

August 13, 2014

Mr. Osvaldo L. Gratacós  
Compliance Advisor Ombudsman  
International Finance Corporation  
2121 Pennsylvania Avenue, N.W.  
Washington, D.C. 20433

IFC Management's Response to the Compliance Advisor Ombudsman's (CAO) Assessment Report about IFC's Harmon Hall Project (#29753) in Mexico.

Dear Mr. Gratacós:

IFC would like to thank the CAO for the assessment report regarding the seventh complaint related to IFC's client company, Harmon Hall, Project Number 29753 (Harmon Hall 07). We appreciate your team's efforts in conducting the assessment and working with the parties to establish a process for the resolution of the concerns raised by the complainants.

IFC remains committed to work closely with the CAO and the client to pursue a satisfactory outcome for the different stakeholders. We will continue following-up with the company during our supervision on its implementation of the remedial actions agreed to as an outcome of the first complaint (Harmon Hall 01), as well as any further actions needed from the additional complaints.

During May 2014, IFC Labor Specialist completed a supervision trip to the company and visited some of their schools; we will share with the CAO the final report in the following weeks. Also, we expect to discuss with the company this month, the difficulties they are having with implementation and roll out of the corrective actions throughout their owned and franchised schools, and how we can support further progress on improvements in their systems and practices.

The IFC project team will support the CAO staff as required during the compliance appraisal, the next step of the process, to ensure the achievement of the intended result.

Sincerely,



Mary-Jean Moyo  
Regional Industry Head

Manufacturing, Agribusiness & Services Department  
Latin America and the Caribbean



Morgan Landy  
Director

Environment, Social & Governance Department