



**Dispute Resolution Conclusion Report
Third Complaint Related to IFC's Investment in Bridge International Academies
(IFC #32171, #38733, #39170, #39224) in Kenya (Bridge International
Academies-03)**

September 2024

SUMMARY

In February 2020, CAO received a complaint concerning IFC's investments related to Bridge International Academies in Kenya. The complaint was filed by a parent whose child was enrolled at a Bridge school in Nairobi, with the support of The East Africa Centre for Human Rights (EACHRights) and Katiba Institute, both Kenyan NGOs. The complaint raised concerns about an electrocution incident at the school in September 2019, in which the complainant's son was allegedly injured.

CAO found the complaint eligible in February 2020 and conducted an assessment, during which the complainants and company (the "parties") expressed an interest in engaging in a dispute resolution process. Due to COVID-19-related restrictions, the parties chose to postpone the start of the dispute resolution process to March 2021. Subsequently, it was postponed again, with the concurrence of parties, so that a separate dispute resolution process (Bridge-02)¹ could be completed. Following the conclusion of the Bridge-02 case in September 2022, the parties recommenced the dispute resolution process for Bridge-03 in October 2022. The parties resolved the dispute in June 2024 and released a joint statement.² In accordance with the CAO Policy, CAO is now closing the case.³

This Conclusion Report provides an account of the assessment and dispute resolution process for this case and includes reflections on challenges and lessons learned.

BACKGROUND

The Project

In 2013 and 2016, IFC invested a total of US\$13.5 million of equity in New Globe Schools, Inc., the parent company of Bridge International Academies, Africa's largest chain of low-cost schools. According to IFC disclosures, at the time of its investment, Bridge operated 211 schools serving over 57,000 students in Kenya, aiming to provide quality education to children from families earning less than \$2 per person per day. The investment was intended to support an increase in the number of schools in Kenya and expansion to three new countries. IFC exited from its investment in New Globe Schools in March 2022.

The Complaint

In February 2020, CAO received a written complaint from the mother of a child enrolled at a Bridge school in Nairobi, Kenya (Bridge International Academy Kwa Njenga Mosque school). EACHRights and Katiba Institute, two Kenyan nongovernmental organizations (NGOs), provided support to the complainant throughout the process. The complainant claimed that, in September 2019, her child was injured in an electrocution incident while playing in the

¹ The second complaint received by CAO concerning Bridge also raised concerns about an alleged electrocution incident at the school in which a student died (see www.cao-ombudsman.org/cases/kenya-bridge-international-academies-02kenya)

² [Joint Statement](#)

³ [CAO Policy](#)

schoolyard with other children. According to the Complainants, the incident occurred after the child touched an electric wire hanging from a building adjacent to the school compound. The complainant claimed that she had not received any explanation from Bridge nor any financial support from Bridge for the various expenses incurred due to her son's injuries resulting from the incident.

Assessment

In February 2020, CAO determined that the complaint met its three eligibility criteria⁴ and began an assessment of the complaint. The purpose of a CAO assessment is to clarify the issues and concerns raised in the complaint, gather information on the views of different stakeholders including the IFC client, and determine whether the complainant and IFC client (the parties) would like to pursue a dispute resolution process or CAO compliance review. The assessment typically involves a field visit to meet with the parties and other relevant stakeholders to gain a better understanding of the situation. Due to the World Bank Group's COVID-19-related restrictions on travel and social gatherings, the CAO staff and consultants could not arrange in-person meetings with the relevant stakeholders during the assessment in this case. With consent from the parties, CAO conducted the assessment remotely via phone and video calls. CAO also conducted a desk review of IFC project documents, statements, and other documentation provided by the parties.

During the assessment, both parties expressed their willingness to engage in a voluntary dispute resolution process facilitated by CAO to address the complaint.

Dispute Resolution Process

Due to ongoing COVID-19-related restrictions, CAO offered the parties an online dispute resolution process. In October 2020, CAO provided online capacity-building sessions to both the complainant and company to help them prepare for engagement in the dispute resolution process. The parties chose to postpone the start of the process to March 2021, in anticipation of being able to have in-person meetings. The parties further agreed to delay the commencement of the dispute resolution process to allow for the Bridge 02 complaint to conclude. Both complaints were filed to CAO at the same time, both alleging electrocution at Bridge International Academy Kwa Njenga Mosque school in Nairobi, and the complainants in both cases had begun the process together. The Bridge-03 dispute resolution process was paused and restarted in October 2022, after the closure of the Bridge-02 case.

Between October 2022 and July 2023, CAO facilitated online bilateral meetings, email exchanges, and calls with each of the parties to discuss the ground rules for engagement in the dispute resolution process and to clarify the issues to be discussed and negotiated during the mediation.

CAO convened the first joint session in August 2023, and the parties finalized and signed the ground rules agreement on August 1, 2023. The parties started discussions on substantive issues during the joint session but were unable to resolve the issues. There were further delays

⁴ CAO eligibility criteria: <https://www.cao-ombudsman.org/how-we-work/intake-assessment>

in the process between August 2023 and May 2024, as parties sought to gather the relevant information required to substantiate their positions in the dispute resolution process.

CAO facilitated additional online bilateral meetings, email exchanges, and calls with each of the parties to help bridge the gaps. A second in-person joint meeting was convened in June 2024, where information was exchanged. After several engagements, the parties resolved the dispute on June 14, 2024. The parties agreed to keep the terms of the agreement confidential and published a joint statement⁵ on CAO's website. In accordance with the CAO Policy, CAO is closing the case.

CHALLENGES AND LESSONS LEARNED

COVID-19-related restrictions

CAO conducted the assessment for this case online, due to global and World Bank Group COVID-19-related travel restrictions that made it challenging for CAO to convene in-person meetings with the parties. After completion of the assessment, in-country COVID-19 restrictions on in-person meetings were lifted by the Kenyan government, and by October 2020 there was a phased reopening of schools. Unfortunately, due to ongoing World Bank Group COVID-19-related restrictions, CAO could not hold the dispute resolution process in-person, which was the preference of the parties, and the process was paused. Despite the delays, both Parties remained committed to the process.

Capacity-building sessions

The capacity-building sessions with the parties, conducted by CAO before and during the dispute resolution process, not only gradually smoothed relations between the parties, but helped them understand the principles of dispute resolution, their roles and responsibilities, and the role of CAO in the process. Importantly, the capacity-building sessions helped the parties to articulate their issues and concerns and understand the interests of the other party in the process. Capacity building such as this is essential to help lay the foundation for an effective dispute resolution process and to help the parties gain confidence and commit to the process.

CONCLUSION

While this case was hampered by various delays and challenges not fully within the control of CAO or the parties, resolution was ultimately reached by the parties through the CAO dispute resolution process in June 2024.

This case will now be closed by CAO in accordance with the CAO Policy.

All documentation relevant to this case is available on CAO's website at <https://www.cao-ombudsman.org/cases/kenya-bridge-international-academies-03kenya>.

See Annex A for more information on the CAO complaint-handling process.

⁵ [Joint Statement](#)

ANNEX A. CAO COMPLAINT-HANDLING PROCESS

Once CAO declares a complaint eligible, an initial assessment is carried out by CAO dispute resolution specialists. The purpose of CAO's assessment is to: (1) clarify the issues and concerns raised by the Complainant(s); (2) gather information on how other stakeholders see the situation; and (3) help stakeholders understand the recourse options available to them and determine whether they would like to pursue a collaborative solution through CAO's Dispute Resolution function, or whether the case should be reviewed by CAO's Compliance function.

As per the IFC/MIGA Independent Accountability Mechanism (CAO) Policy,⁶ the following steps are typically followed in response to a complaint that is received:

- Step 1: **Acknowledgement** of receipt of the complaint.
- Step 2: **Eligibility:** Determination of the complaint's eligibility for assessment under the mandate of CAO (no more than 15 business days).
- Step 3: **Assessment:** Assessing the issues and providing support to stakeholders in understanding and determining whether they would like to pursue a consensual solution through a collaborative process convened by CAO's Dispute Resolution function, or whether the case should be handled by CAO's Compliance function to review IFC's/MIGA's environmental and social due diligence. The assessment time can take up to a maximum of 90 business days, with possibility of extension for a maximum of 30 additional business days if, after the 90-business-day period: (1) the Parties confirm that resolution of the complaint is likely or (2) either Party expresses interest in dispute resolution, and there is potential 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 dispute resolution process is typically based on or initiated by a Memorandum of Understanding and/or mutually agreed-upon ground rules between the parties. It may involve facilitation/mediation, joint fact finding, or other agreed resolution approaches leading to a settlement agreement or other mutually agreed and appropriate goals. The major objective of these types of problem-solving approaches will be to address the issues raised in the complaint, and any other significant issues relevant to the complaint that were identified during the assessment or the dispute resolution process, in a way that is acceptable to the parties affected.⁷

OR

⁶ For more details on the role and work of CAO, please refer to the full IFC/MIGA Independent Accountability Mechanism (CAO) Policy.

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

Compliance Appraisal/Investigation: If the parties opt for an investigative process, the complaint is transferred to CAO's Compliance function. The complaint is also transferred to the Compliance function when a dispute resolution process results in partial or no agreement. At least one Complainant must provide explicit consent for the transfer unless CAO is aware of Threats and Reprisals concerns. CAO's Compliance function reviews IFC/MIGA's compliance with environmental and social policies, assesses related harm, and recommends remedial actions where appropriate, following a three-step process. First, a compliance appraisal determines whether further investigation is warranted. The appraisal can take up to 45 business days, with the possibility of extending 20 business days in exceptional circumstances. Second, if an investigation is warranted, the appraisal is followed by an in-depth compliance investigation of IFC/MIGA's performance. An investigation report will be made public, along with IFC/MIGA's response and an action plan to remediate findings of non-compliance and related harm. Third, in cases where non-compliance and related harm are found, CAO will monitor the effective implementation of the action plan.

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

Step 6: **Conclusion/Case Closure**