



The Independent Accountability Mechanism for IFC & MIGA

8 AUGUST 2025

Compliance Deferral Outcome Report

**Complaint regarding the Daehan Wind Power Company
in Jordan**

Decision to close the case

IFC Project # 35349

About CAO

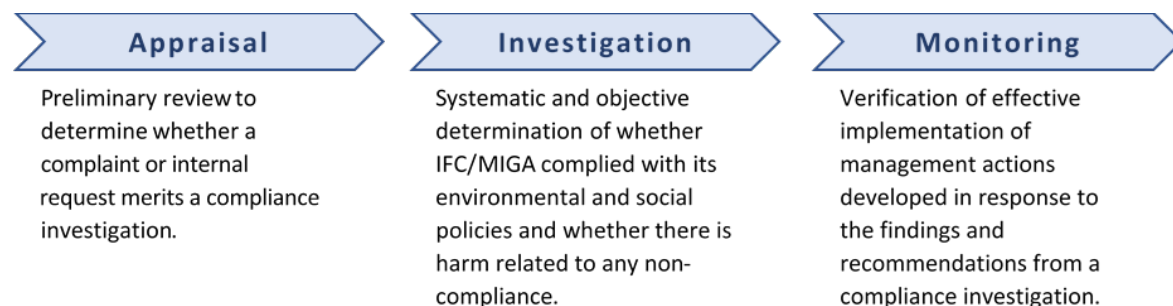
The Office of the Compliance Advisor Ombudsman (CAO) is the independent accountability mechanism of the International Finance Corporation (IFC) and Multilateral Investment Guarantee Agency (MIGA), members of the World Bank Group. We work to facilitate the resolution of complaints from people affected 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:



About this Report

This report is the first deferral outcome report issued by CAO since the new deferral option was introduced under the 2021 CAO Policy (paragraph 103). Deferral by CAO of a decision to investigate a complaint provides an opportunity for IFC/MIGA, clients, and complainants to resolve project-related environmental and social issues directly. This new option is a policy innovation that aims to promote early resolution of community complaints to CAO.

In the Daehan case, while the complaint issues met the requirements for a CAO compliance investigation, CAO deferred the decision to investigate after considering a request from IFC and following consultations with the complainants. An initial six-month deferral was extended by a further 12 months, ending in November 2023. This report provides a brief summary of the complaint, IFC/client response, and CAO compliance appraisal findings before describing CAO's analysis of the actions IFC committed to undertake during the deferral period. It ends with a summary table of these commitments, IFC and client actions in response, and CAO's determination on each commitment.

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Acronyms

Acronym	Definition
CAO	Office of the Compliance Advisor Ombudsman (IFC and MIGA)
CEA	Cumulative Effects Assessment
E&S	Environmental and Social
EHS	Environmental, Health and Safety
ESIA	Environmental and Social Impact Assessment
ESAP	Environmental and Social Action Plan
ESDD	Environmental and Social Due Diligence
ESMS	Environmental and Social Management System
ESRS	Environmental and Social Review Summary
ESRP	Environmental and Social Review Procedures
GIS	Geographic Information System
IFC	International Finance Corporation
MIGA	Multilateral Investment Guarantee Agency
GRM	Grievance Redress Mechanism
PS	Performance Standards (IFC)
SEP	Stakeholder Engagement Plan
SII	Summary of Investment Information
TOR	Terms of Reference

Executive Summary

In June 2020, CAO received a complaint from three brothers who own a plot of land close to the IFC-financed Daehan Wind Power project in Jordan's Tafila Governorate. In June 2022, CAO determined that the complaint met the requirements for a compliance investigation, but deferred the investigation to allow IFC to implement a timebound action plan to resolve the issues raised in the complaint. In November 2023, IFC informed CAO that it had completed its deferral commitments. This report provides CAO's subsequent analysis of IFC's actions during the deferral period and concludes that IFC has substantially addressed the complaint issues and that there is no particular value for accountability, institutional learning, or remedial action from conducting an investigation. Therefore, CAO has decided to close this case.

IFC investment and complaint to CAO

IFC invested in the Daehan Wind Power Company ("Daehan", "the client") in September 2018 to support the development, construction, and operation of a 51.75MW plant. The wind farm, which supplies electricity to the Jordanian National Electric Power Company, began construction in November 2018 and operations in July 2021.

In June 2020, CAO received a complaint from three brothers who own land approximately 500 meters from one of the Daehan wind turbines. The complainants live in Tafila city, about 16km from the project area, but visit their plot to maintain the land and trees they planted there. Their allegations included lack of disclosure of environmental and social (E&S) information and stakeholder engagement by the client and IFC, as well as health and safety concerns over the plant's impact on the complainants' land use.

CAO process

In June 2022, CAO's compliance appraisal determined a compliance investigation was merited in relation to IFC's obligations to adequately ensure the client's application of Performance Standard 1 (PS1) and World Bank Group (WBG) Environmental Health and Safety (EHS) Guidelines requirements in three areas. These included project information disclosure, stakeholder engagement, and assessment of noise and shadow-flicker impacts from the project's wind turbines on the complainants' land. However, at IFC's request and after consulting the complainants, CAO decided to defer the investigation and allow IFC to implement an action plan to respond to the complainants' allegations in a manner consistent with IFC's E&S requirements.¹

CAO established a monitoring framework for the deferral period based on deliverables and timelines agreed with IFC. The deferral action plan focused on the issues raised in the complaint. In November 2023, IFC informed CAO that it had completed its deferral commitments, as follows:

¹ In cases that meet the criteria for a compliance investigation, CAO may decide to defer the investigation when: (i) IFC includes in its Management Response to the complaint timebound specific commitments commensurate with the issues raised in the case and consistent with IFC/MIGA policy requirements, (ii) the alleged Harm is clearly defined, limited in scope, and amenable to early resolution, (iii) the CAO DG considers the views of the complainant as to the impact (positive and negative) of a decision to defer, and other information deemed relevant by CAO. CAO Policy, para. 98.

Deferral period committed action	IFC and client actions
1. Develop and implement an enhanced and more systematic monitoring process of land use, to be carried out during seasons of the year when land use activities are underway (March to October), including engagement with landowners and land users.	<p>IFC hired a consultant to assess the project's land use identification, monitoring, and mitigation measures.</p> <p>As a result of the assessment, the client, with support and advice from IFC: (i) carried out a systematic land use survey to identify permanent sensitive receptors; ² (ii) updated its land use monitoring methodology to identify temporary sensitive receptors (which considers seasonal land use and includes consultation with landowners and land users); and (iii) updated its E&S management plans for noise, shadow flicker, and the project's stakeholder engagement and community investment plans, to reflect the changes in land use monitoring and impact identification.</p>
2. Engage an E&S expert and carry out a specific assessment of the complainants' land use, including the possible impacts of the project, and, if appropriate, implement corresponding mitigation measures in accordance with IFC policy requirements.	<p>IFC hired a consultant to assess the potential project impacts on the complainants' land use. This impact assessment determined that there were no impacts from, or need of mitigation measures for, noise, shadow flicker or risk of blade throw on the complainants' land plot. The consultant made this determination mainly because the plot contained no permanent or temporary structures that could be considered sensitive receptors and require mitigation measures according to the requirements for noise and shadow flicker impacts under Jordanian regulation and the WBG EHS Guidelines.</p> <p>The assessment also determined there was no evidence that the construction and operation of the wind farm has resulted in economic loss to the complainants requiring compensation under IFC's E&S policies.</p>
3. Engage landowners of land not leased to the project but within the project's area of influence and include them in the Stakeholder Engagement Plan (SEP), in order to inform and consult them about the project's impacts, its E&S plans, and prevention and mitigation measures and resources, such as the Grievance Redress Mechanism (GRM), as well as enable their participation in community or other stakeholder meetings.	The client, with advice and guidance from IFC, updated the project's SEP to include landowners not leasing land to the project as well as informal and seasonal users. The updated plan also included new stakeholder activities such as targeted consultations with affected groups and focus group discussions directed at local community representatives, non-leasing landowners within the area of influence, and other local community members.
4. Update the project's public E&S documentation on IFC's disclosure page to include the final ESIA, latest SEP, and final Environmental and Social Action Plan.	IFC updated its disclosure page on this project and published the final version of the ESIA (revised in March 2018), the SEP (last revised in October 2023), and the final ESAP, which had not been previously disclosed.

² Under the WBG EHS Guidelines a "sensitive receptor" is: "A point of reception or receptor may be defined as any point on the premises occupied by persons where extraneous noise and/or vibration are received. Examples of receptor locations may include: permanent or seasonal residences; hotels / motels; schools and daycares; hospitals and nursing homes; places of worship; and parks and campgrounds". WBG EHS General Guidelines, footnote 52.

In addition, following engagement with the complainants and other stakeholders, Daehan agreed to update the project's Community Integration Plan (CIP) to include measures directed at non-leasing landowners. This approach was initially suggested by IFC's E&S consultant as a way to include non-leasing landowners in the project's benefits and address the potential nuisance the project could cause them even in situations where no impact mitigation measures were warranted. Between July 2023 and February 2024, the client, with guidance from IFC, updated the CIP and included a standalone CSR program for non-leasing landowners which began implementation in March 2024. In May 2025, complainants expressed their satisfaction with this result to CAO, and stated it demonstrated the company's sincerity and seriousness in building a good relationship with project neighbors.

CAO commends IFC and Daehan's constructive engagement with the complainants in this case. This approach enabled the design of measures to address their grievances, cultivating goodwill and fostering a positive environment for the operation of the project.

CAO Decision and Next Steps

According to the CAO Policy, at the end of the deferral period CAO may close the case in question, extend the deferral period, or proceed to a compliance investigation.³ After reviewing the information provided by IFC, and consulting the complainants, CAO considers that IFC has met the deferral criteria of substantially addressing the issues raised in the complaint.

In addition, CAO considers there is no particular value for accountability, institutional learning, or remedial action to further investigate these issues.⁴ In CAO's view, accountability, institutional learning, and remedial action have been achieved through IFC and client actions to implement the deferral action plan, as follows: (i) IFC and Daehan acknowledged the project's initial shortcomings over identification of land use impacts, related mitigation measures, and stakeholder engagement and improved them to meet IFC E&S requirements; (ii) despite the impact assessment determination that no EHS mitigation measures were required regarding the complainants' land, the client and IFC, engaged in a constructive dialogue that resulted in an updated Community Integration Plan that includes non-leasing landowners; and (iii) any institutional learning from this case is presented in this report and in IFC and client management and implementation of the deferral action plan.

Thus, in accordance with para. 101 of the CAO Policy, CAO has decided to close the case.

CAO will share this report with the Board, the World Bank Group President, IFC Management, the client, and the complainants, and will publish it on CAO's website.

³ CAO Policy, para. 102.

⁴ CAO Policy, para. 101.

1. IFC Investment

In September 2018, IFC invested in the Daehan Wind Power Company (“the client”, “Daehan” or “the company”), owned by two Korean power generation companies. IFC’s investment aimed to support the development, construction, operation, and maintenance of a 51.75MW wind farm in Jordan’s Tafila Governorate. The company supplies electricity to the Jordanian National Electric Power Company under a 20-year power purchase agreement. Project construction began in November 2018 and commercial operations in July 2021. IFC’s investment in Daehan is a Category A project under IFC’s Sustainability Policy due to significant biodiversity-related risks given the project’s proximity to a protected area and the potential for cumulative adverse impacts on birds. With the exception of these impacts, IFC’s pre-investment review expected the project’s social and environmental risks to be low.

2. CAO Complaint and Process

2.1 Complaint

On June 16, 2020, during project construction, CAO received a complaint from three brothers who own a plot of land located approximately 500 meters from one of the Daehan wind turbines. The complainants live in Tafila city, about 16km from the project area, but visit their plot to maintain the land and trees they planted there.

The complaint raises allegations regarding the project’s lack of disclosure of environmental and social (E&S) information and stakeholder engagement, as well as concerns over the impact of the wind farm’s construction and operation. The complainants allege that Daehan did not make available to them any information about the project’s E&S impacts or related mitigation measures, and did not engage them in stakeholder consultations. Their specific concerns include safety issues posed by the potential risk of wind turbine blades falling on their land and the effects of noise and shadow flicker from the turbines, which they claim were above permissible levels on their land.⁵ The complainants also argue they are not being properly compensated for these risks

⁵ The WBG EHS Guidelines recognize that wind power projects can cause impacts due to (i) noise during construction, operation or decommissioning; (ii) shadow flicker; or (iii) risk of blade or ice throw. During operation, the stage the Daehan power project is currently, wind turbines produce noise through a number of different mechanisms, which can be roughly grouped into mechanical and aerodynamic sources, and which should be measured not to exceed certain decibels. The limits for noise level impacts in Jordanian Noise Regulations (2003) for “residential rural areas” are 50dBA during daytime and 40dBA during nighttime. When host country regulations differ from the levels in the WBG EHS Guidelines, projects are expected to achieve whichever is more stringent, in this case the Jordanian Noise Regulations (2003). (ii) Shadow flicker occurs when the sun passes behind the wind turbine and casts a shadow. As the rotor blades rotate, shadows pass over the same point causing an effect termed shadow flicker. Shadow flicker may become a problem when potentially “sensitive receptors” (e.g., residential properties, workplaces, learning and/or health care spaces/facilities) are located nearby, or have a specific orientation to the wind energy facility. The WBG EHS Guidelines for Wind Energy specify that “if it is not possible to locate the wind energy facility/turbines such that neighboring receptors experience no shadow flicker effects, it is recommended that the predicted duration of shadow flicker effects experienced at a sensitive receptor not exceed 30 hours per year and 30 minutes per day on the worst affected day, based on a worst-case scenario”. Lastly, (iii) EHS Guidelines for Wind Energy define “blade throw” as when “a failure of the rotor blade can result in the ‘throwing’ of a rotor blade, or part thereof, which may affect public safety. According

and impacts on their land, either through the leasing of their land by the IFC client or through other benefit-sharing schemes.

2.2 IFC and client responses

In response to the complaint, IFC Management and its client, the wind farm operator, both asserted to CAO that the project's identification, assessment, and management of E&S impacts met IFC policy requirements. They also maintained that they had complied with IFC E&S policy obligations related to the disclosure of project information, consultations, and stakeholder engagement. IFC and Daehan argued that the complainants' land contains no permanent physical structures, has remained vacant since the start of the project, and is not used for economic activities. As a result, IFC and its client asserted that the land cannot be considered a receptor sensitive to the effects of wind turbines and therefore required no mitigation measures.

Nevertheless, in its Management Response, IFC also requested that CAO defer its decision to investigate under the new deferral option introduced by the 2021 CAO Policy. In an effort to achieve early resolution of the case, IFC committed to work with the client to implement an enhanced monitoring and documentation of land use activities in the project area during the seasons when such activities are underway (March to October) and to engage with landowners and land users. The objective of the enhanced monitoring was both to identify the possibility of new sensitive receptors⁶ impacted by the project and to implement adequate mitigation measures where noise and shadow flicker impacts from the wind turbines exceeds mandated and required thresholds.

2.3 CAO case process

CAO found the complaint against IFC regarding the Daehan Wind Power Company (IFC project 35349) eligible for further assessment in July 2020.⁷ The complainants and wind farm operator subsequently took part in a dispute resolution process mediated by CAO but did not reach an agreement. As a result, CAO transferred the case to its compliance function on February 15, 2022, with the complainants' consent.⁸ On June 8, 2022, CAO concluded its compliance appraisal and determined that a compliance investigation was merited. However, under para. 98 of the CAO

to the EHS Guidelines, while the overall risk of blade throw is extremely low, "ice throw" happens "if ice accretion occurs on blades, which can happen in certain weather conditions in cold climates, then pieces of ice can be thrown from the rotor during operation, or dropped from it if the turbine is idling". The main safety measure against these risks is the location of wind turbines at an acceptable setback distance from adjacent sensitive receptors. WBG EHS Guidelines for Wind Energy, paras. 17-23, 35-41, 58-62.

⁶ Under the WBG EHS Guidelines a "sensitive receptor" is: "A point of reception or receptor may be defined as any point on the premises occupied by persons where extraneous noise and/or vibration are received. Examples of receptor locations may include: permanent or seasonal residences; hotels / motels; schools and daycares; hospitals and nursing homes; places of worship; and parks and campgrounds". WBG EHS General Guidelines, footnote 52.

⁷ CAO, Daehan Wind Power Company/Jordan, Assessment Report. November 1, 2020, available at: <https://bit.ly/3wSvDSG>

⁸ CAO, Daehan Wind Power Company/Jordan, Dispute Resolution Conclusion Report, February 15, 2022, available at: <https://bit.ly/3wW6Vjl>

Policy, CAO decided to defer the investigation pending completion of an action plan agreed with IFC and its client.⁹

CAO concluded an investigation was merited in this case on the basis that:

- (i) There were **preliminary indications of harm to the complainants**, because there were plausible concerns regarding unmitigated impacts from the wind power project on their land, and the complainants lacked information and the opportunity to raise their concerns due to shortcomings in the ESIA consultation and stakeholder engagement processes. The complainants own land within the project's area of influence and in proximity to the project's footprint and structures. They use this land occasionally and seasonally for agricultural purposes, and their plot is within the area where the project's impact modeling shows exceedances of noise and shadow flicker limits at certain times. Noise and shadow flicker impacts, beyond certain permissible levels, are prohibited under both Jordanian regulations and the WBG EHS Guidelines due to the potential for health and safety impacts. Similarly, the risk of blade throw is a common health and safety hazard from wind power projects cited by complainants, due to their land's proximity to a turbine. CAO found preliminary indications that complainants had in fact not been consulted, lacked information and were not part of the project's engagement plan, similar to other non-leasing landowners, which led to them not received information regarding the project's risks, impacts, and E&S prevention and mitigation measures, and that the client had not assessed impacts to their land and their occasional use of the property as part of the project's E&S management plans. As a result, CAO determined there were preliminary indications of harm related noise and shadow flicker, as well as from lack of information and consultation on these potential impacts.
- (ii) There were **preliminary indications of non-compliance** with IFC's E&S policies, related to its responsibility to review and supervise the client's application of Performance Standard 1: Assessment and Management of Environmental and Social Risks and Impacts (PS1) requirements. CAO found preliminary indications of non-compliance in two areas. Firstly, lack of stakeholder engagement and disclosure processes to landowners whose properties were within the area of influence but not leased to the project. Secondly, omissions regarding the assessment of project impacts on land use in the project's area of influence, including seasonal use and the definition of appropriate mitigation measures, particularly in relation to noise and shadow flicker from the wind turbines, as required by the WBG's EHS Guidelines. CAO also found preliminary indications of non-compliance with IFC's Access to Information Policy requirements regarding disclosure of updated E&S information for Category A projects.

⁹ CAO, Daehan Wind Power Company/Jordan, Compliance Appraisal Report, June 8, 2022, available at: <https://bit.ly/4fmktdK>

- (iii) **The alleged harms to the complainants were plausibly linked to IFC’s potential non-compliance.** CAO found that the complainants’ concerns regarding lack of information and consultations were plausibly linked to potential non-compliance in IFC’s pre-investment due diligence and subsequent supervision of PS1 requirements concerning stakeholder engagement, consultation, and the disclosure of information. CAO also found that the complainants’ allegations of unmitigated noise and shadow flicker exceedances on their plot were plausibly linked to potential non-compliance in IFC’s due diligence and supervision of PS1 requirements regarding risk and impact assessment undertaken by the client.

Decision to defer and IFC commitments

In cases that meet the criteria for a compliance investigation, under the 2021 CAO Policy, CAO may decide to defer the investigation when, among other criteria, IFC includes in its Management Response to the complaint timebound specific commitments commensurate with the issues raised in the case and consistent with IFC/MIGA policy requirements. In addition, the alleged Harm must be clearly defined, limited in scope, and amenable to early resolution.¹⁰ Once a deferral is granted, CAO establishes a monitoring framework with scheduled reporting from IFC on the progress made on its commitments. Upon conclusion of the deferral period, CAO must issue a report determining whether Management has addressed the issues raised in the case.¹¹ CAO may then either close the case, extend the deferral period or proceed to a compliance investigation.¹² To close a case after a deferral period, CAO must assess and determine that the issues raised in the case have been substantially addressed and there is no particular value for accountability, institutional learning, or remedial action from conducting an investigation.¹³

In this case, in June 2022, CAO granted a deferral of the investigation, upon IFC’s request and commitment to:¹⁴

1. Develop and implement an **enhanced and more systematic monitoring process of land use**, to be carried out during seasons of the year when land use activities are underway (March to October), including engagement with all landowners and land users.
2. Engage an E&S expert and carry out a **specific assessment of the complainants’ land use, including the possible impacts of the project**, and, if appropriate, implement corresponding mitigation measures in accordance with IFC policy requirements.
3. **Engage landowners of land not leased to the project but within the project’s area of influence** and include them in the Stakeholder Engagement Plan (SEP), in order to inform and consult them about the project’s impacts, its E&S plans, prevention and mitigation

¹⁰ CAO Policy, para. 98. The other criteria to defer an investigation are considering the views of the complainant as to the impact (positive and negative) of a decision to defer, and other information deemed relevant by CAO.

¹¹ CAO Policy, para. 100.

¹² CAO Policy, para. 102.

¹³ CAO Policy, para. 102.a.

¹⁴ IFC proposed the first and part of the third action when it requested the deferral in its Management Response (an enhanced monitoring process for land use activities and engagement with landowners). As a result of the compliance appraisal analysis, the complainants’ comments, and discussions with CAO, IFC also agreed to the additional commitments expressed above. See CAO, Daehan Wind Power Company/Jordan, Compliance Appraisal Report, June 8, 2022, available at: <https://bit.ly/4fmktdK>

measures and resources, such as the Grievance Redress Mechanism (GRM), as well as enable their participation in community or other stakeholder meetings.

4. **Update the project's public E&S documentation** on IFC's disclosure page to include the final Environmental and Social Impact Assessment (ESIA), latest SEP, and final Environmental and Social Action Plan (ESAP).

CAO established a monitoring framework, regarding the deliverables and timelines offered by IFC, to complete each of these actions. CAO reviewed IFC's main deliverables during the deferral period to ensure they were consistent with relevant IFC Sustainability Framework requirements, particularly relevant provisions of PS1 and the WBG EHS Guidelines. The complainants, at any time during the deferral period, could raise concerns with CAO regarding IFC's implementation of the actions and commitments it had agreed. Further details of CAO's monitoring framework for each of the four commitments are provided in section 3, and in the Summary Table in Annex 1.

IFC and CAO initially agreed a six-month deferral period, to end in December 2022. In November 2022, IFC Management requested an extension to enable seasonal monitoring of land use. CAO granted the extension until November 2023.¹⁵ In November 2023, IFC informed CAO that it had completed all actions in the deferral action plan and provided the relevant documentation. In December 2023, CAO consulted the complainants, who requested that CAO continue monitoring IFC and the client's implementation of the action to engage with landowners (see sections 3.2, 3.3 and 3.5 below). At CAO's request, IFC provided additional information and updates in June 2025 on the SEP implementation, particularly in relation to landowners, and the disclosure of updated E&S documentation on IFC's website. IFC provided information and supporting documentation to demonstrate that it had fully implemented all four actions in the deferral action plan and that the issues raised in the complaint have been substantially addressed.

During the deferral period, IFC provided CAO with access to all materials, evidence, and relevant persons involved in each of the agreed actions and deliverables, which allowed CAO to adequately monitor IFC's commitments and their compliance with relevant Sustainability Framework requirements.

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

3. Deferral Period Actions and CAO Monitoring and Analysis

The scope of this CAO deferral outcome report is limited to issues and actions committed in CAO's appraisal report.¹⁶

As outlined above, IFC's Performance Standard 1 and the World Bank Group EHS Guidelines establish requirements for clients to carry out stakeholder consultations, disclose project information, identify E&S project impacts, and manage such impacts through prevention and

¹⁵ The CAO policy allows for the CAO DG to "Extend the deferral period if considerations [to grant the deferral according to paragraph 98 in the Policy] remain [...], and there is in CAO's analysis a high likelihood of the issues being resolved within a defined extension period". CAO Policy, para. 102.b.

¹⁶ CAO Policy, paras. 88, 100 and 103.

mitigation measures. These are all E&S issues regarding which CAO found preliminary indications of non-compliance and related harm.

CAO's monitoring and analysis during the deferral period of June 2022 to June 2025 assessed IFC's implementation of the four commitments outlined above, and determined whether its actions substantially address the issues raised in the complaint, and whether there is no particular value for accountability, institutional learning, or remedial action from conducting a compliance investigation, as required by the CAO Policy to close the case upon conclusion of the deferral period.¹⁷

The subsections below summarize CAO's appraisal findings relevant to each of the four IFC commitment areas and then describe related actions taken by IFC, its expert consultant and the client. Summary data from the Deferral Action Plan are included at the top of each subsection to provide an at-a-glance overview. As described below and in the full Summary Table in Annex 1, CAO found that all IFC commitments and related complaint issues were substantially addressed.

3.1 Enhanced land use monitoring process

Daehan Case Deferral Action Plan: Action 1 Summary				
Committed action	Conditions, deliverables and timeframe	CAO Monitoring Framework ¹⁸	IFC and Client Actions July 2022- Nov 2023	CAO determination December 2023
1. Develop and implement an enhanced and more systematic monitoring process of land use, to be carried out during seasons when land use activities are underway (March to October), including engagement with landowners and land users	<ul style="list-style-type: none"> TOR for the consultant conducting the assessment Consultant CVs Assessment report of the project's land use processes Inspection and consultation records, and sample land use forms Land use survey 	CAO to review IFC's deliverables during the deferral period to ensure consistency with Sustainability Framework requirements, particularly the relevant provisions of PS1 and the WBG EHS Guidelines	<p>IFC hired a consultant to carry out an assessment of the project's original identification of sensitive receptors (impacts from noise and shadow flicker), land use in the project's area of influence, and determination of the respective mitigation measures.</p> <p>As a result of the assessment, the client, with support and advice from IFC:</p> <ul style="list-style-type: none"> Carried out a systematic land use survey to identify permanent sensitive receptors Updated its land use monitoring methodology to identify temporary sensitive receptors, including 	Issue substantiality addressed

¹⁷ CAO Policy, para. 100.d and 102.a.

¹⁸ The complainants can, at any time during the deferral period, raise concerns with CAO regarding the implementation of the actions and commitments agreed by IFC.

	<ul style="list-style-type: none"> • Updated E&S Management Plans • All to be carried out over 20 weeks with specific timelines for individual deliverables 		<p>consideration of seasonal and occasional land use as well as consultation with landowners within the project area and seasonal land users</p> <ul style="list-style-type: none"> • Updated its E&S management plans for noise and shadow flicker, and its stakeholder engagement plan and community investment plan to reflect the changes in land use monitoring and impact identification. 	
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In its appraisal, CAO found preliminary indications of non-compliance regarding the assessment of project E&S impacts from noise and shadow flicker from the wind turbines on adjacent land. Available information suggested that IFC may not have taken into consideration seasonal, occasional, and changing uses on these plots in accordance with PS1 requirements and the WBG EHS Guidelines on noise and shadow flicker. Specifically:

1. The project ESIA and IFC's E&S pre-investment due diligence identified variable seasonal use of the land in the proposed wind farm's area of influence. However, the client's assessment of land use and the project's potential impacts was limited and did not take into account the variable character of seasonal activities or identify the full extent of activities in the project area of influence.¹⁹
2. The client failed to systematically assess, engage, and consult with landowners in the project area of influence, other than those whose land had been previously identified for leasing. This omission affected the proper identification of landowners' use of the land and the assessment of potential project risks and impacts affecting them.
3. Client monitoring of seasonal land use and provision of information to seasonal users about the project's E&S mitigation measures occurred only sporadically and was not consistently documented.

In response to these issues, IFC and the client committed to develop and implement an enhanced and more systematic monitoring process of land use, which would include engagement with landowners and land users. In February 2022, before the deferral period began, the client's EHSS expert updated E&S procedures for the wind farm to incorporate a land use monitoring methodology, which:

¹⁹ The project's land use assessment was based on a land use survey from 2016, which consisted in a walk-over and on-site consultations with some but not all relevant stakeholders, and a pre-construction land use mapping carried out in 2018 that was limited to the land the client had already identified to be leased. Both these identification exercises did not take into account the variable character of seasonal activities in the area. ESIA, p. 93-95, and ESRS, Environmental and Social Categorization and Rationale, page. 3.

- Defined a study area within the project's area of influence where noise and shadow flicker threshold levels could exceed Jordanian Noise Regulations (2003) and WBG EHS Guidelines as determined by the client's Environmental and Social Impact Assessment (ESIA) modeling
- Determined that monitoring of the study area would be undertaken from March to October every year, which is considered the most active period for land use activities by both formal and informal users
- Established a land use monitoring method that included identifying areas where tents, structures, agricultural and other activities were taking place through an annual walkover survey and bi-weekly observations from vantage points
- Assigned staff to conduct interviews and inspections, engage with land users, and keep records of these land use monitoring activities.

The process aimed to continuously monitor land use activities in the project's area of influence to identify any (new) sensitive receptors, inform land users about potential impacts due to proximity of the wind turbine generators (WTGs), and mitigate any impacts in case of grievances.

Consultant assessment and recommendations

In October 2022, IFC hired an E&S consultant,²⁰ who carried out a site visit between November 27-December 2, 2022. The consultant engaged directly with complainants and conducted a specific assessment of their land use activities and possible project impacts (Action 2 in the deferral action plan—discussed below). In addition, the consultant visited a representative sample of land plots, interviewed community representatives, landowners/users, and the wind farm operator, and evaluated the IFC client's land use monitoring implementation and related reports to recommend improvements as needed.

The consultant's assessment, completed in January 2023, found several shortcomings in the client's approach. It concluded that there were additional sensitive receptors in the project's area of influence that the ESIA had not identified due mostly to their informal nature, i.e. tents used by landowners or land users for overnight stays. It also found that the client had not undertaken systematic land use surveys and had conducted insufficient stakeholder engagement, particularly with non-leased landowners and seasonal users, resulting in low awareness of the project's grievance mechanism. Moreover, while Daehan's land use monitoring program had improved since February 2022,²¹ the consultant found that it still lacked detailed reporting and comprehensive identification of sensitive receptors, and recommended the following improvements:

²⁰ CAO provided feedback on IFC's TOR for the consultants in July 2022 and IFC incorporated that feedback in the final TOR.

²¹ The consultant's assessment concluded that the project's Land Use Monitoring methodology had a suitable study area and that the frequency of monitoring, and the use of Vantage Points (VPs) for visual inspection and security personnel to monitor land use was appropriate.

- Conducting a one-off systematic land use survey to identify all permanent structures that meet the criteria of a sensitive receptor and quantify the level of their exposure to noise and shadow flicker.
- Preparing a noise monitoring work plan and undertaking an integrated assessment that combined shadow flicker, noise, and ice/blade throw risks and impacts to sensitive receptors. Based on this assessment, the client would determine any additional mitigation measures required to avoid/minimize exposure to project impacts in accordance with the combined requirements of national legislation and IFC E&S policies, and in consultation with project-affected people and other stakeholders, as necessary.
- Updating the client's Land Use Monitoring Procedure to reflect all land use monitoring activities undertaken by the project and the outcome of the systematic land use survey, as well as refining monitoring procedures by using GIS tools to analyze land use patterns that could inform further mitigation measures and stakeholder engagement approaches.
- Updating the client's Land Use Report template to capture additional necessary information on people identified in the project's area of influence, such as the number of people present, the duration and purpose of their intended stay and further plans, the distance of their tents or other forms of accommodation from the nearest WTG and related impacts from noise and shadow flicker. In parallel, the consultant recommended recording the project's engagement with land users, including consultation and disclosure of required topics such as health impacts from noise and shadow flicker, and blade throw risks as well as awareness of the project's grievance mechanism.
- Training the wind farm's security staff on stakeholder engagement principles and techniques, and on how to record information in the Land Use Report.
- Updating the project's E&S Management System (ESMS) and related E&S programs and plans to ensure consistency and alignment with the outcome of all these actions.
- Including culturally-appropriate measures that preferentially target the landowners and land users of plots within the project's area of influence in the Community Investment Plan (CIP) so that they are able to obtain a benefit from the wind farm's presence.

CAO provided feedback to IFC regarding the consultant's assessment in March 2023, after consultation with complainants.²² Overall, CAO considered the assessment had been carried out with appropriate methodology, rigor, and policy-based analyses, and that the recommendations aligned with E&S policy requirements and provided IFC with an opportunity to enhance the project's E&S performance and directly address the policy gaps identified. CAO also highlighted the measures recommended by the consultants that were of most interest to the complainants and most relevant to address the issues raised in this case, namely identification and mitigation of impacts on land use and stakeholder engagement.

IFC actions in response

In response to the consultant's recommendations and CAO's feedback, IFC:

²² CAO consulted the complainants to provide this feedback, following the process established in the appraisal report. For this purpose, CAO provided the complainants with a brief summary of the specific assessment of their land use and the report's conclusion.

- Clarified to its client the definition of potential sensitive receptors for the project according to the WBG General EHS Guidelines and WBG EHS Guidelines for Wind Energy. IFC emphasized that this definition should be used consistently in all surveys, impact assessments, modeling, and E&S management plans of the Daehan Wind power project, confirming that sensitive receptors could include both permanent and temporary physical structures.²³
- For permanent sensitive receptors (permanent physical structures, with full-time or part-time residency), IFC worked with the client to conduct a one-off systematic Land Use Survey, based on the consultant's recommendations and suggested approach. The survey, was conducted in July-August 2023, including consultation with the relevant owners and users of the permanent structures, and its analysis was completed and shared with CAO in October 2023. The survey identifies and documents permanent sensitive receptors exposed to exceeded impact levels within the area of influence and overlaid these with impact maps for noise, shadow flicker, and blade throw.
- For temporary sensitive receptors (e.g., tents or temporary livestock enclosures), IFC worked with the client to improve the Methodology for Enhanced Land Use Monitoring and the Land Use Monitoring Form for reporting, based on the consultant's recommendations. The procedure was updated between May 2023 and September 2023 and shared with CAO in July and October 2023. The methodology includes the scope of work for enhanced land use monitoring in the Daehan Wind Farm's area of influence to document any temporary sensitive receptors that could be impacted by noise, shadow flicker, and blade throw from the wind farm during the high activity season (March-October) on a bi-weekly basis. It also documents the process to monitor and record any land use observed from November to February.²⁴ The Land Use Monitoring form was updated in July and October 2023 to capture additional information, following the consultant's recommendations (see above). The form now requires: details on the type, materials, frequency, and use of identified structures; information on the observed or noted risk of exposure to noise, shadow flicker or other impacts; the number of persons present and the duration and purpose of their stay. In addition, it requires the client to record its consultations with the land users and disclosure of required topics, including potential health impacts from noise and shadow flicker, and blade throw risks, as well as awareness of the project's grievance mechanism.

Finally, IFC engaged with the client to update and develop E&S Management Plans to meet the consultants' recommendations and establish IFC's enhanced supervision of Daehan's

²³ For the definition of a sensitive receptor regarding noise impacts: WBG General EHS Guidelines, Noise Management, footnote 52. On how to identify and choose sensitive receptors regarding noise impacts in wind power projects: EHS Guidelines for Wind Energy, para. 20. Regarding the noise impact level limits: WBG General EHS Guidelines, page 53, together with the limits for noise level impacts in Jordanian Noise Regulations (2003) for "residential rural areas", which are more stringent than the WBG EHS Guidelines and thus should be followed in this case. Regarding shadow flicker, for the definition of sensitive receptor: EHS Guidelines for Wind Energy, para. 35. With regard to impacts, EHS Guidelines for Wind Energy, para. 39, which specifies the recommended limit.

²⁴ The document identified that semi-nomadic groups move to the project area and live in tents during spring/summertime (between May and September) because it is cooler, lands are productive for agricultural and/or grazing activities. It identified that the area's local community undertake harvesting activities between June and September, making this the season with highest land activity, generally returning to their villages on a daily basis with some of the land containing small structures or tents used for rest during the day.

implementation of these plans. Particularly relevant to the issues raised in this case, IFC provided advice and guidance to the client to update and develop:

- The Noise Management Plan, completed and shared with CAO in October 2023, which describes the mitigation measures in cases where noise impact related grievances are received
- The Shadow Flicker Management Plan, completed and shared with CAO in October 2023, which describes mitigation measures for permanent sensitive receptors impacted by shadow flicker, in consultation with stakeholders
- The Stakeholder Engagement Plan (SEP), updated in November 2022 and again in October 2023 to include as relevant stakeholders landowners not leasing their land to the project, such as complainants (see also section 3.3)
- The Community Investment Plan (CIP), expanded to include measures targeting non-leasing landowners within the project's area of influence based on a rotational system (see also sections 3.2 and 3.3).

Since these updates were made, the client has been implementing the enhanced methodology for land use monitoring and other E&S management plans. IFC's monitoring has determined that the client has satisfactorily met key E&S operational requirements during 2023 and 2024, with the client sharing quarterly SEP implementation reports and land use inspection reports with IFC, allowing for closer supervision by IFC.

CAO considers that IFC has completed this action in line with its deferral plan commitment and that the enhanced methodology for land use monitoring and related E&S management plans, have substantially addressed the relevant complaint issues, following the requirements of PS1 and the WBG EHS Guidelines. These issues are: (i) identification of impacts and sensitive receptors in a systematic and comprehensive way that includes seasonal and occasional land users in the project's area of influence; and (ii) the design and implementation of adequate mitigation measures in case of noise and shadow flicker exceedances.

3.2 Assessment of the possible impacts on complainants' land

Daehan Wind Farm Case Deferral Action Plan: Action 2 Summary					
Committed action		Conditions, deliverables and timeframe	CAO Monitoring Framework	IFC and Client Actions	CAO determination
2.	Engage an E&S expert and conduct a specific assessment of the complainants' land use, including project impacts and, if appropriate, implement	<ul style="list-style-type: none"> • Assessment of the complainants' land use and potential project impacts that includes consultation 	CAO to review and provide feedback to IFC on the methodology, findings, and proposed mitigation measures of the assessment of	<p>IFC hired an E&S consultant who carried out an assessment of land use and potential impacts on the complainants' land.</p> <p>The assessment found no impacts from noise, shadow flicker or risk of blade throw on the complainants' land plot, because there were no</p>	Issue substantiality addressed

corresponding mitigation measures in accordance with IFC policy requirements	<ul style="list-style-type: none"> with complainants Assessment to result in a formal written report, the contents of which will be communicated and explained to the complainants Assessment to be conducted by an E&S expert over a period of 20 weeks. 	complainants' land use and potential project impacts, taking into consideration input from the complainants and IFC's policy requirements	<p>permanent or temporary sensitive receptors on the plot that could have required the project to implement specific mitigation measures regarding noise and shadow flicker exceedances, according to the requirements of Jordanian regulation and the WBG EHS Guidelines.</p> <p>The assessment also determined there was no risk of blade throw on the plot because it is located (at its shortest distance) outside the range of a falling blade, and no evidence that the wind farm's construction and operation has led to loss of income or livelihood for the complainants, which would require compensation under IFC's E&S policies.</p>	
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The complainants' plot is about 500 meters away from one of the project's wind turbines. The brothers have owned this land for more than 10 years, using it for seasonal agricultural activities, including fruit trees, with varying intensity over the years.²⁵ In their complaint, they raised safety concerns for their land due to potential blade throw, as well as noise and shadow flicker impacts above permissible levels. They requested compensation, either through Daehan leasing their land or other benefit-sharing schemes.

In its compliance appraisal, CAO found preliminary indications that IFC may not have adequately reviewed and supervised the project's compliance with its PS1 requirements for assessing potential noise and shadow flicker impacts and the implementation of appropriate mitigation measures²⁶ to address these risks.²⁷ Because no sensitive receptors had initially been identified

²⁵ Between 2011 and 2013 they grew field crops for self-sufficiency and used to visit the land and work on it continuously. In 2014, they planted fruit trees and continued to visit the land during the weekends and stay on the land for periods of one to two months in temporary structures (tents). From 2018 onwards, due to drought affecting the area, the complainants ended permanent cultivation of their plot of land and reduced their visits to three to four times a year, to take care of the trees by "pruning, plowing, harvesting" as well as to ensure the land's safety from attacks.

²⁶ PS1 requires clients to carry out an environmental and social impact assessment of an IFC-financed project, to identify impacts and proper mitigation measures. These measures must be consistent with "good international industry practice", including, in this case, the WBG's EHS Guidelines for Noise and Wind Energy, which call for the "appropriate and relevant methods and assessment tools" and based on "recent environmental and social baseline data at an appropriate level of detail," in the context of the project's area of influence and in consultation with affected communities. PS1, paras. 7, 13 16, and 30.

²⁷ The WBG's EHS Guidelines for Wind Energy indicate that turbines must be located at an acceptable setback distance from adjacent sensitive receptors to maintain public safety in the event of ice throw or blade failure, which should be

on the complainants' land plot, no mitigation measures were proposed even though noise and shadow flicker modeling revealed exceedances of threshold limits on their land.²⁸ CAO found preliminary indications that the project had not considered the complainants' seasonal use of their land, where they had planted fruit trees, or conducted an impact assessment to determine whether sensitive receptors, such as tents or temporary shelters, were present during the season of high activity.

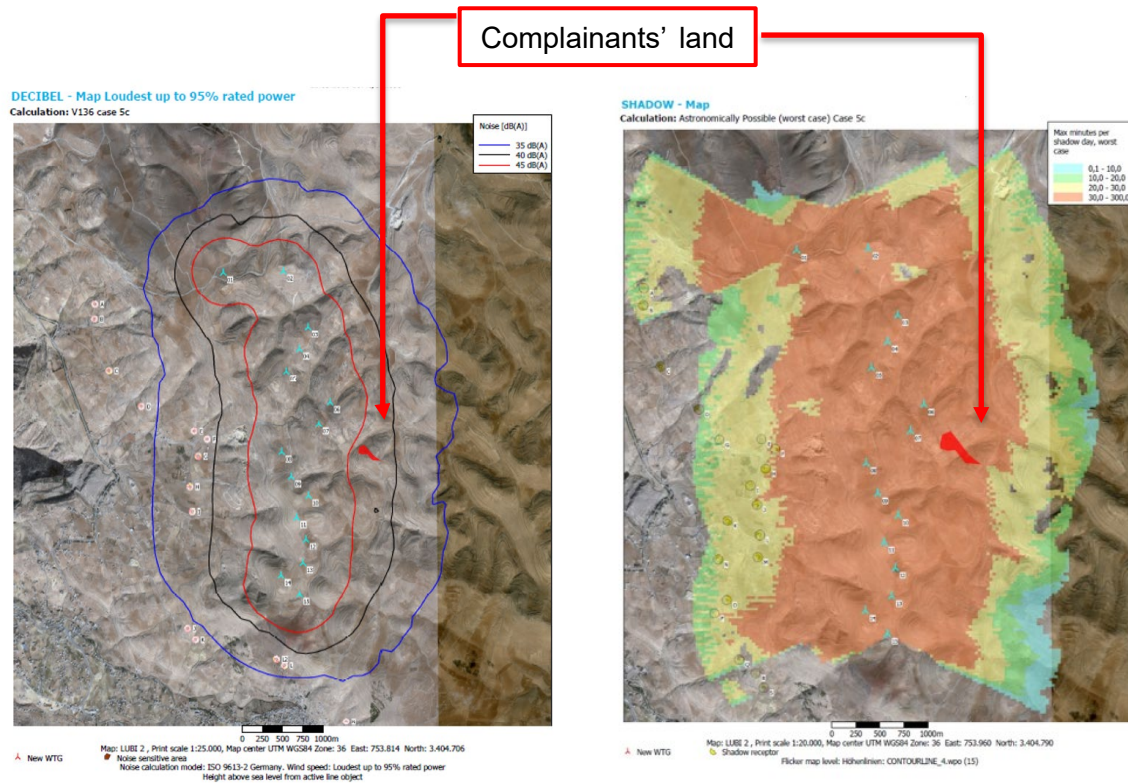


Image shows location of complainants' land plot within the area subject to 40dB(A) from the wind turbines – above the Jordanian nighttime threshold.

Image shows location of complainants' land plot within the area subject to shadow flicker for over 30 minutes per day in the worst-case scenario – above the threshold of WBG EHS Guidelines for Wind Energy.

Source: ESIA, Annex I, Noise and Shadow Flicker.

complemented by the minimum setback distances required to meet noise and shadow flicker limits with respect to sensitive residential receptors to provide further protection. According to the EHS General Guidelines, noise prevention and mitigation measures should be applied where predicted or measured noise impacts from a project facility or its operations exceed the applicable noise level guidelines at the most sensitive point of reception. Specifically regarding wind power projects, noise impact should be assessed in accordance with several principles, including the fact that sensitive receptors should be chosen “according to their environmental sensitivity (human, livestock, or wildlife).” Additionally, the EHS Guidelines for Wind Energy call for prevention and control measures to avoid significant shadow flicker impacts, which should not exceed a predicted duration of 30 hours per year and 30 minutes per day on the worst affected day, based on a worst-case scenario. EHS Guidelines for Wind Energy, para. 20, 39-40, 59 and 60, and EHS General Guidelines, pp. 1 and 53.

²⁸ When the project ESIA was conducted, the complainants' land plot was vacant, had no physical structures nor evidence of economic activities, and thus was not considered a sensitive receptor that could be impacted by noise or shadow flicker. As a result, no mitigation measures were implemented regarding this plot.

In response, IFC and its client committed in the deferral action plan to engage an E&S expert and carry out a specific assessment of the complainants' land use, the possible impacts of the project, and, if appropriate, implement corresponding mitigation measures that meet IFC policy requirements.

As described in section 3.1, in October 2022 IFC hired a consultant to conduct this assessment, including a site visit.²⁹ The consultant concluded that there were no permanent buildings or temporary infrastructure present on the complainants' land plot which would be considered sensitive receptors and required the client to implement specific mitigation measures regarding noise and shadow flicker exceedances. The assessment involved a detailed inspection of the complainants' land plot,³⁰ the installation of a noise meter on the plot near the closest wind turbine generator, and engagement with relevant stakeholders. The consultant concluded that:

- The complainants' land plot is not a sensitive receptor regarding noise or shadow flicker because there are no structures used for recreation during the day or for overnight stays and there are no people using the land or tents for recreation during the day or for overnight stays.
- There was no risk of blade throw on the complainants' land plot because there were no structures that could be impacted. In the event that a structure was built in the future, the consultant stated that the complainants' land plot is 470 meters at its shortest distance from WTG7, which is outside of the range of a falling blade (270 meters).
- There is no evidence that the wind farm's construction and operation has resulted in a loss of income or livelihood for the complainants that would require compensation, as the land is not rented out to any other party or used for visitors, and the project has not impacted the land's agricultural productivity.³¹

In March 2023 CAO provided feedback to IFC on the consultant's impacts assessment. Among other aspects, CAO inquired whether the modelled/theoretical shadow flicker and noise exposure may be experienced as a nuisance by complainants while present in the land (regardless of being considered a sensitive receptor or not), and whether any measures should be provided to address such potential nuisance. The consultant clarified that, while the noise and shadow flicker exposure may be experienced as a nuisance by complainants while present on the land, they did not recommend nor did the IFC policies require compensation for such type of impact. The consultant

²⁹ The assessment involved a site visit between November and December 2022, and meetings with the complainants in November 2022, and later in June and July 2023, to communicate the results of the assessment. The assessment involved a detailed inspection of the complainants' land plot, the installation of a noise meter on the plot near the project site, around 530 meters southeast of the nearest WTG, as well as engagement with relevant stakeholders. The assessment was completed in January 2023 and CAO provided feedback in March 2023.

³⁰ The inspection indicated that: (i) there are no physical structures within the complainants' land plot that could be used for agricultural storage or overnight stays, but only three underground reservoirs filled by rainwater and a surrounding boundary fence; (ii) the land slopes toward nearest wind turbine; (iii) there were no remains of annual crops being planted or harvested, only two grapevines which appeared to be stunted in growth and extremely dry.

³¹ The assessment clarified that the area has experienced drought over the last few years that impacted landowners' ability to cultivate their lands but is not linked to the project.

suggested that the project could address such potential nuisance with culturally appropriate measures that target the landowners and users of plots within the project area of influence as part of the project's Community Integration Plan (CIP), so that they obtain a benefit from the presence of the wind farm.³² After consulting CAO, IFC agreed to engaged with the client to update its CIP to include measures, at Daehan's discretion, targeting the non-leasing landowners within the project's area of influence.

CAO also highlighted the measures recommended by the consultants that were of most interest to the complainants and most relevant to address the issues raised in this case, namely identification and mitigation of impacts on land use and stakeholder engagement.

Additionally, CAO provided IFC with feedback on how to adequately communicate the results of the assessment to complainants, engage and disclose the necessary information that resulted from the assessment. IFC and the client met with the complainants in June 2023 to share the full results of the impact assessment. They provided them a non-technical summary in Arabic and explained the lack of health impacts from noise and shadow flicker, the absence of risk of blade throw, and the rationale not to implement mitigation measures. IFC and the client also provided the complainants with additional information and supporting documentation in July and December 2023. As a result of these engagements, the complainants indicated that they agreed and accepted the findings and conclusions of the impact assessment report. At the same time, they highlighted the importance of considering all landowners in the area of influence, even those not leasing land to the project, as affected people in the project's E&S management plans, and requested that non-leasing landowners be included in the company's corporate social responsibility (CSR) activities with a dedicated budget. In December 2023, complainants also requested that CAO keep the case open until the IFC client implemented consultations with non-leasing landowners and included possible CSR activities for this group of affected stakeholders in their CIP.

Between July 2023 and February 2024, the client, with advice and guidance from IFC, updated the Community Integration Plan and included a standalone CSR program targeted for non-leasing landowners. The program divides the project's area of influence into sectors and subsectors that will benefit from the program on a rotational basis. One subsector a year will receive a designated budget with focus group discussions to explain the CSR program to beneficiaries.³³ Implementation began in March 2024, and so far has benefited one subsector in November 2024.

In May 2025, complainants communicated to CAO that their relationship with the Daehan Wind Power Company had become "fruitful and positive". They confirmed that the company had begun implementing the CSR program for non-leasing landowners and expressed their satisfaction with

³² The consultants indicated that such measures should be clearly justified, based upon the outcome of the needs assessment, have a low-risk during implementation, and could include activities like providing food boxes during cultural festivals (such as Ramadan).

³³ These focus group discussions, for implementing the CSR program for non-leasing landowners, is separate and additional to the four focus group discussions to be undertaken with local communities per year to update them on project development and any significant activities (see section 3.3 below).

this result, which they considered a demonstrated the sincerity of the company's intentions and seriousness in building a good relationship with project neighbors.

CAO commends the constructive engagement by IFC and its client with the complainants in this case. The client, with guidance from IFC, engaged in a genuine and productive two-way dialogue with complainants and other stakeholders, which enabled the design of measures to address their grievances, cultivating goodwill and fostering a positive environment for the operation of the project, even in the absence of EHS impacts on the complainants' land that required mitigation measures under IFC's E&S policies.

CAO concludes that IFC has completed this action in line with its deferral plan commitment and that the issue of potential lack of identification of impacts and mitigation measures on the complainants' land has been substantially addressed by IFC, following the requirements of PS1 and the WBG EHS Guidelines.

3.3 Engagement with landowners

Daehan Wind Farm Case Deferral Action Plan: Action 3 Summary				
Committed action	Conditions, deliverables and timeframe	CAO Monitoring Framework	IFC and Client Actions	CAO determination
3. Engage owners of land not leased to the project but within its area of influence. Include them in the Stakeholder Engagement Plan (SEP) in order to inform and consult them about the project's impacts and its E&S plans, prevention and mitigation measures, and resources, such as the Grievance Redress Mechanism (GRM), as well as enable their participation in community or other stakeholder meetings.	Within 20 weeks from publication date of the CAO appraisal report, the project operator will update and adjust the SEP to include landowners as a stakeholder group and carry out initial engagements with said stakeholder group. The project shall document such modifications and engagements in accordance with PS requirements. IFC will review these updates and engagements and share them with CAO.	CAO to review the consistency of updates to the Stakeholder Engagement Plan and Enhanced Land Use Monitoring Plan with IFC's policy requirements, which will be adopted by the client, reviewed by IFC, and shared with CAO.	<p>The client, with IFC's advice and guidance, updated the Stakeholder Engagement Plan to include:</p> <ul style="list-style-type: none"> Landowners not leasing land to the project and informal and seasonal land users among the relevant stakeholders to be consulted Additional stakeholder engagement and information disclosure activities such as targeted consultations with affected people, and focus group discussions with local community representatives, non-leasing landowners within the project's area of influence, and local community members. 	Issue substantiality addressed

In its compliance appraisal, CAO found preliminary indications that IFC had not ensured proper application of PS1 requirements regarding stakeholder engagement, consultation, and disclosure of information. CAO's preliminary review of project documentation indicated insufficient engagement and consultation with key stakeholders in the project's area of influence, particularly landowners with properties that were not leased by the project.³⁴ It was also unclear whether the client had made E&S information broadly available to all potentially-affected stakeholders.³⁵

The IFC consultant's assessment for the deferral action plan, completed in January 2023, confirmed that the client's stakeholder consultation and disclosure activities during the ESIA process had been insufficient. The complainants and other landowners were not adequately informed about potential project impacts during construction and operation, and had limited awareness of the grievance mechanism and of project impacts from noise, shadow flicker, and blade/ice throw.

As part of the deferral action plan, IFC and the client committed to engage owners of land not leased to the project but within its area of influence and include them in the Stakeholder Engagement Plan (SEP), in order to inform and consult them about the project's impacts, its E&S plans, prevention and mitigation measures, and resources such as the Grievance Redress Mechanism (GRM), as detailed below, and include them in community or other stakeholder meetings.

The client, with advice and guidance from IFC, updated its SEP in November 2022 and again in October 2023 to include landowners not leasing land to the project and informal and seasonal land users within the relevant stakeholders to be consulted,³⁶ as well as additional stakeholder engagement and information disclosure activities to take place. The latter included targeted consultations with people from local communities whose land or buildings were affected (affected receptors) to explain the outcomes and applicable mitigation measures from the updated noise, shadow flicker, and blade throw assessments on nearby potentially sensitive receptors. The updated SEP also included four focus group discussions a year open to anyone but directed at

³⁴ The stakeholder engagement and consultations carried out in March and May 2016 in preparation for the project's ESIA did not target landowners of plots within the project's area of influence, nor was there evidence that it included them. There was also no evidence of a systematic process of identification of activities and engagement with all landowners whose land could be impacted by project activities in the area of influence during the on-site visits carried out in May 2016. Additionally, the Stakeholder Engagement Plan (SEP) did not include those owners of plots within the project's area of influence who were not leasing land to the project, as relevant stakeholders. This meant that such landowners were excluded from the SEP's strategy and plans detailing the objectives, methodology, and responsibilities involved in engaging with each relevant stakeholder identified.

³⁵ Despite requests from IFC in May 2018, the client had not published the ESIA or other E&S documents online. While there were some indications that some information was shared during consultations and with local authorities and community organizations, there was no indication of whether or how this information was distributed more widely or made known and available to affected communities and stakeholders, such as non-leasing landowners.

³⁶ The updated SEP includes as "Stakeholders who may be Directly or Indirectly Affected by the Project": (i) residents of the villages in the vicinity of the project and which include Um Sarab and Bseira, Gharandal, and Ain Baida; (ii) landowners whom the company have leased the lands from for development of the project; (iii) non-leasing landowners who own land within the project's area of influence; (iv) informal nomadic land users type 1, i.e. tribal nomadic groups that settle within the project area of influence during summer and practice grazing or crop cultivation and harvesting activities; (v) informal nomadic land users type 2, i.e. not part of nomadic tribes within the project area of influence, who usually practice (only) sheep herding at different times throughout the year; and (vi) informal local land users, who do not own land in the project's area of influence but plow the land and sow seeds during the winter period.

local community representatives, non-leasing landowners within the area of influence, and other local community members.³⁷ These focus group discussions, as stated in the SEP, will provide updates to the local communities on:

- Key operational and maintenance activities undertaken to date
- Implementation of the project Environmental and Social Management Plan (ESMP)
- Implementation of stakeholder engagement activities and awareness-raising of the community grievance mechanism
- Implementation of Daehan's CSR program and needs assessments undertaken for local communities
- Disclosure of the project's access policy to inform stakeholders of their right to access land for grazing and other purposes within the project's area of influence
- Information about project impacts noise/shadow flicker and planned mitigation measures
- Outcomes of consultations with Bseira and Tafileh Municipal Engineering Authority on the construction of structures for overnight stay
- Other updates as appropriate (e.g., road edge protection, ongoing land use survey/monitoring including security patrols, updated impact maps, updated E&S Management Plans).

During the past two years, Daehan has conducted several focus group discussions. These included meetings in April 2023 with community representatives, in December 2023 with local women, and in March 2024 with community representatives and non-leasing landowners to present the results of the impact maps and assessment, discuss updates to the SEP, convey information about CSR activities, and review the grievance mechanism and communication pathways. The company has also conducted more targeted consultations. In March 2024, wind farm representatives met with people whose land had been identified to include sensitive receptors to discuss shadow flicker management, and in November 2024 with non-leasing landowners as part of the CSR program implementation.

CAO concludes that IFC has completed this action in line with its deferral action plan commitment. The shortcomings in the stakeholder engagement plan regarding non-leasing landowners have been substantially addressed by IFC, following PS1 requirements.

3.4 IFC disclosure of E&S information

Daehan Wind Farm Case Deferral Action Plan: Action 4 Summary					
Committed action		Conditions, deliverables and timeframe	CAO Monitoring Framework	IFC and Client Actions	CAO determination
4.	Update public project E&S documentation on IFC's disclosure	IFC will update the project's public E&S documentation on its disclosure page	CAO to review that the updates of IFC's project disclosures are in	IFC updated its disclosure page on this project and published the final version of the	Issue substantiality addressed

³⁷ Daehan Wind Power Co., Stakeholder Engagement Plan (SEP), Operation Phase, Rev. 10, October 2023.

	page: include the final ESIA, latest SEP, and final Environmental and Social Action Plan (ESAP)	within 20 weeks from the publication date of the CAO appraisal report.	line with IFC policy requirements	ESIA (revised in March 2018), the SEP (last revised in October 2023) and the final ESAP, which had not been previously disclosed.	
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In its appraisal of this case, CAO found preliminary indications of non-compliance regarding IFC's obligations to disclose E&S information about a Category A (high E&S risk) project. At the time, IFC had not published the updated versions of the project's ESIA, SEP, and ESAP, as required under its Access to Information Policy (AIP).³⁸ Consequently, in its 2022 deferral action plan, IFC Management committed to updating the E&S documentation on the disclosure webpage for this project.

In November 2022, IFC published the final ESIA revised in March 2018, the SEP revised in November 2022, and the project's final Environmental and Social Action Plan (ESAP). In June 2025, IFC disclosed the most recent revised version of the SEP from October 2023. All updated E&S information is currently disclosed on the IFC project disclosure page: <https://disclosures.ifc.org/project-detail/ESRS/35349/daehan-wind-power-company>.

As a result, CAO concludes that IFC has completed this action as committed and that the issue of lack of disclosure of updated E&S information by IFC has been substantially addressed, following the requirements of the Access to Information Policy.

3.5 Complainants' views

Under the deferral monitoring framework, complainants could raise concerns with CAO about IFC's implementation of actions and commitments at any time during the deferral period. In addition, CAO consulted complainants several times during key points of the deferral period. These included: before and after the assessment of their land use and the project's potential impacts in March-April 2023, after IFC reported all actions in the deferral action plan completed in December 2023; and when CAO was considering all information and preparing this outcome report in May 2025.

After the assessment of their land use and potential project's impacts, the complainants indicated they continued to be concerned about the "human exposure" to noise and shadow flicker from the wind turbines, even without permanent or temporary structures in place. They asked to see documented justification of the lack of risk of blade throw on their land, and the full evaluation of

³⁸ IFC Management initially complied with its disclosure obligations when it published, prior to Board approval, the project ESRS, ESIA, SEP, Cumulative Effects Assessment (CEA), and ESAP in August 2017. However, most of these documents were subsequently revised or modified. The ESIA was revised to meet requirements made by the Jordanian national environmental authorities and its final version is a fourth revision, dated March 27, 2018. The SEP also went through several revisions, with the latest version during CAO's compliance appraisal dated September 2021. This was later further revised in response to the deferral action plan, with the latest version dated October 2023. The final ESAP, included as part of the legal agreement, consists of a joint ESAP between all the lenders, which was not the version published online.

risks and the rationale for mitigation measures not being needed. These concerns are consistent with misperceptions about project impacts during construction and operation identified by the consultants who carried out the assessment of land use, which they attributed to lack of disclosure of sufficient information about the project impacts to all relevant stakeholders. As described in section 3.2, CAO passed these concerns to IFC. In response, IFC, the client, and the consultants met with complainants in June 2023, and provided the information requested and required to understand and accept the assessment results. Between July and December 2023, IFC and the client provided further information that the complainants requested regarding the assessment of impacts on their land and the project's updated E&S management plans.³⁹

In December 2023, after IFC reported that all deferral actions had been completed, complainants requested that CAO continue monitoring implementation of the deferral action plan, particularly the updated stakeholder engagement and community investment plans, in regard to the inclusion of non-leasing landowners in the area of influence. Finally, in May 2025, the complainants informed CAO that the company had begun implementing a CSR program for non-leasing landowners and expressed their satisfaction with this development and the results of the CAO process in general, which they no longer objected to closing.

4. CAO Decision

According to the CAO Policy, upon conclusion of the deferral period, CAO may close the case in question, extend the deferral period, or proceed to a compliance investigation.⁴⁰ In this case, IFC reported to CAO that all actions have been fully completed and requested case closure.

In order to determine whether a deferred case should be closed, CAO must assess and determine that the issues raised have been substantially addressed and that there is no particular value for accountability, institutional learning, or remedial action from conducting an investigation.⁴¹

Based on the analysis detailed in this report and in the Summary Table presented in Annex 1, CAO has decided to close this case. CAO concludes that the issues raised in the complaint have been substantially addressed by IFC and that there is no particular value for accountability, institutional learning, or remedial action from conducting a compliance investigation of these issues.⁴²

Specifically, IFC has substantially addressed CAO's preliminary indications of non-compliance and harm related to the lack of consultation and stakeholder engagement with landowners and users of project-impacted land, the lack of assessment of project impacts that could affect use of

³⁹ IFC and the client provided the complainants with the Arabic translations of a non-technical summary of the consultant's findings regarding their land; the Jordanian noise regulations and WBG EHS Guidelines; the noise and shadow flicker data recorded on their land; documents to provide scientific background regarding calculation of the setback distance between the turbine and the nearest populated areas, and a copy of the project's updated SEP and CIP.

⁴⁰ CAO Policy, para. 102.

⁴¹ CAO Policy, para. 102.a.

⁴² The CAO policy requires that the CAO DG decide to "close the case if the issues raised in the complaint have been substantially addressed [during the deferral] and there is no particular value for accountability, institutional learning, or remedial action from conducting an investigation." CAO Policy, para. 102.a.

the complainants' land, and incomplete disclosure of project E&S documentation by IFC. Additionally, CAO considers there is no particular value for accountability, institutional learning, or remedial action to further investigate these issues because accountability, institutional learning and remedial action have been achieved through IFC's and the client's actions in implementing the deferral action plan. Regarding accountability, IFC and the client have acknowledged that the initial identification of land use impacts, related mitigation measures, and stakeholder engagement plans and activities had shortcomings and consequently updated and improved them accordingly to meet the requirements of the Performance Standards. Regarding remedial action, the assessment of the project's potential impacts on the complainants' land concluded that there were no project impacts related to noise, shadow flicker, or risks of blade throw and as such mitigation measures were not warranted. Nonetheless, the client and IFC, engaged in a constructive dialogue with the complainants and other relevant stakeholders, which resulted in an updated Community Integration Plan that includes a standalone CSR program targeted for non-leasing landowners, as a measure to foster and cultivate good community relationships with the local landowners. Lastly, CAO considers that any institutional learning from this case is presented in this report and IFC's and the client's management and implementation of the deferral action plan.

CAO will share this deferral outcome report with the IFC Board of Directors, the World Bank Group President, IFC Management, the client, and the complainants, and will publish the report on CAO's website.⁴³

⁴³ The CAO Policy requires CAO to "issue, and circulate for information, a report summarizing the actions taken and outcomes of the deferral to the Boards, the President, Management, and the Complainant. CAO will also publish this report on its website." CAO Policy, para. 103.

Annex 1: Summary Table

The following table provides a summarized overview of the deferral action plan, subsequent actions by IFC and the client during the deferral period of July 2022-June 2025, and CAO's individual determinations regarding each of the commitments made by IFC Management. On the basis of this information, CAO concluded that IFC had met its commitments and addressed the complaint issues, and CAO therefore made the decision to close this case.

Daehan Wind Farm Case Deferral Action Plan: Summary Table					
Committed action		Conditions, deliverables and timeframe	CAO Monitoring Framework ⁴⁴	IFC and Client Actions	CAO determination
1.	Develop and implement an enhanced and more systematic monitoring process of land use, to be carried out during seasons of the year when land use activities are underway (March to October), including engagement with landowners and land users	<ul style="list-style-type: none">• TOR for the consultant conducting the assessment• Consultant CVs• Assessment report of the project's land use processes• Inspection and consultation records, and sample land use forms• Land use survey• Updated E&S Management Plans• All to be carried over a period of 20 weeks with specific timelines	CAO to review IFC's deliverables during the deferral period to ensure they are consistent with Sustainability Framework requirements, particularly relevant provisions of PS1 and the WBG EHS Guidelines	<p>IFC hired a consultant to carry out an assessment of the project's original identification of sensitive receptors (impacts from noise and shadow flicker), land use in the project's area of influence, and determination of the respective mitigation measures.</p> <p>As a result of the assessment, the client, with support and advice from IFC:</p> <ul style="list-style-type: none">• Carried out a systematic land use survey to identify permanent sensitive receptors• Updated its land use monitoring methodology to identify temporary sensitive receptors that included consideration of seasonal and occasional land use as well as consultation with landowners within the project's	Issue substantiality addressed

⁴⁴ The Complainants can, at any time during the deferral period, raise concerns with CAO regarding the implementation of the actions and commitments agreed upon by IFC.

		for individual deliverables		<p>area of influence, and seasonal land users</p> <ul style="list-style-type: none"> Updated its E&S management plans for noise and shadow flicker, and its stakeholder engagement plan and community investment plan to reflect the changes in land use monitoring and impact identification. 	
2.	Engage an E&S expert and conduct a specific assessment of the complainants' land use, including possible project impacts and, if appropriate, implement corresponding mitigation measures in accordance with IFC policy requirements	<ul style="list-style-type: none"> Assessment of the complainants' land use and potential project impacts that includes consultation with complainants Assessment to result in a formal written report, the contents of which will be communicated and explained to the complainants Assessment to be conducted by an E&S expert over a period of 20 weeks. 	CAO to review and provide feedback to IFC on the methodology, findings, and proposed mitigation measures of the assessment of complainants' land use and potential project impacts, taking into consideration input from the complainants and IFC's policy requirements	<p>IFC hired an E&S consultant who carried out an assessment of land use and potential impacts on the complainants' land.</p> <p>The assessment found no impacts from noise, shadow flicker or risk of blade throw on the complainants' land plot, because there were no permanent or temporary sensitive receptors on the plot that could have required the project to implement specific mitigation measures regarding noise and shadow flicker exceedances, according to the requirements of Jordanian regulation and the WBG EHS Guidelines.</p> <p>The assessment also determined there was no risk of blade throw on the plot because it is located (at its shortest distance) outside the range of a falling blade, and no evidence that the wind farm's construction and operation has led to loss of income or livelihood for the complainants, which would require compensation under IFC's E&S policies.</p>	Issue substantiality addressed

3.	Engage owners of land not leased to the project but within its area of influence. Include them in the Stakeholder Engagement Plan (SEP) in order to inform and consult them about the project's impacts and its E&S plans, prevention and mitigation measures, and resources, such as the Grievance Redress Mechanism (GRM), as well as enable their participation in community or other stakeholder meetings.	Within 20 weeks from the publication date of the CAO appraisal report, the project operator will update and adjust the SEP to include landowners as a stakeholder group and carry out initial engagements with said stakeholder group. The project shall document such modifications and engagements in accordance with PS requirements. IFC will review these updates and engagements and share them with CAO.	CAO to review the consistency of updates to the Stakeholder Engagement Plan and Enhanced Land Use Monitoring Plan with IFC's policy requirements, which will be adopted by the client, reviewed by IFC, and shared with CAO.	The client, with IFC's advice and guidance, updated the Stakeholder Engagement Plan to include: <ul style="list-style-type: none"> Landowners not leasing land to the project and informal and seasonal land users among the relevant stakeholders to be consulted Additional stakeholder engagement and information disclosure activities such as targeted consultations with affected people, and focus group discussions with local community representatives, non-leasing landowners within the project's area of influence, and local community members. 	Issue substantiality addressed
4.	Update public project E&S documentation on IFC's disclosure page to include the final ESIA, latest SEP, and final Environmental and Social Action Plan (ESAP)	IFC will update the project's public E&S documentation on its disclosure page within 20 weeks from the publication date of the CAO appraisal report.	CAO to review that the updates of IFC's project disclosures are in line with IFC policy requirements	IFC updated its disclosure page on this project and published the final version of the ESIA (revised in March 2018), the SEP (last revised in October 2023) and the final ESAP, which had not been previously disclosed.	Issue substantiality addressed