are preliminary indications that IFC may not have complied with its E&S policies.³⁵ For this case, CAO assessed IFC and MIGA's actions against the applicable components of IFC's Sustainability Policy (2012) and the Access to Information Policy (2012). In order to meet the commitments laid out in these policies, IFC requires its client to operate in accordance with the Performance Standards (2012). Together, these policies and standards make up IFC's Sustainability Framework³⁶ and they define the institution's standards with respect to E&S risk management, client requirements, supervision, and disclosure.

The relevant E&S obligations applicable in this case, and CAO's analysis of potential IFC/MIGA non-compliance, are summarized below.

3.2.1. IFC Obligations Under the Sustainability Framework

The Sustainability Policy states that “[central] to [IFC’s] development mission are its efforts to carry out investment and advisory activities with the intent to ‘do no harm’ to people and the environment.”³⁷ To meet this mandate, IFC seeks to ensure that “[p]roposed investments that are determined to have moderate to high levels of environmental and/or social risk, or the potential for adverse environmental and/or social impacts will be carried out in accordance with the requirements of the Performance Standards”.³⁸

To achieve its mission and these goals, IFC is required to conduct pre-investment E&S due diligence of all its investment activities. IFC's E&S due diligence is commensurate with the nature, scale, and stage of the business activity, and with the level of E&S risks and impacts.³⁹ E&S due diligence at appraisal typically involves reviewing available information and documentation, conducting site visits where appropriate, assessing the business activity's performance against the PSs, and identifying gaps and necessary improvements.

Where such gaps are identified, IFC agrees to corresponding additional measures and actions with the client. These measures are reflected in a project Environmental and Social Action Plan (ESAP) and are established as necessary conditions of IFC's investment.⁴⁰ Based on the

³⁴ Egypt: Al Subh Solar Power, Sunrise Energy and Rising Sun Energy-01: [CAO Assessment Report](#).

³⁵ CAO Policy 2021, para. 91.

³⁶ IFC Sustainability Framework: Policy on Environmental and Social Sustainability, Performance Standards, and Access to Information Policy (IFC). Available at: <https://www.ifc.org/en/what-we-do/sector-expertise/sustainability/policies-and-standards>.

³⁷ IFC, 2012 Sustainability Policy, para. 9.

³⁸ IFC, 2012 Sustainability Policy, para. 3.

³⁹ IFC, 2012 Sustainability Policy, para. 26.

⁴⁰ IFC, 2012 Sustainability Policy, para. 28.

outcome of IFC's E&S due diligence, it commits only to finance investment activities that are expected to meet the requirements of the PSs within a reasonable period of time.⁴¹

During project implementation, IFC supervises the client's E&S performance against the conditions of financing.⁴² As part of supervision, IFC implements a regular program of supervision for activities with E&S risks and/or impacts, including site visits as appropriate, review of information reported by the client through AMRs, and updates on ESAP implementation.⁴³ If the client fails to comply with its E&S obligations, IFC will work with the client to bring it back into compliance, or if the client fails to reestablish compliance, IFC will exercise its rights and remedies, as appropriate.⁴⁴

Relevant IFC Performance Standards

CAO reviewed IFC/MIGA's performance against the two PSs most relevant to the issues raised in this complaint:

PS1: Assessment and Management of Environmental and Social Risks and Impacts: PS1 requires that clients identify and evaluate "all relevant environmental and social risks and impacts"⁴⁵ related to an IFC investment. Further it underscores the importance of managing E&S performance throughout the life of a project, recognizing that an effective Environmental and Social Management System (ESMS) is a dynamic and continuous process initiated and supported by management, involving engagement between the client and its workers.⁴⁶

PS2: Labor and Working Conditions: PS2 requires the client to adopt and implement human resources policies and procedures,⁴⁷ and "provide workers with documented information that is clear and understandable, regarding their rights under national labor and employment law and any applicable collective agreements, including their rights related to hours of work, wages, overtime, compensation, and benefits upon beginning the working relationship and when any material changes occur".⁴⁸

The client will base the employment relationship on the principle of equal opportunity and fair treatment and will not discriminate with respect to any aspects of the employment relationship, such as recruitment and hiring, compensation [...] and termination of employment. PS2 further requires clients to take measures to prevent and address harassment, intimidation, and/or exploitation, particularly with respect to women.⁴⁹ They should also provide reasonable working conditions and terms of employment, consistent with PS2 requirements.⁵⁰ IFC's PS2 Guidance Note elaborates that "working conditions" includes both conditions in the workplace, such as the physical environment, occupational health and safety, and access to sanitary facilities, and the treatment of workers, including disciplinary practices, termination processes, and respect for

⁴¹ IFC, 2012 Sustainability Policy, para. 22.

⁴² IFC, 2012 Sustainability Policy, para. 24.

⁴³ IFC, 2012 Sustainability Policy, para. 45.

⁴⁴ IFC, 2012 Sustainability Policy, para. 45.

⁴⁵ IFC, 2012 Performance Standard 1, para. 07.

⁴⁶ IFC, 2012 Performance Standard 1, para. 1.

⁴⁷ IFC, 2012 Performance Standard 2, para. 8.

⁴⁸ IFC, 2012 Performance Standard 2, para. 9.

⁴⁹ IFC, 2012 Performance Standard 2, para. 15.

⁵⁰ IFC, 2012 Performance Standard 2, para. 5.

workers' dignity.⁵¹ The client is also required to provide a grievance mechanism for workers to raise workplace concerns.⁵²

With respect to contracted workers, such as the complainant in this case, IFC and MIGA require clients to establish policies and procedures for managing and monitoring the performance of third-party employers (such as Securitas Egypt) in relation to PS2 requirements⁵³ and to ensure that contractors and subcontractors have an appropriate ESMS in place⁵⁴. Clients must also ensure that contracted workers have access to a grievance mechanism. Where a third party is not able to provide a WGM, the IFC/MIGA client will extend its own WGM to serve workers engaged by the third party.⁵⁵

3.2.2. CAO Analysis of IFC and MIGA Actions

Pre-investment E&S Due Diligence

- **Non-Renewal of contract, non-payment of compensation, and loss of employment documents**

In 2016, a cumulative Strategic Environmental and Social Assessment (SESA) was prepared for the Benban Solar Park as part of the pre-investment E&S due diligence.⁵⁶ This assessment identified labor and working conditions as cross-cutting, park-wide issues arising from both the construction and operational phases, given the scale of the workforce and the number of developers operating in parallel. It noted that inconsistent labor standards across projects could create confusion for workers and increase the risk of labor-related issues. In response, the assessment proposed the development of common standards covering worker recruitment and treatment, accommodation, and health and safety.

While the SESA appropriately identified labor and working conditions as cumulative, park-wide risks and emphasized the need for coordination across power plant developers, its analysis remained high-level. It did not include a detailed examination of labor risks in Egypt as experienced by workers in practice, nor did it assess how proposed labor protections would be implemented and enforced at the project and contractor levels. As a result, the effectiveness of the SESA's labor-related recommendations depended on subsequent project-level measures, including the development of ESMSs and the implementation of ESAP actions for each power plant.

As part of its pre-investment E&S due diligence, IFC conducted appraisal site visits to the Benban Solar Park in December 2015 and March 2017, accompanied by the lenders' independent engineer and technical advisor. These visits formed part of IFC and MIGA's assessment of E&S risks and impacts associated with the proposed investments, including ongoing and anticipated labor and working conditions at the park level, and informed IFC and MIGA's appraisal findings.

⁵¹ IFC, 2012 Guidance Notes, Guidance Note 2: Labor and Working Conditions, para. GN21.

⁵² IFC, 2012 Performance Standard 2, para. 20.

⁵³ IFC, 2012 Performance Standard 2, para. 25.

⁵⁴ IFC, 2012 Performance Standard 2, para. 24.

⁵⁵ IFC, 2012 Performance Standard 2, para. 26.

⁵⁶ Strategic Environmental and Social Assessment (SESA) for the Benban Solar Park, prepared for the European Bank for Reconstruction and Development (EBRD) and participating development finance institutions, July 2017 (available at: https://www.ebrd.com/content/dam/ebird_dxp/documents/owcs-archive/Environment/esia-48213sesa.pdf)

IFC's pre-investment E&S due diligence identified the need for site-wide coordination of E&S management at the Benban Solar Park, given the scale of development and the cumulative risks associated with multiple developers. This assessment reflected coordination with other lenders involved in the solar park project, including EBRD. IFC also anticipated the need for enhanced E&S supervision capacity during project implementation and considered the allocation of additional budget resources to support this supervision.

As part of the appraisal process, IFC established project-specific ESAPs to address identified gaps and strengthen E&S risk management. These ESAPs were applied consistently across IFC- and MIGA-supported projects at the site and were incorporated into the legal agreements with client solar plant developers as binding conditions of investment. This included the clients operating the Al Subh Solar Power, Sunrise Energy, and Rising Sun Energy projects.

Several of these ESAP items related to labor and working conditions and the management of third-party workers, as follows.

ESAP Item #2 required the sponsors to develop and implement a project-specific Environmental, Social, Health and Safety Management System (ESHS MS)⁵⁷ prior to construction in line with IFC PS1 and relevant international standards. This system was to include ESHS policies, management and mitigation plans, monitoring and review arrangements, an organizational structure with clearly defined roles and responsibilities, mechanisms for tracking non-compliances, and emergency preparedness and response procedures.

ESAP Item #6 addressed labor and working conditions by requiring sponsors to ensure that engineering, procurement, and construction (EPC) and O&M contractors developed and implemented HR policies and procedures aligned with IFC's PS2 and Egyptian labor law, and that these policies were applied to both workers and subcontractors. These HR policies and procedures were required to cover, among other things, terms and conditions of employment, wages and benefits, working hours and overtime arrangements, leave entitlements, termination procedures, non-discrimination and equal opportunity, prohibition of forced and child labor, disciplinary practices, and workers' rights and obligations. Sponsors are also required to ensure that workers were informed of, and received training in these policies, and that HR-related reporting and key performance indicators (KPIs) were established through the EPC/O&M and subcontractor chain.

ESAP Item #7 required sponsors to ensure the establishment and availability of a WGM aligned with PS2. As described in the ESRs (IFC/MIGA investment disclosure), the grievance mechanism was to be communicated to workers during induction, made accessible to EPC/O&M workers and subcontractors, and integrated into project-level labor management arrangements.

ESAP Item #9 addressed workers engaged by third parties by requiring sponsors to establish policies and procedures for managing and monitoring the performance of third-party employers in relation to IFC's PSs. The projects' ESRs indicate that sponsors were expected to take reasonable efforts to ensure that third-party contractors were reputable and operated with appropriate ESHS management systems, and to incorporate relevant E&S requirements into contractual arrangements.⁵⁸

⁵⁷ In IFC documentation for the Benban Solar Park, including the ESRs and ESAPs, IFC refers to an ESHS MS. This terminology corresponds to what is commonly described as an ESMS in IFC PS1.

⁵⁸ Refer to IFC Project pages for ESRs: [#37637](#), [#39728](#), [#37580](#), [#40019](#), [#37713](#), [#37591](#), [#39995](#), [#39997](#), [#39729](#), [#37633](#), [#40386](#), [#40390](#), [#37636](#).

Based on the information available to CAO, there are no preliminary indications that IFC and MIGA failed to comply with their E&S obligations under the Sustainability Policy (2012) during the pre-investment due diligence phase in relation to the issues raised by the complaint. As detailed above, the records indicate that IFC and MIGA applied the Sustainability Policy to their investments and guarantees in the Benban Solar Park, undertook pre-investment E&S due diligence through document review and appraisal site visits, and required compliance with the PSs.

Where risks were identified at the appraisal stage, including with respect to labor and working conditions, IFC and MIGA required the implementation of time-bound corrective measures through project-specific ESAPs, which were established as binding conditions of investment. These measures addressed, among other things, the need for PS2-aligned labor policies and procedures, the availability of effective WGMs, and the management of third-party workers.

In CAO's view, these steps are consistent with IFC and MIGA's due diligence obligations under the Sustainability Policy, including the identification of E&S risks and impacts and the use of corrective action plans to support compliance with the PSs. On this basis, CAO does not identify preliminary indications of non-compliance by IFC and MIGA during the pre-investment phase.

- **Unfavorable working conditions**

As noted above, IFC's pre-investment due diligence for the Benban Solar Park addressed labor and working conditions as cumulative, park-wide risks, including worker welfare considerations, through appraisal activities such as the cumulative SESA and the establishment of project-level ESAPs.

The SESA emphasized the need for adequate sanitary installations, waste and wastewater management, and appropriate food preparation and waste collection facilities during construction, with continuation of relevant site management practices during operations. It also anticipated that contractors would be responsible for providing food and water to workers, with these arrangements managed through site-level systems and oversight mechanisms rather than through individual employment contracts.⁵⁹

The SESA addressed these matters at a high level and focused on infrastructure, site management practices, and contractor responsibilities. It did not define specific worker entitlements or prescribe how food provision or related welfare arrangements should be delivered to workers or reflected in individual employment contracts. Implementation of these measures therefore depended on subsequent project-level systems, including ESMS arrangements, contractor management requirements, and supervision during implementation.

Consistent with the identification of labor-related risks at the park level, the project-level ESRs and ESAPs for IFC and MIGA projects included requirements relevant to labor and working conditions, including i) the development and implementation of PS2-aligned HR policies and procedures by EPC and O&M contractors and their subcontractors (ESAP #6); ii) the establishment of accessible WGMs for workers (ESAP #7); and iii) requirements for sponsors to

⁵⁹ Strategic Environmental and Social Assessment (SESA) for the Benban Solar Park, prepared for the European Bank for Reconstruction and Development (EBRD) and participating development finance institutions, July 2017 (available at: https://www.ebrd.com/content/dam/ebd_dxp/documents/owcs-archive/Environment/esia-48213sesa.pdf)

manage and monitor the performance of third-party employers in relation to the PSs through contractual and oversight mechanisms (ESAP #9).

IFC's pre-investment due diligence, as summarized above, addressed labor and working conditions as relevant E&S risks and established requirements for their management through project-level ESAPs as well as supervision requirements during project implementation. On this basis, CAO does not identify preliminary indications of non-compliance by IFC and MIGA with their pre-investment due diligence obligations in relation to the unfavorable working conditions alleged in the complaint.

Supervision

- **Non-renewal of contract, non-payment of compensation, and loss of employment documents**

Following Board approval of the IFC and MIGA projects at Benban Solar Park, the project-level ESAPs established during pre-investment were completed during early implementation. The actions required from the clients operating the Al Subh Solar Power, Sunrise Energy, and Rising Sun Energy projects were closed by August 2017.⁶⁰

Available documentation indicates that IFC conducted ongoing supervision of E&S performance at the Al Subh Solar Power, Sunrise Energy, and Rising Sun Energy projects and that supervision site visits were conducted between 2018 and 2025.

As part of project implementation, the project sponsors developed and jointly applied a common ESMS across the Al Subh Solar Power, Sunrise Energy, and Rising Sun Energy power plants.⁶¹ This ESMS was designed to align with IFC PSs and applicable national legislation and to govern environmental, social, health, and safety performance during construction and operations, including across contractors and subcontractors engaged at the project sites.

The clients' ESMS identified several labor-related risks relevant to the complaint issues examined in this appraisal. These included risks associated with unclear or poorly communicated human resources policies, sub-optimal working conditions provided by contractors or subcontractors, inadequate provision or enforcement of worker protections, and the absence or improper implementation of an appropriate WGM. The ESMS also recognized the potential for inconsistent labor practices across contractors operating in parallel within the solar park and the resulting risk of worker confusion or dissatisfaction.

Mitigation measures set out in the ESMS and its Environmental and Social Management Plan (ESMP) included requirements for the development and alignment of HR policies across contractors and subcontractors at the three plants, the use of clear job descriptions and contractual terms for workers, the establishment and communication of a WGM, and periodic audits to monitor compliance and identify corrective actions.

The ESMS also incorporated labor-related policies and procedures relevant to the issues examined in this appraisal. These included a Human Resources and Occupational Health and

⁶⁰ See IFC project ESAPs disclosed here: [Al Subh Solar Power](#), [Sunrise Energy](#), and [Rising Sun Energy](#).

⁶¹ The project clients use the term Environmental and Social Management System (ESMS) to describe their management framework. This corresponds to the Environmental, Social, Health and Safety Management System (ESHS MS) terminology used in IFC documentation (e.g., the ESAP) and reflects the management system requirements under IFC PS1.

Safety Policy setting out the IFC clients' commitments to respect labor rights, comply with applicable laws on wages and working hours, uphold internationally recognized labor principles, and provide safe and healthy working conditions for workers, including those engaged through contractors and subcontractors. In addition, a Community Health and Safety and Labor Influx Plan assigned responsibility for PS1- and PS2-related labor matters at the three plants to a designated social specialist, referred to national labor law, required contractors to comply with the IFC PSs and ESMS obligations, and confirmed the existence of a WGM on site.

In parallel with the project level ESMS covering the three projects named in this complaint, labor and working conditions across the Benban Solar Park are also shaped by park-wide policies and procedures included in the FMC's ESMS implemented during the operations phase. These include a Labor Code of Conduct that applies to all developers, contractors and subcontractors, third-party service providers, and relevant supply chain workers. The Code states that contracted third parties are expected to be informed of the Code and to comply with its standards. The Code sets expectations for labor management and workplace conduct, including provisions on non-discrimination and respectful treatment, prevention of retaliation and harassment, fair recruitment and hiring practices, and clarity and completeness of labor contracts and employment documentation.

In 2018, IFC's E&S team carried out an E&S review of the three projects, which identified issues with ESMS implementation, including labor and EHS aspects of subcontractor management. IFC also noted the need for stronger enforcement of E&S requirements by subcontractors and for approved ESMPs to be available on site and communicated to workers. IFC and MIGA engaged with the sponsors of Al Subh Solar Power, Sunrise Energy and Rising Sun Energy on the implementation of the ESMS, including meetings with key project staff to clarify expectations related to compliance with the IFC PSs.

In 2019, as the three projects were preparing to transition from construction to operations, IFC supervision records indicate that IFC was reviewing the O&M ESMPs covering the project sites. During this period, IFC records indicate that the project sponsors were implementing E&S management plans and agreed Action Plan measures in line with timelines confirmed by the lenders' independent engineer and technical advisor.

In relation to the Al Subh Solar Power, Sunrise Energy, and Rising Sun Energy power plants, the client companies submitted regular E&S progress reports to IFC and MIGA. These reports suggested ongoing monitoring of contractors and subcontractors, including through the review of monthly monitoring reports prepared by the contractor covering labor, health and safety, environmental, and social performance indicators. Information reviewed by CAO suggests that the E&S progress reports drew on contractor-level monitoring systems aligned with the project's ESMP and EPC and O&M ESMPs, and included data and indicators related to workforce management, occupational health and safety, grievances, incidents, and other E&S KPIs.

In addition to routine monitoring, the E&S progress reports indicate that E&S due diligence and audit activities were undertaken on a recurring basis between 2019 and 2023. These activities included a combination of lender-led supervision, internal audits conducted by the SPVs' Quality, Health, Safety, Security, and Environment (QHSSE) team, and third-party audits commissioned by the SPVs.

The E&S progress reports also describe the E&S staffing arrangements in place at the project company level over time, including the presence of a dedicated QHSSE Manager and supporting

E&S personnel with responsibilities covering occupational health and safety and social issues. While the composition of the E&S team evolved over time, the reports reflect that designated E&S roles were maintained and reported to the lenders.

While CAO did not have access to the underlying audit reports as part of this compliance appraisal, the reporting and review processes reflected in the E&S progress reports, taken as a whole, suggest a sustained pattern of E&S monitoring and reporting to the lenders over the period under review.

IFC assessments of the three projects' E&S performance in 2022 and 2024 noted that the clients remained engaged during supervision, provided relevant documentation and updates, and responded to IFC feedback, including where additional support was needed for ESMS implementation. IFC records indicate that ESAP requirements were being maintained, ESMPs were in place, and grievances were being addressed through established grievance mechanisms. IFC further noted that implementation of the ESAP across the three projects contributed to improvements in E&S performance, including: i) the establishment and implementation of an ESMS for project operations; ii) the appointment of a qualified QHSE Manager; iii) the implementation of HR and OHS management systems applicable to direct and indirect employees and aligned with PS2 requirements; and iv) the establishment of labor and community grievance mechanisms applicable to both the construction and operational phases. The CAO complaint was lodged shortly after the IFC's 2024 E&S performance assessment.

In June 2023 IFC supported a labor-focused workshop with BSDA, the FMC, and developers at the Benban Solar Park. The objective was to strengthen labor management capacity through discussion of worker relations and grievance management. The sessions also focused on clarifying roles and responsibilities among BSDA, the FMC, and developers in relation to labor oversight and grievance escalation at park level.

The supervision record reflects sustained engagement by IFC, MIGA, and other lenders, with the project companies to monitor and address E&S risks during construction and operations. Supervision activities included periodic site visits, review of E&S documentation and progress reports, engagement with lenders' technical and E&S consultants, and follow-up on identified gaps related to labor management, contractor oversight, and grievance handling.

The information CAO reviewed for this case indicates that IFC and MIGA identified shortcomings in ESMS implementation during early supervision, including labor- and subcontractor-related issues, and engaged with the sponsors to strengthen policies, procedures, and oversight arrangements. Over time, IFC supervision tracked the implementation of agreed actions, including completion of ESAP measures, establishment and operationalization of labor management systems, clarification of contractor responsibilities, and the functioning of grievance mechanisms applicable to workers engaged through contractors and subcontractors.

Based on the information reviewed, CAO's assessment does not identify preliminary indications of non-compliance by IFC and MIGA with their supervision obligations in relation to the non-renewal of contracts, compensation-related concerns, and access to employment documentation.

- **Unfavorable working conditions**

As part of project implementation, the joint ESMS developed for the Al Subh Solar Power, Sunrise Energy, and Rising Sun Energy projects identified risks related to poor or sub-optimal working conditions for contractors and subcontractors, including risks associated with access to food and water. To address these risks, the ESMS established measures focused on compliance with applicable labor laws, clear employment contracts and HR policies, and audit and monitoring arrangements to oversee contractor and subcontractor performance during construction and operations. The ESMS also identified risks related to the quality of food and water supplied on site and required the use of safe, high-quality products, with monitoring through audits and performance indicators addressing food and water quality.

The Human Rights Policy and the Human Resources and Occupational Health and Safety Policy included in the project ESMS do not establish specific entitlements related to food or water provision. However, they do include broader commitments relevant to the issues raised in the complaint, including due diligence to avoid adverse human rights impacts, the identification and mitigation of occupational risks, and the provision of safe, healthy, and dignified working conditions for employees and contractors.

In addition to project-level systems, labor and working conditions during the operations phase at the Benban Solar Park were also governed by park-wide policies implemented through the FMC. These included a Labor Code of Conduct applicable across the solar park to developers, contractors and subcontractors, third-party service providers, and relevant supply chain workers. The Code explicitly addressed worker welfare matters relevant to the complaint, including access to drinking water, provision of meals during working hours, availability of shaded rest and prayer areas, and basic safety requirements for worker transportation. It also stated that these standards applied to workers engaged through third-party suppliers and required contracted parties to be informed of and comply with its provisions.

Available documentation indicates that IFC and MIGA conducted ongoing supervision of E&S performance at the Al Subh Solar Power, Sunrise Energy, and Rising Sun Energy projects, including site visits from 2018 through 2025. The supervision record reflects that, over this period, IFC and MIGA monitored labor and working conditions at both the project and park-wide levels. Their engagement included early attention to the adequacy of facilities and accommodations for security personnel at the three sites, as well as food-related complaints involving FMC employees that were raised and addressed.

The E&S progress reports submitted to IFC and MIGA included information on grievances received and managed through project-level grievance mechanisms over the reporting periods, including the origin of complaints (i.e., project companies, the O&M contractor, or subcontractors), their general subject matter, and their status within the grievance process. The issues workers reported through the mechanism did not include allegations about access to meals or basic welfare conditions of the type raised by the complainant. While CAO recognizes that such grievance reporting may not fully capture concerns raised by workers, the records indicate that grievance issues were being monitored and reported to the lenders as part of ongoing E&S supervision.

CAO notes that the information available for this appraisal includes limited site-level records confirming whether meals or meal-related arrangements were provided to the complainant during his employment. At the same time, the supervision record indicates that IFC and MIGA were engaged with the project companies on labor and working conditions, including through the establishment and review of ESMS and ESMP arrangements, identification of gaps, and follow-

up on corrective measures over time. The documentation reviewed reflects that policies and management systems addressing worker welfare were in place at both project and park-wide levels, that relevant contractor performance was subject to monitoring and audits, and that IFC/MIGA supervision tracked improvements in E&S performance during operations.

On this basis, CAO's preliminary assessment does not identify indications of non-compliance by IFC or MIGA with their supervision obligations in relation to the allegation of unfavorable working conditions.

3.3 Analysis of Plausible Link between Harm Allegations and Potential MIGA Noncompliance

Since there are no preliminary indications of potential IFC and MIGA noncompliance in relation to PS2, a plausible link between allegations of Harm and potential noncompliance cannot be established.

4. Additional Appraisal Considerations

Under the CAO Policy (para. 92), CAO compliance appraisals must take into account relevant additional considerations, including whether IFC and MIGA Management have clearly demonstrated that they dealt appropriately with the issues raised by the complainant or in the internal request and followed E&S policies, or whether Management acknowledged that it did not comply with relevant E&S policies.

CAO notes that IFC and MIGA acted in accordance with their Sustainability Policy obligation to identify and review opportunities for improving client performance (para. 43), following receipt of the AI Subh Solar Power, Sunrise Energy and Rising Sun Energy-01 complaint.

Upon receiving the complaint, IFC undertook a review of the project companies' compliance with PS2, focusing on key areas such human resources policies, grievance handling and overall working conditions. IFC also organized a dedicated workshop on labor issues, designed to strengthen the client's ability to effectively address PS2 requirements.

5. CAO Decision

CAO determines that the complaint relating to the AI Subh Solar Power, Sunrise Energy and Rising Sun Energy projects does not merit a compliance investigation and has closed the case.

CAO shares this Compliance Appraisal Report with the Board, the World Bank Group President, IFC and MIGA Management, the company, and the complainant. CAO publishes this report as well as IFC and MIGA's Management Response on its website.

Appendices

Appendix 1: Original Complaint

From: [REDACTED]

Sent: Sunday, March 17, 2024 7:48 AM

To: [REDACTED]

[External]

Peace be upon you. Greetings,

This complaint is submitted by: [REDACTED].

I work for Securitas Egypt, Benban Solar Park, Aswan Governorate, and I have been working with the company for more than four years. When I requested a salary increase along with my colleagues, the company refused to renew my contract after it ended, along with three of my colleagues. They claimed that we used to sleep during work hours and that we were commonly absent during the employment period. However, the company deducted from our salaries in cases of absence or sleeping during night shifts. Also, they did not allow us to take our entitled one hour break during the work hours.

Further, we were not informed that our contracts would not be renewed, despite the fact that the contract indicates that if the company intends not to renew, the company must notify us two months in advance.

I would appreciate it if you look into my complaint

The names and phone numbers of those whose contracts were not renewed:

[REDACTED]
[REDACTED]
[REDACTED]

Appendix 2: IFC / MIGA Management Response

**INTERNATIONAL FINANCE CORPORATION
AND
MULTILATERAL INVESTMENT GUARANTEE AGENCY**

**MANAGEMENT RESPONSE TO THE CAO COMPLAINT ON
AL SUBH SOLAR POWER, SUNRISE ENERGY, AND RISING SUN ENERGY EGYPT-
AFRICA
(IFC #39729, #39995, #39997 & MIGA #14080, 14059, 14043)**

December 2025

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ABBREVIATIONS AND ACRONYMS

BSDA	Benban Solar Developers Association
CAO	Office of the Compliance Advisor Ombudsman
E&S	Environmental and Social
FMC	Facility Management Company
HSH	Health and Safety Home
IFC	International Finance Corporation
JV	Joint Venture
MIGA	Multilateral Investment Guarantee Agency
O&M	Operations and Maintenance
PSs	IFC's Environmental and Social Performance Standards
PV	Photovoltaic
SPV	Special Purpose Vehicle
US\$	United States Dollar
WBG	World Bank Group

EXECUTIVE SUMMARY

i. This Management Response has been prepared by the International Finance Corporation (IFC) in coordination with the Multilateral Investment Guarantee Agency (MIGA) to address the issues raised in the complaint received in March 2024 by the Compliance Advisor Ombudsman (CAO) concerning the IFC investments in and MIGA guarantees for the special purpose vehicles (SPVs) Al Subh Solar Power S.A.E., Sunrise Energy S.A.E., and Rising Sun Energy S.A.E. (the Clients) operating solar power plants (the Projects) in the Benban Solar Park, located in the Arab Republic of Egypt near the village of Benban.⁶² The Clients are owned by a Joint Venture (JV) consortium led by Acciona Energía Global (Acciona) and Enara Bahrain SPV W.L.L.

ii. Since 2017, IFC has been part of a consortium of nine international banks supporting the construction and operations of 13 solar power plants in Benban, which were commissioned by late 2019. MIGA provides political risk insurance in relation to 12 active Benban Projects, of which three are joint Projects with IFC and are the subject of this complaint. IFC and MIGA agreed, in accordance with MIGA's Policy on Environmental and Social Sustainability, that MIGA would rely on IFC for environmental and social (E&S) due diligence and monitoring of the joint Projects and the E&S risks at the park level. As this complaint is related to risks and impacts raised in relation to the three IFC and MIGA joint Projects, this response focuses primarily on IFC's role, with reference to MIGA where relevant.

iii. The complaint, submitted by three individuals from Benban village regarding their employment by Securitas Egypt on the Projects, raised concerns about the non-renewal of employment contracts, unfavorable working conditions, and perceptions of threats and reprisals. During the CAO assessment phase, one of the complainants withdrew from the complaint and the remaining parties expressed an interest in engaging in a CAO dispute resolution process. During dispute resolution, a second complainant withdrew from the complaint, while the third complainant remained engaged. The parties did not reach a dispute resolution agreement and the remaining complainant asked for the case to be moved to CAO's compliance function. CAO issued a Dispute Resolution Conclusion Report in October 2025, formally transferring the case to the CAO compliance function.⁶³

iv. IFC and MIGA have reviewed the allegations in light of the CAO appraisal criteria. Based on this review, IFC and MIGA consider that they have acted in accordance with their respective E&S policies in relation to these investments and guarantees, including conducting appropriate due diligence and supervision of the Projects in line with IFC/MIGA Sustainability Policies.

v. IFC and MIGA do not find preliminary indications that they may not have complied with their E&S policies, a criterion under the CAO Policy that would warrant a compliance investigation. On this basis, IFC and MIGA respectfully conclude that the threshold for

⁶² <https://www.cao-ombudsman.org/case/egypt-al-subh-solar-power-sunrise-energy-and-rising-sun-energy-01>

⁶³ https://www.cao-ombudsman.org/sites/default/files/downloads/CAO-ConclusionReport_EgyptAlSubh_SunriseEnergy_RisingSunEnergy%20Oct%202025_Eng.pdf

proceeding to a compliance investigation has not been met.⁶⁴³ IFC and MIGA remain committed to continuous learning, transparency, and constructive engagement with stakeholders to strengthen the effectiveness of our E&S practices and development impact.

vi. IFC and MIGA take seriously the allegations in the complaint and concerns raised regarding reprisals. As noted in the IFC Position Statement on Retaliation Against Civil Society and Project Stakeholders⁶⁵ and the MIGA Position Statement on Retaliation Against Civil Society and Project Stakeholders,⁶⁶ IFC and MIGA do not tolerate any action by an IFC or MIGA client that amounts to retaliation—including threats, intimidation, harassment, or violence—against those who voice their opinion regarding the activities of IFC or MIGA or their clients.

⁶⁴ CAO Policy, paragraph 91 (b) at: <https://documents1.worldbank.org/curated/en/889191625065397617/pdf/IFC-Independent-Accountability-Mechanism-CAO-Policy.pdf> (CAO Policy).

⁶⁵ <https://www.ifc.org/content/dam/ifc/doc/2023/201810-ifc-position-statement-on-reprisals-en.pdf>

⁶⁶ https://www.miga.org/miga-position-statement-retaliation-against-civil-society-and-project-stakeholders?overridden_route_name=entity.node.canonical&base_route_name=entity.node.canonical&page_manager_page=node_view&page_manager_page_variant=node_view-panels_variant-1&page_manager_page_variant_weight=-2

I. PROJECT OVERVIEW

1. The Projects, located in the Benban Solar Park in the Arab Republic of Egypt, are solar renewable energy generation projects that were classified as Category B in accordance with IFC's Sustainability Policy and approved by the Board in July 2017. Each Project is a greenfield 50-MW solar photovoltaic (PV) plant, part of a second round of the Egyptian Government's feed-in-tariff scheme for domestic solar PV and wind energy projects.⁶⁷ Each Project was developed by a Client, a Specials Purpose Vehicle (SPV) owned by a Joint Venture (JV) consortium led by Acciona Energía Global (Acciona) and Enara Bahrain SPV WLL (consisting of Investment Fund for Developing Countries, Nayyar International Renewable Energy, Swicorp, KCC Corporation, and the Shoabi Holdings).⁶⁸ Currently, each Project is owned 50 percent by Acciona and 50 percent by Enara Bahrain. The Clients are responsible for quality and for the environmental, social, health, and safety management of the Projects, monitored by their shareholders (i.e., Acciona and Enara Bahrain). The total cost was about US\$64 million per Project, with an IFC A-loan and IFC C-Loan of US\$15.3 million and syndications of US\$37.5 million per Project at the time of commitment. The balance is covered by equity.⁶⁹ All Projects met a Commercial Operation Date in March 2019.

2. MIGA provided guarantees to Acciona and Enara Bahrain for their respective equity investments in Rising Sun Energy S.A.E. and Sunrise Energy S.A.E., as well as for their equity and quasi-equity investments in Al Subh Solar Power S.A.E. The guarantees, currently estimated at approximately US\$10.2 million per Project, were issued in 2018 with a term of 15 years, covering risks such as Transfer Restriction and Inconvertibility, Expropriation, War and Civil Disturbance, and Breach of Contract.⁷⁰

3. The IFC/MIGA Projects are part of a larger solar park development with potential cumulative environmental and social (E&S) impacts associated with the construction, and to a lesser degree, the operational and decommissioning phases.

4. The Benban Solar Developers Association (BSDA), formed by developers in 2017, is a coordination body comprised of and financed by developers active in the Benban Solar Park (including the Clients). The BSDA's coordination role involves (i) implementing corporate social responsibility projects; (ii) hiring a facility management company (FMC) for the construction and operation and maintenance (O&M) phases; and (iii) hiring a technical E&S consultant to monitor the FMC. The FMC is responsible for addressing cumulative impacts and maintaining consistency in the management of E&S risks and impacts at the park level. During construction, the company Hassan Allam was hired as FMC. For the O&M phase, BSDA appointed Health and Safety Home (HSH) in 2020. As per its contract with the BSDA,

⁶⁷ Al Subh Solar Power: <https://disclosures.ifc.org/project-detail/SII/39729/al-subh-solar-power> Sunrise Energy: <https://disclosures.ifc.org/project-detail/SII/39995/accona-benban-2>

Rising Sun Energy: <https://disclosures.ifc.org/project-detail/ESRS/39997/accona-benban-3>

⁶⁸ Clients: An ACCIONA/SWICORP partnership representing the owner of three PV plots called Rising Sun, Sunrise, and Al Subh, all located in Benban Solar Park.

⁶⁹ IFC has been leading a consortium of nine international banks that are providing \$653 million (\$225 million from IFC) for the construction of 13 of the 41 solar power plants that constitute the Benban Solar Park. To date, IFC has invested in 14 active Projects in the Benban Solar Park.

⁷⁰ MIGA is covering 12 solar power Projects in Benban Solar Park, of which 3 are joint projects with IFC. These three Projects are the subject of this complaint.

HSH is required to address and manage E&S risks in line with international standards—including IFC’s Performance Standards (PSs), MIGA’s Performance Standards, the Performance Standards of the European Bank for Reconstruction and Development, and the Equator Principles—and adhere to country regulations. All developers in the Benban Solar Park, including those supported by IFC and MIGA, fund the HSH service contract through the BSDA.

II. CAO COMPLAINT

5. A complaint was submitted to CAO in March 2024 by three individuals (the Complainants) from Benban village regarding their employment with Securitas Egypt, a security subcontractor to the three Clients in the Benban Solar Park in Aswan, Egypt. The complaint raised concerns relating to non-renewal of their fixed-term contracts after they expired, unfavorable working conditions, and perceptions of threats and reprisals. In May 2024, CAO determined that the complaint met its three eligibility criteria and began an assessment of the complaint.

6. CAO conducted its assessment between May and November 2024. It involved a review of Project documents and online meetings with relevant stakeholders, including the Complainants, the Projects’ management and operational team, and IFC and MIGA Project teams. During the assessment, the parties expressed an interest in engaging in a voluntary CAO-facilitated dispute resolution process to address the issues raised in the complaint. However, two Complainants withdrew from the CAO process and only one individual remained engaged in dispute resolution. As the parties were unable to reach an agreement, the case was transferred to CAO’s compliance function in October 2025.

7. This is the eighth and most recent complaint that was filed with CAO and found eligible in relation to the Benban Projects. Out of these eight cases, six are at the park level and two involve individual developers. As of July 2025, four cases have been closed following an agreement between the parties, one has reached an agreement and is in dispute resolution monitoring, and three have moved to compliance appraisal.⁷¹

III. MANAGEMENT RESPONSE

8. IFC and MIGA Management appreciate CAO’s assessment and its efforts in the dispute resolution process for the complaint. In this report, IFC and MIGA provide a detailed response to the complaint. IFC and MIGA agreed, in accordance with MIGA’s Policy on Environmental and Social Sustainability, that MIGA would rely on IFC for E&S due diligence and monitoring of the joint Projects. Therefore, this response focuses primarily on IFC’s role, with reference to MIGA where relevant.

9. As per the Sustainability Policy (paragraph 7), while managing E&S risks and impacts in a manner consistent with the PSs is the responsibility of the client, IFC seeks to ensure,

⁷¹ Of the three cases that have moved to CAO’s compliance appraisal function, one (Benban-02) was closed after CAO concluded that there were no preliminary indications of IFC non-compliance. The remaining two cases, including this one, are pending an appraisal conclusion at the time this Management Response was written.

through its due diligence, monitoring, and supervision efforts, that the business activities it finances are implemented in accordance with the requirements of the PSs. With regards to requirements for labor and working conditions, PS2 requires clients to establish policies and procedures for managing and monitoring the performance of its subcontractors in relation to the requirements of the PSs.⁷²

10. Since the Projects' due diligence, IFC has actively supervised E&S performance at both the Project and park levels, including quarterly site visits during construction. IFC conducted several E&S supervision visits between 2018 and 2022, reviewed documentation related to E&S systems and procedures, and held virtual meetings during the COVID-19 pandemic when travel restrictions prevented site visits. Additional IFC visits occurred in September 2022; January, June, and November 2023; December 2024; and July and September 2025, to oversee and support developers in their respective roles within the BSDA, including with respect to the developers' and BSDA's oversight of HSH's management of cumulative E&S risks.⁷³

11. The subsequent sections outline how IFC reviewed the Projects' performance, verified mitigation measures, and evaluated ongoing compliance against the PSs to inform IFC's view that the Projects' management of E&S issues meets the standards expected. Where relevant, IFC's review of the performance of E&S aspects related to HSH at the park level, performed in connection with its supervision of the Projects, is also presented.

A. Concerns related to Non-Renewal of Employment Contracts, Employment Documentation and Unfulfilled Payments

12. The complaint raised concerns about the non-renewal of a fixed-term employment contract, which the Complainants perceived to be in response to their demands for wage increases and a request for Securitas Egypt to provide meals during working hours. Additionally, the Complainants raised concerns related to employment documents and unpaid allowances, which in their view were unaddressed by Securitas Egypt at the time of the complaint.

13. IFC required the Clients to develop and establish a workers' grievance mechanism, which IFC confirmed was done in accordance with IFC PS2. As the Projects are located within the Benban Solar Park, workers can also access the park-level grievance mechanism through HSH and have the option to escalate complaints to the BSDA through the E&S consultant contracted by BSDA. This tiered approach to grievance management allows workers at Benban Solar Park to submit grievances directly to developers or to HSH and the BSDA if complainants are concerned about retaliation or are not satisfied by the conclusion of Project and/or HSH's grievance management outcomes. In this case, the Complainants raised their concerns to the Clients verbally and filed a complaint in writing with HSH, the BSDA's E&S consultant, and the CAO within days of the fixed-term contract ending.

⁷² IFC Performance Standard 2 Labor and Working Conditions, paragraphs 24-26

⁷³ Neither IFC nor MIGA have a contractual relationship with the BSDA or HSH. IFC/MIGA supervision is focused on engagement with the Projects and their respective role within the BSDA and influence over the BSDA's oversight of HSH.

14. During a supervision visit in November 2023, IFC and MIGA found the Projects to be in compliance with quality, health, safety and environment processes, including labor management and grievance management. IFC and MIGA also discussed the role of HSH, the BSDA and the E&S consultant in grievance management and provided feedback on HSH's policies and procedures for grievance handling, including the process for workers to escalate complaints to the BSDA. IFC's review confirmed satisfactory implementation overall, though record-keeping and clarity on timelines were identified as areas that could be further strengthened.

15. After IFC was informed of the complaint submitted to CAO, IFC engaged with the Clients in May and June 2024 to assess how the concerns raised were being addressed. IFC reviewed relevant documentation, including the original complaint that was filed with HSH and the BSDA's E&S consultant. IFC confirmed that HSH and the BSDA followed the procedures for grievance handling at the park level and had requested the Clients to share documentation related to the complaint. This documentation demonstrated that (i) the fixed-term contract included a clear contract termination date; and (ii) each of the complainants needed to report to the Securitas offices to finalize the discharge process. Prior notice for fixed-term contracts is not required under the Egyptian labor code, although it is considered good practice.

16. IFC met with HSH and the BSDA's E&S consultant during a site visit in December 2024 and discussed implementation of their grievance processes; it found that the mechanisms were well-communicated and actively used by workers, with most grievances resolved promptly.

17. During a September 2025 site visit, IFC followed up with the Clients on the response to the concerns raised in the complaint. IFC confirmed that the Clients had adequate policies and procedures in place to manage contractor performance in line with IFC PS2 requirements. Additionally, IFC engaged with the Aswan Labor Inspector to confirm fixed-term contract notification requirements and any associated entitlements, and concluded that the Clients had followed due process and complied with Egyptian labor requirements.

B. Concerns related to Reprisals

18. The complaint raised concerns related to a visit by a BSDA representative to the home of one of the Complainants, which was perceived as an attempt to pressure the Complainants to settle the issues in exchange for promises of future employment. The Complainants noted that they submitted a complaint to Securitas Egypt in line with the Clients' grievance mechanism available at the Project site, but that they were asked by the BSDA representative to close it and to sign release documents that they did not fully comprehend. The Complainants alleged that promises of future employment were made by the representative which remained unfulfilled. These concerns were later clarified and withdrawn from the complaint.

19. In connection with its supervision of the Projects, IFC reviewed the close-out forms which HSH and the BSDA's E&S consultant used to document management of the grievance, record the outcomes of further assessment, and obtain consent of the complainants to close

the complaint as per the relevant HSH and BSDA grievance procedures. The forms also document satisfactory closure. IFC noted that the close-out forms indicated that complainants should not raise the same concerns with CAO. IFC provided feedback to HSH and the BSDA that any grievance documentation should not include limitations on access to CAO should complainants wish to do so.

20. The Position Statements of IFC and MIGA on Retaliation Against Civil Society and Project Stakeholders^{74, 75} make clear that IFC and MIGA do not tolerate any action by an IFC or MIGA client that amounts to retaliation—including threats, intimidation, harassment, or violence— against those who voice their opinion regarding the activities of IFC/MIGA or IFC/MIGA clients. The Position Statements have been communicated to all developers in the Benban Solar Park who are clients of IFC or MIGA (including the Clients), the BSDA and HSH in writing and verbally on several occasions.

21. IFC and MIGA also require clients to provide a grievance mechanism that is free from any retribution. Throughout its ongoing supervision of the Projects, IFC emphasized the importance of allowing for complaints to be raised and addressed without retaliation. The Clients fully noted their agreement and commitment to continue doing so.

22. At the park level and in connection with IFC’s E&S supervision of the Projects, an action plan was agreed to by HSH in 2022. Pursuant to the action plan, HSH developed an anti-retaliation and reprisal policy in line with IFC guidelines, which was included in HSH’s updated grievance mechanism procedure. As part of its continuous efforts to promote a culture where workers can raise concerns without fear of retribution, IFC again communicated in May 2025 and during a site supervision visit in September 2025 to all developers in the Benban Solar Park who are clients of IFC or MIGA (including the Clients, the BSDA and HSH) its zero tolerance against reprisals. In April 2025, IFC offered a training on the subject to the BSDA and HSH.

IV. CAO POLICY APPLICATION

23. The CAO Policy sets out appraisal criteria determining whether a compliance investigation is necessary, including: “a. whether there are preliminary indications of Harm or potential Harm; b. whether there are preliminary indications that IFC/MIGA may not have complied with its E&S Policies; and c. whether the alleged harm is plausibly linked to the potential non-compliance.”⁷⁶

24. Considering the actions taken by IFC to supervise the E&S performance of the Clients and engage on the issues raised in the complaint at both the Client level and park level, it is the view of IFC and MIGA that criterion b., regarding “preliminary indications that IFC may not have complied with its E&S Policies,” has not been met, as summarized in

⁷⁴ <https://www.ifc.org/content/dam/ifc/doc/2023/201810-ifc-position-statement-on-reprisals-en.pdf>

⁷⁵ https://www.miga.org/miga-position-statement-retaliation-against-civil-society-and-project-stakeholders?overridden_route_name=entity.node.canonical&base_route_name=entity.node.canonical&page_manager_page=node_view&page_manager_page_variant=node_view-panels_variant-1&page_manager_page_variant_weight=-2

⁷⁶ CAO Policy, paragraph 91(b) at: <https://documents1.worldbank.org/curated/en/889191625065397617/pdf/IFC-MIGAIndependent-Accountability-Mechanism-CAO-Policy.pdf> (CAO Policy).

the conclusion below.

V. CONCLUSION

25. Based on review of available information, it is the view of IFC and MIGA that they have complied with their respective E&S policies, including conducting the necessary due diligence and supervision in compliance with IFC/MIGA PSs.

26. Based on IFC's close supervision and the significant support provided to the Projects, it sought to ensure, through its due diligence, monitoring, and supervision efforts, that the business activities financed in these Projects have been implemented in accordance with the requirements of the PSs.

Disclaimer

This IFC/MIGA Management Response is provided in response to the Dispute Resolution Conclusion Report of the Office of the Compliance Advisor Ombudsman (CAO) finding a complaint to a project supported by IFC finance or investment and MIGA guarantee eligible for compliance appraisal.

Nothing in this IFC/MIGA Management Response or in the process provided for in the CAO Policy (“CAO Process”) (1) creates any legal duty, (2) asserts or waives any legal position, (3) determines any legal responsibility, liability, or wrongdoing, (4) constitutes an acknowledgment or acceptance of any factual circumstance or evidence of any mistake or wrongdoing, or (5) constitutes any waiver of any of IFC’s or MIGA’s rights, privileges, or immunities under the IFC Articles of Agreement, the MIGA Convention, international conventions, or any other applicable law. IFC and MIGA expressly reserve all rights, privileges, and immunities. IFC and MIGA do not create, accept, or assume any legal obligation or duty, or identify or accept any allegation of breach of any legal obligation or duty by virtue of this IFC/MIGA Management Response.

While reasonable efforts have been made to determine that the information contained in this IFC/MIGA Management Response is accurate, no representation or warranty is given as to the accuracy or completeness of such information. CAO is not a judicial or legal enforcement mechanism. Its analyses, conclusions, and reports are not intended to be used in judicial or regulatory proceedings nor to attribute legal fault or liability, and it does not engage in factfinding nor determine the weight that should be afforded to any evidence or information. No part of this IFC/MIGA Management Response or the CAO Process may be used or referred to in any judicial, arbitral, regulatory, or other process without IFC’s and MIGA’s express written consent.

Appendix 3: Additional Appraisal Considerations

The CAO Policy provides for the compliance appraisal to take into account additional relevant considerations, as outlined in the table below.

CAO Policy provision	Analysis for this case
For any project or sub-project where an IFC/MIGA exit has occurred at the time CAO completes its compliance appraisal, whether an investigation would provide particular value in terms of accountability, learning, or remedial action despite an IFC/MIGA exit (para. 92a).	Not applicable
The relevance of any concluded, pending or ongoing judicial or non-judicial proceeding regarding the subject matter of the complaint (para. 92b).	Not applicable
Whether Management has clearly demonstrated that it dealt appropriately with the issues raised by the Complainant or in the internal request and followed E&S Policies or whether Management acknowledged that it did not comply with relevant E&S Policies (para. 92c).	CAO notes that IFC and MIGA acted in accordance with their Sustainability Policy obligation to identify and review opportunities for improving client performance (para. 45 & 43), following receipt of the complaint. Specifically, IFC reviewed PS2 compliance by HSH with respect to the Grievance Mechanism, HR Policies, and working conditions.
Whether Management has provided a statement of specific remedial actions, and whether, in CAO's judgment after considering the Complainant's views, these proposed remedial actions substantively address the matters raised by the Complainant (para. 92d).	IFC carried out a specific workshop on labor issues to improve HSH's capacity to address PS2 issues.
In relation to a project or sub-project that has already been the subject of a compliance investigation, CAO may: (a) close the complaint; (b) merge the complaint with the earlier compliance process, if still open, and the complaint is substantially related to the same issues as the earlier compliance process; or (c) initiate a new compliance investigation only where the complaint raises new issues or new evidence is available (para. 93).	Not applicable