

**INTERNATIONAL FINANCE CORPORATION**

**MANAGEMENT REPORT AND MANAGEMENT ACTION PLAN  
IN RELATION TO THE  
CAO COMPLIANCE INVESTIGATION REPORT**

**ON**

**BRIDGE INTERNATIONAL ACADEMIES (BRIDGE 04)**

**(PROJECT# 32171, #38733, #39170, #39224)**

**March 7<sup>th</sup> 2024**

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## **ABBREVIATIONS AND ACRONYMS**

CAO	Office of the Compliance Advisor Ombudsman
CIAU	Critical Incident Advisory Unit
CPP	Child Protection Policy
CPR	Child Protection Response
CSA	Child Sexual Abuse
CSO	Civil Society Organization
ECPR	Emergency Child Protection Response
ESAP	Environmental and Social Action Plan
ESDD	Environmental and Social Due Diligence
ESAP	Environmental and Social Action Plan
ESMS	Environmental and Social Management System
ESRS	Environmental and Social Review Summary
E&S	Environmental and Social
GBV	Gender-Based Violence
GBVH	Gender-Based Violence and Harassment
GIIP	Good International Industry Practice
IEG	Independent Evaluation Group
IFC	International Finance Corporation
MAP	Management Action Plan
NGS	Newglobe Schools
NGO	Non-governmental organization
PSs	IFC's Performance Standards
PPP	Public-Private Partnership
RE	Responsible Exit
SEAH	Sexual Exploitation, Abuse and (sexual) Harassment
WASHAP	Water, Sanitation and Hygiene Action Plan
WBG	World Bank Group

## PREFACE

Child sexual abuse is unacceptable in any project financed by the International Finance Corporation. It is unacceptable in a country such as Kenya, where the 2019 Violence Against Children Survey shows that 15.6 percent of females experienced childhood sexual violence, among which nearly two-thirds (62.6 percent) experienced multiple incidents before age 18<sup>1</sup>. IFC holds itself to a high standard, and we regret the lapses in our appraisal and supervision of this project<sup>2</sup> in the context of the requirements of our Sustainability Framework.

The Compliance Advisor Ombudsman's (CAO) investigation report came at a time when IFC had already been putting systems in place to strengthen its efforts to address issues of gender-based violence (GBV), including against children, over some past years. Since receiving the CAO report, IFC's leadership has done much more internal reflection. An IFC team composed of senior leadership and staff recently visited Kenya, where they met with international agencies whose remit is child protection and GBV. The team also spoke with non-governmental organizations (NGOs) who advocate for survivors of GBV and child sexual abuse, raise awareness and provide services to survivors. Through this visit, the team gained a better understanding of the context in which these agencies and organizations operate in Kenya, the systems in place to protect children, specifically girls, and some of the challenges they face.

This team also exchanged views with World Bank<sup>3</sup> colleagues who shared the lessons they learned and improvements they made following cases of sexual abuse of women and children in the World Bank's Uganda Transport Sector Development Project. IFC is committed to meaningfully strengthen its approach and response to GBV and child safeguarding risks and cases, incorporating relevant lessons from the World Bank's experiences.

With hindsight, we can say that upon considering an investment in a chain of private K-12 schools in low-income communities in Kenya, a national context where violence against children is a widespread and deeply rooted problem,<sup>4</sup> we should have better anticipated the risks to children. This could have been reflected in IFC's early interactions with Bridge. In 2013, when IFC appraised the Bridge investment, IFC had limited experience in assessing the risks of child sexual abuse or GBV in its investments. IFC's supervision of the project's compliance with IFC's Performance Standard 1 should have been stronger. This standard guides clients on establishing systems to address environmental and social (E&S) risks and identify groups and individuals that may be disadvantaged or vulnerable (such as children) and helps clients put in place dedicated or adapted mitigation measures to meet people's needs. On these points, and various others, Management agrees with CAO.

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<sup>1</sup> Ministry of Labour and Social Protection of Kenya, Department of Children's Services, 2019. [Violence against Children in Kenya: Findings from a National Survey, 2019](#). Nairobi, Kenya.

<sup>2</sup> The project was owned and managed by Bridge International Academies of Newglobe Schools, Inc. From 2013 to 2016, IFC acquired 5.3% equity stake in Newglobe Schools. The investment's purpose was to provide school children from low-income backgrounds in Kenya with access to basic, quality education.

<sup>3</sup> The term 'World Bank' in this document refers to the International Bank of Reconstruction and Development.

<sup>4</sup> KNBS and ICF. 2023. [Kenya Demographic and Health Survey 2022. Key Indicators Report](#). Nairobi, Kenya, and Rockville, Maryland, USA.

It is important to underline that the CAO compliance investigation report and IFC's management report are focused on IFC's compliance with its own policies in the context of its investment in Bridge Academies. Neither the CAO report nor the IFC report should be construed as assessments of the current policies and systems<sup>5</sup> that Bridge has had in place for GBV and child sexual abuse prevention and case management. Bridge commissioned a review of its policies by a specialized organization (Tunza Child Safeguarding). The Tunza Report<sup>6</sup> was finalized in August 2020 and concluded that Bridge had a consistent and comprehensive child protection and safeguarding plan in place.

This document outlines a detailed response to the findings and the project-level and institutional-level recommendations of CAO, with which we largely agree. We are committed to improving our systems. Management acknowledges that IFC needs to pay more attention during project appraisal and supervision to better understand the risks to children and of GBV in projects and work with clients to put in place strong measures to mitigate or address those risks. IFC is continuously strengthening its capacity to identify risks preemptively, apply lessons learned, conduct more robust E&S due diligence, improve approaches to addressing GBV risks, particularly against children, and equip investment teams to take more action against GBV and to safeguard children.

In response to the CAO findings at project level, IFC proposes to directly fund a remediation program that builds on and supports established service delivery programs in relevant counties where Bridge operated or currently operates in Kenya, led either by relevant international agencies and/or reputable international or local NGOs with a solid track record of addressing child sexual abuse and GBV. Services will be open for any CSA survivors to use, regardless of the environment in which the abuse occurred. The program will be complemented with prevention activities aiming to engage local communities and services in target counties in Kenya to strengthen prevention and outreach to populations at risk of child sexual abuse and GBV, and to facilitate community discussions around harmful gender norms and behaviors. IFC proposes to support this remediation program for a minimum of three years and up to ten years, subject to design, evaluation and exit milestones.

By partnering with established, competent service providers with existing programs in target locations, IFC will be able to support the strengthening of services, while also enabling the sustainability of these services after IFC concludes its support, in accordance with well-designed exit milestones. Furthermore, in recognition of the deeply entrenched nature and pervasiveness of GBV and child sexual abuse, IFC's proposed approach aims to contribute to the collective efforts of organizations working on combatting these challenges across the country.

The proposed actions in the Management Action Plan draw upon the CAO recommendations and the lessons learned from the World Bank in its 2015/2016 Uganda Transport Sector Development Project. IFC considers that they will help to address the situation of child sexual abuse survivors in targeted communities in an ethical, survivor-centered and safe manner.

At an institutional level, we have already begun to act on several of CAO's recommendations. Since 2020, IFC has hired GBV experts and is recruiting additional staff and has developed new

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<sup>5</sup> Bridge Website, 2023. [Child Safeguarding Commitment](#).

<sup>6</sup> Tunza Child Safeguarding, 2020. [Keeping Pupils safe in Kenya](#). Nairobi, Kenya.

GBV guidance and training for IFC staff. In addition to ongoing practice and engagements, IFC proposes a set of actions to strengthen IFC capacity and implementation of good international industry practice to manage the risk of child sexual abuse and GBV in IFC investments.

As it continues to improve its E&S management practices, IFC would like to thank CAO for its report and recommendations.

## I. INTRODUCTION

1. In February 2020, during its investigation into a separate complaint involving Bridge International Academies Limited (“Bridge” or the “client”), the Office of the Compliance Advisor Ombudsman (CAO), was informed of allegations of child sexual abuse in Bridge schools in Kenya. CAO flagged the allegations directly with the client and subsequently briefed senior management of the International Finance Corporation (IFC) on these issues.

2. In September 2020, the CAO Vice President initiated a compliance appraisal to determine whether a compliance investigation of IFC’s environmental and social (E&S) due diligence and supervision in relation to the allegation of child sexual abuse in Bridge’s operations was warranted. There is no external complainant for the case (“Bridge 04”), rather, the CAO Vice President triggered the compliance appraisal based on project-specific concerns in accordance with CAO Operational Guidelines, paragraph 4.2.1.

3. In December 2020, CAO’s appraisal concluded that an investigation was warranted. CAO formally launched its compliance investigation covering the adequacy of IFC’s project due diligence and supervision against the requirements of the Sustainability Framework.

4. On October 3, 2023, CAO submitted its Compliance Investigation Report for Bridge 04 to the Board (“CAO Compliance Investigation Report”).<sup>7</sup>

5. This Management Report presents IFC’s response to CAO’s compliance investigation findings and recommendations in the Bridge 04 case, with which Management largely agrees. This report has six sections. Section I is this Introduction. Section II describes IFC’s investments, including its pre-investment due diligence and client supervision. Section III provides a summary of CAO’s process leading to its investigation. Section IV is divided into two sub-sections, which include IFC’s response to CAO’s non-compliance findings and to CAO’s recommendations. Section V describes IFC’s Management Action Plan (MAP), and Section VI provides IFC’s conclusions.

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<sup>7</sup> CAO Compliance Investigation Report Regarding a CAO Vice Presidential Triggered Investigation of IFC’s Investment in Bridge International Academies (Bridge 04), October 3, 2023 (hereinafter CAO Compliance Investigation Report).

### **BOX 1: Kenya Gender-based Violence and Violence against Children Situational Analysis**

Gender-based violence (GBV) and violence against children (VAC) are widespread in Kenya. They remain significant violations against women and children that impede the country's socio-economic progress, children's futures and erode human dignity.

According to Kenya's 2019 Violence Against Children Survey, nearly half of females (45.9%) and more than half of males (56.1%) experienced childhood violence in Kenya. Among the 15.6% of females who experienced childhood sexual violence, nearly two-thirds (62.6%) experienced multiple incidents before age 18. According to the 2022 Kenya Demographic and Health Survey (KDHS), the prevalence of GBV has decreased over the past few years. The current data on GBV show that 34% of women in Kenya have experienced physical violence since age 15, including 16% who experienced physical violence often or sometimes in the 12 months before the survey.

Over the years, support and interventions in the areas of GBV and violence against children<sup>1</sup> by UN lead agencies, civil society organizations (CSOs) and the government of Kenya have resulted in significant achievements towards combating these harmful practices. For GBV this includes: the National Strategy to End Violence Against Women and Girls (2017-2022); and the GBV model policy at county levels. For VAC, the support for the VAC survey in 2013 and 2019 has helped in the establishment of the National Prevention and Response Plan on Violence against Children in Kenya 2019 – 2023; the National Action Plan to End Child Marriage (2017-2022) and the country's first-ever National Standard Operating Procedures for the Management of Sexual Violence Against Children in February 2018. Additionally, the Kenya National Bureau of Statistics (KNBS), through the support of UN Women, has developed GBV and sexual violence data collection tools in the KDHS (2022), which allows for finer disaggregation by sex, county, and urban/rural. There has been a reduction in the prevalence rates of GBV and VAC<sup>1</sup> in Kenya over the last decade, which is partly attributed to enhanced awareness and sensitization, capacity strengthening of state and non-state actors.

Despite the positive trend noted above and efforts by the government in adopting laws, policies, and processes to address these challenges, there is still a gap in implementation and enforcement, particularly at the county level.

While there have been efforts by the government and civil society to address GBV and VAC in Kenya there are still significant risks associated with these interventions. The success of the interventions is dependent on certain assumptions, such as the willingness of communities to participate in the interventions and the commitment of government and civil society to address GBV and VAC. Therefore, it is crucial to develop sustainable interventions that address the problem of GBV while considering these risks and assumptions.

## II. IFC PROJECT

6. Bridge International Academies Limited was established in 2009 by a Delaware company called Newglobe Schools Inc., with the aim of providing quality primary education to children from families earning less than US\$2 a day by building and operating the largest chain of low-cost private schools in Sub-Saharan Africa.

7. The concept adopted by Bridge was an “academy in a box,” a model that sought to leverage centralized curriculum development, teacher training, and a technology platform to provide quality education at an affordable cost. At the end of 2016, Bridge operated 520 community schools serving approximately 87,600 students. As of 2022, Bridge operated about 110 community schools in Kenya, Uganda, Nigeria and India, serving just under 40,000 students.

8. In 2013, IFC made a US\$10 million equity investment in the Series D financing round of Newglobe Schools, Inc., a Delaware company, and in 2016 IFC invested an additional US\$3.5 million in the Series E round, giving IFC a 5.3 percent shareholding. The capital was to be used to expand the network of schools in Kenya and enter three new markets (the "Project"). At the time of investment, Bridge had established itself as the largest private provider of low-cost schools supporting low-income students in Sub-Saharan Africa, operating 211 schools in Kenya and serving over 57,000 students.

9. In 2016, Bridge began developing a cloud-based, education management system to partner with governments under long-term service contracts using a type of public-private partnership model. Under this model, the partner government owns the school infrastructure, while Bridge provides a management system and trains existing public-school teachers and administrators in the use of this system. Aside from providing teachers with new tools for delivering learning in the classroom, digital data gathered through the system provide school management with increased oversight and transparency. Over the period of IFC’s investment, the client scaled up these services, primarily through technology licensing with government partnership schools, supporting innovation in the primary education sector. By 2021, such programs were running in Nigeria, China, Rwanda and India, reaching more than 750,000 students.

10. By 2020, IFC stopped investing in direct K-12 education following concerns from civil society organizations (CSOs) about private schools’ impact on access to quality education for underserved groups.<sup>8</sup> In 2022, IFC reaffirmed this decision following an Independent Evaluation Group evaluation of IFC's investments in K-12 private schools<sup>9</sup>, which concluded that resumption of investments in the sector was not advisable without substantial changes in approach. IFC exited its investment in March 2022. IFC continues to have an indirect exposure to Bridge schools through its limited partnership investment in a venture capital fund called the Learn Capital Venture Partners Fund III (project #32429). As a result, IFC has an indirect exposure of less than 0.5 percent equity in Bridge-schools.

### ***Key Environmental & Social Issues***

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<sup>8</sup> [https://www-cdn.oxfam.org/s3fs-public/letter\\_world\\_bank\\_october\\_2019.pdf](https://www-cdn.oxfam.org/s3fs-public/letter_world_bank_october_2019.pdf)

<sup>9</sup> World Bank. 2022. [An Evaluation of International Finance Corporation Investments in K-12 Private Schools](#). Independent Evaluation Group. Washington, DC: World Bank.



11. At the pre-investment stage in 2013, IFC conducted E&S due diligence.<sup>10</sup> IFC classified the investment as Category B, indicating that the potential for E&S risks was “limited, largely reversible, and may be readily mitigated,” which was in line with risk classifications for education sector projects at the time.<sup>11</sup>

12. Unfortunately, in 2013 at the time of appraisal, child sexual abuse did not factor into IFC’s E&S risk assessments. The key issues identified at appraisal included: (i) development and implementation of an Environmental and Social Management System (ESMS) at corporate level to be applied to all Bridge schools; (ii) labor and working conditions for staff, including an employee-specific grievance mechanism, occupational health and safety during the construction phase, though the latter was considered of limited significance given the type of structures involved; (iii) provision of potable water of an adequate quality and sewage disposal; and (iv) building standards for schools, especially in relation to life and fire safety, to ensure student safety.<sup>12</sup> Following IFC’s investment in Bridge in 2013, the client established a corporate ESMS, appointing a global E&S coordinator for its operations and E&S coordinators in each of the countries of operation. The ESMS was updated annually from 2017 onward, following IFC’s advice.

13. By the beginning of 2016, IFC’s supervision identified needed improvements in Bridge’s E&S systems to comply with IFC’s Performance Standards (“PSs”), including implementation of the project’s 2013 Environmental and Social Action Plan (ESAP). That same year, during annual supervision, IFC received information from Bridge about four cases of child sexual abuse and engaged Bridge about them; Bridge informed IFC that it was addressing the issues directly. The client shared with IFC the 2015 “Bridge Schools Sexual Offences Policy” and procedure on how it responded to allegations of sexual assault against pupils. This policy established the Critical Incident Advisory Unit at Bridge Kenya Headquarters in Nairobi. The unit was charged with analyzing sexual assault incident reports and providing support and direction.

14. In 2018, following the Bridge 01 complaint to CAO, IFC’s focus turned to the review of Bridge’s Human Resources Manuals. In 2019, a media article on Bridge Liberia was published in Devex raising concerns related to child sexual abuse and school dropout by girls in Bridge schools in Liberia due to teenage pregnancies. The team raised these issues with Bridge for discussion. Bridge demonstrated through an Annual Monitoring Report submitted to IFC in 2019 that it had had a Child Protection Policy in place since 2018. IFC recommended further improvements to this policy, including: (i) adding working definitions of “child abuse” and “child sexual abuse;” (ii) adding more indicators of (sexual) abuse; and (iii) adding some reference to how the best interests of the child should determine the process (referral pathway), the framework (information sharing protocol) and the type of information to be shared and with whom.

15. In March 2020, IFC raised concerns about child sexual abuse incidents with Bridge again, following reports of previous incidents in one of the schools in Kenya that were made during CAO’s investigation into the Bridge 01 complaint. Bridge maintained that it did have extensive safeguarding policies and practices.

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<sup>10</sup> CAO Compliance Investigation Report, pg. 5.

<sup>11</sup> IFC, October 30, 2013, [Environmental and Social Review Summary \(ESRS\)](#).

<sup>12</sup> <https://disclosures.ifc.org/project-detail/ESRS/32171/bridge-international-academies>

16. Later in March 2020, Bridge management met with IFC in Washington, DC. IFC discussed the child sexual abuse issues with Bridge, requesting a plan on child protection containing specific 90- and 180-day milestones. In June 2020, Bridge shared a work plan that included the commissioning of a review of the child safeguarding practices in its Kenyan schools. Bridge commissioned Tunza Child Safeguarding to conduct a review of Bridge’s policies. The Tunza Report,<sup>13</sup> which was finalized in August 2020, concluded that Bridge had a consistent and comprehensive child protection and safeguarding plan in place, and made additional recommendations for improvements. The Report methodology applied reputed “Keeping Children Safe” international standards. IFC recognizes that the report was forward looking and did not focus on addressing past incidents of child sexual abuse.

17. In mid-2020, IFC hired a senior specialist thematic lead on GBV with significant experience on GBV and child sexual abuse issues in developing countries, including Kenya. The senior GBV specialist, together with two previously hired GBV consultants, worked with Bridge on child sexual abuse issues from 2020, including the discussion with Bridge on development of a Child Safeguarding Action Plan.

18. In June 2020, IFC and Bridge entered into an agreement to provide further clarity on the exchange of confidential information pursuant to the obligations set out in the 2013 transaction documents. The objective of the agreement was to facilitate greater availability of data on sensitive issues such as child sexual abuse cases, and to enable IFC staff to supervise this risk, and CAO to access information and complete its investigation even after IFC’s exit from the investment.

19. In December 2020, IFC requested several deliverables from Bridge, including a revised Child Protection Policy and a report examining child safeguarding against sexual harassment and abuse at Bridge schools. Bridge submitted the updated policy and additional procedures to IFC in March 2021. IFC continued working with Bridge on the deliverables over the year until IFC was satisfied that the issues, including child safeguarding and a survivor-centered approach, had been sufficiently addressed. As part of continuous support to Bridge, IFC also noted areas that could be strengthened.

20. IFC exited its investment in March 2022, consistent with the draft “IFC Principles for Responsible Exit”, a nascent approach that was piloted within IFC at the time. The objective of the initiative is to define a decision-making framework for active exits and to address E&S issues with investee companies to the extent practicable, prior to IFC exiting an investment. As part of the exit, Bridge confirmed in writing its intention to (a) continue using the Performance Standards as a tool to manage E&S risks, (b) to maintain an Environmental and Social Management System, and (c) to continue collaborating with IFC on CAO cases. Bridge Management also confirmed that it would continue encouraging its Board of Directors to maintain a Quality, Health and Safety sub-committee. This committee is led by an independent director with oversight authority on issues of child safeguarding through a broad array of Bridge’s activities, including (i) child-centered staff training, (ii) advocacy and (iii) a robust reporting and complaints-management system.

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<sup>13</sup> Tunza Child Safeguarding, 2020. [Keeping Pupils safe in Kenya](#). Nairobi, Kenya.

### III. CAO CASE

21. In April 2018, CAO received a complaint (Bridge 01) regarding IFC's investment in Bridge in Kenya.<sup>14</sup> The complaint alleged violations of IFC's PSS relating to labor and working conditions and community health, safety and security matters, including building construction and safety, school sanitation, and child safety concerns. In October 2019, the Bridge-01 complaint was transferred to CAO's compliance function for appraisal, and CAO traveled to Kenya in February 2020. During the field visit, community members informed CAO of instances of child sexual abuse. Given the serious nature of the allegations, CAO sought information from the client about its systems for child safeguarding and protection, including systems to prevent and respond to instances of child sexual abuse, and the client's handling of past incidents. CAO also noted to IFC staff and management that concerns had been raised regarding child safeguarding and protection.<sup>15</sup>

22. In September 2020, the CAO Vice President initiated the compliance appraisal (Bridge-04).<sup>16</sup> CAO's appraisal sought to address questions regarding IFC's due diligence and supervision, focusing on PSs 1 and 4, Kenyan national law, and good international industry practice (GIIP) as relevant to child safeguarding and protection risks.

23. In December 2020, CAO launched its compliance investigation (Bridge 04) into IFC's oversight of issues of child safeguarding and protection, specifically as related to child sexual abuse in Bridge's schools in Kenya. Since the Bridge 04 investigation was self-initiated at the request of the CAO Vice President, the case does not have an associated complaint lodged by complainants. On October 3, 2023, CAO submitted its Compliance Investigation Report for Bridge 04 to the Board.

### IV. MANAGEMENT RESPONSE TO CAO FINDINGS AND RECOMMENDATIONS

24. IFC Management is grateful to CAO for its investigation of this sensitive and deeply troubling case and appreciates the detailed project- and institutional-level recommendations. Sexual abuse of children, or any form of GBV, is unacceptable and completely contrary to IFC's values and mission.

25. In 2013, IFC had limited experience in assessing the risks of GBV and particularly child sexual abuse in its financing of investments. Unfortunately, child sexual abuse was not factored into IFC's E&S risk assessment at the time of appraisal; in fact, E&S appraisal in K-12 school projects at the time typically focused on different issues, such as water, health and sanitation, fire and safety concerns. As CAO's Compliance Investigation Report recognizes, when IFC made its investment in Bridge, "World Bank Group institutions did not contain explicit language on child sexual abuse in the guidance documents pertaining to environmental and social risk management."

26. IFC acknowledges that child sexual abuse risks were consequently not considered during due diligence and the earlier part of the supervision period. However, subsequently, IFC has been committed to improving its systems, continuously strengthening its capacity to identify risks

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<sup>14</sup> CAO Compliance Investigation Report, pg. 21

<sup>15</sup> CAO Compliance Investigation Report, page. 22

<sup>16</sup> CAO Compliance Investigation Report, pg. 22.

preemptively, apply lessons learned, conduct more robust E&S due diligence, improve approaches to addressing GBV risks, and equip investment teams to take more action against GBV.

The section below presents IFC's detailed responses to the CAO findings and recommendations.

**A. IFC Response to CAO Findings**

***CAO Finding 1: IFC failed to carry out its due diligence responsibilities as set forth in the Sustainability Policy***

27. **Management agrees with CAO that during its E&S Appraisal, its attention to risks of child sexual abuse was inadequate.** Although IFC did conduct an analysis of the students' socioeconomic conditions, such feedback did not lead to the development of a risk assessment of Bridge schools in Kenya and the inherent vulnerabilities of K-12 pupils to child sexual abuse.

28. While the Sustainability Framework did not explicitly refer to child sexual abuse risks, IFC should have conducted a more in-depth sectoral and regional analysis to identify potential issues related to students in schools in different countries. It could have also engaged with a wider range of stakeholder groups to analyze the risk of child sexual abuse in this sector or in the contexts in which the schools operated.

29. Not having identified the contextual risk of child sexual abuse, IFC reviewed the Employee Handbook and the Code of Conduct for employees without considering the adequacy of coverage of these issues in Bridge's guiding policies. The appraisal methodology should have also included on-site visits and interviews with workers, pupils, parents, community members and leaders and parents' representative committees as well as being informed by existing evidence and data on violence against children more broadly in Kenya.

***CAO Finding 2: During the Investment's lifetime, IFC did not fully comply with IFC's Sustainability Policy requirements pertaining to supervision (para. 45).***

***(a) Prior to CAO's February 2020 field mission, IFC failed to regularly monitor or substantively address project-related child sexual abuse and GBV risks and impacts with the client.***

***(b) Starting in March 2020, IFC's supervision improved, but shortcomings persisted.***

***CAO Finding 3: IFC failed to adequately supervise the client in addressing impacts that materialized during the project.***

**30. Management agrees with CAO that IFC’s supervision of the risk of child sexual abuse prior to 2020 was inadequate and appreciates the acknowledgement of improvements in E&S supervision after the child sexual abuse cases were identified by CAO.**

31. IFC recognizes that its supervision on child sexual abuse issues from 2016 to 2020 was insufficient, particularly given the risks to the vulnerable population involved. While Bridge provided IFC with its Child Protection Policy, the lack of specific actions on child sexual abuse in the ESAP hindered IFC’s supervision in this area. IFC should have engaged with Bridge to obtain more information about the reported cases of child sexual abuse, in parallel to its efforts to manage other E&S risks, such as water sanitation, health and safety.

32. IFC made significant improvements in its supervision of child sexual abuse and GBV once CAO brought attention to the issues, and they were assessed as high risk. IFC conducted GBV-focused supervision missions and closely supported the client on child sexual abuse concerns.

33. In March 2020, IFC requested that Bridge develop a plan on child protection containing specific 90- and 180-day milestones. In June 2020, based on this request, Bridge submitted a Child Safeguarding Plan to IFC. The Plan included: (i) a review of the organizational structure to incorporate child safeguarding functions; (ii) training; (iii) coordination with government partnerships; (iv) reporting and incident tracking; (v) review of operational procedures; and (vii) constituting a Board sub-committee on Quality, Health and Safety. This committee would be led by an independent director and have oversight of the quality of learning and the health, safety and safeguarding of Bridge’s students to be achieved through a broad array of activities, including child-centered staff training, advocacy and a robust reporting and complaints-management system. IFC reviewed the Plan and provided comments to Bridge in September 2020.

34. The Tunza consultancy report<sup>17</sup> commissioned by Bridge was included in the Child Safeguarding Plan and was an indicator that Bridge was taking seriously the issues of child protection and safeguarding. IFC received the report after its completion, evaluated it as in accordance with international child safeguarding standards. IFC recognizes it was forward looking and did not address past child sexual abuse incidents.

35. At exit, IFC observed that Bridge had acted on: (i) the development of a policy framework; (ii) a referral system; (iii) training on child sexual abuse; and (iv) alliances with reputable child sexual abuse agencies on the ground. IFC was satisfied that Bridge had met the primary deliverables, and where it had not, that Bridge had provided an adequate response or indicated how it had addressed child sexual abuse through alternative means. IFC believed that by the time of exit, Bridge had the essential components of child safeguarding in place. IFC also acknowledged that protecting children requires a long-term commitment and is often an iterative process that must be responsive to changing environment and emerging challenges. IFC encouraged Bridge to continue strengthening its practices accordingly.

36. The exit letter that Bridge signed confirmed its intention to continue to use the PSs as a tool in its work and to maintain an ESMS. Bridge also confirmed that it would continue to

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<sup>17</sup> Tunza Child Safeguarding, 2020. [Keeping Pupils safe in Kenya](#). Nairobi, Kenya.

encourage its Board of Directors to maintain the Quality, Health and Safety sub-committee led by an independent director.

***CAO Finding 4: IFC's access to Bridge information on child protection and safeguarding was essential to its supervisory function yet IFC failed to ensure that it received all required information.***

37. Management agrees with CAO that IFC could have implemented additional efforts before 2020 to obtain more detailed information related to child sexual abuse incidents and Bridge's policies and procedures to gain a better understanding of the latter's Child Protection Policy. Management recognizes that IFC should have defined the client's E&S obligations under the Sustainability Framework better, including expectations that child sexual abuse and GBV are understood to be enshrined in the principles of preventing, minimizing or where unavoidable, managing impacts to vulnerable populations (PS1), as well as in the safeguarding of community health and well-being (PS4). With this clarity lacking from the beginning of project engagement, IFC's supervision and ability to provide recommendations and influence improvements to address GBV and child sexual abuse risks were limited.

## **B. IFC Response to CAO Recommendations**

38. The CAO Policy defines the process for CAO's investigation, any findings of non-compliance and related harm and the recommendations CAO may make for IFC to consider when developing a Management Action Plan (MAP).<sup>18</sup> CAO makes both project-specific and institutional recommendations for implementation by IFC. IFC's response to these recommendations is provided below. The MAP follows in the next section of the report.

### **Project-level Recommendations**

39. The CAO Policy states that in cases where an IFC exit has occurred, recommendations will consider the implications of the exit.<sup>19</sup> CAO acknowledges IFC's limited exposure to and leverage over Bridge after exit. Management notes that IFC's current exposure to Bridge, through Learn Capital Venture Partners, is equivalent to less than a 0.5 percent equity share in Bridge, which does not present significant leverage over the former client.

***CAO Recommendation 1: Remediation for survivors of project-related child sexual abuse. IFC should work with Bridge to establish an Emergency Child Protection Response facility to support a claims process for survivors and their families to receive remedy.***

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<sup>18</sup> CAO Policy para 112.

<sup>19</sup> CAO Policy, para 120c.

40. Management welcomes CAO's project-level recommendations and has addressed them in the proposed MAP.

41. IFC will directly fund a remediation program – referred to by CAO as ECPR – for survivors of child sexual abuse in the counties where Bridge operated or currently operates in Kenya. The remediation program will build on established service delivery programs, led by either relevant international agencies and/or reputable international or local NGOs with a solid track record and relevant child protection and GBV expertise in delivery of survivor-centered prevention and response services. Services will be open for any survivors of child sexual abuse to use, regardless of the environment in which the abuse occurred.

42. By partnering with established, competent service providers with programs in target locations, IFC will be able to support the strengthening of services, while also enabling the sustainability of these services after IFC concludes its program, in accordance with a well-designed exit strategy.

43. IFC has carefully considered CAO's suggestion for the program to provide financial compensation, on a 'no-fault,' basis as appropriate. Management's deliberations to prioritize a survivor centered program open to all were guided by global good practices, based on evidence and GBV and child protection expertise. In this context, financial support with the objective of enabling survivors of child sexual abuse to access the services covered in the program would be provided, on a case-by-case basis, as needed, after careful assessment. The modalities of such financial support and eligibility criteria to access it will be determined in the design phase after consultation with stakeholders including local and international child protection experts, local and international non-governmental organizations active in survivors support, and survivors of child sexual abuse that wish to come forward. This could include for example, cash payments for transportation and incidentals, as well as for lost wages resulting from accessing program services, and reimbursements for directly related past expenses that would otherwise have been eligible under the program, in accordance with the program procedures and subject to verification. IFC will continue, as appropriate, to encourage other existing and former investors and stakeholders of Bridge to similarly develop and contribute to support survivors of child sexual abuse to ensure a consistent and measured response.

44. Global good practice identifies several considerations that guide the form in which compensation for acts of violence against children must be delivered: it should provide confidentiality to victims to mitigate or prevent harm caused by stigma, ostracism, and discrimination; and issues of personal safety and security should also be considered.<sup>20 21</sup>

45. Research shows that for sexual abuse survivors, compensation is often best achieved via an open, survivor centered approach, which protects the anonymity of survivors while providing necessary support and rehabilitation.<sup>22</sup> An open programmatic approach to compensation can take

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<sup>20</sup> [United Nations, 2014. Guidance Note of the Secretary General. Reparations](#) for Conflict-Related Sexual Violence, p16.

<sup>21</sup> Ref: B. Goldblatt, "Evaluating the Gender Content of Reparations: Lessons from South Africa", in R. Rubio-Marín (ed.), *What Happened to the Women: Gender and Reparations for Human Rights Violations* (Social Science Research Council, 2006

<sup>22</sup> [The United Nations Comprehensive Strategy on Assistance and Support to Victims of Sexual Exploitation and Abuse](https://digitallibrary.un.org/record/614563) <https://digitallibrary.un.org/record/614563> outlines what survivor support assistance should entail, and the fact that it should be provided in a non-discriminatory manner (that is, open to all to avail of such services, regardless of source of harm). [The United](#)

numerous forms and typically includes: i) provision of rehabilitation services open to all survivors of child sexual abuse that does not discriminate based on the environment in which the violation occurred; ii) educational schemes; or iii) community measures that lead to better prevention to stop such violations (“non-repetition”) and to respond effectively if they do occur. Rehabilitation is an important response and survivors of child sexual abuse need to be able to access appropriate support services in a timely, survivor-centered fashion; while prevention measures, which address the causes and the conditions leading to violations in the first place, are a long-term goal.

46. Similarly, IFC has carefully considered CAO’s recommendation for the program to include a mechanism for identifying other survivors. As explained above, any remediation action will be guided by the imperative to protect survivors from further harm that could be caused by stigma, ostracism and discrimination and a survivor-centered approach which is supportive of victim/survivors’ wishes to self-identify and access services or not. For these reasons the proposed program does not include an explicit mechanism for active identification of survivors. IFC considers that partnering with local or international NGOs or international agencies will facilitate access of survivors to the proposed program and the services it offers, without putting their personal safety and security further at risk.

***CAO Recommendation 2: Strengthening community response to child sexual abuse and GBV against children within project communities. IFC should engage with Bridge to help prevent potential future project-related harm by supporting training through community-based behavioral change interventions to reduce the social acceptance of child sexual abuse and GBV against children.***

47. The remediation program will be complemented with prevention activities aiming to engage local communities and services in counties where Bridge operated or currently operates, to strengthen prevention and outreach to populations at risk of child sexual abuse and GBV. Prevention interventions will be contextually adapted to the local context and designed via participatory methods in accordance with evidence-based good practices.

48. The proposed actions draw upon the CAO recommendations and the lessons learned from the World Bank in its Uganda Transport Sector Development Project. IFC considers that they will help to address the situation of survivors of child sexual abuse in targeted communities in an ethical and safe manner.

### **Institutional-level Recommendations**

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[Nations Victim Assistance Protocol](#) reiterates the same, but also states that direct financial assistance should not be provided under the SEA victim assistance. Instead, victim assistance strategies should “help bridge existing service gaps by supporting the establishment of new services”. [The World Bank Good Practice Note for Civil Works](#) explicitly states: “No monetary compensation should be given directly to the survivor; all support services and accompanying transportation, housing and support requirements (money for official documentation or collection of forensic evidence) are paid through the service provider.”



49. Management welcomes CAO's institutional-level recommendations and recognizes the importance of strengthening IFC capacity to identify and manage risks of child sexual abuse in IFC investments.

***CAO Institutional Recommendation 1: Undertake a review of its portfolio to identify all projects where children are a vulnerable and disadvantaged subset of affected communities to identify and assess if appropriate social risk management measures are in place and operationalized.***

50. IFC will implement this CAO recommendation fully and proposes corresponding MAP actions below. This exercise will build upon an initial portfolio review implemented in 2020, which resulted in significant improvements to IFC practice in identifying and managing the risk of GBV and particularly of child sexual abuse in operations.

51. IFC will undertake a review of its portfolio to identify child sexual abuse and GBV risks in investments and determine appropriate risk management measures when needed. The review will apply a child safeguarding and GBV risk-lens, focusing on high-risk sub-sectors in IFC direct investments; and IFC's investments in private equity funds. The objective of the review is to identify child sexual abuse and GBV risk in the portfolio and gain insights to enhance mitigation measures at project level. IFC will work with clients identified via the portfolio review to implement corrective measures to address any gaps identified.

***CAO Institutional Recommendation 2: Strengthen and clarify E&S provisions concerning children, as well as gender- and sex-differentiated harm, within the Sustainability Framework.***

52. IFC understands that CAO's recommendations intend to highlight this case and the harm caused by child sexual abuse as an example for future updates of the IFC Sustainability Framework.

53. IFC is already committed to reviewing and updating the 2012 Sustainability Framework. This will be a comprehensive, multi-year process that will include consultations with thematic experts, peer institutions, civil society and other stakeholders on key E&S issues, including GBV and child sexual abuse. CAO will be a key contributor in this process. Taking into account lessons learned from the Bridge-04 case, IFC will include specific provisions on gender-based violence and child protection whenever updating the Sustainability Framework.

54. Beyond this specific case, Management welcomes continued engagement with CAO to ensure that the lessons learned from this investigation are internalized. IFC will continue to collaborate with CAO's Advisory Function on the dissemination and consideration of related knowledge products and the update of IFC's Sustainability Framework.

55. IFC notes that the proposed actions in response to CAO's third institutional recommendation, as detailed below, also will contribute to clarifying E&S requirements

concerning children, as well as gender- and sex-differentiated harm, within the current Sustainability Framework.

56. Consequently, IFC is not proposing a specific MAP item for this recommendation, while committing to act on the recommendation outside the framework of the MAP.

***CAO Institutional Recommendation 3: Undertake institution-wide capacity building efforts to prevent child sexual abuse and overlapping forms of GBV from occurring in IFC's investment projects.***

57. IFC will anchor its activities for addressing GBV, including child sexual abuse, for Africa in Kenya, through the hiring of a GBV specialist and collaboration with the Nairobi-based World Bank specialists.

58. IFC has already undertaken and implemented several actions on GBV corresponding to CAO's recommendation to provide guidance for IFC clients and external stakeholders, as well as for IFC staff. These efforts have been made in alignment with the World Bank Global Taskforce on Gender-Based Violence and have progressively implemented the Taskforce's recommendations in 2017 to tackle violence against women and girls.

59. IFC continues to strengthen its capacity and improve its approach to prevent GBV. Specifically, IFC has: (i) introduced a mandatory GBV screening methodology as part of its E&S due diligence for all projects since 2019; (ii) developed and disseminated new internal and external guidance; (iii) developed and delivered staff training as well as training and strengthened technical support for clients and industry groups.

60. A **Good Practice Note** was published in 2020 on [Addressing Gender-Based Violence and Harassment: Emerging Good Practice for the Private Sector](#) with six accompanying sector briefs, including transport, construction, manufacturing and education. These instruments have become Good Industry Practice and are widely used.

61. Since 2020, IFC has published a significant amount of GBV technical guidance such as tipsheets, how-to guides, and case studies to support clients and external stakeholders in managing GBV risks. The Toolkit, [Supporting Companies to Develop and Manage Community-Based Grievance and Feedback Mechanisms Regarding Sexual Exploitation, Abuse and Harassment](#) contains specific information on child survivors and a child-sensitive approach.

62. IFC also strengthened its staff on GBV. In mid-2020, IFC hired a senior GBV thematic lead specialist in its global support unit to oversee the development of enhanced GBV risk management, institutional capacity-building, knowledge development and technical guidance, and to support project teams globally. Four GBV specialist regional staff positions are under recruitment, and additional short-term GBV consultants have already joined IFC for the portfolio review.

***CAO Institutional Recommendation 4: Establish a global GBV task force to advise IFC on strengthening and managing GBV across its investments.***

63. In 2019 IFC was one of 11 multilateral finance institution (MFI) signatories to a series of global commitments on addressing GBV/Sexual Exploitation, Abuse and Harassment (SEAH) in projects. IFC currently participates in three global working groups on this agenda:

- (a) Since 2020, IFC has regularly participated in the MFI Working Group on Addressing SEAH in development operations and investments and collaborates with other international and bilateral financial institutions that face similar risks in their project portfolios to exchange experience and learn from best practice.
- (b) Also, since 2020, IFC senior leadership has been participating in MFI quarterly policy forums on addressing GBV/SEAH in investments.
- (c) In addition, IFC is part of a new (2023) multisector Global Task Force on GBV/SEAH, which is developing a common framework for institutions and stakeholders to address SEAH.

64. Given the above, IFC is not proposing to form an additional global task force, as suggested in CAO's recommendation. However, in addition to its active engagement with experts in the various global working groups of which it is a member, IFC commits to seeking expertise as soon as needed and to continue strengthening its collaboration with external subject matter experts. In addition, IFC will set up an Advisory Committee including relevant international and local, internal and external to the World Bank Group GBV and child protection experts to support the design and implementation of the remediation and prevention program in Kenya, and the development of the Child Protection Guidance Note.

***CAO Institutional Recommendation 5: Clarify expectations for project compliance with Performance Standards when planning an exit.***

65. IFC's considerations here are in line with its consideration of CAO's recommendation on the update of the IFC Sustainability Framework. IFC is not proposing a specific MAP item for this recommendation, while committing to act on the recommendation outside the framework of the MAP. IFC welcomes continued collaboration with CAO's Advisory Function on the dissemination and consideration of related knowledge products. IFC has recently submitted to the Board the updated Responsible Exit Principles which were reviewed based on lessons from pilot and stakeholder consultations, including with the CAO. A CODE meeting has been scheduled to discuss them. IFC will consider GBV and child protection in the implementation of its Responsible Exit Principles, subject to those principles.

## V. MANAGEMENT ACTION PLAN

66. As described in the section above, IFC will address in the proposed MAP all project-specific and systemic recommendations related to non-compliance under the current Sustainability Framework. The proposed MAP's primary objectives are to a) establish an Emergency Child

Protection Response (ECPR) program and b) strengthen the IFC's expertise and practice in managing GBV including child sexual abuse risks in investments.

67. The section below describes the actions proposed in the MAP, detailed in Annex A. After the Board has approved the proposed MAP, IFC will supervise the implementation of the MAP and will submit Management Progress Reports to the Board. IFC proposes a first implementation update after 6 months of MAP implementation and will thereafter continue to report annually. IFC welcomes CAO's monitoring of the proposed actions in Annex A.

### ***Remediation Program ("Emergency Child Protection Response") – CAO Recommendation 1***

68. IFC will directly fund a remediation program – referred to by CAO as ECPR – for survivors of child sexual abuse in counties where Bridge operated or currently operates in Kenya. The remediation program will build on established service delivery programs, led by relevant international agencies and/or reputable international or local NGOs with a solid track record and relevant child protection and GBV expertise in delivery of survivor-centered prevention and response services. Services will be open for any survivor of child sexual abuse to use, regardless of the environment in which the abuse occurred. IFC will support this remediation program for a minimum of three years and up to ten years subject to design, evaluation and exit milestones. The scope and cost of this program will be determined in the design phase, based on the service-gap analysis and further consultation with potential partners.

69. By partnering with established, competent service providers with existing programs in target locations, IFC will be able to support the strengthening of services, while also enabling the sustainability of these services after IFC concludes its program, in accordance with a well-designed exit strategy.

70. The remediation will aim to primarily support the psychosocial needs of survivors of child sexual abuse, without discriminating between cases which may be associated with Bridge schools in Kenya and those associated with other environments. The remediation will be firmly rooted in gender analysis and apply a rights-based and survivor-centered approach. Services will be open to all genders, while prevention activities will focus on at-risk adolescent girls, which evidence shows are disproportionately at risk of sexual abuse, school dropout and child marriage.

71. The remediation program will aim to facilitate the engagement and inclusion of available governmental services – or provide services if not available – for survivors of child sexual abuse. Modalities to be explored during the design phase (for informed decision making at such time) will include:

- i. Psychosocial support and counseling services for survivors of child sexual abuse.
- ii. Health care support, including adolescent sexual and reproductive health services.
- iii. Community reintegration support to facilitate survivors' continued education and/or age-appropriate efforts to pursue gainful employment.
- iv. Integration with child-sensitive, survivor-centered quality legal services that are competent in dealing with crimes against children for survivors seeking advice or legal redress against perpetrators.

72. Financial support with the objective of enabling survivors of child sexual abuse to access the services covered in the program would be provided, on a case-by-case basis, as needed, after careful assessment. The modalities of such financial support and eligibility criteria to access it will be determined in the design phase after consultation with stakeholders including local and international child protection experts, local and international non-governmental organizations active in survivors support, and survivors of child sexual abuse that wish to come forward. This could include for example, cash payments for transportation and incidentals, as well as for lost wages resulting from accessing program services, and reimbursements for directly related past expenses that would otherwise have been eligible under the program, in accordance with the program procedures and subject to verification.

73. The design phase of the project will confirm the length of the program, and define budget, logistics and other important decisions based on informed assessment and consultations. IFC will consult Bridge and other stakeholders – including survivors of child sexual abuse if they wish so - for the design and implementation of the program, as appropriate.

#### ***Strengthening Community Response – CAO Recommendation 2***

74. The IFC-supported remediation program will be complemented by prevention activities aiming to engage local communities and services in counties where Bridge operated or currently operates, to strengthen prevention and outreach to populations at risk of child sexual abuse and GBV. Prevention interventions will be contextually adapted to the local context and designed via participatory methods in accordance with evidence-based good practices.

75. This can include (i) community conversations prior to any intervention, and convened regularly throughout the program; (ii) support for efforts to reduce social acceptance of GBV and child sexual abuse through community-based behavioral change interventions; (iii) strengthening referral systems for youth at risk; (iv) enhancing the capacity of community-based facilitators such as community health promoters, county council leaders, crime preventers, and religious and cultural leaders to respond to GBV and particularly child sexual abuse ; (v) girls' empowerment and life skills training, and school reintegration for girls who dropped out. Activities will involve families and all genders.

#### ***IFC Portfolio Review – CAO Institutional Recommendation 1***

76. Among its already completed actions, IFC implemented a GBV portfolio review in 2020. IFC will undertake a review of its portfolio to identify child sexual abuse and GBV risks in investments and determine appropriate risk management measures when needed. The review will apply a child safeguarding and GBV risk-lens, focusing on high-risk sub-sectors in IFC direct investments; and IFC's investments in private equity funds. The objective of the review is to identify child sexual abuse and GBV risk in the portfolio and gain insights to enhance mitigation measures at project level. IFC will work with clients identified via the portfolio review to implement corrective measures to address any gaps identified. As the portfolio review will retrieve confidential information, the final report will be for internal use only. Progress under the portfolio review will be included in the first progress report on MAP implementation, presenting summarized results in a manner that is compliant with the Access to Information Policy.

77. IFC will review the E&S provisions included in template investment agreements and develop covenants to be included where appropriate in relation to (i) prevention of GBV and child safeguarding / child protection measures for inclusion as relevant where the risk is identified during due diligence, and (ii) notification by clients to IFC of GBV and child safeguarding incidents.

78. IFC will update and make mandatory existing Gender and GBV Project Risk screening methodology and relevant guidance to E&S specialists (i) to include child protection risk screening (ii) digitalize the tool to facilitate systematic usage by project team (iii) increase functionality to and enable dashboard systematic monitoring and follow up with project team; and (iv) strengthen a systematic and mandatory implementation of risk-based approach regarding GBV and child sexual abuse prevention and response during E&S due diligence and portfolio monitoring throughout the project cycle.

79. IFC will review and update its E&S due diligence questionnaires and reporting templates (such as the annual monitoring report) to explicitly include child sexual abuse (GBV is already included) and systematic reporting of any GBV and child safeguarding incidents. The questionnaires and the reporting templates will explicitly specify reporting to be survivor-centered, confidential and child-sensitive.

80. IFC will also issue a statement to staff on zero tolerance for inaction on or reprisals for addressing GBV or child protection issues and operationalize it through the mandatory training and sensitization program for all IFC staff with project responsibilities referred to in paragraph 83, and a clear reporting and escalation protocol.

***Strengthening IFC Capacity and Developing International Good Practice (CAO Institutional Recommendation 3)***

81. IFC will anchor its activities for addressing GBV, including child sexual abuse, for Africa in Kenya, through the hiring of a GBV specialist and collaboration with the Nairobi-based World Bank specialists. Additional GBV specialists will be recruited in Asia, Latin America and Europe/MCT. Newly recruited GBV specialists will also complement existing IFC expertise on child protection issues. Staff positions will be supplemented by experts under short term contracts as needed.

82. In addition to the ongoing practice and engagements described above, IFC proposes a set of actions to strengthen IFC capacity and develop good international industry practice to manage the risk of child sexual abuse in IFC investments. Since 2018, IFC has been steadily investing in efforts to build its institutional capacity on addressing GBV; and intends to continue to strengthen GBV efforts while also introducing capacity building efforts on managing the risks of child sexual abuse through a new suite of work on child safeguarding in future.

83. IFC will deliver the following capacity building actions:

- i. Develop and deliver an ongoing mandatory training and sensitization program for all IFC staff with project responsibilities, including materials contextualized for sectors and regions as needed, to build capacity in identifying and addressing child sexual

abuse and GBV risks in IFC projects. This also involves leadership commitment to ensure capacity building efforts are systematized institutionally.

- ii. To support clients and the promotion of good practices, IFC will roll out its regional external GBV specialists consultant competency-based program and roster, so that a pre-identified network of local GBV consultants is available at country and regional levels.

84. IFC will develop the following tools and guidance:

- i. A Good Practice Note on Child Safeguarding in Business for external publication, harnessing IFC's standard-setting influence across MFIs and in the marketplace. The Note will take an intersectional approach inclusive of the multiple vulnerabilities and sources of discrimination that should be considered (e.g., age, gender and sexual orientation, disability) and benefit from the review by the advisory committee to be formed.
- ii. Launch an IFC GBV Company Diagnostic Tool to support implementation of the Good Practice Note: Addressing GBV and Harassment: Emerging Good Practices for the Private Sector.
- iii. Provide guidance to IFC Nominee Directors, using the Tip Sheet: Guidance for Boards of Directors on Overseeing Gender-Based Violence and Harassment Risk.

***Establish a global GBV task force to advise IFC on strengthening its approach to identifying and managing GBV across its investments (Recommendation 4)***

85. IFC will set up an Advisory Committee including relevant international and local, internal, and external to the World Bank Group GBV and child protection experts to support the design and implementation of the remediation and prevention program in Kenya, and the development of the Child Protection Guidance Note.

***Consultation with Complainants and Client***

86. The CAO Policy calls for Management to consult on the MAP with Complainants and the Client.<sup>23</sup> Management notes, however, that this compliance investigation was self-initiated by CAO, without a complaint being submitted. To protect victims of child sexual abuse, they have not been identified in the CAO report. Therefore, IFC was not able to consult on the proposed MAP with survivors of child sexual abuse. The proposed remediation program will include activities that aim to create a safe and secure environment for survivors of child sexual abuse to engage if they so wish.

87. Since IFC exited the transaction in March 2022, IFC has not had substantive communications with Bridge regarding its child safeguarding measures. In preparing this MAP, IFC engaged with Bridge to offer to build on efforts and progress achieved in the former client's child safeguarding measures. Bridge has been invited to participate in IFC's remediation program as a key stakeholder. IFC will continue to engage with Bridge throughout MAP implementation. At this stage, IFC considers that its exposure to Bridge via Learn Capital Venture Partners does

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<sup>23</sup> CAO Policy paras 133-134.

not provide any material leverage to influence Bridge regarding possible future actions in response to the CAO recommendations.

88. In line with CAO's recommendation, IFC has also begun to engage with international agencies and local and international NGOs that have appropriate local knowledge, capacity and community trust to design the proposed remediation program. This includes meeting with various international and national actors to keep abreast of any changes in the national operational environment and GBV prevalence in Kenya so that IFC is as informed as possible in its intention to scale up its efforts in this regard. This process will continue as part of MAP implementation. During the design phase of the remediation program, IFC will prepare and implement a stakeholder engagement plan, which will be survivor-centered and will include a protocol on safe and ethical consultation with survivors of child sexual abuse, should they wish to participate.

### ***Managing the Risk of Reprisals***

89. IFC strongly supports CAO's statement on reprisals against victims of child sexual abuse or against any stakeholders in Kenya that may contribute to or engage with the proposed remediation program. As outlined in IFC's statement on retaliation against civil society and project stakeholders, IFC does not tolerate any action by an IFC client that amounts to retaliation.<sup>24</sup> In engaging with clients, project stakeholders, or complainants, IFC assesses the risk of reprisals as part of its engagement methodology and takes necessary precautions and will continue to do so in the implementation of the proposed MAP.

## **VI. CONCLUSION**

90. Management appreciates CAO's constructive engagement and the detailed assessment in CAO's Investigation Report and is aligned with CAO's findings that underscore the importance of putting in place robust child safeguarding measures in any project that has direct contact with children. Violence against children is a complex and pervasive challenge across all contexts. Although IFC no longer directly invests in K-12 education, the protection of children as a vulnerable group is core to IFC's PSs, particularly PS1.

91. Management would like to thank CAO for its suggestions in terms of identifying areas of improvement in IFC practices and implementation of IFC's Sustainability Policy and PSs that could benefit future operations. IFC is always open to improving its E&S management practices and will revise procedures and guidance as necessary to strengthen efforts to safeguard children in its investments.

92. In response to the CAO findings at project level, IFC will directly fund a remediation program that builds on and supports established service delivery programs in relevant counties where Bridge operated in Kenya, led either by relevant international agencies and/or reputable international or local NGOs with a solid track record of addressing child sexual abuse and GBV. At an institutional level, IFC has already started to act on several of CAO's recommendations. Since 2020, IFC has hired GBV experts, is recruiting additional staff, and has developed new GBV

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<sup>24</sup> <https://www.ifc.org/content/dam/ifc/doc/2023/201810-ifc-position-statement-on-reprisals-en.pdf>



guidance and training for IFC staff. In addition to ongoing practice and engagements, IFC will implement a set of actions to strengthen IFC capacity and implementation of good international industry practice to manage the risk of child sexual abuse and GBV in IFC investments.

## ANNEX A: MANAGEMENT ACTION PLAN (MAP)

Management proposes actions in relation to the CAO recommendations and the corresponding findings that Management is able to address. The MAP below specifies actions that IFC will implement within the proposed timeframe. The tables below detail proposed project-specific and institutional actions.

<b>Project-specific Recommendations/Actions</b>			
#	CAO Recommendation	Proposed Action	Deliverables /Timeline
<b>Project-specific Recommendations/Actions</b>			
1	<p><b>Remediation for survivors of project-related child sexual abuse.</b></p> <p>IFC should work with Bridge to establish an “Emergency Child Protection Response” (ECPR) facility to support a claims process for survivors and their families to receive remedy. The ECPR should, at minimum, provide for the survivors of the IFC financed project:</p> <ul style="list-style-type: none"> <li>• Gender-transformative counseling for survivors and their families</li> <li>• Healthcare support, including sexual and reproductive health services and treatment of sexually transmitted diseases.</li> <li>• Community reintegration support to facilitate survivors’ continued education or efforts to pursue gainful employment where child sexual abuse has interfered with such activity.</li> <li>• Funding and referrals to legal services for families seeking legal redress against perpetrators.</li> <li>• A mechanism for identifying other survivors.</li> <li>• Financial compensation, on a ‘no-fault,’ basis as appropriate.</li> </ul>	<p>IFC will directly fund a remediation program (subject to design, evaluation and milestones) – referred to by CAO as ECPR – for survivors of child sexual abuse in counties where Bridge operated or currently operates in Kenya.</p> <p>The remediation program will build on established service delivery programs, led by relevant international agencies and/or reputable international or local NGOs with a solid track record and relevant child protection and GBV expertise in delivery of survivor-centered prevention and response services. Services will be open for any survivor of child sexual abuse to use, regardless of the environment in which the abuse occurred.. The scope and cost of this program will be determined in design phase, based on the service-gap analysis and further consultation with potential partners, and subject to evaluation and exit milestones. The overall duration of the program will be a minimum of 3 years to be adjusted based on the outcomes of the design phase including consideration of the average timeframe taken by survivors to disclose their abuse and the proposed exit strategy. It will be updated based on progress against metrics defined during the design phase of the program, in consultation with the CAO and the Board and may not exceed 10 years.</p> <p>By partnering with established, competent service providers with existing programs in target locations, IFC will be able to support the strengthening of services and enable the sustainability of these services after IFC concluded its program, in accordance with a well-designed exit strategy. The remediation will aim to primarily support the</p>	<p><b>1a. Project Preparation Plan for the design phase</b></p> <ul style="list-style-type: none"> <li>• Stakeholder engagement / community consultation plan</li> </ul> <p>The stakeholder engagement plan will be survivor-centered and will include a protocol on safe and ethical consultation with survivors of child sexual abuse, should they wish to participate.</p> <ul style="list-style-type: none"> <li>• Mapping / Service-gap analysis</li> <li>• Situational analysis</li> <li>• Selection of implementation partner/s</li> <li>• Implementation Plan</li> <li>• Logistics Plan</li> </ul> <p><i>Timeframe:</i> 6 months from start, subject to required (including government) approval processes</p> <p><b>1b. Implementation</b></p> <ul style="list-style-type: none"> <li>• Technical guidance materials</li> </ul>

<p>Remedial measures should safeguard claimants' confidentiality and protect claimants and their families against any risk of threats or reprisals. In developing its ECPR, CAO strongly encourages IFC to consider partnering with nongovernmental organizations that have the appropriate local knowledge, capacity, and community trust to effectively implement the claims process.</p>	<p>psychosocial needs of survivors of child sexual abuse , without discriminating between cases which may be associated with Bridge schools and those associated with other environments. The remediation will be firmly rooted in gender analysis and apply a rights-based and survivor-centered approach. Services will be open to all genders, while prevention activities will focus on at-risk adolescent girls, which evidence shows are disproportionately at risk of sexual abuse, school dropout and child marriage.</p> <p>The remediation program will aim to facilitate the engagement and inclusion of available governmental services – or provide services if not available – for survivors of child sexual abuse and their families. Modalities to be explored during the design phase (for informed decision making at such time) will include:</p> <ul style="list-style-type: none"> <li>(i) Psychosocial support and counseling services for survivors of child sexual abuse.</li> <li>(ii) Health care support, including adolescent sexual and reproductive health services.</li> <li>(iii) Community reintegration support to facilitate survivors' continued education and/or age-appropriate efforts to pursue gainful employment.</li> <li>(iv) Integration with child-sensitive, survivor-centered quality legal services that are competent in dealing with crimes against children for survivors seeking advice or legal redress against perpetrators.</li> </ul> <p>Financial support with the objective of enabling survivors of child sexual abuse to access the services covered in the program would be provided, on a case-by-case basis, as needed, after careful assessment. The modalities of such financial support and eligibility criteria to access it will be determined in the design phase after consultation with stakeholders including local and international child protection experts, local and international non-governmental organizations active in survivors support, and survivors of child sexual abuse that wish to come forward. This could include for example, cash payments for transportation and incidentals, as well as for lost wages resulting from accessing program services, and</p>	<ul style="list-style-type: none"> <li>• Service protocols</li> <li>• Information, education and communications materials</li> </ul> <p><i>Timeframe:</i> Over the lifespan of the program</p> <p><b>1c. Results Framework (indicative dates to be adjusted based on the final design of the program)</b>  <i>Timeframe:</i> FY25  <b>Mid-term review</b>  <i>Timeframe:</i> FY26  <b>Final evaluation</b>  <i>Timeframe:</i> FY27</p> <p><b>1d. Sustainability, Transfer and Exit Strategy</b>  Transition /exit plan  <i>Timeframe:</i> <i>Midterm</i> review FY26/27</p>
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		<p>reimbursements for directly related past expenses that would otherwise have been eligible under the program, in accordance with the program procedures and subject to verification.</p> <p>Prevention activities are further described in Action 2 below.</p> <p>The design phase of the project will determine the length of the program, budget, logistics and other important decisions based on informed assessment and consultations. IFC will consult Bridge and other stakeholders – including survivors of child sexual abuse if they wish so — for the design and implementation of the project, as appropriate.</p>	
2	<p><b>Strengthening community response to child sexual abuse and GBV against children within project communities.</b> IFC should engage with Bridge to help prevent potential future project-related harm by</p> <ul style="list-style-type: none"> <li>• Supporting training through community-based behavioral change interventions to reduce the social acceptance of child sexual abuse and GBV against children.</li> <li>• Training should seek to enhance the capacity of Bridge pupils and local children to protect themselves against child sexual abuse and GBV risks and to adequately seek help if they experience either.</li> <li>• In addition, training to respond to child sexual abuse and GBV against children should include parents, local health.</li> </ul> <p>Teams; mental health service providers; local chiefs and other community leaders; police, judges, and</p>	<p>In parallel with Action 1, the remediation program will be complemented by “prevention” activities aiming to engage local communities and services in counties in Kenya where Bridge operated or currently operates, to strengthen prevention and outreach to populations at risk of child sexual abuse and GBV. Prevention interventions will be contextually adapted to the local context and designed via participatory methods in accordance with evidence-based good practices.</p> <p>This can include (i) community conversations prior to any intervention, and convened regularly throughout the program; (ii) support for efforts to reduce social acceptance of GBV and child sexual abuse through community-based behavioral change interventions; (iii) strengthening referral systems for youth at risk; (iv) enhancing the capacity of community-based facilitators such as community health promoters, county council leaders, crime preventers, and religious and cultural leaders to respond to GBV; (v) girls’ empowerment and life skills training, and school reintegration for girls who dropped out.</p>	<p><b>2a. Plan of Action:</b> Outline of prevention interventions using participatory methods  Timeframe: FY25</p> <p><b>2b. Training of community facilitators/mentors</b>  Timeframe: FY25</p> <p><b>2c. Implementation</b> (as outlined in Action 1)  Timeframe: over program lifecycle</p> <p><i>Timelines as per Action 1 (indicative dates to be adjusted based on the final design of the program)</i></p>

	<p>other law enforcement officials; and religious and cultural leaders. Such training should be provided in all communities where Bridge academies are located.</p>	<p>Activities will involve families and all genders.</p>	<p><b>Implementation Plan</b> – Timeframe: FY25</p> <p><b>Mid-term review</b> Timeframe: FY26</p> <p><b>Final evaluation</b> Timeframe: FY27</p> <p><b>Transition /exit plan</b> Timeframe: subject to review in FY26/27</p>
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<b>Institutional-Level Recommendations /Actions</b>			
#	CAO Recommendation	Proposed Action	Deliverable / Timeframe
3	<p><b>Undertake a review of its Portfolio to identify all projects where children are a vulnerable and disadvantaged subset of affected communities to identify and assess if appropriate social risk management measures are in place and operationalized.</b> Where they are not, IFC should make every effort to bring the investments back into compliance, including:</p> <p>(a) Working with the client to identify management measures for mitigating CSA and GBV that have not been implemented or that were not identified during due diligence and supporting the client in developing and/or implementing those measures.</p> <p>(b) Revising investment agreements to clarify: (1) that child safeguarding, and child protection measures must be considered within the scope of all clients' E&amp;S obligations; and (2) that any credible grounds to believe a project-related child abuse incident has taken place must be reported immediately to IFC E&amp;S specialists.</p> <p>(c) Revising Annual Monitoring Review Templates to information and address questions related to violence against children—including CSA and GBV.</p>	<p>IFC will:</p> <p>a. Undertake a review of its portfolio to identify child sexual abuse and GBV risks in investments and determine appropriate risk management measures when needed. The review will apply a child safeguarding and GBV risk-lens, focusing on high-risk sub-sectors in IFC direct investments; and IFC's investments in Private Equity Funds. The objective of the review is to identify child sexual abuse and GBV risk in the portfolio and gain insights to enhance mitigation measures at project level. IFC will work with clients identified via the portfolio review to implement corrective measures to address any gaps identified.</p> <p>b. Review the E&amp;S provisions included in template investment agreements and develop covenants to be included where appropriate in relation to (i) prevention of GBV and child safeguarding / child protection measures for inclusion as relevant where the risk is identified during due diligence, and (ii) notification by clients to IFC of GBV and child safeguarding incidents.</p> <p>c. Update and make mandatory existing Gender and GBV Project Risk screening methodology and relevant guidance to E&amp;S specialists (i) to include child protection risk screening (ii) digitalize the tool to facilitate systematic usage by project team (iii) increase functionality to and enable dashboard systematic monitoring and follow up with project team; and (iv) strengthen a systematic and mandatory implementation of risk-based approach regarding GBV and child sexual abuse prevention and response during E&amp;S due diligence and portfolio monitoring throughout the project cycle.</p> <p>d. Review and update its E&amp;S due diligence questionnaires and reporting templates (such as the annual monitoring report) to explicitly include child sexual abuse (GBV is already included) and systematic reporting of any GBV and child safeguarding incidents. The questionnaires and the reporting templates will explicitly specify reporting to be survivor-centered, confidential and child-sensitive.</p> <p>e. Issue a statement to staff on zero tolerance for inaction on or reprisals for addressing GBV or child protection issues and operationalize it.</p>	<p><b>3a. Summary Report</b></p> <p>Note: Report will be for internal IFC use only and shared with CAO on a strictly confidential basis. Progress under the portfolio review will be included in the first progress report on MAP implementation, presenting summarized results in a manner that is compliant with the AIP.</p> <p>Timeframe: Q2 FY25</p> <p><b>3b. Updated investment agreement templates.</b></p> <p>Timeframe: FY25</p> <p><b>3c. Updated Gender and GBV Project Risk methodology to include child protection.</b></p> <p>GBV and child sexual abuse methodology, digitalization, and guidance.</p> <p>Timeframe: Q1FY25</p> <p><b>3d. Updated questionnaires and annual monitoring templates to include child safeguarding.</b></p> <p>Timeframe: Q1 FY25</p> <p><b>3e. Statement</b></p> <p>Timeframe: FY24</p>

4	<p><b>Undertake institution-wide capacity building efforts to prevent child sexual abuse and overlapping forms of GBV from occurring in its investment projects, including:</b></p> <p>(a) Training and sensitization on GBV and child sexual abuse prevention for all IFC employees with project responsibilities. Such training should be carried out periodically; updated as GIIP related to child protection, child safeguarding, and GBV prevention evolve; and designed to effect prompt and appropriate response to any GBV and child sexual abuse concern raised in an investment.</p> <p>(b) Develop guidance material on violence against children consistent with a harmonized World Bank Group approach. IFC should develop guidance specific to managing the risk of violence against children across all its projects, with particular attention to child sexual abuse. IFC should leverage World Bank experience in addressing child sexual abuse and related GBV.</p>	<p>a. IFC will anchor its activities for addressing GBV including child sexual abuse for Africa in Kenya, through the hiring of a GBV specialist and collaboration with the Nairobi-based World Bank specialists. Additional GBV specialists will be recruited in Asia, Latin America and Europe/MCT. Staff positions will be complemented by experts under short term contracts.</p> <p>b. IFC will deliver the following capacity building actions:</p> <ul style="list-style-type: none"> <li>• Develop and deliver an ongoing mandatory training and sensitization program for all IFC staff with project responsibilities, including materials contextualized for sectors and regions as needed, to build capacity in identifying and addressing child sexual abuse and GBV risks in IFC projects. This also involves leadership commitment to ensure capacity building efforts are systematized institutionally.</li> <li>• To support clients and the promotion of good practices, IFC will roll out its regional external GBV specialists consultant competency-based program and roster so that a pre-identified network of local GBV consultants is available at country and regional levels.</li> </ul> <p>c. IFC will develop the following tools and guidance:</p> <ul style="list-style-type: none"> <li>• A Good Practice Note on Child Safeguarding in Business for external publication, harnessing IFC’s standard-setting influence across MFIs and in the marketplace. The Note will take an intersectional approach inclusive of the multiple vulnerabilities and sources of discrimination that should be considered (e.g., age, gender and sexual orientation, disability).</li> <li>• Launch an IFC GBV Company Diagnostic Tool to support implementation of the Good Practice Note: Addressing GBV and Harassment: Emerging Good Practices for the Private Sector.</li> <li>• Provide guidance to IFC Nominee Directors, using the Tip Sheet: Guidance for Boards of Directors on Overseeing Gender-Based Violence and Harassment Risk.</li> </ul>	<p><b>4. Capacity building deliverables</b></p> <p><b>4a. Increase GBV specialist staffing</b> Timeframe: Q4 FY24</p> <p><b>4b.1 Annual training plan</b> Timeframe: 1Q FY25</p> <p><b>4b.2 Regional external GBV consultants’ workshops</b> Timeframe: FY 25</p> <p><b>4c. Tools and guidance</b></p> <p><b>4c.1 Good Practice Note on Child Safeguarding in Business</b> Timeframe: FY25</p> <p><b>4c.2 GBV Company Diagnostic Tool</b> Timeframe: FY25</p> <p><b>4c.3 Guidance to IFC Nominee Directors</b> Timeframe: FY24 and on-going for new nominees as they join</p>

5	<p><b>Establish a global GBV task force to advise IFC</b> on strengthening its approach to identifying and managing GBV across its investments, including supporting the implementation of the recommendations detailed above. The task force should have strong expertise on preventing child sexual abuse and should include diverse internal and external experts.</p>	<p>IFC will set up an Advisory Committee including relevant international and local, internal and external to the World Bank Group GBV and child protection experts to support the design and implementation of the remediation and prevention program in Kenya, and the development of the Child Protection Guidance Note.</p>	<p><b>Advisory Committee in place and functioning.</b> Timeframe: Q4FY24</p>
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