COMPLIANCE
ADVISOR
OMBUDSMAN

The Independent Accountability Mechanism for IFC & MIGA

AUGUST 2026

# Assessment Report

## Regarding the First Complaint Received in Relation to IFC's investment in the Antalya Airport Long-Term Financing (IFC Project #50035) in Türkiye

IFC Project number: 50035

## 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 http://www.cao-ombudsman.org/about-us.

## List of Acronyms

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| CAO | Office of the Compliance Advisor Ombudsman |
| CİMER | The Presidency's Communication Centre (CİMER) |
| CLO | Community Liaison Officer |
| DHMI | General Directorate of State Airports Authority |
| FTA1 | Fraport TAV Antalya Terminal İşletmeciliği A.Ş |
| FTA2 | FTA2 Antalya Yatirim Yapim ve Isletme A.Ş. |
| Fraport | Fraport AG Frankfurt Airport Services Worldwide |
| IFC | International Finance Corporation |
| SLIP | Supplementary Livelihood Improvement Plan |
| TAV Airports | TAV Havalimanlari Holding Anonim Şirket |

# 1 Executive Summary

In January 2026, the Office of the Compliance Advisor Ombudsman (CAO) received a complaint from an individual concerning an International Finance Corporation (IFC) investment in FTA2 Antalya Yatirim Yapim ve Isletme A.Ş. (FTA2), a joint venture between Fraport AG Frankfurt Airport Services Worldwide (Fraport AG) and TAV Havalimanlari Holding Anonim Şirket (TAV Airports).

The complaint raises concerns about the compulsory expropriation[1] of the complainant's land and property for the expansion of Antalya Airport. It alleges that the process was undertaken without meaningful prior consultation with project-affected people and that the compensation provided did not reflect the full replacement value of the expropriated assets. The complaint further alleges the absence of an effective and accessible grievance mechanism through which affected individuals can seek redress. CAO determined the complaint eligible in March 2026 and initiated an assessment.

During CAO's assessment, FTA2 requested that the case be transferred to CAO's Compliance function. In accordance with the CAO Policy,[2] CAO will therefore transfer the complaint to its Compliance function. This report provides an overview of the assessment process, the project, the complaint, the methodology, the views of the parties, and next steps.

# 2 Background

Antalya Airport is the largest leisure-oriented airport in Türkiye, serving approximately 40 million passengers per year. Located on the Turkish Riviera, the airport is the country's second busiest in terms of international passenger traffic and serves as the primary gateway to the largest tourism destination in the Mediterranean.

The concession to operate Antalya Airport was won in December 2021 by a joint venture of TAV Airports Holding and Fraport AG. They secured the 25-year lease running from January 1, 2027, through December 31, 2051.

The airport terminals are currently operated and managed under a lease agreement with the General Directorate of State Airports Authority (DHMI), expiring on December 31, 2026, by

[1] The history of the compulsory expropriation of the land is detailed in the "Complainant" and "Client Perspective" sections on pages 9 and 12, respectively.
[2] CAO (Office of the Compliance Advisor Ombudsman). 2021. IFC and MIGA Independent Accountability Mechanism (CAO) Policy. https://www.cao-ombudsman.org/policies-guidelines.

Fraport TAV Antalya Terminal İşletmeciliği A.Ş. (FTA1), a special purpose vehicle owned by TAV Airports, which has a 49 percent share, and Fraport AG, which has a 51 percent share.

Ahead of the expiry of the existing concession, and to support the projected traffic growth while improving the quality of the airport's services to support the continued growth of the tourism sector—a key aspect of the Turkish economy,[3, 4] DHMI decided to hold a tender for the operation and expansion of the airport, which was intended to expand the terminals and increase the airport's capacity to 80 million passengers per annum during the concession period in three phases.

Following a competitive tender, the operation of the airport was awarded in December 2021 to Fraport TAV Antalya Yatırım Yapım ve İşletme A.Ş., ("FTA2"), also owned by TAV Airports and Fraport AG, but in different percentages, 51% and 49% respectively, under a 25-year lease agreement. FTA2 will take over the operations at the airport from January 1, 2027, from FTA1. However, ahead of the start of the operations period, FTA2 commenced the expansion and construction works for the first phase of the expansion during the period 2022-2025, as prescribed in the lease agreement.

To date, IFC has made three investments in FTA2. The use of IFC loan proceeds was primarily to finance the first phase of the expansion, which entails the expansion of the international and domestic terminals, aprons, and supporting facilities. IFC's two previous investments — Antalya Airport I (46443), a EUR 150 million A loan approved in February 2023, and Antalya Airport II (48780), a EUR 62.5 million loan approved in March 2024 — were both refinanced by Antalya Airport LTF (50035), approved in March 2025, which comprises an A loan of EUR 200 million and a B loan of EUR 115 million. The project was originally disclosed to the public through IFC's external project disclosure website on November 11, 2022. The project was approved in March 2025 and, according to IFC's Policy on Environmental and Social Sustainability, determined to fall under category A ("business activities with potential significant adverse environmental or social risks and/or impacts that are diverse, irreversible, or unprecedented").[5]

Founded in 1924 and publicly listed on the Frankfurt Stock Exchange, Fraport is a leading global airport operator on four continents and is the owner and manager of Germany's largest airport.[6] TAV Airports, established in 1997, is a leading international airport operator that manages airport-related activities at 15 airports in eight countries and employs over 45,000 people.[7]

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[3] See project documents on the IFC Disclosure portal at https://disclosures.ifc.org/project-detail/SII/50035/antalya-airport-ltf.

[4] https://tavairports.com/eur-2.5b-long-term-financing-secured-for-antalya-airport

[5] International Finance Corporation. 2012. *Policy on Environmental and Social Sustainability.* https://www.ifc.org/en/insights-reports/2012/publications-policy-sustainability-2012.

[6] See "Our History" on Fraport's website at https://www.fraport.com/en/our-group/about-us/our-history.html.

[7] See "Who Are We" on TAV Airports' website at https://tavairports.com/about-us/who-are-we

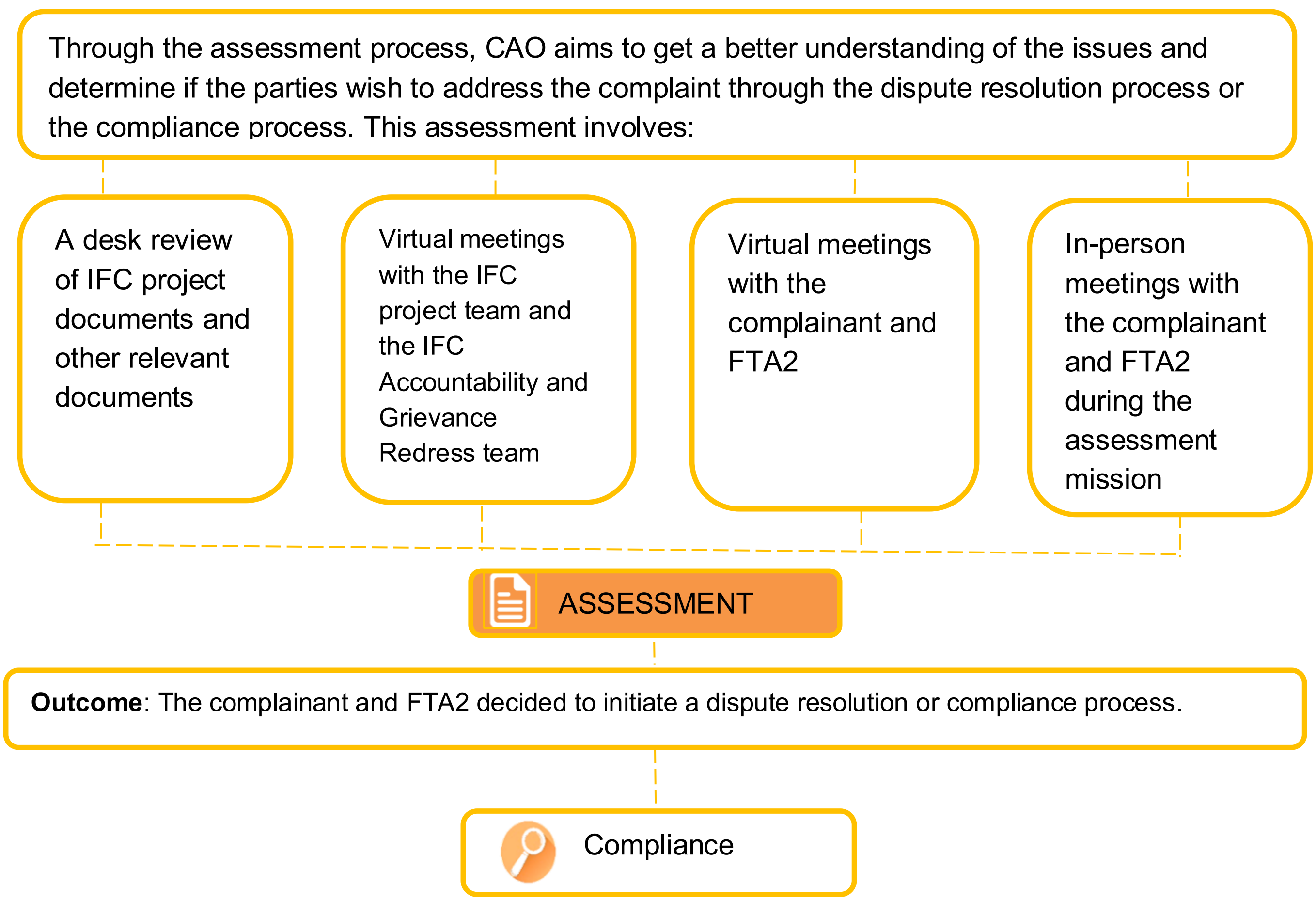
# 3 Assessment Purpose and Methodology

## 3.1 Purpose of the Assessment

The aim of the CAO assessment process is to develop a thorough understanding of the issues and concerns raised by complainant(s), gather information on the views of various stakeholders, and determine if the complainant(s) and the IFC client(s) would like to pursue a dispute resolution process facilitated by CAO or if the complaint should be handled by CAO's Compliance function, which would conduct an appraisal of IFC's performance standards. (See appendix A for more on CAO's complaint-handling process.) The process does not involve judging the merits of the complaint. Instead, it seeks to understand the parties' perspectives and empower those involved to make informed decisions on how to address the issues raised.

## 3.2 Assessment Methodology

**Figure 1. The Approach and Methodology of CAO's Assessment Process**



The CAO assessment team conducted the assessment with support from a local interpreter based in Türkiye who provided all needed Turkish translation and interpretation. The team and the interpreter communicated with the parties and collected information during in-depth virtual conversations and during an on-site mission in May 2026. The views expressed by the parties are presented in the following section, followed by next steps based on the decisions made by the complainant and FTA2.

# 4 Complainant's Perspective

The complainant provided his perspective on the three issues cited in the complaint: (1) compulsory expropriation, (2) lack of adequate consultation, and (3) compensation below replacement cost. He believes the three issues are interlinked and cannot be separated in the current complaint. The complainant also provided a detailed narrative of the beginning of his challenges and grievances with official entities such as DHMI and the courts, which led to his current complaint against FTA2. The story of his experience begins in 2010.

**Lack of Adequate Consultation Prior to Expropriation**

The complainant shared the history of his grievance related to the expropriation of land. He indicated that the expropriation exercise was conducted without meaningful prior consultation. He believes his family was treated unfairly, were abandoned by both FTA2 and DHMI, and their concerns were never attended to.

The complainant alleged that he received the expropriation notice from DHMI in March 2010 and was invited to attend a meeting in December 2010. According to him, the meeting was attended by the head of DHMI's expropriation process and DHMI officers. In the meeting, the affected residents were told that their land would be expropriated and were informed of the amount of compensation being offered. He indicated that higher amounts were offered to people who voluntarily gave up their land. The affected residents were also informed that there was a deduction for zoning purposes that may not apply in cases of voluntary transfer of property. The complainant reported that he and some other community members refused to voluntarily surrender their lands and demonstrated in the neighborhood in opposition to the expropriation. He indicated that DHMI subsequently initiated legal proceedings against the community members who would not accept the expropriation terms and sign the relevant documentation.

The complainant reported he spent about five years attending court hearings and incurring legal expenses in connection with the legal proceedings. He indicated that the judge never gave him the opportunity to present his case but eventually issued a compulsory order requiring he and others to hand their titles over to DHMI. Consequently, the complainant explained that he was forced to accept a compensation payment from DHMI and signed a bank receipt for the compensation payment.

The complainant also referred to a previous expropriation process associated with the original airport development in 1997. According to his understanding, cash compensation was paid to affected individuals under the national expropriation framework and recipients were required to sign waivers relinquishing their rights to the affected land.

**Lack of Adequate Consultation After Expropriation**

The complainant reported that, in 2021, a decade after the court proceedings, he learned from neighbors that individuals were attempting to contact community members who were affected by the expropriation. Assuming these individuals to be associated with FTA2, he reached out to the Community Liaison Officer (CLO), with whom he had previously interacted. The officer had visited the complainant's home to gather information about the neighborhood and had requested detailed information about the projected affected people which he provided willingly. This was based on his understanding that it was being collected for purposes related to an assessment required in connection with IFC financing and on the assumption that they may receive some form of remedy related to expropriation. According to the complainant, he provided the officer with the names and contact information of about 90-95 percent of affected residents in the neighborhood.

The complainant expressed his dissatisfaction with the CLO who in his opinion disseminated misinformation and lies. In his opinion, the officer's conduct was occasionally humiliating. He explained that the officer pressured project-affected people to accept household appliances as compensation rather than the cash that they had asked for. He believes that the offer for household appliances does not adequately offset the affected residents' losses. He explained that many of the affected people are renters who cannot meet their household financial needs through non-monetary assistance alone.

The complainant maintains that he later became aware through open-source information that Fraport and TAV Airports had become official partners and would be operating Antalya Airport. He noted that, prior to the expansion, the public generally understood that the companies would be responsible for airport operations. He added that after the CLO contacted them regarding the assessment for the project-affected people, he had no option but to engage FTA2.

The complainant claims that the outreach and consultation activities undertaken by the CLO were primarily intended to support IFC-related lending requirements and facilitate financing for the FTA2 project rather than to provide remedy to project-affected people. In his view, the principal objective of the exercise was to obtain the signatures of affected persons rather than to address their concerns or provide meaningful remedies.

**Compensation Below Replacement Cost**

The complainant indicated that considering the legal proceedings (2011-2015), he had no option but to receive compensation from DHMI, which was inadequate for that time. According to the complainant, the legal costs incurred due to the expropriation and during these proceedings substantially reduced the net compensation he received.

The complainant further indicated that a legal counsel representing DHMI contacted him in 2026 stating that he owed DHMI funds because of an alleged overpayment during the compensation process. The complainant disputed this assertion and maintained that the compensation provided was insufficient to fully compensate him for the loss of his expropriated property. From the complainant's perspective, the lengthy court proceedings substantially diminished the value of his compensation. He claims that, after accounting for legal expenses and inflation, the compensation was insufficient to purchase a replacement house or comparable land. As a result, he and his family were unable to restore their previous living and economic conditions and had to take out loans to meet their expenses. He believes the expropriation has led to a significant decline in his household income and resulted in a loss of potential income-generating opportunities. He reiterated that if he had retained ownership of his house and land, he could have rented the property and earned income from it while also generating additional income from selling produce harvested from the trees on the land.

**Lack of Access to Grievance Redress Mechanisms**

The complainant claims that there was no functioning and accessible grievance mechanism through which he and other affected residents could have effectively raised concerns, sought redress, or obtained remedies for their losses. A representative of FTA2 allegedly informed the affected people that they would receive remedy for such losses, but the company has not provided any. The complainant maintains that the compensation awarded was inadequate to begin with and that its value significantly diminished over time due to inflation and lengthy court proceedings. In his opinion, project-affected residents suffered significant losses in the real value of the compensation they received.

The complainant insists that he repeatedly attempted to seek redress through the CLO from FTA2. He contacted the officer on multiple occasions between 2022 and 2025 regarding compensation for losses but did not receive any.

He also sent an email to the FTA2 Holdings office in Istanbul and subsequently mailed a hard-copy letter by registered post. He did not receive a response to the email, and the registered letter was returned. The complainant attempted to contact the company by phone, but representatives who picked up his calls ended the calls abruptly without providing a substantive response to his concerns.

# 5 IFC Client Perspective

FTA2 shared the following account regarding the concerns raised by the complainant. The company stated that it was not involved in the expropriation decisions or in determining the compensation amounts. However, under the Environmental and Social Impact Assessment and the subsequent Environmental and Social Action Plan, FTA2 is responsible for implementing supplementary measures, in line with IFC expectations and good international practice, to address certain residual livelihood impacts affecting Project-Affected Persons from the earlier expropriation process. These measures are being addressed through the Supplementary Livelihood Improvement Plan.

**Lack of Adequate Consultation Prior to Expropriation**

According to FTA2, the historical expropriation process referenced by the complainant commenced in 2010, approximately 13 years before IFC approved its initial financing for the Antalya Airport expansion project in 2023. However, as part of the project activities, the Supplementary Livelihood Improvement Plan (SLIP) was developed to provide complementary livelihood support to people impacted by the expropriation process. FTA2 indicated that the company was not involved in the expropriation; it joined the project after the expropriation activities had already been completed and had limited knowledge of the original process. Nevertheless, the company developed the SLIP to benefit beneficiaries listed in historical expropriation records provided by local authorities as part of the project preparation activities.

The company reported that it engaged an international consultant as well as local consultants with extensive experience in expropriation matters to support the implementation of the SLIP. Based on their recommendations, the company explained that it established a dedicated team to implement the supplementary livelihood support program and provided targeted support to the most vulnerable project-affected people. FTA2 claims that no comparable program exists in Türkiye and that despite not being responsible for the original expropriation, it undertook this initiative within existing operational constraints. The company notes that the project has been implemented in accordance with IFC environmental and social requirements.

FTA2 claims that they consulted with project-affected people before and during the livelihood support program and that all program beneficiaries received consistent communication regarding the scope and limitations of the program. Information regarding the program was communicated through multiple channels in addition to the CLO, including face-to-face consultations, site visits, WhatsApp messages and formal correspondence to ensure that beneficiaries clearly understood the nature of the support being offered. FTA2 further notes that engagement with the complainant's household was maintained throughout the preparation and implementation of the SLIP. Following the public hearing held on 15 December 2022, the project team conducted a telephone consultation on 23 December 2022 to verify expropriation-related information. This was followed by a face-to-face consultation on 5 January 2023 to discuss the livelihood impacts of the historical expropriation and another household meeting on 16 January 2023, during which the project team explained the objectives and scope of the SLIP, including that the program would not provide cash compensation. FTA2 further notes that during the consultation held on 16 January 2023, the complainant stated that only financial compensation would be acceptable and that livelihood support measures would not be accepted. According to FTA2, subsequent consultation and grievance records indicate that the complainant continued to request cash compensation and declined the non-cash support offered under the SLIP.

With respect to the complainant's allegations regarding the conduct of the former CLO, FTA2 notes that the individual has left the company in April 2026 and is therefore not available to provide their account of the interactions.

FTA2 emphasizes that they adhere to IFC standards as part of the loan requirements and IFC requirements prohibited the provision of cash assistance and that this limitation was clearly communicated throughout the process. The company claims they informed beneficiaries that the program was voluntary and intended solely as an additional livelihood support measure. The program expectations, eligibility criteria, and support mechanisms were formally communicated through official correspondence, and the program framework was developed following a comprehensive needs assessment undertaken by an independent consultant, during which project-affected persons identified their priorities and requested forms of assistance. The final program design was informed by an analysis of the needs assessment findings and subsequently approved by the lenders. The company claims that all stages of program development and implementation were conducted in accordance with applicable lender guidelines.

**Compensation Below Replacement Cost**

FTA2 reiterates that all decisions regarding land acquisition, expropriation, valuation, compensation amounts, and related court proceedings were undertaken by DHMI and the competent judicial authorities prior to the company's involvement in the project. However, FTA2 did offer supplementary livelihood support to project-affected people identified through the vulnerability assessment as eligible for assistance.

According to the company, the implementation of the SLIP and all provisions to project-affected people have been monitored by an IFC-approved Lenders' Environmental and Social Advisor (LESA). FTA2 provided an overview of the in-kind livelihood support SLIP has provided to project-affected people, including scholarships, rental assistance, household appliances, and health care support. The company says that direct cash assistance was determined to be an unacceptable remedy after consultations with their lenders.

FTA2 provided a detailed explanation of the complainant's situation from its perspective. It claims that the livelihood support package offered to the complainant was based on a needs assessment conducted by the independent consultant as part of the broader needs assessment process for project-affected people, but the complainant rejected the package. The needs assessment evaluated household vulnerabilities, informing the design of the SLIP that was subsequently approved by the lenders. The plan also incorporated feedback and grievance mechanisms to ensure the participation of project-affected people throughout implementation. The needs assessment determined that the complainant's vulnerability score made him eligible to receive household appliances under the Housing Improvement Program, scholarship support for his child and health care for his spouse under Vulnerable People's Program within the SLIP framework.

The SLIP team noticed during monitoring visits that some project-affected people were not interested in some of the SLIP's support options, such as health care, and responded by adding alternative programs (by the guidance of lenders and after the approval of 'SLIP Interim Report') such as food support—but the complainant also declined the food support. FTA2 states that although these support measures were offered, the complainant consistently declined participation. According to FTA2, the company's consultation records indicate that the complainant maintained that only cash compensation would be acceptable and expressed concern that participation in SLIP activities could negatively affect ongoing matters related to the historical expropriation process. Despite repeated explanations that participation in the program was voluntary, that the SLIP provided supplementary livelihood support rather than compensation, and that cash payments were outside the approved scope of the program, the complainant maintained his position that only monetary compensation would be acceptable.

**Access to Grievance Redress Mechanisms**

In response to the complainant's concerns regarding the lack of an effective and accessible grievance mechanism through which affected residents can raise and seek resolution of their concerns, FTA2 tells CAO that it has established a functioning grievance and redress mechanism supported by multiple communication channels.

According to the company, the grievance mechanism is managed by a dedicated CLO, who serves as the primary point of contact for project-affected people (PAPs), maintains regular communication with affected communities, and oversees the registration, monitoring, and resolution of grievances. Community members can submit grievances through multiple channels, in person through designated community liaison representatives or contact the company directly via email, telephone, or the company's official correspondence address. Local mukhtars serve as other vital community-based points of contact, facilitating the communication of concerns between project-affected people and the company. In addition, residents have access to a government-administered Presidency's Communication Centre (CİMER) complaint system, through which grievances are screened and referred to the relevant authorities. This system operates within defined response time frames, requiring the relevant institutions to address complaints promptly.

FTA2 notes that the complainant's household was engaged through repeated consultations between December 2022 and February 2026, including public consultation follow-up, face-to-face meetings, telephone calls, WhatsApp communications, courier notifications, and the project grievance mechanism and communication with the complainant continued throughout implementation of the SLIP.

On 31 January 2025, the CLO contacted the complainant via phone regarding participation in the Household Appliances Program. On 22 April 2025, program information and the cut-off date letter were also shared via WhatsApp, followed by courier delivery on 24 April 2025. During a further telephone conversation on 25 April 2025, the complainant reiterated that he did not wish to participate in the program. FTA2 informs CAO that in response to the cutoff date notification the complainant said he wanted to communicate directly with FTA2's board of directors instead of working through established communication channels. FTA2 states that a cut-off-date letter concerning the food-support program was sent to the complainant on 2 February 2026, with delivery subsequently confirmed. The complainant subsequently submitted a grievance through TAV Holding's email grievance channel on 12 February 2026, reiterating his request for cash compensation. The grievance was forwarded to FTA2 for handling through its grievance redress mechanism. According to FTA2, the CLO prepared an official written response addressing the complainant's concerns and sent it by registered post to the address provided by the complainant in his grievance submission. FTA2 states that the complainant declined to accept the letter, which was subsequently returned to the company.

FTA2 further notes that information on the available grievance channels was shared with project-affected people during a December 2022 public hearing and through telephone calls conducted to confirm expropriation-related information. These outreach efforts were intended to ensure that all project-affected people were informed of the available avenues for raising concerns and seeking redress.

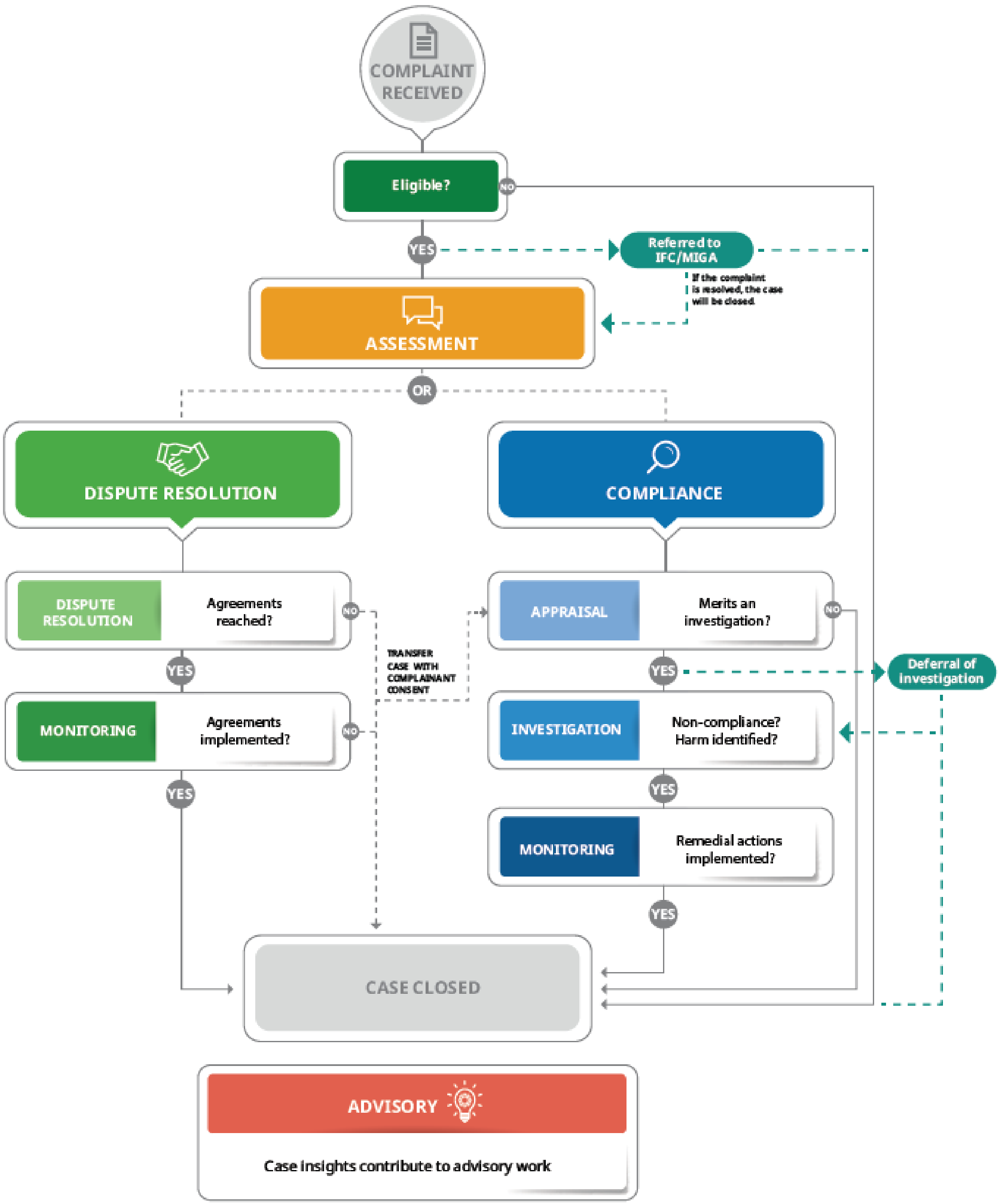
# 6 Conclusion and Next Steps

The complainant opted for the dispute resolution process, while FTA2 expressed their preference for the complaint to progress to CAO's Compliance function. Accordingly, the case is being transferred to CAO's Compliance function for appraisal of IFC's environmental and social performance related to the project.

CAO's compliance appraisal will determine if further investigation of IFC is warranted or if it will close the case.

# 7 Appendix A: CAO Complaint Handling Process

CAO Case-Handling Process



As per the IFC/MIGA Independent Accountability Mechanism (CAO) Policy, the following steps are typically followed in response to a received complaint:

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

Step 2: **Eligibility.** A determination of the complaint's eligibility for assessment under CAO's mandate. This process must take place within 15 business days.

Step 3: **Assessment.** CAO evaluates the issues in the complaint and helps stakeholders understand and determine if they would like to pursue a consensual solution through a collaborative process convened by CAO's Dispute Resolution function, or if they want the case handled by CAO's Compliance function, including a review of IFC's/MIGA's environmental and social due diligence. The process can take up to 90 business days, with a possible extension of up to 30 additional business days if at the end of the initial 90-day period, the parties assert that a resolution of the complaint is likely or either party expresses interest in dispute resolution and it is possible that the other party will agree.

Step 4: **Facilitating settlement.** If the parties choose to pursue a collaborative process, CAO's Dispute Resolution function is initiated. The process is typically based on or initiated by a memorandum of understanding and/or mutually agreed-on ground rules between the parties. It might involve facilitation or mediation, joint fact finding, or other agreed resolution approaches toward a settlement agreement or other mutually agreed and appropriate goals. The major objective of these types of problem-solving approaches is to address the issues raised in the complaint as well as any other significant relevant issues identified during the assessment or DR process, in a way that is acceptable to the parties.[8]

*OR*

**Compliance appraisal and investigation:** Complaints are transferred to CAO's Compliance function if the parties opt for an investigative process or if a DR process results in partial or no agreement. At least one affected community member must provide explicit consent for the transfer unless CAO is aware of concerns about threats or reprisals. CAO's Compliance function reviews IFC/MIGA's compliance with environmental and social policies, assesses related harm, and recommends appropriate remedial actions. First, a compliance appraisal determines whether further investigation is warranted, which can take up to 45 business days, with a possible 20-business-day extension granted in exceptional circumstances. If an investigation is warranted, the appraisal is followed by an in-depth compliance investigation of IFC/MIGA's performance. The investigation report is made publicly available, along with IFC/MIGA's response and an action plan to remediate findings of noncompliance and related harm.

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[8] When stakeholders are unable to resolve the issues through a collaborative process within an agreed time frame, CAO's Dispute Resolution function first tries to help the stakeholders break through impasses. If this is not possible, the Dispute Resolution team informs the stakeholders, including IFC/MIGA staff, the president and board of the World Bank Group, and the public, that CAO's Dispute Resolution function has concluded the dispute resolution process and transferred the case to CAO's Compliance function for appraisal.

Step 5: **Monitoring and follow-up.** In cases where noncompliance and related harm are found, CAO monitors the effective implementation of the action plan.

Step 6: **Conclusion/case closure**

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