

CAO ASSESSMENT REPORT

Regarding the Second Complaint in Relation to IFC's Investment in Bridge International Academies (#32171, #38733, #39170, #39224) in Kenya

September 2020

Office of the Compliance Advisor Ombudsman for the International Finance Corporation and the Multilateral Investment Guarantee Agency www.cao-ombudsman.org

About CAO

The Office of the Compliance Advisor Ombudsman (CAO) is the independent accountability mechanism for the International Finance Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA), the private sector arms of the World Bank Group. CAO reports directly to the President of the World Bank Group, and its mandate is to assist in addressing complaints from people affected by IFC/MIGA-supported projects in a manner that is fair, objective, and constructive, and to enhance the social and environmental outcomes of those projects.

For more information, see www.cao-ombudsman.org

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LIST OF ACRONYMS

BOM	Parents Board of Management
CAO	Office of the Compliance Advisor Ombudsman
EACHRights	East Africa Centre for Human Rights
IFC	International Finance Corporation
KPLC	Kenya Power and Lighting Company
MIGA	Multilateral Investment Guarantee Agency

1. OVERVIEW

In February 2020, a complaint was lodged with CAO by the parent ("the Complainant") of a child enrolled at a Bridge International Academies ("Bridge" or "the Company") school, supported by the East Africa Centre for Human Rights (EACHRights), a Kenyan NGO. The complaint concerns an electrocution incident that occurred at the school in September 2019, in which the Complainant's son died. This is the second complaint received by CAO concerning Bridge. CAO determined that the complaint met its three eligibility criteria and conducted an assessment of the complaint. During CAO's assessment, both the Complainant and the Company expressed an interest in engaging in a dispute resolution process convened by CAO. In keeping with CAO's Operational Guidelines, the complaint will now be handled by CAO's Dispute Resolution function.

2. BACKGROUND

2.1 The Project

According to IFC, Bridge is Africa's largest chain of low-cost schools, and, as of December 2018, the Company operated 297 fee-paying schools in Kenya. According to the IFC, since 2009, Bridge has trained 25,474 teachers/school leaders, employed 16,416 teachers/school leaders, and educated 419,276 students in its Kenya schools. The existing network of schools is located across Kenya in urban, peri-urban, and rural settings. It aims to provide quality education to children from families earning less than US\$2 per person per day. According to IFC disclosures, the schools are built by Bridge on greenfield sites located in high-density, low-income communities where children walk a maximum of 500 meters to get to school. Furthermore, the schools have clear access paths for foot traffic and can be reached by public/private transportation. IFC, together with funds from other investors, has supported an increase in the number of Bridge schools in Kenya and expansion to three countries. As of February 2019, IFC's investment in Bridge totaled \$13.5 million in equity (including rights issues).

2.2 The Complaint

In February 2020, CAO received a written complaint from the mother of a child (Complainant) who was enrolled at Bridge Mukuru Kwa Njenga Mosque school in Nairobi, Kenya. EACHRights provided support to the Complainant throughout the assessment process. The Complainant claims that in September 2019, her child was involved in a fatal electrocution incident while playing in the schoolyard with other children, as a result of touching an electric wire that was hanging from an adjacent building to the school compound, next to the preprimary 2 (PP2) classroom. The Complainant claims that she was not provided with a clear account by Bridge of how the incident occurred as well as what led to her son's demise, and further raises concerns regarding the safety conditions of the school in perpetuity.

The issues raised during the assessment are described in more detail below.

3. ASSESSMENT SUMMARY

3.1 Methodology

The CAO assessment aims to clarify the issues and concerns raised by the Complainant by gathering information and views from different stakeholders without making a judgment on the merits of the complaint. The assessment also seeks to determine whether the Complainant

and the Company would like to pursue a dispute-resolution process facilitated by CAO, or whether the complaint should be handled by CAO's Compliance function for appraisal of IFC's performance (see Annex A for CAO's complaint-handling process)

In this case, CAO's assessment of the complaint included:

- a desk review of project documentation;
- telephone conversations with the Complainant and EACHRights;
- telephone conversations with Bridge management; and
- telephone conversations with IFC's project team.

Due to COVID-19-related restrictions on travel and social gatherings, CAO's staff and consultants couldn't arrange in-person meetings with the relevant stakeholders involved in this case. However, due to the sensitive nature of the complaint, CAO, in consultation with the parties, decided not to delay the assessment of the complaint and conducted the assessment via phone and other virtual platforms.

This report summarizes the views heard by the CAO team from the parties and describes the next steps based on the decisions taken by the Complainant and Bridge.

3.2 Summary of views

Complainant's perspective

The Complainant explained that her six-year-old son, was electrocuted while at school on 13 September 2019, at the Bridge Mukuru Kwa Njenga Mosque school in Nairobi, Kenya, where he was a student. The Complainant explained that although the school had her and her husband's phone numbers, and despite having regularly communicated with the staff, the school did not call to inform her or her husband about the incident and instead sent pupils, to ask her to come to the school.

Upon arrival at the school, the Complainant was informed by a teacher that her child had been electrocuted and had been rushed to the hospital. At the hospital, the Complainant was informed by the doctor who attended to her child, that he was dead upon arrival. The post-mortem confirmed that the child died as a result of electrocution.

On the same day, the Complainant shared that she recorded a statement at Embakasi police station, and thereafter, the police went with her and a photographer to the scene of the incident at the Bridge school to gather evidence. The Complainant explained that when they arrived back at the school in the late afternoon, they were told by various people who had been present at the scene shortly after the incident occurred that the electric wire had been moved.

The Complainant explained that Bridge teachers visited her home in Nairobi before and during the funeral to provide help with funeral costs. They brought with them household shopping and then later contributed Kshs 49,000,¹ from the parents of students and Kshs 30,000, from the teachers. The Complainant stated that no official documentation accompanied either of these contributions and this was taken to be a personal effort on the part of teachers and parents at the school, whom she knew personally, as is common in Kenya.

According to the Complainant, when she later sought to understand the circumstances of the incident better, the Academy Manager referred her to the neighbor who owned the electricity

¹ 100 Kshs is about 1 USD

connection and advised her to negotiate with him. The Complainant refused to engage with the neighbor and informed the school that it was their responsibility to speak to the neighbor and not hers. Between September 2019 and February 2020 there was no action or efforts taken by the school or police to contact the Complainant. However, in February 2020, after EACHRights intervened, the police approached the Complainant and requested to take down her statement.

The Complainant said that she would like an explanation from Bridge as to what happened to her son at the school. The Complainant stated that while her child has died and cannot be returned to her, she seeks compensation and justice, further stating that no parent should have to endure what she has endured.

Company's perspective

In response to the Complainant's account of events, Bridge expressed that the safety of Bridge students is a priority and that they were deeply saddened by the incident on 13 September 2019, which resulted in the death of a student. Bridge explained that efforts to save the student's life were unsuccessful, and although incidents like this are rare, it does not take away from the impact this incident had on the community and the immediate family.

Bridge explained that the incident that occurred in September 2019 resulted from an illegally connected electric wire hanging over the school fence from the neighbor's house. They stated that dangerous, illegal, and non-tariff electrical connections are a well-documented challenge in urban informal settlements like Mukuru, where the incident happened and that following this incident and their advocacy, the Kenya Power and Lighting Company (KPLC) and local authorities launched a nationwide campaign in early 2020, to tackle the ongoing challenge of illegal electrical connections.

Bridge said that immediately after the incident occurred, Bridge teachers administered first aid to the Complainant's son and rushed him to the hospital. Bridge said they tried to contact the mother, but they had the wrong number in their records and had to send a student to the child's home.

Bridge stated that upon the Complainant's arrival at the hospital, the Bridge teachers who were at the hospital provided support and comfort to the Complainant. Bridge stated that in response to the incident, they followed their internal operational guidelines and reported the incident to local authorities. They also involved senior management staff members from Head Office to support the teachers, community, and family. A police investigation into the incident was conducted.

Bridge stated that in the aftermath of the incident, the Bridge leadership held sessions with the school teachers and Parents Board of Management (BOM) to ensure that the students were offered the space to express their grief and the Complainant's family was provided emotional, practical and financial support. A memorial service was held at the Academy for the immediate school community.

Bridge explained that the incident was promptly reported to the police, who inspected the site, and that an internal investigation was carried out led by Bridge's school Head Office. Bridge explained that in the aftermath of this incident, they also requested all their schools in Kenya to conduct inspections for any loose electrical connections in neighboring plots and released new guidelines for school leaders to continually monitor electrical connections located near the school perimeter. They further undertook a campaign to sensitize communities on the hazards associated with illegal electrical connections and the dangers of electrocution.

Bridge expressed that they remain vigilant in safeguarding the children and their families. Bridge noted that adjustments were made as a result of the incident, resulting in a safer community for all families in Mukuru, in partnership with the local leadership and action by KLPC. They stated that they remain concerned for the Complainant and her family and hope to continue to support the grieving and healing process.

4. NEXT STEPS

Both the Complainant and the Company have expressed an interest to participate in a dispute resolution process. CAO will proceed to establish a trusted facilitation team to begin working with the parties in designing a process focused on the resolution of the issues related to the complaint.

ANNEX A. CAO COMPLAINT-HANDLING PROCESS

Once CAO declares a complaint eligible, an initial assessment is carried out by CAO dispute resolution specialists. The purpose of CAO's assessment is to: (1) clarify the issues and concerns raised by the Complainant (s); (2) gather information on how other stakeholders see the situation; and (3) help stakeholders understand the recourse options available to them and determine whether they would like to pursue a collaborative solution through CAO's Dispute Resolution function, or whether the case should be reviewed by CAO's Compliance function.

As per CAO's Operational Guidelines,² the following steps are typically followed in response to a complaint that is received:

- Step 1: Acknowledgement of receipt of the complaint.
- Step 2: **Eligibility:** Determination of the complaint's eligibility for assessment under the mandate of CAO (no more than 15 working days).
- Step 3: **CAO assessment:** Assessing the issues and providing support to stakeholders in understanding and determining whether they would like to pursue a consensual solution through a collaborative process convened by CAO's Dispute Resolution function, or whether the case should be handled by CAO's Compliance function to review IFC's/MIGA's environmental and social due diligence. The assessment time can take up to a maximum of 120 working days.
- Step 4: **Facilitating settlement**: If the parties choose to pursue a collaborative process, CAO's Dispute Resolution function is initiated. The dispute resolution process is typically based on or initiated by a Memorandum of Understanding and/or mutually agreed-upon ground rules between the parties. It may involve facilitation/mediation, joint fact-finding, or other agreed resolution approaches leading to a settlement agreement or other mutually agreed and appropriate goals. The major objective of these types of problem-solving approaches will be to address the issues raised in the complaint, and any other significant issues relevant to the complaint that were identified during the assessment or the dispute resolution process, in a way that is acceptable to the parties affected.³

OR

Compliance Appraisal/Investigation: If the parties opt for a Compliance process, CAO's Compliance function will initiate an appraisal of IFC's/MIGA's environmental and social due diligence of the project in question to determine whether a compliance investigation of IFC's/MIGA's performance related to the project is merited. The appraisal time can take up to a maximum of 45 working days. If an investigation is found to be merited, CAO Compliance will conduct an in-depth investigation into IFC's/MIGA's performance. An investigation report with any identified non-compliances will be made public, along with IFC's/MIGA's response.

Step 5: Monitoring and Follow-up

Step 6: Conclusion/Case Closure

² For more details on the role and work of CAO, please refer to the full Operational Guidelines: <u>http://www.cao-ombudsman.org/documents/CAOOperationalGuidelines_2013.pdf</u>

³ Where stakeholders are unable to resolve the issues through a collaborative process within an agreed time frame, CAO Dispute Resolution will first seek to assist the stakeholders in breaking through impasse(s). If this is not possible, the Dispute Resolution team will inform the stakeholders, including IFC/MIGA staff, the President and Board of the World Bank Group, and the public, that CAO Dispute Resolution has closed the complaint and transferred it to CAO Compliance for appraisal.