



## CAO Releases Independent Audit of IFC's and MIGA's Due Diligence for two Pulp Mills in Uruguay

### Contact

Kate Henvey

Telephone: 202.473.8353

E-mail: [KHenvey@ifc.org](mailto:KHenvey@ifc.org)

**Washington, D.C., March 24, 2006** — CAO, the independent recourse mechanism for IFC and MIGA, World Bank Group, releases today its audit of IFC's and MIGA's appraisal procedures, up to the point of public disclosure of the environmental assessments (EAs) for two pulp mills in Uruguay, close to the border with Argentina.

The audit stems from a complaint the CAO received in September 2005 by concerned residents both in Uruguay and Argentina. In November 2005, CAO's ombudsman function requested an audit of IFC's and MIGA's compliance with internal due diligence procedures.

The scope of the audit covers the period up to disclosure of environmental documents in July 2005. The audit does not review IFC's decision to commission a separate cumulative impact assessment released in December 2005.

The CAO audit report and IFC and MIGA management responses can be found at the CAO's website, [www.cao-ombudsman.org](http://www.cao-ombudsman.org).

2121 Pennsylvania Ave., NW

Washington, DC 20433

Telephone: 202.458.1973

Facsimile: 202.522.7400

E-mail: [cao-compliance@ifc.org](mailto:cao-compliance@ifc.org)

Internet: [www.cao-ombudsman.org](http://www.cao-ombudsman.org)

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The Compliance Advisor Ombudsman (CAO) is the independent recourse mechanism for the International Finance Corporation (IFC), the private sector investment arm of the World Bank Group, and for the Multilateral Investment Guarantee Agency (MIGA), the multilateral risk mitigation arm of the World Bank Group.

The CAO is the independent recourse mechanism for parties who feel they have been negatively impacted by IFC or MIGA projects. Our aim is to resolve disputes and make constructive recommendations through mediations, audits, and advisory projects. CAO reports directly to the President of the World Bank Group and does not intervene in Board or project processes. The CAO has the authority to make recommendations that will be helpful in resolving disputes. The reports and recommendations of the CAO are public. For more information, visit [www.cao-ombudsman.org](http://www.cao-ombudsman.org).



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