
Compliance Monitoring

Omnibus Case Report: Q3, FY2025

About CAO

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

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

About the Compliance Function

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

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

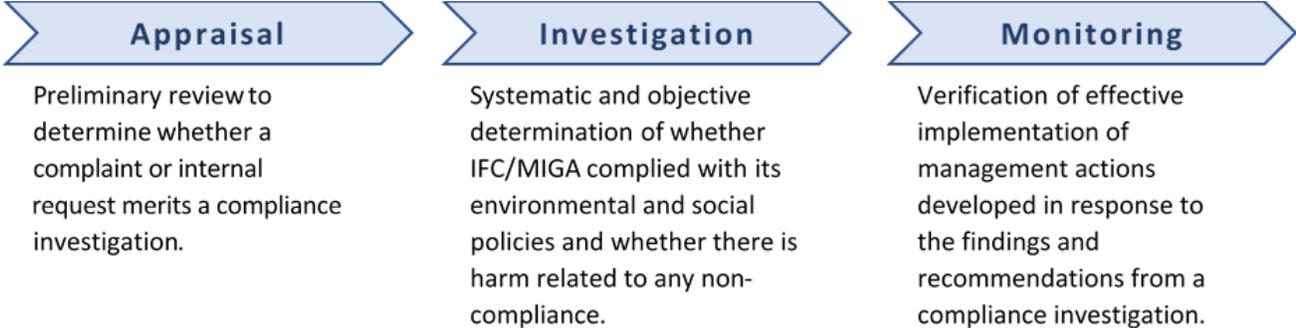


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Acronyms

CAO	Office of the Compliance Advisor Ombudsman (IFC and MIGA)
DG	Director General
E&S	Environmental and Social
ESAP	Environmental and Social Action Plan
ESIA	Environmental and Social Impact Assessment
ESDD	Environmental and Social Due Diligence
ESMS	Environmental and Social Management System
ESRP	Environmental and Social Review Procedures
ESRS	Environmental and Social Review Summary
FY	Fiscal Year
GIIP	Good International Industry Practice
IFC	International Finance Corporation
MAP	Management Action Plan
MIGA	Multilateral Investment Guarantee Agency
PS	IFC Performance Standards

1 Executive Summary

CAO's compliance monitoring is the last phase in CAO's compliance process. This final stage is critical to achieving redress for complainants through remedial commitments and measures by IFC/MIGA that address project-related Harm to people and the environment.

In cases where a CAO compliance investigation results in findings of IFC/MIGA non-compliance, CAO monitors the actions that IFC/MIGA take in response. Some current CAO compliance cases entered the monitoring phase before July 2021 and prior to the approval of the IFC/MIGA Independent Accountability Mechanism (CAO) Policy ("CAO Policy"). In these cases, CAO monitors actions taken by IFC/MIGA until assured that they are addressing the non-compliance findings. For compliance cases which entered monitoring after July 2021, and are therefore covered by the CAO Policy, CAO verifies effective implementation of the IFC/MIGA Management Action Plan (MAP) to address CAO's non-compliance findings and related Harm.

In this third Omnibus Monitoring Report, CAO provides monitoring updates and outcomes for six cases from Latin America and Africa. Four cases – Alto Maipo-01 and -02 in Chile, PL IV-01 in Panama, Alexandria Development-02 and -03 in Egypt, and Lonmin-02 in South Africa – are being monitored under the 2021 CAO Policy. The two remaining cases – LCT-01 and -03 in Togo, and Bujagali -04, -06, -07, and -08 in Uganda – are being monitored under the 2013 CAO Operational Guidelines.

Below is a summary of IFC project-level and systemic-level actions across these cases, and of CAO ratings of IFC's performance. Based on the observations detailed in Sections 4 and 5 of this report, **CAO has decided to close its project-level monitoring of two cases, LCT-01 and -03 and Bujagali -04, -06, -07, and -08, and systemic-level monitoring of two cases, Alexandria Development-02 and -03 and Lonmin-02. Project-level monitoring of one case and systemic-level monitoring of two cases will remain open.**

CAO Monitoring of IFC Project-Level Actions

This report covers CAO monitoring of IFC's actions in response to nine project-level non-compliance findings across the three cases summarized below. Monitoring took place during November 2024-March 2025.

CAO Case	CAO Rating of IFC Project-Level Actions ¹				
	Excellent	Satisfactory	Partly Unsatisfactory	Unsatisfactory	Too Early to Tell
PL IV-01/ Panama		1	1		
LCT-01 & -03/Togo			3	1	
Bujagali-04, -06, -07 & -08/Uganda		1		2	

Panama Transmission Line IV (PL IV-01), Panama²

CAO status: Case remains open

IFC status: Active Advisory Services

IFC is advising Panama's state transmission company, Empresa de Transmisión Eléctrica, S.A. (ETESA), on the structure and tender of its first public-private partnership project. CAO continues to raise concerns about the project, given the significant social risks of undermining protections provided to Indigenous communities under IFC's Performance Standard 7 (PS7).

During this monitoring period, IFC reconfirmed that it urged ETESA to: (i) conduct a more thorough mapping of stakeholder engagement, (ii) fulfill the FPIC (free, prior, and informed consent) process with Indigenous communities to align with PS7, and (iii) require the project concessionaire to develop a supplemental E&S Impact Assessment (ESIA) that incorporates a detailed design of the transmission line and aligns with IFC's Performance Standards (PS). CAO recognizes IFC's efforts to course-correct and focus its advice on stakeholder engagement and the FPIC process, but is concerned to learn from IFC that the client continues not to incorporate IFC's advice in the ESIA work plan and process deliverables of the ESIA process. IFC has also maintained communication with complainants, and both parties have recognized the value of these exchanges. CAO will continue to monitor IFC's actions and advice to ETESA on stakeholder engagement and FPIC, the preparation of PS-compliant transmission line bidding documents, and periodic engagement with complainants.

LCT-01 and -03, Togo

CAO status: Case closed (March 2025)

IFC status: Project exit

Following publication of CAO's investigation report in October 2016, IFC committed to support its former client, the Lomé Container Terminal (LCT) in conducting a coastal erosion study. This was completed in 2022. In December 2023, LCT fully repaid the IFC loan, ending IFC's formal supervisory role. However, despite repeated efforts by IFC and other lenders, the government of Togo has not

¹ Open actions are green and closed actions are gray.

² See the systemic-level analysis for this case in the section below.

approved publication of the coastal erosion study. For this monitoring report – the fifth by CAO – IFC reported that it has continued to engage with LCT regarding the study’s publication but noted that it does not propose to undertake any further formal commitments in regard to CAO’s report findings. CAO has therefore decided to close this case as there is no reasonable expectation of further action by IFC to address the non-compliance findings from nine years ago.

Bujagali Energy-04, -06, -07 & -08, Uganda

CAO status: Case closed (March 2025)

IFC status: Active project

During this monitoring period, IFC completed its response to CAO’s non-compliance findings of November 2017 regarding compensation for injuries to workers (Bujagali-04 and -08) at the client’s hydropower project. Specifically, IFC implemented an Advisory Services program to support the livelihoods of injured former workers which, upon review of available information, CAO rates as Satisfactory. CAO has therefore decided to close its monitoring of these two complaints. In response to CAO’s non-compliance findings regarding unpaid wages to workers (Bujagali-06) and lack of land compensation (Bujagali-07), CAO finds IFC’s response Unsatisfactory. However, as IFC has not taken or committed to further actions to address its non-compliances and the related impacts to complainants, CAO concludes there is no reasonable expectation of further action to address relevant project-level non-compliance findings and has decided to close these cases.

CAO Monitoring of IFC Systemic-level Commitments

CAO Case	CAO Rating of IFC Systemic-Level Actions ³				
	Excellent	Satisfactory	Partly Unsatisfactory	Unsatisfactory	Too Early to Tell
Alto Maipo-01 & -02/Chile			3		
PL IV-01/Panama					2
Alex Dev-02 & -03/Egypt		1			
Lonmin-02/South Africa		1			

IFC has committed to implement actions to avoid recurrence of non-compliance and improve institutional performance in relation to the four cases under review for this Omnibus Report shown in the table above.

³ Open actions are green and closed actions are gray.

Alto Maipo-01 & -02, Chile

CAO Status: Case remains open

IFC Status: Project exit

CAO has decided to continue monitoring IFC's systemic-level commitments in these merged two cases that focused on the social and environmental impacts of a hydropower project near the capital of Chile, with a rating of Partly Unsatisfactory. IFC previously reported that it completed one MAP action by issuing a Good Practice Handbook on Cumulative Impact Assessment for use by private sector clients. However, IFC has not yet provided examples of the handbook's project-level implementation. Accordingly, it is not yet possible for CAO to verify effective implementation and monitoring of this action remains open. IFC also previously reported completion of an additional MAP action to update the status of projects (active or completed) on the IFC Disclosure website in a timely manner. However, CAO has found a number of IFC projects that remain active on the disclosure site after IFC exited the investment, and monitoring of this action therefore remains open.

Panama Transmission Line IV, PLIV-01, Panama⁴

Case Status: Case remains open

IFC Status: Active Advisory Services

As a result of this case, IFC committed to include a tip sheet in the ESRP Handbook to guide implementation of Advisory Services (AS) when a client develops activities that carry E&S risks or impacts. IFC's progress on the tip sheet and on a separate action to develop a Good Practice Note on Contextual Risk Screening for Projects remain Too Early to Tell, and CAO will keep monitoring of this case open.

Alex Dev-02 & -03, Egypt

CAO Status: Case closed (March 2025)

IFC status: Project exit

IFC committed to hosting a country level workshop on worker retrenchment in Egypt and to conduct an internal staff training session on retrenchment issues in projects. These took place in May 2024 and February 2025, respectively, and CAO considers these MAP commitments completed with a Satisfactory rating. IFC informed CAO that it intends to offer managing retrenchment training to staff in other regions, which would represent a welcome example of IFC exceeding its MAP commitment.

Lonmin-02, South Africa

CAO Status: Case closed (March 2025)

IFC Status: Project exit

As a result of this project financing development and expansion of platinum mines, IFC committed to develop guidance on, and strengthen the internal controls process for, the way clients cost and resource E&S Action Plans. IFC updated its internal guidance and systems in 2024 to incorporate estimates of the costs involved in implementing project ESAPs agreed between IFC and its clients. IFC also provided CAO with project-level examples of costed ESAPs. CAO has closed monitoring of this action with a rating of Satisfactory.

⁴ See the project-level analysis for this case in the previous section.

2 About CAO Monitoring

2.1 Objectives and Scope

Monitoring of open cases is the third and final step in CAO's approach to compliance, ensuring verification of IFC/MIGA Management actions taken in response to the findings of CAO compliance investigations.

The CAO Policy (2021) provides for CAO to release an annual monitoring report covering IFC/MIGA actions in cases under its compliance monitoring phase.⁵

For FY23 and FY24, CAO piloted omnibus monitoring reports covering multiple active cases to enable a more streamlined and timely disclosure of the results of CAO's oversight. At the same time, CAO retains the option to prepare and publish case-specific monitoring reports in certain circumstances.⁶

In accordance with CAO's [Transitional Arrangements](#)⁷ from the CAO Operational Guidelines to the CAO Policy, cases under CAO's monitoring function prior to July 1, 2021 are handled in accordance with the 2013 CAO Operational Guidelines. Cases which moved into monitoring after July 1, 2021, are handled in accordance with the CAO Policy. Annex A lists all active cases under monitoring with the applicable CAO provisions.

2.2 Monitoring under the CAO Operational Guidelines

For cases that were conducted under the CAO Operational Guidelines (April 2013 – June 2021), where CAO makes non-compliance findings in relation to IFC/MIGA performance in a compliance investigation, CAO keeps the compliance investigation open and monitors the situation until actions taken by IFC/MIGA assure CAO that IFC/ MIGA is addressing the non-compliance. CAO will then close the compliance investigation.⁸

2.3 Monitoring under the CAO Policy

For cases that were conducted under the CAO Policy, IFC/MIGA respond to a CAO compliance investigation by preparing a Management Report. When IFC/MIGA commit to actions in response to CAO's non-compliance findings and related Harm, the Management Report includes a Management Action Plan (MAP) comprising time-bound remedial actions. Once the IFC/MIGA Board of Directors (Board) approves the MAP, CAO monitors and verifies the effective implementation of the actions set out in the MAP. CAO reviews and confirms that IFC/MIGA implement and complete actions presented in a MAP in an effective manner⁹ to address CAO findings of non-compliance and related Harm. CAO

⁵ CAO Policy para 142.

⁶ In January 2025, CAO published a standalone monitoring report of IFC's actions in relation to its investment in RCBC, The Philippines.

⁷ As stated in paragraph 175 of the Policy, "CAO will develop and make public procedures for the transition of ongoing CAO cases to this Policy." Accordingly, transitional arrangements for ongoing CAO cases as set out in the link above have been discussed and agreed upon between CAO, IFC, and MIGA. <https://officecao.org/Transition>.

⁸ CAO Operational Guidelines (2013), para. 4.4.6.

⁹ I.e., in a manner conducive to producing the desired effect.

monitoring focuses on the non-compliance investigation findings and related Harm for which IFC/MIGA have included corrective actions in the MAP and does not consider non-compliance findings for which there are no corresponding corrective actions in the MAP.¹⁰

While a case is open in compliance monitoring, the Board may consider options to strengthen the implementation of measures in the MAP, if necessary. In considering such options, the Board takes into account IFC/MIGA Management Progress Reports and CAO monitoring reports.¹¹ Under the CAO Policy, CAO is charged with verifying the effective implementation of both project-level and systemic actions.

CAO closes the compliance monitoring process under two circumstances. First, if it determines that substantive commitments set out in the MAP have been effectively fulfilled. Second, when not all substantive commitments in the MAP have been effectively fulfilled, but following engagement with IFC/MIGA Management and/or the Board, CAO determines that there is no reasonable expectation of further action to address non-compliance findings.¹²

¹⁰ CAO Policy, para 141.

¹¹ CAO Policy, para 144.

¹² CAO Policy, para 145.

3 About this Report

This monitoring report covers IFC's actions at the project and/or systemic level in six CAO cases (see breakdown below).

CAO's compliance monitoring of IFC/MIGA project-level actions is covered in Section 4. An overview of each case is followed by a detailed table of IFC/MIGA commitments and their implementation status alongside observations by the complainants and CAO. Section 5 summarizes CAO's compliance monitoring of systemic-level actions taken by IFC/MIGA to avoid recurrence of non-compliance and to improve institutional performance in other investment projects.

Cases with Project-Level Commitments:

- IFC investment in LCT to support the development of a port in Togo
- IFC investment in Bujagali Energy to build a hydropower plant in Uganda.

Cases with both Project-Level and Systemic-Level Commitments:

- IFC Advisory Services to ETESA for the Panama Transmission Line IV in Panama.

Cases with Systemic Level Commitments:

- Alto Maipo, Chile: IFC commitments to enhance sexual harassment guidance and IFC investment disclosure
- Alexandria Development, Egypt: IFC commitment to hold a country level workshop on labor retrenchment and training for IFC staff
- Lonmin, South Africa: IFC commitment to implement actions to cost E&S Action Plans.

Two sets of guidelines govern CAO's monitoring of these cases. The [Operational Guidelines](#)¹³ apply to monitoring of the LCT-01 and -03/Togo and Bujagali-04, -06, -07 & -08/Uganda cases, while the [CAO Policy](#)¹⁴ applies to the remaining four cases. For the latter cases, IFC prepared a Management Action Plan (MAP) followed by Progress Reports, which are shared with the Board and published on CAO's website.¹⁵ In preparing this report:

For cases under the CAO Operational Guidelines, CAO:

- Reviewed its non-compliance findings to determine findings CAO could monitor
- Requested IFC comments and updates on actions taken in response to CAO non-compliance findings and engaged with project teams to seek clarification on IFC's response, as necessary

¹³ CAO Operational Guidelines, <https://officecao.org/OpGuidelines>.

¹⁴ CAO Policy, <https://officecao.org/CAOPolicy>.

¹⁵ CAO website, <https://www.cao-ombudsman.org/>.

- Engaged with complainant(s) and/or and their representatives to understand the current status of their concerns and their views on the adequacy of IFC actions in response to CAO non-compliance findings
- Reviewed supporting documentation received from parties.

For cases under the CAO Policy, CAO verified IFC's implementation of remedial actions as follows:

- Reviewed IFC MAP actions in relation to corresponding non-compliance findings
- Reviewed IFC Progress Reports and engaged with IFC project teams to seek clarification on IFC responses, as necessary
- For project level action, engaged with complainant(s) and/or their representatives to discuss and document their views on the adequacy of IFC actions and implementation
- Reviewed supporting documentation received from parties.

After reviewing each action item, CAO determined whether to keep the action open or to close it, and rated IFC's performance on a scale of:

- Too Early to Tell
- Excellent
- Satisfactory
- Partly Unsatisfactory
- Unsatisfactory

Annex A lists CAO's active compliance monitoring cases under both the 2021 CAO Policy and the 2013 CAO Operational Guidelines.

4 CAO Monitoring of IFC/MIGA Project-level Actions

Introduction

This section covers CAO's monitoring of IFC project-level actions in three cases in Latin America and Africa. Each case includes a summary, a case update, and a detailed table covering the CAO non-compliance findings, IFC's related actions, and CAO's observations and ratings of IFC performance during the monitoring period. In each case, IFC and the complainants had the opportunity to provide their input.

CAO has decided to keep open project-level monitoring of the case below:

PL IV, Panama (Panama Transmission Line IV): CAO recognizes that IFC has continued to communicate with complainants and to give ETESA advice that meets IFC's Performance Standards requirements for clients. However, since CAO concludes that available evidence indicates that IFC's advice to date has not been fully taken up by ETESA, CAO will keep project-level monitoring of this case open. Specifically, CAO will continue to monitor IFC's actions with ETESA to enhance stakeholder engagement and the FPIC process, and on preparing transmission line bidding documents aligned with the Performance Standards. CAO will also continue to monitor IFC's efforts to engage and seek feedback from complainants.

CAO has decided to close project-level monitoring of the two cases below:

- **Bujagali Energy -04, -06, -07, & -08, Uganda (hydropower plant):** IFC has completed implementation of an Advisory Services program to support the livelihoods of injured former workers (Bujagali-04 and -08 complaints) in response to CAO's non-compliance findings. Upon review of available information, CAO rates IFC's implementation as Satisfactory. CAO finds IFC's response to additional non-compliance findings regarding lack of land compensation and unpaid wages to workers, to be Unsatisfactory (Bujagali-06 and -07 complaints). However, as IFC has not taken or committed to further actions to address its non-compliances and the related impacts on complainants, CAO determines that there is no reasonable expectation of further action to address relevant non-compliance findings and has decided to close this case.
- **LCT -01 & -03, Togo:** During CAO's monitoring of this case, IFC supported its former client LCT in commissioning a study on the causes of coastal erosion in Togo. This important report was finalized in 2022. However, despite advocacy efforts by IFC and other lenders, Togo's government has not approved its publication. CAO rates IFC's actions in response to its non-compliance findings as Partly Unsatisfactory-Unsatisfactory. Since the loan was repaid in 2023, and IFC has not committed to additional action, CAO has decided to close this case as there is no reasonable expectation of further action by IFC to address the non-compliance findings.

Panama Transmission Line [PL IV-01/Multiple Locations](#)¹⁶, Panama: Project-level Actions

Case Summary

IFC has advised Panama's state transmission company, Empresa de Transmisión Eléctrica, S.A. (ETESA), on the structure and tender of its first public-private partnership project – to finance, construct, and operate a 330-km transmission line project, Transmission Line IV (PL IV), in northern Panama. IFC acted as transaction advisor to ETESA in 2017–2018 for the transmission line project's first tender but the bids did not satisfy requirements. Since November 2020, IFC has advised the Panama government on a second tender process, which is still pending.¹⁷ The 2020 agreement signed by IFC and ETESA commits the client to “make best efforts” to apply IFC Performance Standards (PS) to the transmission line project's design and implementation. As of the writing of this report, the 2020 agreement has expired and IFC is in ongoing conversations with Panama's new government about IFC's portfolio in the country.

In June 2018, CAO received a complaint from community members supported by local, national, and international NGOs. The complainants alleged that building the transmission line would affect Indigenous communities in the project vicinity by displacing their land and destroying local biodiversity and livelihoods. They also raised concerns about ETESA's consultation process with Indigenous communities in the Ño Kribo region of Comarca Ngöbe-Buglé, a government-recognized Indigenous territory, and alleged that Indigenous communities from Norte de Santa Fé in Veraguas province, whose territory is not officially recognized by the Government of Panama, had not been consulted.

CAO's compliance investigation reviewed IFC's advice to ETESA, particularly in relation to the process of Free, Prior, and Informed Consent (FPIC) and engagement with affected Indigenous Peoples. Finalized in March 2022, the investigation found that IFC's advice to ETESA partially met the requirements of IFC Performance Standard 7 (Indigenous Peoples). CAO concluded that IFC had helped move the development of the PL IV project toward alignment with PS requirements for consultation with Indigenous Peoples. However, CAO also found that IFC's advice to ETESA fell short on: (a) the exclusion from the FPIC process of several Indigenous communities, including those from the Norte de Santa Fé region and the Annex Areas in the Bocas del Toro province; and (b) the design of a consultation process that is insufficiently inclusive of traditional authorities, project-affected communities, and women.

CAO Monitoring and Status

In May 2023, CAO published its first monitoring report and noted that IFC had completed the two actions outlined in its Management Action Plan (MAP) – a letter to ETESA and a two-day workshop with ETESA and its E&S consultant. However, CAO found that the shortcomings in the project Environmental and Social Impact Assessment (ESIA) and FPIC process identified in its investigation

¹⁶ CAO case information available at: <https://officecao.org/PLIV-01>.

¹⁷ IFC reported that the Transmission Line IV project is pending approval from the Public-Private Partnership (PPP) governmental unit (enterector.gob.pa). Once approved by the PPP agency, the ministerial council would also need to approve the project documents. If ETESA receives authorization, the bidding process will be launched through the Government of Panama's website (panamacompra.gob.pa) for bidders to present their proposals. The new Government of Panama, which took office in July 2024, will decide how to proceed with the project. For further details, see IFC Progress Report (September 2024), available at <https://bit.ly/4bxC6p0>.

report were continuing to occur, including exclusion of Indigenous communities outside the Comarca. CAO therefore recommended that IFC take additional, timely measures to ensure ETESA complied with its 2020 agreement to make best efforts to apply the PS to the project's design and implementation or otherwise IFC should consider the reputational risks of continuing its advisory services.

In May 2023, a CAO monitoring mission met with Indigenous communities in Norte de Santa Fé, Comarca Ngöbe-Buglé, and Annex Areas in Bocas del Toro, as well as with ETESA, the client's E&S consultant, and other relevant stakeholders. During the mission, CAO heard from Indigenous communities both inside and outside the Comarca about lack of consultation, lack of project information, and lack of information about potential impacts. In addition, CAO learned that the project's draft ESIA had been completed and submitted to the Ministry of the Environment without implementing IFC's advice on engaging Indigenous communities outside and inside the Comarca in a manner consistent with the PS. CAO also learned that ETESA had made no progress on planning and implementing the FPIC process with these Indigenous communities outside and inside the Comarca since the MAP was agreed. To date, ETESA has not revisited its November 2021 agreement¹⁸ with the Regional Congress of Ño Kribo of Comarca Ngöbe-Buglé, as advised by IFC in July 2022.

In March 2024, ETESA organized public forums to inform affected communities of the project ESIA findings in La Chorrera (covering Panamá and Panamá Oeste provinces), Las Marias (for Coclé and Colón provinces), Calovébora (Veraguas province), and in Comarca Ngöbe-Buglé. The same month, the Inter-American Commission on Human Rights (IACHR) of the Organization of American States held a thematic hearing on the impact of businesses on the human rights of Indigenous Peoples (IPs) in Panama. The PL IV project was discussed at the hearing, and both the complainants and ETESA participated.¹⁹ IFC's second Progress Report on the case, published November 2023, acknowledged that the client and its E&S consultant had completed the ESIA in a manner inconsistent with the Performance Standards. The ESIA also inaccurately stated that it complied with the Performance Standards, the World Bank Group's EHS Guidelines, and the FPIC process. In its second monitoring report of May 2024, CAO noted that IFC had escalated its E&S concerns about this Advisory Services project to IFC senior management and the World Bank Group President yet IFC's advice had still not been incorporated into the client's ESIA process or led to positive E&S outcomes.

In its third Progress Report of September 2024, IFC reiterated that it had informed ETESA of the following PS deficiencies in the draft ESIA: (i) inadequate stakeholder mapping of IP communities; (ii) insufficient project information provided to IPs; (iii) inaccurate definition of the project area of influence; and (iv) inadequate environmental and socioeconomic baseline data. Implementation of IFC advice will depend on how the newly elected government of Panama proceeds with the PL IV project. IFC's Country Office is in contact with government representatives and ETESA's new management to discuss IFC's portfolio in Panama, including Advisory Services, and with particular emphasis on the E&S concerns related to the transmission line project. To date, IFC reports that its advice continues to not be implemented by ETESA in the project's ESIA work plan and deliverables of the ESIA process.

¹⁸ This agreement signed between ETESA and the President of the Regional Congress of Ño Kribo of Comarca Ngöbe-Buglé in November 2021 outlines the agreed approach for in-kind compensation for individuals who use the land required for the transmission line and for community projects in the Ño Kribo region.

¹⁹ Video of the IACHR meeting can be found here: <https://bit.ly/43I9VYm>.

CAO remains concerned about the significant risks of failing to achieve intended E&S objectives in the project's ESIA and FPIC processes. In October 2024, CAO met with complainants, and learned of forced displacements, detentions and harassment of Ngöbe Indigenous community members in Bocas del Toro. On July 17th, 2024, according to the CAO complainants, riot police forcibly displaced hundreds of Ngöbe families, burned around 12 houses, killed domestic animals, and destroyed subsistence crops such as plantain and yuca. Around 90 Indigenous people were detained in Chiriqui and Bocas del Toro, and around eight people remained in detention by October. The rest were released on condition they accepted guilt for invading the lands they were inhabiting. The complainants are uncertain of what this evolving situation will mean for the ETESA stakeholder engagement and FPIC process for the PL IV project. They fear that land titling will be awarded to other people instead of the Indigenous communities that have been living in those lands for generations. They have contacted CAO, IFC, and the U.S. Department of State to share information on these events and are calling for the Government of Panama to investigate and end the intimidation of indigenous people.²⁰

CAO monitoring of this case remains open.

²⁰ More information on these events can be found here: <https://bit.ly/3DO2OgJ>, <https://bit.ly/3Xwr9yg>, <https://bit.ly/4hMPx5M> (minute 30:34) CIEL statements can be found here: <https://www.ciel.org/project-update/panama-transmission-line-iv/> and here: <https://bit.ly/43UdBQX>.

Panama: PL IV-01/Panama

CAO Investigation Report: <https://bit.ly/3y3W772>
 IFC Management Response & MAP: <https://bit.ly/4b1evvl>
 IFC First Progress Report: <https://bit.ly/3UqAwgj>
 CAO First Omnibus Report: <https://bit.ly/3QuDu2l>
 IFC Second Progress Report: <https://bit.ly/4dmHhbO>
 CAO Second Omnibus Report: <https://bit.ly/4kvTPBm>
 IFC Third Progress Report: <https://bit.ly/4bxC6p0>

CAO Monitoring Action #2²¹ February 2022

IFC committed to this action regarding regular meetings with complainants following an IFC Board of Directors discussion, not in response to a specific project-related non-compliance identified by CAO.

IFC Response and/or Commitments in Response May 2022	IFC Reported Implementation Mid-November 2023 – August 2024	Complainants' Observations March 2024-March 2025	CAO Observations March 2025
<p>Action C.1: To provide feedback to the complainants, IFC will send a letter within 30 days of MAP approval, outlining which suggestions have been taken on board and explaining why others cannot be incorporated. IFC will also propose a follow-up meeting, within 30 days, to go over</p>	<p>Action C.1: Outcome 1: Completed on July 11, 2022. Outcome 2: Completed on August 4, 2022. Outcome 3: IFC has held five substantive meetings with the</p>	<p>Communication with IFC has improved, although IFC has not met with the complainants every six months as committed in the MAP. Complainants expressed appreciation for IFC's commitment to information sharing and transparency, and during the May 2024 meeting both parties</p>	<p>While IFC has not met with complainants every six months, it has maintained open channels of communication with complainants, and both parties have recognized the value of such exchanges. IFC has also continued to submit Management Progress Reports to</p>

²¹ CAO Monitoring Action #1 was closed with a partly unsatisfactory rating in CAO's second omnibus report.

<p>the letter's contents with the complainants.</p> <p>Outcomes [Staff written statement commitments]:</p> <ol style="list-style-type: none"> 1. IFC's written response to the complainants' suggestions on the MAP. 2. IFC meeting with the complainants to explain IFC response to complainants' suggestions on MAP. 3. IFC meeting with complainants to request feedback every six months to coincide with progress reporting to the Board. 	<p>complainants, four virtually (January 2023, July 2023, May 2024, and March 2025) and the other in-person (March 2023), including with IFC Management.</p> <p>In October 2024, the complainants reached out to IFC and CAO to share events of threats and reprisals against Ngöbe Indigenous communities located in Bocas del Toro in July-October 2024.</p>	<p>recommitted to ensuring that the joint sessions continue to move forward. In the same call, the complainants once again invited IFC to visit the three affected areas and meet directly with the project-affected Indigenous communities.</p> <p>In October 2024, the complainants communicated to IFC and CAO that forced displacement, detentions, and harassment of Ngöbe Indigenous communities in Bocas del Toro had taken place in July, with around eight people still detained as of October 2024.</p> <p>The same month, CIEL invited IFC and CAO to participate during the World Bank Annual Meetings in the Civil Society Policy Forum panel session on Ensuring Effective Implementation of Management Action Plans. IFC, MODETEAB complainants, and CAO participated in the panel.</p>	<p>the Board, CAO, and the complainants. In September 2024, IFC completed its third Management Progress Report and is preparing to submit the fourth Management Progress Report.</p> <p>CAO has decided to keep this monitoring action open with a Satisfactory rating. CAO reaches this decision on the basis that IFC has regularly engaged with the complainants and their representatives. CAO will continue to monitor this action for the duration of IFC's MAP implementation.</p>
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Status and action rating **Open: Satisfactory**

CAO Monitoring Action #3
February 2022

IFC's MAP action below was not made in response to a specific non-compliance finding by CAO. Instead, IFC committed to this action related to the project E&S Impact Assessment (ESIA) following an IFC Board of Directors discussion.

IFC Response and/or Commitments in Response May 2022	IFC Reported Implementation Mid-November 2023 – August 2024	Complainants' Observations February 2024-March 2025	CAO Observations March 2025
<p>Actions D.1/E.1: As part of IFC overall engagement with ETESA, IFC will review the outputs of the ESIA process, starting with the consultant's work plan, to provide recommendations on closing PS gaps. IFC advice will include recommending supplemental consultant expertise and/or resources as necessary to carry out the ESIA in accordance with the PS and achieve FPIC. IFC will continue advising ETESA on stakeholder engagement, PS7, and FPIC, and review the FPIC design documentation and outputs for consistency with the PS.</p> <p>Outcomes [Staff written statement commitments]:</p> <ol style="list-style-type: none"> 1. IFC recommendations on E&S consultant's first deliverable, E&S consultant's work plan. 2. IFC advice to ETESA on E&S consultant technical capacity. 3. IFC review and advice on additional outputs of the ESIA process. 4. IFC request to ETESA to continue the discussion on 	<p>Action D1: Outcome 1: Completed on October 25, 2022. IFC sent an advice letter to ETESA, but the work plan did not reflect IFC's advice.</p> <p>Outcome 2: Completed on September 24, 2022, with ongoing advice.</p> <p>Outcome 3: IFC has provided advice to ETESA consistent with the Sustainability Policy and Performance Standards requirements.</p> <p>In IFC's third Management Progress Report, IFC reiterated that it has recommended ETESA to:</p> <ol style="list-style-type: none"> (i) conduct a more thorough mapping of stakeholder engagement, (ii) fulfill the FPIC process with Indigenous communities to align with IFC's PS7, and (iii) require the concessionaire to develop a supplemental ESIA that reflects a detailed design of the transmission line and is aligned with IFC's PSs. <p>The implementation of these recommendations will depend on how the newly elected government</p>	<p>The complainants reiterated that no real efforts or advancement have been made to engage project-affected communities in terms of achieving FPIC (their free, prior and informed consent).</p> <p>They acknowledged that ETESA held public forums for the ESIA in March 2024, after being rescheduled twice, but stated that these forums should be considered part of the public participation process and not confused with the FPIC process. The forums presented the project but offered little explanation on the impacts or opportunity for participants to engage. Instead, the client stated that the project consultation period had already ended, and that they counted on the necessary support from the Indigenous authorities of the Comarca. The complainants also noted that the Bocas del Toro area continues to be excluded and was not part of the public forums.</p> <p>In May 2024, the complainants informed IFC that the election of the new Government of Panama raised concerns of repression against Indigenous communities in the region. These concerns</p>	<p>CAO recognizes IFC's efforts to course-correct and focus its advice on stakeholder engagement and the FPIC process for the PL IV project in order to improve the draft ESIA. However, as reported by IFC, its client continues not to incorporate IFC's advice in the ESIA work plan and deliverables of the ESIA process.</p> <p>An ESIA draft was initially disclosed on the Ministry of Environment's website with inaccuracies pointed out by IFC, regarding compliance with the PS, the WBG EHS Guidelines, and the FPIC process. As of this monitoring period, the ESIA has been removed from the Ministry's website.²²</p> <p>Communication between IFC and ETESA has continued and IFC is in contact with representatives of the new Government of Panama to discuss IFC's portfolio, including AS projects, with particular emphasis on the E&S concerns about this project.</p> <p>CAO is concerned that IFC's responsibility to "help clients move towards greater consistency with the Performance Standards" particularly on stakeholder engagement and</p>

²² Panama's Ministry of Environment's website is available for ESIA's consultations here: <https://bit.ly/3XsEho3>

<p>engagement with Indigenous groups and IFC review and advice on additional ESIA process outputs.</p>	<p>of Panama wants to proceed. IFC remains in contact with the new government and ETESA's new management to discuss IFC's portfolio, including the PL IV project.</p>	<p>materialized in the form of the forced displacement and detentions of 90 Ngöbe Indigenous people by national authorities that took place in July 2024 in Bocas del Toro. In October 2024, the complainants shared this information with IFC, CAO, and other stakeholders, and requested that they monitor and engage with the government about the situation in the area.</p>	<p>FPIC implementation with IP communities is not being met and that the significant social risks of undermining the protections provided to Indigenous communities under PS7 remain.</p> <p>CAO has decided to keep the monitoring of this action open with a Partly Unsatisfactory rating. CAO reaches this decision on the basis that IFC has provided advice to its client in a manner consistent with the Performance Standards, but serious shortcomings in the ESIA and FPIC process remain to date.</p>
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Status and action rating Open: Partly Unsatisfactory

LCT-01 and -03/Togo: Project-level Actions

Case Summary

Lomé Container Terminal (LCT) is a locally-incorporated company that received a 35-year concession from the Government of Togo to develop, construct, and operate a greenfield transshipment container terminal within the Port of Lomé. This work included construction of a 300-meter spur groyne and dredging of the access channel to the container terminal and port. In 2011, IFC provided €82.5 million in loans to LCT and mobilized approximately €142.5 million from other lenders. Construction works started in 2012 and the terminal has been operational since October 2014. In 2015, IFC provided LCT with additional financing of €10 million. In December 2023, LCT repaid the loans to IFC.

In 2015 (LCT-01) and 2020 (LCT-03), CAO received complaints from the “Collectif des personnes victimes d'érosion côtière” (Collective of victims of coastal erosion), a group of residents living to the east of the container terminal. They asserted that the project's construction and operation had exacerbated coastal erosion in the area and led to adverse environmental and social (E&S) impacts including loss of land and coconut plantations, destruction of public and private property, and loss of small businesses and livelihoods.

In 2016, CAO published a compliance investigation report of IFC's investment in LCT. CAO identified non-compliances with the Sustainability Policy and Performance Standard 1 (Assessment and Management of Environmental and Social Risks and Impacts) in IFC's project pre-investment review and supervision. These non-compliances centered on the potential risks and impacts on coastal erosion as well as stakeholder engagement and consultation. IFC's Management Report in response did not include a Management Action Plan but proposed follow-up actions at the project level and on policies and procedures. CAO has issued previous monitoring reports in March 2018, April 2019, August 2021, and April 2024.

Following CAO's investigation report in 2016, IFC sought to support LCT in commissioning a study on the causes of coastal erosion in Togo. CAO's 2024 monitoring report noted that the 2022 completion of this coastal erosion study, which included an estimate of the LCT project's contribution to coastal erosion (among other sources), was a significant milestone for IFC. CAO also acknowledges that IFC has subsequently actively encouraged its client and the Government of Togo to publish the study. IFC's position is that the 2022 study does not provide evidence of a causal link of any significance between the LCT project and increased coastal erosion east of the port. However, based on a review of the 2022 study and input from a CAO-commissioned expert, CAO's 2024 monitoring report concluded that the study confirmed contributions by the LCT project and Port of Lomé infrastructure to coastal erosion east of the port. CAO is thus satisfied that the link between the IFC-financed project and erosion impacts has been demonstrated.

CAO observes that while IFC did work with LCT to complete a coastal erosion study, this study has not been disclosed and an assessment of the project's risks and impacts on coastal erosion was not conducted.

CAO's separate compliance appraisal report of the LCT-03 complaint brought in 2020 considered the complainants' concerns that the port terminal contributed to coastal erosion, loss of land and property, and negative impacts on livelihoods. CAO concluded that the complaint met CAO's investigation criteria.

However, as it substantially covered the same issues raised in the LCT-01 case, CAO decided to merge both cases under its monitoring function.

CAO Monitoring and Status

In December 2023, LCT fully repaid the IFC loan. As a result, IFC no longer has a formal supervisory role of this former client. IFC reported to CAO that after the loan was repaid it continued to engage with LCT on publication of the 2022 coastal erosion study. However, despite efforts by IFC and other lenders, the government has not approved publication. IFC met with the complainants in 2022-2024 in both Togo and in Washington, D.C. to discuss the case, and held further discussions with the complainants over allegations of intimidation. At these meetings, IFC shared its view that the 2022 study's findings support IFC's position that the actions taken by LCT to finance community development initiatives east of the Port are commensurate with the project's level of responsibility for coastal erosion impacts.

In November 2024, LCT informed IFC that communities that had previously withdrawn from engaging with the company had sought to renew the relationship. However, IFC stated to CAO that it does not propose any further formal commitments in relation to its former client with regard to CAO's investigation report findings.

As a result, CAO has decided to close this case as there is no reasonable expectation of further action by IFC to address the non-compliance findings.

Togo: LCT-01 and -03

CAO Investigation Report (LCT-01): <https://bit.ly/4h1f0lj>
 IFC Management Response: <https://bit.ly/3QzSJH0>
 Compliance First Monitoring Report: <https://bit.ly/43fJdjG>
 Compliance Second Monitoring Report: <https://bit.ly/4bjbIV2>
 Compliance Third Monitoring Report: <https://bit.ly/3Xkyp01>
 Compliance Fourth Monitoring Report: <https://bit.ly/4bjOmsW>
 CAO Appraisal Report (LCT-03): <https://bit.ly/4bke7JM>

CAO Non-Compliance Finding #1 **October 2016**

Actions agreed between IFC and the client do not provide assurance that analysis of the project's impact on erosion will meet PS1 requirements for environmental assessment by the client.

IFC Response and/or Commitments in Response October 2016	IFC Reported Implementation April 2024	Complainants' Observations March 2025	CAO Observations February 2025
<p>IFC Management Report (2016) IFC's response did not address this finding.</p> <p>Post-IFC Management Report CAO's 2018 and 2019 monitoring reports noted that an environmental audit and a study on the contribution of different infrastructure projects to coastal erosion was being conducted. The</p>	<p>LCT commissioned a study of coastal erosion – which was completed in 2022. The 2022 study's objectives were to present causes of shoreline changes in Togo between 1955 and 2019 and assess the impacts of the spur groyne (constructed as part of the LCT project) on coastal erosion between 2010 and 2019.</p>	<p>The complainants continue to assert that they are victims of coastal erosion. They deplore the slowness in complaint processing and institutional response to this complaint.</p> <p>They assert that the Memorandum of Understanding signing system between LCT and local communities has resulted in</p>	<p>With the preparation of the 2022 coastal erosion study, this aspect of non-compliance – assessing the project's potential risks to erosion as part of the ESIA (PS1 2006, para. 5), as well as assessing historical impacts (SP 2006, para.13) – has been addressed.</p> <p>However, as noted in CAO's fourth monitoring report, CAO is of the</p>

<p>audit referenced IFC PS and was expected to verify the relationship between LCT activities and acceleration of coastal erosion.</p> <p>A second study assessing the causes of coastal erosion was commissioned by LCT and completed in 2022.</p>	<p>IFC has stated to CAO that, based on its understanding of the project's contribution to impacts, IFC is satisfied that LCT can support coastal communities' development needs through its Corporate Social Responsibility (CSR) program.</p>	<p>community division. They assert that reprisals and intimidation has resulted in people not talking.</p> <p>The complainants affirm that they do not agree with an LCT community development program as an approach to correct negative impacts of the project. Rather, they assert that people have been individually impacted, and they should be individually compensated.</p> <p>Finally, they raise concerns about the continuing non-disclosure of the 2022 coastal erosion report.</p>	<p>view that the Port of Lomé and the LCT project have contributed to coastal erosion to the east of the port since their respective constructions in 1964 and 2012. It is evident that the port's contribution to coastal erosion has been large, and the LCT project's contribution, while comparatively modest, is confirmed up to 10 km to the east of the IFC client site.</p> <p>However, since the study's completion in February 2022, neither IFC nor its former client have conducted or commissioned an assessment of the coastal erosion impacts on communities associated with the LCT project and the port on which LCT depends. Instead, IFC has stated to CAO that, based on its understanding of the project's contribution to impacts, IFC is satisfied that LCT can support coastal communities' development needs through its CSR program.</p> <p>At the time of project exit, IFC was thus non-compliant with respect to ensuring completion of a comprehensive impact assessment on the basis of which mitigation and remediation measures can be taken (PS1 2006, para.13-16).</p> <p>CAO 's rating of IFC's response is Partly Unsatisfactory. CAO reaches this decision on the basis that IFC did not ensure an assessment was conducted of the coastal erosion</p>
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			impacts on coastal communities associated with the LCT project.
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Status and action Closed: Partly Unsatisfactory

CAO Non-Compliance Finding #2 October 2016

Actions agreed between IFC and the client do not specify the need for consultation and disclosure with communities in the erosion zone (PS1).

IFC Response and/or Commitments in Response October 2016	IFC Reported Implementation January 2025	Complainants' Observations March 2025	CAO Observations February 2025
<p>IFC Management Report (2016) With LCT, IFC committed to participate in multi-stakeholder dialogue and coordination of efforts to find solutions to the problem of coastal erosion.</p> <p>IFC committed to work with LCT on its engagement with academic institutions to support further research on coastal erosion, with appropriate consultation with stakeholders and public disclosure of results.</p> <p>Post-IFC Management Report In 2017, IFC noted that an environmental audit was being conducted that would include</p>	<p>IFC has continued to engage with LCT and project stakeholders since the loan was repaid in December 2023, including regarding the publication of LCT's 2022 study on the causes of coastal erosion east of the Port of Lomé. Despite efforts by IFC and other lenders, the Government of Togo has not approved publication of the study. While this has limited the information IFC can share with the LCT-01 complainants, IFC has informed them that the findings of the 2022 study support IFC's position that the actions taken by LCT to finance community development initiatives east of the Port are commensurate with the project's level of responsibility for</p>	<p>See CAO Non-Compliance Finding #1 for complainant observations.</p>	<p>To comply with PS1 (para. 20), the client should publicly disclose the study on coastal erosion and consult with project-affected communities on its findings.</p> <p>IFC has made efforts to secure the disclosure of the coastal erosion study or a non-technical summary since learning that the Government of Togo may oppose the study's disclosure. These efforts continued post-IFC exit. However, since the study remains undisclosed, CAO concludes that at the time IFC exited the investment it remained in non-compliance with PS1 (paras. 20, 26) as it had not ensured the disclosure of this E&S information.</p>

consultation with communities living in the area of influence.	coastal erosion impacts. IFC shared this view in its meetings with the complainants in Togo in November 2022 and October 2023, and in Washington, D.C. in June 2023 and March 2024.		CAO's rating of IFC's response is Partly Unsatisfactory. CAO reaches this decision on the basis that IFC has not assured itself that the 2022 coastal erosion study has been disclosed.
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Status and action Closed: Partly Unsatisfactory

CAO Non-Compliance Finding #3 October 2016

IFC has not sought assurance that the revised Action Plan has been developed following consultation with, or disclosed to, affected communities. Similarly, the revised Action Plan lacks a mechanism for external reporting (PS1, paras. 16 & 26).

IFC Response and/or Commitments in Response October 2016	IFC Reported Implementation January 2025	Complainants' Observations March 2025	CAO Observations February 2025
IFC Management Report (2016) IFC's response did not address this finding.	IFC did not report any update in relation to this non-compliance finding.	See CAO Non-Compliance Finding #1 for complainant observations.	CAO's 2024 monitoring report noted that in preparing a revised Action Plan IFC had not sought assurance that it be developed following consultation with, or disclosure to, affected communities. IFC did not report any action in relation to this finding. Accordingly, CAO's rating of IFC's response is Unsatisfactory.

Status and action Closed: Unsatisfactory

CAO Non-Compliance Finding #4

October 2016

IFC has not assured itself that the client is responding “to community concerns about the project” or engaging in consultation “on an ongoing basis as risks and impacts arise”, as per the requirements of PS1 (paras. 21 & 23). Further, IFC has not provided advice which would bring the client back into compliance as per the Sustainability Policy (para. 26).

IFC Response and/or Commitments in Response October 2016	IFC Reported Implementation January 2025	Complainants' Observations March 2025	CAO Observations February 2025
<p>IFC Management Report (2016) With LCT, IFC committed to participate in multi-stakeholder dialogue and coordination of efforts to find solutions to the problem of coastal erosion.</p> <p>IFC committed to work with LCT on its engagement with academic institutions to support further research on coastal erosion, with appropriate consultation with stakeholders and public disclosure of results.</p>	<p>During its most recent meeting with the lead LCT-01 complainant and the group’s NGO partner (Bank Information Center), IFC specifically inquired about the allegations of intimidation that had been made by some complainants against LCT, which reportedly led to some communities withdrawing their support for MOUs previously signed with the company. In November 2024, LCT informed IFC that the four communities east of the port that had previously withdrawn from engagement with the company have since reached out to LCT to request a renewal of the relationship. LCT has confirmed to IFC its continued commitment to engaging with and supporting the development of communities east of the port.</p>	<p>See CAO Non-Compliance Finding #1 for complainant observations.</p>	<p>For the 2020 draft of the coastal erosion study, the consultants involved did consult with stakeholders, including the complainants, but did not subsequently share draft findings with them. For the 2022 study, the second group of consultants received new terms of reference and presented a new report to LCT and lenders. Therefore, under PS1 requirements, IFC should have ensured that the consultants engaged complainants and potentially affected communities in both the development and findings of the 2022 study.</p> <p>During CAO's fourth monitoring period, CAO became aware of allegations of intimidation by LCT against coastal communities including the complainant group, and associated tensions among stakeholders. CAO's 2024 monitoring report notes community views on MOUs with the IFC client. IFC reports that it engaged LCT on</p>

			<p>these issues and, in November 2024, LCT informed IFC that communities that previously withdrew from engaging with LCT had sought to renew the relationship.</p> <p>CAO's rating of IFC's response, is Partly Unsatisfactory. CAO reaches this decision on the basis that IFC did not assure itself that the 2022 coastal erosion study was prepared on the basis of adequate consultations with affected communities.</p>
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Status and action Closed: Partly Unsatisfactory

Bujagali Energy-04, -06, -07 & -08/Bujagali, Uganda: Project-level Actions

Case Summary

The Bujagali Energy project involves the development, construction, and maintenance of a hydropower plant with a capacity of up to 250 MW on the River Nile in Uganda, along with the construction of approximately 100 kilometers of an electricity transmission line. IFC's investment comprised \$100 million in A and C loans to Bujagali Energy Limited and MIGA issued a \$115 million guarantee to World Power Holdings Luxembourg S.à.r.l for its investment in the project. Bujagali Energy is owned by Industrial Promotion Services (Kenya) – part of the Aga Khan Fund for Economic Development – and SG Bujagali Holdings, Ltd., an affiliate of Sithe Global Power (USA). The IFC project remains active, and a commercial relationship still exists.

In 2011, CAO received a complaint (Bujagali-04) from 93 individual workers claiming unfair compensation for work-related injuries, lack of transparency on compensation processes, and intimidation for requesting their benefits. Eighty-six of these cases were resolved in dispute resolution, and six of the remaining seven individual cases were transferred to CAO compliance. Over 300 workers filed a similar complaint (Bujagali-06) in 2013 claiming unpaid wages and benefits. In 2015, over 200 community members filed a third complaint (Bujagali-07) claiming inadequate compensation over project-related crops damage. In 2017, a former construction employee filed a complaint with CAO (Bujagali-08) claiming lack of compensation for a work-related injury in 2009.

In November 2017, a combined compliance investigation (Bujagali-04 and -06) found that IFC's review of labor and occupational safety and health (OSH)-related issues for this project was not commensurate to risk. In addition, CAO found IFC's supervision of these issues was insufficient to assess whether project performance met the specific requirements of IFC's Guidelines for OHS or good international industry practice (GIIP) as required by Performance Standard 2 (Labor and Working Conditions). CAO also found that IFC had not considered national requirements for compensation of injured workers. In April 2018, CAO merged the Bujagali-08 complaint with Bujagali-04 and -06 for monitoring purposes, since the issues raised were similar in substance. In December 2017, the compliance investigation into the Bujagali-07 case found that IFC had not gained assurance that the Resettlement Action Plan (RAP) for the transmission line met Performance Standard 5 (Land Acquisition and Involuntary Resettlement) requirements regarding the compensation framework for affected households and related government capacity. All four cases were then merged for the purposes of CAO monitoring.

CAO Monitoring and Status

This section describes IFC actions and CAO's observations regarding workers' compensation, unpaid wages, and compensation for affected land and crops, between 2018 and 2023. This monitoring report is the fifth to address this case, and CAO's most recent observations are provided in the table below.

In March 2019, CAO's first monitoring report noted delays in three areas in IFC's progress on its commitments. These included: (a) the IFC Advisory Services team's scoping process to address injured former workers' livelihoods (Bujagali-04, -06, and -08); (b) implementation of an IFC-commissioned review of worker claims of wage non-payment (Bujagali-06); and (c) implementation of an IFC-commissioned gap analysis and resettlement completion report (Bujagali-07).

In May 2020, CAO's second monitoring report acknowledged the completion of IFC Advisory Services' scoping report, which recommended possible livelihood support to injured former workers as well as the review of wage non-payment claims, which found insufficient evidence to verify the workers' allegations. In the Bujagali-07 case, CAO acknowledged completion of Task 1–Gap Analysis of Existing Closure Reports but noted limited progress in preparing and implementing Task 2–Supplemental External Completion Report.

In September 2022, CAO's third monitoring report noted IFC progress in the development of a livelihood support program for injured former workers, although with significant delays. CAO also reported that IFC did not propose any further actions on wage non-payment despite new evidence of pay statements and on underpayment of asset compensation to households. CAO's non-compliance findings and associated adverse impacts on the complainants remained unaddressed.

In May 2024, CAO's omnibus monitoring report updated CAO's monitoring of these cases. CAO acknowledged that IFC continued to implement an Advisory Services program to support the livelihoods of injured former workers at the client's hydropower plant (Bujagali-04 and -08). However, CAO rated IFC's response to the non-compliance findings regarding workers' unpaid wages and lack of compensation for land, crops, and other assets (Bujagali-06 and -07) as Unsatisfactory.

Workers' compensation (Bujagali-04 and -08): IFC actions

In response to CAO's non-compliance findings of November 2017 on compensation for worker injuries, IFC carried out a scoping study in 2018–2019 and launched an Advisory Services project in 2021 to support the livelihoods of formerly injured workers (FIWs). Following delays due in part to the COVID-19 lockdown and nationwide security concerns, the project completed its first phase by identifying FIWs still residing in the area and conducting a socioeconomic baseline survey and a baseline assessment of their capacity and skills. The project's local implementation partner conducted workshops with the FIWs and their spouses/caregivers on disability orientation and awareness, and exposure learning.

Advisory Services began implementing the second project component in February 2024, following delays due to internal discussions on the mechanism to channel financial resources to FIWs. This phase focused on building the capacity of self-help groups including through a livelihood needs assessment and training former workers in skills such as lobbying, proposal writing, and resource mobilization, as well as provision of one-time livelihood support. The project hired an implementation partner which reviewed the 83 livelihood plans and conducted an initial engagement with the injured former workers. In January 2025, IFC reported to CAO that the final number of participants in the program was 77, including several dependents (spouses or family members) whose relative was fatally injured.

Workers' compensation: CAO comments

Despite significant delays in implementing this Advisory Services project, it has progressed considerably. CAO welcomes efforts by the project team and its implementation partner to identify and include FIWs along with spouses/caregivers. CAO acknowledges IFC's efforts to identify and include widows of deceased injured workers and complete trainings and workshops with the FIWs and their spouses/caregivers. In January 2025, IFC shared a report with CAO that documented material statistical improvements for participants in the program. Specifically, participants reported increased skills to pursue

a livelihood, increased networks, and increased financial management skills. Furthermore, IFC provided participants with financial support to pursue livelihoods. CAO rates this IFC action as Satisfactory.

Unpaid wages (Bujagali-06): IFC actions

In 2018–2019, IFC hired a consultant to review and evaluate the claims made by its client’s subcontracted workers regarding non-payment of wages and other benefits dating back as far as 2007. The consultant concluded there was insufficient evidence to verify the accuracy of the claims.

In its second monitoring report, CAO raised concerns about the methodology used in the consultant’s review, which did not include complainants’ oral testimonies or request documentation from Bujagali Energy, its subcontractor, or the engineering procurement and construction (EPC) contractor. The review did include a statement from the former Mukono District labor officer responsible for the project site during construction. This statement noted shortcomings in the subcontractor’s human resources practices, which did not meet Ugandan legal requirements. As a result, the labor office issued legally binding pay statements for project workers in lieu of the pay records the subcontractor failed to produce.

In early 2021, CAO received copies of pay statements issued by the Mukono District labor office and shared them with IFC. These statements covered 426 workers for the week of March 18–24, 2010, and showed the itemized and total unpaid remuneration due to each worker. The total unpaid remuneration amounted to more than 3 billion Ugandan shillings (approximately US\$1.6 million as of March 2010).

In mid-2022, IFC re-engaged its consultant to investigate the pay statements and informed CAO that the consultant confirmed their authenticity with the labor office in an official letter. However, as stated in CAO’s third monitoring report, IFC determined no further actions were warranted based on the following:

- Boschcon, the subcontractor, is out of business and its owners cannot be reached.
- Bujagali Energy has no contractual obligations toward these workers as they were employed by a subcontractor. The IFC client considers the matter closed and has no information or documentation regarding subcontractor workers.
- IFC disagrees with CAO’s investigation finding that PS2 (2006) applies to workers employed by the client’s subcontractor because IFC maintains they provided “non-core functions” related to the construction of office buildings and expatriate housing.
- IFC’s commitment at the time of refinancing the Bujagali project in 2018 was to review the workers’ claims through an independent consultant and IFC has fulfilled this commitment.

Unpaid wages: CAO comments

Since CAO’s third monitoring report published in September 2022, IFC has not carried out any further action.

CAO emphasizes that IFC Management committed to “appraising...the workers’ claims...to determine whether sufficient evidence is available to determine the merits of the workers’ claims.” As noted in the addendum to IFC’s Management Response, CAO notes that IFC was prepared to carry out further activities that were “contingent upon the findings” of the review of the workers’ claims. While this IFC-commissioned study concluded that there was insufficient evidence to verify the claims, new evidence emerged that enabled IFC to verify the wages owed to project workers. Yet, IFC maintains that it will not

address the non-compliance and related adverse impacts, i.e., non-payment of wages, in part due to IFC's disagreement with CAO findings as well as its view that it fulfilled its commitment to review the workers' claims. Therefore, CAO rates the IFC action for this case as Unsatisfactory.

Compensation for land and crops (Bujagali-07): IFC actions

The hydropower plant's associated electricity transmission line resulted in resettlement that affected local people's livelihoods. CAO's compliance investigation concluded that IFC lacked assurance that the compensation framework for the transmission line met IFC's Performance Standards requirements for compensation at full replacement cost. IFC subsequently shared with CAO terms of reference for a consultant to carry out a gap analysis of the project resettlement completion documentation (task 1), prepare a supplemental completion report to address any identified gaps (task 2), and prepare a corrective action plan to address any unfulfilled commitments to impacted households (task 3).

In February 2019, IFC's consultant completed task 1, which identified several gaps in the existing completion reports against PS 6 (2006) requirements for determining whether project-affected people's livelihoods had been restored. CAO observed that the consultant's terms of reference focused on livelihood restoration and did not address CAO's findings on compensation for impacted assets at full replacement cost.

The owner of the transmission line, UETCL, initially approved the task 1 report and provided the go-ahead to start task 2 in May 2019. However, IFC reported to CAO that UETCL withdrew its support for task 2 in June 2019. IFC subsequently approached the Government of Uganda and the World Bank for support to advance task 2 but was unable to re-establish cooperation with UETCL, which it deemed necessary to move forward with this task.

Compensation for land and crops: CAO comments

Since June 2021, IFC has reported to CAO that there are no further updates and has proposed no additional actions in relation to this complaint.

IFC has not taken further actions to address its non-compliances, resulting in the likely underpayment of compensation to households adversely affected by construction of the transmission line. CAO notes IFC's view that the project lenders have limited leverage to enforce the E&S requirements in the Direct Agreement that the lenders, including IFC, and Bujagali signed with UETCL, and which require a final resettlement audit and associated corrective action plan. As noted in CAO's third monitoring report, despite IFC's acknowledgement that the Direct Agreement is a binding contract under English law and its requirements are enforceable by arbitration, IFC has taken no actions to enforce this requirement. Therefore, CAO rates the IFC action for this case as Unsatisfactory.

Uganda: Bujagali Energy – 04, -06, -07 & -08/Bujagali

CAO Investigation Report Bujagali-04 and 06: <https://bit.ly/4bk2XUd>

CAO Investigation Report Bujagali-07: <https://bit.ly/3xTzJwT>

IFC Management Response: <https://bit.ly/4bj4M3Q>

IFC Management Response Addendum: <https://bit.ly/3y1XZwX>

CAO First Monitoring Report: <https://bit.ly/3JH3SCv>

CAO Second Monitoring Report: <https://bit.ly/3US81df>

CAO Third Monitoring Report: <https://bit.ly/3JLpn4Q>

OSH, Workers' Compensation, Unpaid Wages (Bujagali Energy-04, -06, -08)

CAO Non-Compliance Finding #1

November 2017

IFC's pre-investment review of the project was not commensurate to risk. As a result, IFC did not have assurance that the project could meet Performance Standard labor- and OSH-related requirements over a reasonable period of time.

Bujagali-04 and Bujagali-06 - workers' compensation for injuries:

IFC did not consider whether national requirements for workers' compensation provided injured workers with access to appropriate compensation as required under the Sustainability Framework. IFC did not assure itself that the Bujagali-04 complainants received appropriate compensation for workplace injuries.

IFC Response and/or Commitments in Response May 2018	IFC Reported Implementation June 2022 – February 2024	Complainants' Observations February 2024 (Bujagali-04) March 2025 (Bujagali-06)	CAO Observations March 2024
Bujagali-04 Workers' Compensation: Through initial scoping work, IFC Advisory Services is planning to help identify possible institutional	Through a local implementation partner, the project conducted a series of workshops from April 2022 to July 2023. The workshops covered four areas: disability	The Bujagali-04 complainants appreciate IFC efforts to implement the program – which has supported the livelihoods of some injured workers. The complainants	Despite significant delays in implementing the Advisory Services (AS) livelihood support project, it progressed considerably. CAO welcomes efforts by the project

<p>arrangements as well as assess the need for capacity building to Bujagali Energy Limited and other identified institutions to address the issue of injured workers effectively.</p>	<p>orientation; peer-to-peer learning; capacity building on self-help groups for savings, income generation, and social cohesion; and skills development and training on livelihoods. The project carried out additional sessions on financial literacy for spouses of FIWs (formerly injured workers). IFC notes that an unintended positive outcome of the training was the formation of an association by FIW spouses in Buikwe, who meet weekly to save and share experiences on how to support their families.</p> <p>In January 2025, IFC provided an update to CAO. IFC noted that 77 people participated in the livelihood support program, including a number of dependents whose spouse/family member was fatally injured. IFC shared with CAO an endline survey report of the livelihood measures. This report records material statistical improvements for participants in the program. Specifically, increased skills to pursue livelihood, increased networks and increased financial management skills. IFC also provided initial support to participants to pursue career objectives.</p>	<p>provided details about two individuals have not received any support.</p>	<p>team and its implementation partners to identify and include FIWs and their dependents.</p> <p>CAO acknowledges the completion of trainings and workshops with the FIWs and their spouses/caregivers. In an update to CAO in January 2025, IFC shared a report with documented material statistical improvements for program participants including increased skills to pursue livelihood activities, increased networks, and increased financial management skills.</p> <p>CAO rates this IFC implementation as Satisfactory. In addition to implementing livelihood supports for FIW, and documenting some positive outcomes, IFC provided program participants with financial support to pursue a livelihood.</p>
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Status and action rating Closed: Satisfactory

CAO Non-Compliance Finding #2

November 2017

IFC's supervision was not sufficient to assess whether the project labor and OSH performance met the specific requirements of IFC's Guidelines for Occupational Health and Safety or good international industry practice as required by PS2.

Bujagali-06 unpaid wages:

IFC erred in deciding that the Bujagali-06 complainants were not covered by its E&S requirements. As a result, allegations that construction of the project had significant adverse effects on employees of the subcontractor were not addressed.

IFC Response and/or Commitments in Response May 2018	IFC Reported Implementation June 2022 – February 2024	Complainants' Observations March 2025 (Bujagali-06)	CAO Observations March 2024
<p>Bujagali-06 Unpaid Wages IFC has agreed to start appraising, within the context of the complaints to CAO, the workers' claims through an independent third party to determine whether sufficient evidence is available to determine the merits of the workers' claims.</p>	<p>As reported in the third monitoring report, in May 2022, IFC re-engaged its consultant to investigate the workers' pay statements, and informed CAO that the consultant confirmed their authenticity with the labor office in an official letter.</p> <p>However, IFC determined no further actions were warranted based on the following:</p> <ul style="list-style-type: none"> • Boschcon (the subcontractor) is out of business and its owners cannot be reached. • BEL (the client) does not have any contractual obligations toward these workers, who were employed by a subcontractor. BEL considers the matter closed and has no information or documentation 	<p>The Bujagali-06 complainants express ongoing frustration. They noted that some affected people have passed away since the complaint was filed.</p> <p>They request that the World Bank President instruct IFC to act on the findings of the CAO report.</p> <p>The complainants note that the role of the World Bank Group is to reduce absolute poverty. They demand that their earnings lost due to IFC irresponsibility during execution of the EPC contract be addressed.</p>	<p>CAO notes that IFC Management committed to "appraising...the workers' claims...to determine whether sufficient evidence is available to determine the merits of the workers' claims." Further, based on the addendum to IFC's Management Response, IFC was prepared to carry out further activities "contingent upon the findings" of the study into the workers' claims. While the consultant study commissioned by IFC concluded that there was insufficient evidence to verify the claims, new evidence subsequently emerged and IFC was able to verify the wages owed. Yet, IFC maintains that it will not address the non-compliance and related adverse impacts, i.e., non-payment of wages to Bujagali subcontractor workers because it disagrees with CAO's findings and has fulfilled its</p>

	<p>regarding the subcontractor workers.</p> <ul style="list-style-type: none"> • IFC disagrees with CAO's investigation finding that PS2 (2006) applies to the workers employed by the subcontractor because IFC maintains that they provided "non-core functions" related to the construction of office buildings and expatriate housing. • IFC commitment at the time of refinancing the Bujagali project in 2018 was to review the workers' claims through an independent consultant. IFC has fulfilled this commitment and has not committed to any further action. <p>In January 2025, IFC affirmed to CAO that it had no further updates on Bujagali-06.</p>		<p>commitment to review the workers' claims.</p> <p>As IFC has not committed to take any further action in relation to this non-compliance finding, CAO has decided to close this monitoring action.</p>
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Status and action rating Closed: Unsatisfactory

Transmission Line Land Acquisition (Bujagali-07)

**CAO Non-Compliance Finding #3
December 2017**

At the time of CAO's investigation report in 2017, no completion audit of the resettlement process had been conducted. Thus, CAO found that IFC lacked assurance that compensation paid met the full replacement cost requirement or that affected people had been appropriately compensated, considering the delays in payment that have occurred.

IFC Response and/or Commitments in Response May 2018	IFC Reported Implementation June 2022 – February 2024	Complainants' Observations (2024)	CAO Observations March 2024
<p>IFC and AfDB agreed to engage with UETCL (the owner of the transmission line) to: (i) identify and address any relevant gaps in the existing project completion reports vis-à-vis IFC completion report requirements; and (ii) close out any associated corrective actions.</p>	<p>In June 2021, IFC informed CAO that IFC had approached the government of Uganda and the World Bank for support to advance the preparation of the supplemental completion report. IFC was unable to re-establish cooperation with UETCL, which IFC deemed was necessary to move forward with this task.</p> <p>Since June 2021, IFC states that there are no further updates and IFC has not proposed any additional actions in relation to this complaint. IFC reaffirmed this position in January 2025.</p>	<p>The Bujagali-07 complainants did not provide any comments during this monitoring period.</p>	<p>In June 2019, UETCL withdrew support for a supplemental completion report for the resettlement process, and IFC has been unable to re-establish cooperation with the transmission line owner in order to progress this action. IFC has taken no further actions to address its non-compliances, including those resulting in likely underpayment of compensation to households adversely affected by the line's construction. CAO notes IFC's view that the project lenders have limited leverage to enforce the E&S requirements in the Direct Agreement that they and Bujagali signed with UETCL, which requires a final resettlement audit and corrective action plan. As noted in CAO's third monitoring report, IFC acknowledges the Direct Agreement as a binding contract under English law enforceable by arbitration, IFC has taken no action to enforce this requirement. As IFC has not committed to any further action in relation to this non-compliance finding, CAO has decided to close its monitoring of this finding.</p>

Status and action rating Closed: Unsatisfactory

5 CAO Monitoring of IFC/MIGA Systemic-level Actions

Introduction

This section summarizes CAO's monitoring of IFC's implementation of systemic actions related to the cases in this Omnibus Monitoring Report. IFC committed to these institution-wide actions in response to four compliance investigations under review for this report: Alexandria Development Limited -02 & -03, Egypt; Alto Maipo -01& -02, Chile; Lonmin, South Africa; and Panama Transmission Line IV (PL IV), Panama.

CAO has decided to keep open its monitoring of the following five IFC commitments to address systematic issues raised by CAO investigations:

- **Alto Maipo, Chile.** IFC reports that it issued the guidance on enhanced stakeholder engagement for Cumulative Impact Assessments (CIA). At the time of writing, CAO has not received additional information requested to verify effective implementation of this action.
- **Alto Maipo, Chile.** IFC reports that it issued guidance on management of gender-based violence (GBV) for its staff. At the time of writing, CAO has not received additional information requested to verify the effective implementation of this action.
- **Alto Maipo, Chile.** IFC reports that it updated its E&S Review procedures (ESRP) to provide guidance to staff on timely disclosure of IFC investment exits. However, CAO notes ongoing gaps in implementing these provisions.
- **PL IV, Panama:** IFC will prepare an Advisory Services guidance tip sheet in the ESRP Handbook. Status: Too Early to Tell.
- **PL IV, Panama:** IFC will finalize the Good Practice Note on Contextual Risk Screening, which is still under internal review. Status: Too Early to Tell.

CAO has decided to close its monitoring of the following actions with Satisfactory ratings, after IFC met its commitments.

- **Alexandria Development Limited, Egypt:** IFC committed to hold a workshop on labor and retrenchment in Egypt, and an internal staff training on the same issue. These activities were completed in May 2024 and February 2025. As this is the only pending MAP action, CAO has closed its monitoring of these cases.
- **Lonmin, South Africa.** IFC reports that it updated its procedures and systems to provide for ESAP costing and provided examples to demonstrate implementation of ESAP costing in recent investments.

The table below presents a more detailed summary of IFC's reported implementation of the systemic-level commitments under review in this report, CAO's related observations, and the status of each action.

Systemic Actions

Chile: Alto Maipo-01 and -02²³		
IFC Commitments in Response July 2021	IFC Reported Implementation March 2023 and March 2025	CAO Observations March 2025
Enhanced stakeholder engagement for Cumulative Impact Assessments (CIA).	Completed in 2013. Good Practice Handbook on Cumulative Impact Assessment and Management: Guidance for the Private Sector in Emerging Markets.	In May 2023, CAO verified that IFC had issued a Good Practice Handbook on Cumulative Impact Assessment and requested additional relevant information to verify IFC's effective implementation during subsequent CAO monitoring. IFC has not shared the information requested with CAO, and in March 2025 shared the identical information it sent to CAO in March 2023. CAO will keep monitoring of this action open until it receives the information necessary to review how IFC has sought to effectively implement the Cumulative Impact Assessment handbook in relevant projects.
Status and action Open: Partly Unsatisfactory		
IFC Commitments in Response July 2021	IFC Reported Implementation March 2023 and March 2025	CAO Observations March 2025

²³ In October 2013, IFC approved a loan of up to US\$150 million to Alto Maipo SpA to construct and operate a hydroelectric project in the Maipo river basin, Chile. In January and June 2017, CAO received two complaints related to the project. The first complaint from local communities raised environmental and social (E&S) concerns. The second complaint raised concerns about sexual harassment and the effectiveness of the workers' grievance mechanism. In response to CAO's investigation report (June 2021), IFC committed to four project level actions. CAO's Omnibus Compliance Monitoring Report (May 2023) concluded that IFC implemented these actions. However, CAO notes the complainants' assertion that these actions were insufficient to resolve complainant concerns for project-level impact. Additionally, CAO decided to keep three systemic-level MAP actions committed to by IFC open for additional monitoring. This report monitors these three systemic-level actions. For further details, see CAO's Omnibus Compliance Monitoring Report (May 2023), available at <https://bit.ly/43MdqgqL>

<p>Enhanced guidance on management of gender-based violence (GBV) for IFC staff.</p>	<p>In March 2023, IFC indicated this action had been completed. IFC reported that between 2020-2023 it had developed clear guidance for E&S specialists on GBV and sexual harassment. This includes tools and training provided by expert consultants. In addition, in April 2020, IFC hired a senior full-time GBV specialist to lead further efforts in this regard and support E&S specialists during project appraisals and supervision to identify and review GBV and sexual harassment risks.</p> <p>In March 2025, IFC responded to CAO's questions regarding IFC GBV guidance by indicating it was monitoring this systemic-level action in another monitoring process.</p>	<p>In May 2023, when CAO's previous monitoring report was published, CAO acknowledged that IFC had issued guidelines on GBV and sexual harassment. However, CAO had requested further information from IFC to verify the effective implementation of this action, which was not forthcoming, and CAO therefore decided to keep this action open.</p> <p>During the current monitoring period, CAO reviewed some of the GBVH guidance issued by IFC in previous years and submitted specific questions to IFC in January 2025. IFC did not substantively respond to these questions and referred CAO to another monitoring process. CAO will keep this action open until it can verify its effective implementation.</p>
<p>Status and action Open: Partly Unsatisfactory</p>		
<p>IFC Commitments in Response July 2021</p>	<p>IFC Reported Implementation March 2023 and March 2025</p>	<p>CAO Observations March 2025</p>
<p>Enhance IFC's systems so that relevant E&S information during project supervision is made available, if applicable and where required, in a timely manner, and project status is correctly reflected on IFC's disclosure website.</p>	<p>In March 2023, IFC reported that it had completed this action in January 2022. IFC indicated that it updated its Environmental and Social Review Procedures (ESRP) to provide guidance to E&S specialists on requirements for disclosure of E&S documentation during supervision of projects.</p> <p>The IFC risk and public affairs unit has introduced a new process for identifying projects that have reached financial closure but have not been closed in the internal system because of outstanding legal and operational issues. This</p>	<p>In May 2023, CAO verified that the ESRP were updated in January 2022 to include guidance regarding disclosure of project closures, but decided that further monitoring of this action to verify its effective implementation was merited.</p> <p>IFC's new ESRP process involves putting in place a mechanism to override system delays that allows for updates to disclosure of outdated project status (see left for details). The new process would therefore provide stakeholders with more timely information about IFC's financial</p>

	<p>process involves updating their status to reflect financial closure by marking them as 'Completed' on the disclosure portal. It is currently being implemented, with relevant projects' status reviewed and updated monthly.</p> <p>In March 2025, IFC reported to CAO that IFC continues to improve its corporate systems, without responding to CAO's more specific questions.</p>	<p>exposure to a project, through a monthly review of such cases.</p> <p>However, during monitoring of this action, CAO has found a number of IFC projects that remain active on its disclosure page after IFC exited the investment for some years. CAO highlighted this information in its 2023 monitoring report, and in January 2025 provided examples to IFC of such projects. IFC did not respond to CAO's questions nor update its disclosure of historic investments listed as active. CAO concludes that further oversight is merited to verify effective implementation and CAO monitoring for this action will remain open.</p>
<p>Status and action Open: Partly Unsatisfactory</p>		

<h2 style="margin: 0;">Panama: PL IV-01/Panama²⁴</h2>		
<p>IFC Commitments in Response July 2022</p>	<p>IFC Reported Implementation June 2023- March 2025</p>	<p>CAO Observations March 2025</p>
<p>IFC will provide an update to CODE (IFC Board sub-committee) on development of the ESRP and accompanying ESRP Handbook. These will provide detailed implementation guidance to IFC specialists on new business processing, portfolio monitoring, and Advisory Services, as well as an</p>	<p>In January 2025, IFC updated its ESRP Handbook to include a section on Advisory Services and Upstream Operations, which includes Mainstream and Upstream Advisory Projects, Public Private Partnerships (PPP) Advisory Projects, and Upstream Collaboration and Co-development (Upstream Investment)</p>	<p>CAO notes that the public-private partnership section in the updated ESRP includes guidance to update E&S risk analysis. IFC has noted to CAO that it intends to prepare a E&S Advisory Services tip sheet to provide detailed guidance.</p>

²⁴ For reports related to this case, including IFC Progress Report, see relevant links in section 4 of this report.

<p>update on mainstreaming contextual risk screening.</p>	<p>projects. The Advisory Services section of the ESRP includes specific guidance on IFC's role in the review of E&S activities throughout the advisory project cycle. Where the review results in the identification of E&S risks, IFC will provide advice to the client consistent with the PSs.</p> <p>The guidance to specialists regarding IFC's role to monitor project developments during IFC's AS engagement has been included as a tip sheet in the ESRP. The AS guidance tip sheet was delayed due to IFC's reorganization on July 2024, which led to a redesign of the Accountability and Decision-Making (ADM) framework and the issuance of an updated ESRP in January 2025.</p>	<p>CAO has decided to keep monitoring of this action open, pending receipt and review of the tip sheet.</p>
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Status and action rating **Open: Too Early to Tell**

<p>IFC Commitments in Response July 2022</p>	<p>IFC Reported Implementation June 2023 – March 2025</p>	<p>CAO Observations March 2025</p>
<p>IFC is mainstreaming contextual risk analysis across project appraisal and supervision as well as Advisory Services, as reflected in the draft ESRP and the ESRP Handbook.</p>	<p>Contextual risk analysis is now mainstreamed across project appraisal and supervision of advisory activities and reflected in the ESRP and the ESRP Handbook. In April 2022, IFC released for public consultation its Good Practice Note on Contextual Risk Screening. The updated Note reflects comments from more than 60 organizations representing, amongst others, multilateral and development finance institutions, the private sector, civil society organizations, and CAO. A central repository of country contextual risk analyses for due diligence and an updated contextual risk data portal is available to all World Bank Group users.</p>	<p>In May 2022, CAO provided IFC with comments on IFC's draft Good Practice Note on Contextual Risk Screening for projects as part of the public consultation process. Since CAO has not had the opportunity to review the finalized internal version of the Good Practice Note, CAO will keep this action open for monitoring with a rating of Too Early to Tell.</p>

	March 2025 update: The Good Practice Note on Contextual Risk Screening is finalized. At this stage, the document is for internal use only and is under review for external publication.	
Status and action rating Open: Too Early to Tell		

<h2 style="margin: 0;">Egypt: Alex Dev-02 & -03²⁵</h2> <p style="margin: 0;">IFC First Progress Report: https://bit.ly/4iaa1gg</p>		
IFC Commitments in Response July 2023	IFC Reported Implementation January-February 2025	CAO Observations February 2025
Country-level workshop and internal training. IFC will engage with competent labor organizations and will promote and facilitate the organization of a country-level workshop to discuss and understand the gaps, if any, between Performance Standards and Egyptian labor laws with respect to retrenchment practices, and understand how these might be addressed in future IFC projects. The workshop will inform IFC practice to strengthen screening, appraisals, and monitoring of future investments in Egypt in addressing retrenchment when required.	<p>In May 2024, IFC co-hosted a workshop with the International Labor Organization (ILO) to discuss good international practices in labor management and the importance of implementing labor standards in private sector settings. Particular attention was given to managing transitions and retrenchments.</p> <p>IFC considers that project teams working on future investments in Egypt and the region will benefit from the learnings of the statutory and international standards and practices discussed at the workshop for better screening, appraisal,</p>	<p>IFC shared with CAO documentation on its May 2024 workshop and February 2025 training. CAO understands that a wide spectrum of organizations was invited to the workshop in Cairo, Egypt. This included the complainant representatives for Alex Dev -02 & -03. IFC's retrenchment training, held in February 2025, covered the full process of a retrenchment and relevant aspects of ILO Convention No. 158 and Recommendation No. 166.</p> <p>CAO considers that IFC has implemented its MAP commitment. Accordingly, CAO rates IFC's</p>

²⁵ IFC had an active investment with Titan Group to support and expand its Egyptian cement operations, which consist of two entities: Beni Suef Cement Company (BSCC) and Alexandria Portland Cement Company (APCC). In 2017, CAO received two complaints in relation to BSCC. CAO's investigation report (2021) made a series of non-compliance findings in relation to IFC review and supervision of labor retrenchment. In response, IFC did not commit to any project-level actions. For further details about this case, see CAO case page at <https://bit.ly/4hfhtzd>.

	<p>and monitoring of investments and clients' practice, as well as the implementation of focused support for clients on labor issues, consistent with IFC's current approach to E&S risk management.</p> <p>In February 2025, IFC held an online training for staff on retrenchment. Material from this training has been made available for IFC staff to access.</p>	<p>performance as Satisfactory and has decided to close this case.</p> <p>IFC informed CAO that it intends to offer training on Managing Retrenchment to its staff in other regions. CAO welcomes IFC's intention which, if implemented, would represent IFC MAP implementation exceeding its MAP commitment.</p>
<p>Status and action rating Closed: Satisfactory</p>		

<p><u>South Africa: Lonmin-02</u>²⁶</p> <p>IFC First Progress Report: https://bit.ly/4ix7JS8</p>		
<p>IFC Commitments in Response November 2023</p>	<p>IFC Reported Implementation January – March 2025</p>	<p>CAO Observations March 2025</p>

²⁶ IFC had an equity investment in Lonmin, a large mining company in South Africa. In 2015, CAO received a complaint from local communities regarding implementation of community development initiatives. CAO's investigation report (2023) noted a series of IFC non-compliance findings of IFC's pre-investment review and supervision. In response, IFC did not commit to any project level actions. For further details about this case, see CAO case page at <https://bit.ly/4hcKSdj>.

<p>Develop guidance and strengthen internal controls process i) to review adequacy of client's estimates of resources for the implementation of the Environmental and Social Action Plan (ESAP) as required in PS1 (2012), paragraph 16, and ii) to document the review as part of the appraisal documentation.</p> <p>The guidance will include the development of a risk-based approach to support IFC staff in reviewing such ESAP estimates and assessing the client's ability to provide financial resources for its E&S commitments.</p>	<p>In its Progress Report, IFC noted that it updated its E&S Review Procedures (ESRP). IFC states that the revised procedures provide for IFC to request that the client prepare cost estimates for the ESAP implementation, which are reviewed by IFC Investment and E&S staff.</p> <p>To effectively implement the revised procedures, IFC reports that it updated and strengthened its training to staff. Additionally, IFC reports that it updated its systems to include a module on documenting and tracking progress on the client ESAP, including cost estimates.</p> <p>IFC reports that the implementation of the MAP is complete and IFC will continue to engage with CAO to share relevant information.</p>	<p>Upon review of IFC's ESRP (2025), CAO notes that there are provisions for IFC E&S staff to (i) request the client to prepare cost estimates for ESAP implementation (capital and operational costs) and (ii) review these estimates in terms of the ability of the client's financial plan to accommodate these costs. IFC also shared with CAO additional internal staff guidance on costing and reviewing ESAPs.</p> <p>IFC provided CAO with information on three projects with costed ESAPs that included discussions with clients on preparing the costed plan. CAO affirms that these examples provide evidence that costing of ESAP capital and operating expenditures took place. Prior CAO cases have noted significant weaknesses in client capacity regarding the costing of operating expenditure in particular. Thus, including costing as part of the ESAP has the potential to signal early in the investment cycle an IFC client's commitment to implement a project E&S Action Plan with sufficient ongoing capacity.</p>
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Status and action rating Closed: Satisfactory

Annex A. Summary of All Open Cases in CAO Compliance Monitoring

CAO Case Name	CAO Investigation Release Date	CAO Monitoring prior to this report		Last CAO Monitoring Report	Next CAO Monitoring Report ²⁷	Applicable standards for CAO Monitoring	
		Project Level	Systemic Level			CAO Operational Guidelines (2013)	CAO Policy (2021)
IFC Financial Markets	February 2013	N/A	Monitoring Open	February 2017	Case specific report, FY25 Q4	✓	
Tata Ultra Mega-01 /Mundra and Anjar -02 Tragadi Village	October 2013	Monitoring Open	N/A	February 2017	Case specific report, FY25 Q4	✓	
Togo LCT-01-03/Lomé	October 2016	Monitoring Open	N/A	March 2025	Closed	✓	
Tata Tea-01-02/Assam	November 2016	Monitoring Open	N/A	May 2024	FY26 Q2	✓	
Real LRIF-01/Coban	October 2017	Monitoring Open	N/A	May 2024	FY26 Q2	✓	
Bujagali Energy - -04, -06, -07, -08	December 2017	Monitoring Open	Monitoring Completed	March 2025	Closed	✓	
Bidco Bev. & Det.-01 & 04/Thika	March 2019	Monitoring Completed	Monitoring Open	May 2024	FY26 Q2	✓	
CIFI-01/Santa Cruz	June 2020	Monitoring Completed	Monitoring Open	May 2024	FY26 Q2	✓	
Alto Maipo-01& 02/Cajon del Maipo	September 2021	Monitoring Completed	Monitoring Open	March 2025	FY26 Q4		✓

²⁷ The inclusion of a report in the CAO Monitoring Omnibus schedule or an individual report is subject to change. CAO is developing criteria for proceeding with a case specific monitoring report versus monitoring a case via the omnibus structure.

Rizal Commercial Banking Corporation (RCBC)-01	April 2022	Monitoring Open	Monitoring Open	Case Specific Report, FY25 Q3	FY26 Q2		✓
PL IV-01/Panama	June 2022	Monitoring Open	Monitoring Open	March 2025	FY26 Q2		✓
Alex Dev 02 & 03/Egypt	March 2023	N/A	Monitoring Open	March 2025	Closed		✓
Lonmin-02/South Africa	June 2023	N/A	Monitoring Open	March 2025	Closed		✓
Myanma Awba-01/Myanmar	September 2023	Monitoring Open	Monitoring Open	N/A	FY26 Q2		✓
Bridge-01/Kenya and Learn Capital 01-04/Kenya	October 2023	Monitoring Open	Monitoring Open	N/A	Case Specific Report, FY25 Q4		✓
Salala Rubber Corporation-01/Liberia	March 2024	Monitoring Open	N/A	N/A	FY26 Q4		✓



The Independent Accountability Mechanism for IFC & MIGA