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## COMMUNIQUÉ

## CAO Cases Regarding IFC's Investment in Bridge International Academies in Kenya

Washington, DC, October 4, 2023 – The Compliance Advisor Ombudsman (CAO), the independent accountability mechanism for the International Finance Corporation (IFC), is currently addressing cases related to IFC's investment in Bridge International Academies, a chain of low-cost private schools in Kenya and other countries.

CAO's cases are addressing labor, health, safety and child protection concerns:

- Bridge International Academies-01: CAO is conducting a compliance investigation focusing
  on the application of IFC's environmental and social standards to the project, particularly in
  relation to compliance with national law, labor practices, stakeholder engagement and
  management of health and safety risk. The investigation responds to a June 2018 complaint
  from current and former Bridge parents and teachers. The investigation is ongoing and
  anticipated for completion in the fall of 2023.
- <u>Bridge International Academies-02</u>: A CAO dispute resolution process addressed a February 2020 complaint from a parent of a student enrolled at a Bridge school in Kenya concerning the alleged electrocution and subsequent death of her son while at school. CAO closed the case in June 2022 after an agreement was reached, the details of which are confidential to the parties.
- <u>Bridge International Academies-03:</u> CAO is facilitating a dispute resolution process to address a complaint filed in February 2020 regarding the injury of a child which occurred following alleged electrocution at a Bridge school in Kenya in October 2019. The mediation is ongoing.
- Bridge International Academies-04: CAO has completed a compliance investigation of IFC's appraisal and supervision in relation to child safeguarding and protection concerns at Bridge schools in Kenya. CAO initiated a compliance appraisal in September 2020 under a policy provision¹ that allows for sensitive issues not subject to a complaint to be addressed through a CAO-initiated compliance process. The scope of the investigation is outlined in this Terms of Reference. CAO submitted its investigation report to the Board on October 3, 2023. IFC Management is now required to submit a management report, including a Management Action Plan (MAP), to the Board within 50 business days. Once the Board approves IFC's MAP, CAO will publish the investigation report and IFC's management report, including the MAP, on its website.

IFC invested a total of US\$13.5 million of equity in Bridge International Academies as a minority shareholder in 2013 and 2016. IFC completed a divestment of Bridge International Academies effective March 3, 2022. More information is available on <a href="IFC's Disclosure Portal">IFC's Disclosure Portal</a>.

Information about the status of CAO's cases and related reports are available at <a href="https://www.cao-ombudsman.org">www.cao-ombudsman.org</a>.

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<sup>&</sup>lt;sup>1</sup> See IFC/MIGA Independent Accountability Mechanism (CAO) Policy and CAO's Operational Guidelines (2013)



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## **About CAO**

The Compliance Advisor Ombudsman (CAO) is the independent accountability mechanism for the International Finance Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA), members of the World Bank Group. CAO's mandate is to address complaints from people affected by IFC and MIGA projects in a manner that is fair, objective, and constructive, and to improve environmental and social outcomes on the ground. <a href="https://www.cao-ombudsman.org">www.cao-ombudsman.org</a>.