

**Public Consultation on Draft IFC/MIGA
Independent Accountability Mechanism (CAO) Policy**

**LATIN AMERICA & THE CARIBBEAN REGION
BRASILIA¹ CONSULTATION**

**Virtual Stakeholder Meeting April 30, 2021
Facilitators' Report**

I. SUMMARY

In August 2020, IFC and MIGA Boards of Directors (“Boards”) released the report of the *External Review of IFC’s/MIGA’s Environmental and Social Accountability, including the Compliance Advisor Ombudsman’s (CAO) Role and Effectiveness* (the **External Review**). In response to recommendations from the External Review, the Boards tasked a Joint CAO/IFC/MIGA Working Group (the “Working Group”) to develop a draft IFC/MIGA Independent Accountability Mechanism (CAO) Policy (“CAO Policy”).

The draft policy outlines the CAO’s purpose, mandate and functions; core principles; governance; and operating procedures and is available for public consultation between April 5 and May 19, 2021. The public consultation phase comprises nine virtual consultations sessions covering all regions of the world. The process also allows for written comments on the draft policy to be shared by email or using an online feedback form available on the dedicated website for the consultation process.

This report summarizes the outcomes of the session held for Portuguese-speaking participants in Brazil on April 30, 2021 at 9:00. Brasilia time. The session was designed to obtain feedback from community members, civil society, private sector, and representatives of international finance institutions (IFIs) including their respective independent accountability mechanisms (IAMs). Four participants attended the meeting.

The session was conducted in Portuguese with a facilitator and support from a note-taker and Portuguese-English interpreters. Members of the CAO/IFC/MIGA Working Group responsible for drafting the policy presented background on the process to date, the key elements of the draft CAO Policy, including enhancements to CAO’s processes, and next steps in the process toward finalizing the policy for approval by the IFC and MIGA Boards in June 2021². Participants were asked to provide their input and questions on the topics they wished to focus on. This report covers the comments and questions from participants and summarizes answers from members of the Working Group. The agenda for the session is attached as Annex I.

II. STAKEHOLDER FEEDBACK AND QUESTIONS

Participants posed questions (see below) about two of the core issues within the CAO Policy: Purpose, Mandate and Functions, and Core Principles (including Remedy) and Eligibility of Complaints. The

¹ The city corresponds to the location where the session would have taken place if it had been held in person rather than virtually.

² The presentation can be found and downloaded [here](#). IFC/MIGA also presented on other actions they are developing to [strengthen environmental and social accountability](#) as well as on their work program on [enabling remedial solutions](#).

participants also shared the policies and practices of their own agencies in promoting environmental and social accountability in the Brazilian context.

Purpose, Mandate and Functions and Core Principles (including Remedy)

A stakeholder asked how financial intermediary (FIs) institutions are affected by the new CAO policy. Members of the Working Group responded that FIs are fully included in the draft policy. CAO will continue to receive complaints about projects carried out by FIs. In these situations, CAO will contact the FI to obtain introductions to the client company who is implementing the project. They are offered the choice to engage in a voluntary CAO dispute resolution process if the complainants also choose it, or the complaint will be addressed by CAO's Compliance function with a primary focus on IFC/MIGA's due diligence and supervision of its FI client.

Eligibility of Complaints

A stakeholder asked what happens when complainants feel that a project was categorized incorrectly (in terms of different levels of environmental and social risks) and whether the complainants appeal the categorization. The Working Group responded that this is an area where the draft CAO Policy introduces a change. Currently, CAO can accept complaints before Board approval of projects, and the new proposal allows complaints only after Board approval. Regardless, complainants may address concerns about the categorization of a project with IFC or MIGA directly before it is approved by the Board. The consultation period is generally 30-60 days before approval by the Board of Directors. The categorization of already approved projects can also be the subject of a complaint submitted to CAO, expressing complainants' concern that incorrect classification can generate a potential risk or negative impact on affected communities. A new feature of the policy is that complaints can be accepted up until 15 months after IFC or MIGA have exited the project. Should the case be handled by CAO's Compliance function, CAO will then review institutional compliance with respect to the categorization decision.

III. NEXT STEPS

The Working Group closed the meeting reflecting on the issues raised and thanking participants for their contributions. In terms of next steps, the Working Group will carefully consider written and verbal feedback received during the consultation period as they finalize the draft CAO policy for consideration and approval by the IFC and MIGA Boards in June 2021. In addition to a summary report from each regional and global consultation meeting, a consolidated consultation report that summarizes feedback received during the public consultation period and indicates how feedback was addressed in the final CAO policy will be released.

ANNEX I: AGENDA

Agenda for Public Consultation Meetings on Draft IFC/MIGA Independent Accountability Mechanism (CAO) Policy

Brasilia, April 30, 2021 – 9:00 AM

TIME	TOPIC
40 MINUTES	<ul style="list-style-type: none">• Welcome, background and purpose of the meeting• Overview of cycle to complete new Policy and key changes to CAO's Operations brought about by the new Draft Policy.• Update on IFC/MIGA efforts on non-policy actions and enabling remedial solutions.
30 MINUTES	Comments and Questions from Participants on Draft CAO Policy
5 MINUTES	Closing remarks and Next Steps