

## **Summary of Formal Public Consultations from April 5 – May 19, 2021 and Feedback on the Draft IFC/MIGA Independent Accountability Mechanism (CAO) Policy**

### **I. Overview**

In August 2020, IFC and MIGA Boards of Directors (“Boards”) released the report of the independent External Review Panel on the External Review of IFC’s/MIGA’s Environmental and Social Accountability, including the Compliance Advisor Ombudsman’s (CAO) Role and Effectiveness (“External Review<sup>1</sup>”). The report reflected the extensive consultations that the External Review Panel had with the Reference Group comprising civil society organizations, IFC/MIGA clients, independent experts, and other DFIs and their independent accountability mechanisms (IAMs).

The External Review report was published and additional public comment on it was solicited from August 12 to September 12, 2020, generating a total of 74 submissions from civil society, clients, other DFIs, IAMs, governments, academia, and others.

In response to recommendations of the External Review Panel, 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” or the “Policy”). The Working Group conducted an informal stakeholder engagement with the Reference Group on the outline of the Policy in February 2021 before developing a full draft Policy during February and March 2021.

A critical component of the development of the IFC/MIGA Independent Accountability Mechanism (CAO) Policy has been engagement with, and seeking feedback from, stakeholders. A Working Group comprised of CAO, IFC, and MIGA staff (“Working Group”) jointly designed and conducted a consultation process, including formal public consultations on the draft CAO Policy from April 5-May 19, 2021. The objective was to conduct an open, inclusive, and transparent consultation process despite the challenges imposed by COVID-19. Efforts were made to engage civil society, clients of IFC and MIGA, complainant groups and others who have directly participated in a CAO process, development finance institutions, independent accountability mechanisms, and other interested groups.

The use of technology, in addition to an experienced facilitation team<sup>2</sup>, outreach to stakeholders, and the use of translation and interpretation services allowed for good participation, discussion, and feedback from a range of stakeholders. Written comments submitted by stakeholders provided detailed and thoughtful inputs. This report provides a summary of the consultation process, feedback received during the formal consultation sessions, feedback received from written submissions, and a table summarizing all input received and how the issue or suggestion was addressed in the final draft Policy.

### **II. Summary of the process**

To initiate the consultation process, a dedicated [website](#) was launched on April 5, 2021, which made the draft Policy available in English, Arabic, Chinese, French, Japanese, Portuguese, Russian, and Spanish. Stakeholders could submit comments on the draft Policy through an online form on the website or via an

---

<sup>1</sup> For more information about the External Review, go to

<https://www.worldbank.org/en/about/leadership/brief/external-review-of-ifc-miga-es-accountability>

<sup>2</sup> All sessions were led by a team of experienced mediators/facilitators including Mr. Juan Dumas, Ms. Aparna Mukherjee, Mr. Adi Gavrilă, Mr. John Garrison, Ms. Alma Jadallah, and Ms. Mariama Conteh and supported by team members from CAO, IFC, and MIGA.

email link. Information about the consultation sessions and the draft Policy, as well additional actions being taken by IFC and MIGA in response to the External Review to strengthen accountability and the process for developing potential remedial solutions were also posted on the website.

On April 12, 2021, the Working Group hosted an informational session to provide stakeholders an overview of the draft Policy and information about the consultation process. This was followed by a series of eight interactive multi-stakeholder regional consultation sessions from April 26-May 7, 2021 for participants from Latin America, Sub-Saharan Africa, the Middle East and North Africa, East Asia, South Asia, and Europe and Central Asia, concluding with a ninth global consultation on May 10, 2021. Where possible, consultation meetings were conducted in native languages with English translation. In addition, meetings were held with 6 complainant groups from Central Asia, Eastern Europe, Latin America, and Sub-Saharan Africa. More than 350 participants attended the information and consultation sessions from civil society, the private sector, IFC/MIGA clients, academia, and other development finance institutions (DFIs) and independent accountability mechanisms (IAMs). Summaries of each consultation session are included in this report and available on the consultation website.

In total, the Working Group collected more than 330 comments<sup>3</sup> from stakeholders during the consultation process. Through the website, the Working Group received 26 written submissions: including 7 submissions from civil society (including one submission representing 24 civil society organizations), 1 submission from a group of 10 judges, 4 submissions from IFC/MIGA clients, 2 submissions from consultancies, 7 submissions from other DFIs, 1 submission from an IAM, 1 submission from a United Nations (UN) entity, 2 submissions made in a personal capacity, and 1 submission from a World Bank Group (WBG) staff member.

The comments fall into several common themes including transparency, access to remedy, governance, and policy implementation, among others. The table below summarizes the feedback and comments received and includes responses from the Working Group regarding how the issues were addressed in the final proposed version of the Policy.

Feedback regarding the consultation process itself was overwhelmingly positive, with many stakeholders openly expressing appreciation for the extensive efforts undertaken during COVID-19 to ensure the process was inclusive and robust. CAO, IFC and MIGA wish to thank all who supported or participated in the consultations.

### **III. Summary of Consultation Meetings**

This section of the report was prepared by the team of professional facilitators who designed and conducted all the public consultation meetings virtually, with support from notetakers. The report summarizes comments provided by the approximately 253 stakeholders, including representatives of communities, civil society organizations, private companies, international accountability mechanisms, international financial institutions, academia, governments and other individuals, that took part in the nine virtual meetings of the consultation process. For ease of understanding of participants in different regions where sessions were held, interpretation was made available in Arabic, French, Portuguese,

---

<sup>3</sup> It is possible that, in some instances, a single institution submitted the same or a similar comment during a consultation meeting and through a written submission. In some cases, multiple parties made the same comment, including through joint written submissions.

Russian, and Spanish. In each meeting, members of the CAO/IFC/MIGA Working Group responsible for drafting the Policy presented information on the drafting and consultation process followed, key elements of the draft CAO Policy, including changes to CAO's processes, and next steps before finalizing the Policy and submitting it to the IFC and MIGA Boards for approval in June 2021<sup>4</sup>. Participants were asked to provide their input and questions on the different sections of the draft Policy: 1) Purpose, Mandate, Functions and Core Principles (including Remedy); 2) Governance; 3) Eligibility of Complaints; 4) Assessment; 5) Dispute Resolution; 6) Compliance; 7) Advisory; 8) Threats and Reprisals; 9) Outreach; and 10) Access to Information and Disclosure. As this report is meant to summarize inputs received from all the stakeholder consultation meetings, it does not include the many questions asked by participants on the text of the draft Policy and answers provided by the Working Group. The list and dates of meetings held is attached as Annex I and a general agenda for the sessions is included as Annex II. Similar facilitator's reports summarizing input received from each stakeholder consultation meeting are publicly available [here](#).

### ***Stakeholder Feedback***

Stakeholders were generally supportive of the draft Policy and welcomed several sections that confirm, clarify, or change current CAO practice. At the same time, throughout various consultation meetings, some stakeholders consistently raised concerns regarding the limitation barring the acceptance of complaints pertaining to projects in their pre-approval stage as well as the possibility of review by the IFC/MIGA Boards of a CAO decision to go forward with a compliance investigation. They also requested that the draft Policy provide greater detail on certain aspects such as seeking the consent of complainants to transfer a case from Dispute Resolution to Compliance, the deferral of a compliance investigation, project-level outreach about CAO's existence, or the protection of complainants in case of threats and reprisals. This summary presents these recurring issues along with other comments and recommendations received during the consultations.

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

**CAO Accessibility.** Many stakeholders commented on the importance of CAO being accessible to anyone who can be impacted by an IFC/MIGA project and noted that accessibility is directly linked to an outreach challenge: how best to let communities know that a project is supported by IFC/MIGA, and that CAO is available to receive complaints. Relevant stakeholders' recommendations are summarized in the Outreach section of this report.

**Human rights.** Some stakeholders requested that the responsibility to protect human rights be explicitly included under the Core Principles. A participant observed that a practical outcome of such inclusion would be for the CAO to conduct focused human rights impact assessments (HRIA), for example, of concerns related to security and human rights or gender-based violence and harassment (GBVH).

**Remedy.** Many stakeholders welcomed the reference to remedy in the CAO draft Policy. However, there were several requests to further clarify what it means. A recommendation was also made that the same emphasis on remedy be included in the section on Management's response and action plans. A correction was suggested regarding the language used to define "access to remedy" in the CAO draft Policy, which

---

<sup>4</sup> 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](#).

gives an equivocal idea that CAO can provide a remedy when all it can do is provide access to mechanisms to address grievances that is not a remedy in itself.

While stakeholders generally understood that remedy can take many forms, several participants highlighted the need to include and prepare for financial remedial actions, especially for situations where affected communities have experienced significant losses. A proposal to establish a remedy fund was put forward, claiming that peer institutions such as ADB have similar funds in place, which would prove that arguments that it would be too expensive or entail business losses are unfounded.

Some stakeholders stated the need for coordination and harmonization of remedy frameworks when similar complaints regarding a project are submitted to accountability mechanisms of different IFIs supporting it. Stakeholders highlighted that lack of coordination has resulted in delays and limited remedy.

Some stakeholders mentioned a few extreme examples where operations of an IFC-funded project have led to fatal impacts or where environmental harm, social conflict, and threats and reprisals persist and even intensify after IFC/MIGA exit from the project. They, therefore, look forward to IFC/MIGA's "Issues and Options" paper and their specific consultation process.

### **Eligibility of Complaints**

**Financial intermediaries, primary suppliers, and subcontractors.** Many stakeholders welcomed the inclusion of criteria related to primary suppliers and their subcontractors and the provision on complaints pertaining to financial intermediaries (FIs), an area of concern to many CSOs because more than 60 percent of IFC's portfolio is invested in FIs. Some stakeholders felt the low proportion of complaints lodged with CAO when compared to IFC's FI portfolio size is due to the lack of transparency and difficulty in linking sub-projects to an IFC-backed FI. A suggestion was also made to expand the definition of "active sub-clients" of financial intermediaries in the Policy to include sub-clients who are the recipient of advisory and underwriting services from FIs.

**Pre-Board approval.** While participants welcomed IFC's/MIGA's efforts to strengthen their process to respond to complaints and engage with stakeholders, a concern was consistently raised about the ineligibility of complaints regarding projects pending Board approval. Several participants indicated that the pre-approval stage would be the appropriate time to introduce changes in a project that may cause environmental or social harm, on the basis that project documents/summaries are already disclosed, and valid community concerns exist. Some participants indicated that there are situations where there is a mismatch between documents, including the ESRS and what happens on the ground. A complaint would not be a call to pause projects but a warning to IFC/MIGA that there are issues to be addressed before moving forwards. Several participants believe that CAO is best positioned to handle these cases, given its mandate to facilitate mediation if the parties wish to engage in dialogue. In their view, there is a need for an overall change in IFC's culture to ensure that it responds to these issues effectively, and until that happens, complainants will be left with no choice but to wait for a project to be approved in order to file a complaint with CAO. Some stakeholders were of the view that without an option to file a complaint at an early stage, communities would be left without an effective channel to propose changes to a project. A stakeholder also pointed out that not accepting complaints regarding pre-approved projects would represent an additional challenge to harmonizing processes with other IAMs that do accept complaints at this stage.

**Post-Exit.** Many stakeholders welcome the inclusion of a window of opportunity to submit complaints after IFC/MIGA exit. Some stakeholders understood that leverage with the client to work on solutions would be reduced and proposed that new clauses be added in the finance agreements to cover this 15-month period. Even if leverage is limited, some stakeholders believe submitting a complaint is still helpful. It can help make the issue more visible and be a learning opportunity for IFC/MIGA. Some concern was raised regarding the additional requirements outlined in the draft Policy, which are considered subjective, would depend on CAO's discretion, and are not aligned with other IAMs that allow for two years after the exit with no limitations.

**Disclosure of complaints.** Some stakeholders requested that all complaints, regardless of whether or not they meet the eligibility criteria required by CAO, be made public by CAO.

**Eligibility criteria.** A stakeholder suggested that the process of finding a complaint eligible needs to be more objective, with strong substantive criteria being met at the outset to avoid the risk of prolonged engagement based on a prejudiced complaint. In this stakeholder's view, the current text leaves too much room for subjective interpretation.

## **Governance**

**Reporting line:** Most participants welcomed the change in reporting line to involve the highest governance bodies in the institution, further distance CAO from Management, strengthen oversight of the implementation of Management Action Plans, and align with other independent functions that CAO interacts with. However, some concern was expressed about the risk of some decisions becoming more political.

## **Assessment**

**Depth of assessment.** A stakeholder observed that there are no requirements on the quality and depth of the assessment.

**Early resolution.** Participants did not express objections to IFC's or MIGA's engagement to facilitate early resolution of complaints at the Assessment stage of a CAO process.

## **Dispute Resolution**

**Roles of IFC/MIGA.** A stakeholder commented that the extent of IFC/MIGA participation in the dispute resolution process under the new draft Policy should be measured more clearly. Another stakeholder welcomed IFC/MIGA engagement in the Dispute Resolution (DR) process as it is instrumental in addressing the grievance and helping supervise the client's response. It would also serve as a way to shift the power imbalance between clients and complainants. In this stakeholder's view, if requested by complainants, IFC's/MIGA's engagement should be a requirement and not just an option.

**Timeline and basic information for the DR process.** A stakeholder indicated that the new draft Policy should be more prescriptive concerning the terms and timeline for the DR process and should include clear key performance indicators for a more efficient DR process.

**Role for mediators/independent third parties.** Some stakeholders requested that they be consulted on the selection and approval of the mediator(s). They believe this will increase the parties' confidence in the process.

**Agreements and Compliance with Performance Standards.** While expressing support for the changes proposed by the draft Policy, a stakeholder commented that CAO does not have sufficient power in the DR process to ensure that IFC clients sign agreements that ensure they fully meet IFC Performance Standards.

**Transfer of unresolved complaints from DR to Compliance.** Several stakeholders commented that compliance issues should be investigated independently of the consent of complainants, notably because the DR process may not resolve structural issues. Additional reasons were related to the risks of the complainant's safety and exposure to pressures, threats, and loss of livelihood resulting from the complainant's requirement to provide explicit consent for the transfer. A stakeholder commented that the Policy should have more clarity on how CAO assesses whether or not complainants are being pressured to withhold their consent for the complaint to be transferred to Compliance. A participant indicated that the choice of language related to the complainants' explicit consent for the transfer to Compliance is not aligned with the zero-tolerance approach regarding threats and reprisals and does not clarify the conditions to waive the requirement to consent explicitly to move to Compliance. Another stakeholder suggested that while it is good practice to get a complainant's consent before transferring a case from the DR to the Compliance function, the process of getting consent should be simple and efficient.

**Dispute Resolution and Compliance.** A stakeholder emphasized that IFC's/MIGA's compliance should be investigated even after complaints are successfully resolved at the DR stage.

**Imbalance of power:** Some stakeholders stated that a power imbalance in the process is specific to the dispute resolution space. It usually involves large companies with economic power and political links on one side and local communities on the other side. While a stakeholder recognized that CAO, especially the DR function, does everything it can to respect both sides, another one indicated that the CAO should protect complainants in a DR process from the power imbalance with big companies against which complaints are filed and emphasized potential threats and intimidation stem from this power imbalance.

**Legal frameworks for resettlement.** One stakeholder submitted that while in many cases the policies of the World Bank Group are more evolved than those of states, and many complaints are linked to compensation and viability of resettlement frameworks, it is important that the CAO Policy more clearly outlines how CAO and the project complaints mechanisms will address gaps between legal frameworks and Performance Standards with regard to resettlement.

## **Compliance**

**Efficiency.** A stakeholder commented that the Compliance section is very well drafted as it verifies the integrity, authenticity, and genuineness of the complaint and this will result in the efficiency of the compliance process.

**Purpose of Compliance.** A stakeholder expressed concern that the language used to present the purpose of the compliance process could lead to "immobilization" of CAO. Specifically, the statement that "CAO

cannot make findings on compliance of a Project, Sub-project, Client or sub-client with the Performance Standards" used under the Compliance Section A can be understood to mean that CAO will not assess the client's actions. However, CAO needs to examine the client's actions. To this end, the language of the current Operational Guidelines is preferable as it is more explicit than the draft Policy.

**Client compliance.** A stakeholder suggested that the Policy does not go far enough and has missed the opportunity to expand CAO's mandate to review client compliance and not just IFC's/MIGA's compliance. In this stakeholder's view, if CAO had an explicit mandate to examine client compliance, this could have a strong deterrent effect on risky and harmful actions, becoming a game changer for accountability. The stakeholder believes this is a missed opportunity of the draft Policy and regrets that CAO's assessment of the ground level impacts has to be read between the lines.

**Impact of compliance on DR:** A stakeholder raised a concern regarding a disconnect between the results of compliance investigations and the dispute resolution process. They felt there is more value for the parties if a DR process includes the results from a compliance process, which essentially decides the validity of some issues raised in the complaint. The suggestion made was for DR to be available even after a compliance investigation. It is also important that communities are properly and clearly informed about the two options of DR and compliance.

**National laws and Performance Standards.** A stakeholder commented that, with regard to the human rights of indigenous people, government policies and laws may not align and are often in conflict with IFC/MIGA's Performance Standards and suggested that the Policy should address how to resolve this conflict in the compliance investigation of private sector-financed projects. Another stakeholder added that contextual risk assessment is imperative as each area has its own local conditions that need to be taken into consideration.

**Human rights.** One stakeholder commented that human rights or the concept of severe human rights impact have not been explicitly stated in the draft Policy. In the compliance investigation process, the International Bill of Rights, which is a foundation reference framework for the United Nations Guiding Principles (UNGPs) on Business and Human Rights, is not included as a non-compliance area. The comment made was that the draft Policy is not thorough on requirements of human rights obligations related to environmental and social responsibility.

**Deferral of decision to investigate.** Several stakeholders commented that the deferral of a decision to investigate may unnecessarily delay investigations. They were of the view that while agreeing with the deferral option as a sound approach before proceeding to investigation, Management should be required to present a detailed plan and a remedy framework to solve issues raised in the complaint within the six-month timeline, including how community input will be obtained.

**Board review of CAO's decision to investigate.** While support was expressed for keeping the decision to investigate at the discretion of CAO's DG, several stakeholders had concerns about what exactly would constitute "exceptional circumstances" for review by the Board. Additionally, some stakeholders commented that the Board's review of CAO's decision to investigate would make the process more political, will harm CAO's independence, and may lead to a decrease in complaints to CAO. They deemed that diversion from current practice where CAO is the sole decision-maker will infringe on CAO's



independence. According to a participant, fear of national elites' influence over IFC/MIGA Boards will likely deter complainants from submitting complaints.

**Timeframes and risks.** Stakeholders commented that there are negative impacts when completion of the compliance process is delayed, and IFC/MIGA exits the project. According to them, complainants' lives have been put at risk, with many of them being beaten and deaths occurring, and IFC washed their hands of this.

### **Threats and Reprisals**

**Protection of complainants:** Several stakeholders explained that threats and intimidation do happen, prevent complainants from coming forward or from feeling entirely safe in a dispute resolution process, and suggested that IFC/MIGA should take action beyond a statement of zero tolerance to threats and intimidation. A recommendation was put forward for IFC/MIGA to map out non-governmental organizations (NGOs) that can provide support in protecting individuals who have raised complaints.

Some stakeholders expressed their concerns about local politics and their impact on the complainants' safety and the fear of reprisal by the State. They explained that when the process moves from DR to compliance there seems to be a requirement that complainants approve the move and consequently must disclose their identity. Stakeholders went on to explain that at this stage, the complainant is exposed to significant risks. They inquired about the feasibility of moving the complainants' explicit consent for the transfer to compliance in the assessment stage to mitigate the risk of exposure.

Some stakeholders also suggested the possibility of protecting the complainant's identity by expediting the investigation process because it would reduce the risk of the complainant's exposure to pressures, threats, loss of livelihood, and bringing attention to areas of weakness. Should this happen, they fear that the complainant might withdraw from the process, revoke the complaint, or hide for security reasons. In their opinion, the real protection is injustice being acted upon swiftly.

Some stakeholders also recommended a zero-tolerance policy for a party that poses a threat to the complainant. They added that the advantages of automatic transfer to the Compliance function (when the dispute resolution process fails) provide the opportunity for the investigation process to continue without any reprisals for the weaker party.

**Equal rights for all parties:** A stakeholder commented on the importance of both parties having equal rights during the dispute resolution process. The stakeholder suggested setting targets for CAO to efficiently run each stage of the process with clear key performance indicators (KPIs), controlling points quarterly, and the significant involvement of each party, CAO, and IFC/MIGA. In this participant's view, it will not be possible to assess progress in the absence of timelines and targets.

**Client protection:** A stakeholder expressed that the concerned chapter in the Policy should protect both parties. In this stakeholder's view, the current draft Policy should also include protection for clients' reputation, which can be harmed intentionally or unintentionally by protests and negative public relations campaigns.



## **Access to Information**

**Environmental and social information.** Some stakeholders stated that the current general rule in favor of disclosure of environmental and social information of a project should be maintained. They expressed concern regarding CAO's limitations to access and disclose client information, which would be helpful for communities.

**High-risk sub-projects.** A stakeholder suggested that the draft Policy should further spell out how access to detailed information on high-risk sub-projects will be facilitated, as it is sometimes difficult to establish the link between a sub-project and IFC/MIGA.

**Complainants' lack of access to information.** A stakeholder shared that it is difficult for complainants to obtain information and data and that there is a lack of responsiveness from IFC to such requests. Consequently, complainants are unable to access the results of the environmental impact study and any information related to the compliance of the company and its performance. Such difficulties in accessing information can also be caused by the absence of technical skills and lack of familiarity of the complainants with international regulations. The stakeholder requested that the IFC make this information available in different languages.

**Language.** Some stakeholders complained that reports are only accessible in English and not in native languages of complainants. They believe such actions affect the rights of the complainants and impede their access to information. They recommended that all reports be translated to allow direct access to data, encourage transparency, and promote dialogue.

## **Outreach**

Many stakeholders made several recommendations to strengthen CAO's connection with project-affected communities, such as mandating clients and contractors to place banners at the project site, detailing CAO's contact information (phone number, email, WhatsApp number, webpage), using spots in local radio stations, or having regional "ambassadors" who could visit communities on a yearly basis to let them know about CAO's existence and contact information. Several stakeholders emphasized that accessibility has become even more challenging for communities in times of the COVID-19 pandemic and asked CAO to instrument the necessary changes to address these concerns.

---

## **IV. Feedback from complainant consultations**

In order to solicit feedback from stakeholders with experience in the CAO complaints process, CAO reached out to complainant groups involved in dispute resolution and/or compliance processes that were recently concluded or are in monitoring. Participants in the complainant consultations expressed support for the inclusion of access to remedy language, increased transparency and disclosure, shorter assessment and complaints timelines, greater clarity on eligibility of complaints related to financial intermediaries (FIs) and supply chains, and a change in CAO's reporting line to the IFC and MIGA Boards.

Participants generally expressed support for the increased emphasis on early resolution by IFC/MIGA, as long as complainants retain the choice to access CAO directly, and supported the notion of obtaining complainant consent to transfer a case to compliance. They also welcomed greater clarity on the eligibility of post-exit complaints but expressed concern that the 15-month timeframe was not long enough, as some longer-term project impacts may not be present within that timeframe.

Complainants were concerned regarding the ineligibility of complaints related to projects pre-Board approval, as many felt they would not have the opportunity to seek preventative measures early in the project design to avoid negative impacts. Some complainants suggested the option to include sub-contractors in dispute resolution (DR). While there was strong support for the inclusion of threats and reprisals language in the draft Policy, complainants recognized the difficulty and complexity in operationalizing responses to threats and reprisals.

## **V. Summary of Written Submissions**

In total, 26 written submissions, accounting for more than 200 separate comments or recommendations, were received through the consultation website and email. Common themes raised included transparency, access to remedy, governance, threats and reprisals, access to information, and specific aspects of implementation of the CAO process. Many comments received were supportive of the draft Policy, particularly: the change in CAO's reporting line to the Boards; emphasis on early resolution efforts; IFC/MIGA's role in the dispute resolution process; clearer eligibility criteria and timelines, especially as they relate to FIs, supply chains, and post-exit complaints; compliance process enhancements, including the decision to investigate remaining with the CAO Director-General ( CAO DG); shorter assessment phase timelines; the inclusion of language on threats and reprisals and access to remedy; and increased transparency, including project-level information about CAO.

Many comments suggested greater clarity on aspects of the draft Policy, particularly: appointment of the CAO DG and staff rules/cooling-off periods; consistency between the core principles and IFC/MIGA Sustainability Policies and the United Nations Guiding Principles on Business and Human Rights (UNGPs); eligibility criteria for FI sub-projects, post-exit complaints and access to remedial solutions; the relationship between CAO and local judicial processes; criteria for compliance deferral and Board review; process for development and disclosure of compliance appraisal and investigation reports and Management Action Plans (MAPs); and updates to definitions of threats and reprisals.

Some comments reflected different options regarding the appointment of the CAO DG, including a single non-renewable five or a six-year term, while some preferred the option for renewal. Many stakeholders welcomed IFC's/MIGA's efforts to strengthen their process to respond to complaints and engage with stakeholders early, though some stakeholders voiced concerns about the ineligibility of pre-Board approval complaints and access to CAO at this stage. While there was broad support for the eligibility of post-exit complaints up to 15 months at CAO's discretion, some did not agree with the exceptional circumstances requirement or found it unclear; others recommended the eligibility period should be extended to 24 months to be consistent with some other IAM policies, while others expressed concerns about the precedent of accepting post-exit complaints.

Many stakeholders also noted support for the CAO DG decision to investigate, although some stakeholders expressed concerns about the option for Board review and wished for more clarity on technical criteria for Board review. There was general support for the monitoring mandate, but concerns were raised by some stakeholders requesting clearer criteria in monitoring the MAP as it relates to findings of harm and non-compliance. Several stakeholders recommended strengthening CAO's connection with project-affected communities and increasing CAO's accessibility, including requiring clients to share information about CAO at the project-level.

## VI. Table of Feedback and Responses

The table below (organized by the Policy structure) summarizes all of the comments received (including from complainant groups, during consultation meetings, and written submissions) and how the issue was addressed in the final draft Policy submitted to CODE/COGAM for the Committees' consideration.

Policy Headings	Comments and Feedback Received	Response
<b>I. BACKGROUND</b>		
<b>II. PURPOSE</b>		
	Complainant groups welcomed the addition of a remedy approach across the draft Policy. They considered that this change could increase the potential to find solutions to community concerns.	Support noted.
	Complainant groups expressed support for the CAO mandate and functions, and the impact of dialogue processes.	Support noted.
	One stakeholder suggested replacing: "The Boards have the authority to interpret this Policy and will oversee its implementation." with "The CAO will apply the Policy as it understands it. The Boards shall oversee its implementation."	Clarification included that the Board has final authority to interpret the Policy.
	A stakeholder suggested that engagement should be preemptive and not reactive to a complaint and wanted to know how CAO's role could be modified to bring this about.	Noted. The Policy provides a range of opportunities for early engagement and resolution of complaints, as well as CAO initiated compliance processes.
	One stakeholder expressed support for the concept of accountability as an institution-wide effort.	Support noted.
	Several stakeholders suggested the draft provide clarification of CAO's authority vis-a-vis judicial processes.	Language on CAO consideration of judicial processes clarified.
	Several submissions suggested adding reference to the consistency between 'international principles related to business and human rights' and the UNGPs.	The core principles are substantially aligned with the UNGPs effectiveness criteria for non-judicial grievance mechanisms.

	One stakeholder suggested adding a definition of remedy in the Policy. Another stakeholder recommended including reference to project-level grievance mechanisms/external communications mechanisms in this section.	Language regarding CAO facilitating access to remedy clarified.
<b>III. MANDATE AND FUNCTIONS</b>		
	One stakeholder suggested clarifying the functional distinction between ‘mandate’ and ‘purpose.’	Distinction between “mandate” and “purpose” clarified.
	Several submissions suggested clarification of CAO's authority vis-a-vis judicial processes, including greater clarity regarding the treatment of complaints that are subject to parallel judicial or administrative proceedings before national courts or regulators.	Clarification included that CAO has no authority with respect to judicial processes and that CAO will consider the relevance of any judicial or non-judicial proceeding regarding the subject matter of the complaint.
	One submission noted that CAO should not serve as a platform to shape policy development or drive market practices without considering all parties. CAO should dedicate more resources to mediation, assessments and proving means to key players in order to succeed in its mission.	Noted. General comment.
<b>IV. CORE PRINCIPLES</b>		
<i>General comments</i>	Several submissions suggested adding clarity regarding the consistency with core principles in the Policy and the UNGPs and other international standards.	The core principles are substantially aligned with the UNGPs effectiveness criteria for non-judicial grievance mechanisms.
<i>Independence and impartiality</i>	One submission suggested that borrowing from internationally recognized language regarding judicial independence and integrity could clarify the role of the Ombudsman throughout the process of receiving complaints and resolving disputes.	The core principles explicitly refer to “independence and impartiality”, among other principles.
<i>Transparency</i>	One submission inquired whether the full CAO reports will be disclosed or just the executive summary with its findings and conclusions. Another submission cautioned against the use of redacted reports.	The Policy provides for full reports to be disclosed.
<i>Accessibility</i>	One submission recommended that “awareness of the mechanism” be included within the accessibility principle.	Language about accessibility principle clarified.

<i>Fairness &amp; equitability</i>	One submission suggested that the Terms of References (TORs) for CAO experts are shared widely with possible providers.	Suggestion to be considered for Policy implementation.
<i>Continuous learning</i>	One submission noted that CAO processes should not function as levers for new or emerging policy trends falling outside of existing environmental, social, and governance (ESG) policy frameworks.	Noted. General comment.
<b>V. GOVERNANCE</b>		
	One complainant noted that the new reporting line to the Boards will not make any difference - CAO should be completely independent to maintain the trust of complainants.	Noted. The independence of CAO is a fundamental tenet of the Policy.
	Many comments and submissions, including from several complainant groups, expressed support for the change in the CAO reporting line from the President to the Boards. They think it makes the process more robust, and the Boards would be more informed about community issues.	Support noted.
	One submission noted that a split governance structure (compliance reporting to the Board and DR reporting to Management) is adopted by another DFI and it functions well.	Noted. The proposed governance structure reflects External Review recommendations retaining a single CAO reporting line but changing it from the President to the Boards of IFC and MIGA.
	One submission noted that the External Review suggests that a new Board Committee should oversee IFC/MIGA E&S risk mitigation and CAO processes and reforms.	Noted. This is for the Board to decide.
<i>Director General – CAO (CAO DG)</i>	One submission recommended a bar of employment within the WBG for two-years prior to any candidate being appointed to the CAO DG position.	Language clarified.
	One submission requested clarification if WBG consultants (other than CAO consultants) should be excluded from applying for CAO-DG role or if there would be cooling-off period.	Language clarified. WBG Short Term Consultants (STCs) (other than CAO staff) are subject to a two-year cooling off period prior to applying for the CAO DG role.

	One submission noted that the list of ‘core competencies’ is not exhaustive, and that the Policy should distinguish between core competencies and essential experience. Another submission suggested that the CAO DG have strong project experience.	Noted. The list is not exhaustive and gives the selection committee scope to select appropriate competencies. The core competencies are adapted from the current selection process.
	Several stakeholders noted that a single term offers greater certainty and stability for stakeholders and staff than a term that is subject to extension via a Board-led process, and that 1 x 5 year (or 1 x 6 year) term were appropriate for the CAO DG role. One submission noted that the possibility to extend the CAO DG appointment for an additional five-year term permits the maintenance of institutional memory and consolidation of capabilities.	Noted. Pros and cons of a single term vs. renewable term were further considered. No change in draft Policy.
	Several submissions supported the role of external stakeholders in the selection of the CAO DG.	Support noted.
	One submission suggested that the WBG President should not nominate the CAO DG, but that CODE should nominate the final candidate for Board approval.	Language clarified.
	One submission questioned whether the CAO DG could inadvertently be subject to management influence if he/she is subject to World Bank Group staff rules.	All WBG staff, including the heads of independent mechanisms across the WBG, are subject to staff rules.
<i>Staffing</i>	Several submissions noted the need to clarify employment restrictions and requirements that apply to CAO staff and consultants including support for a cooling off period between CAO-IFC/MIGA cross employment.	Language clarified.
<i>Board procedures</i>	One stakeholder suggested consistency among procedures for compliance and DR report submissions to the Boards.	Language clarified.
	One stakeholder suggested granting the General Counsels at IFC/MIGA a role regarding interpretation of the Policy text and of underlying legal matters without prejudice.	The Board's final authority to interpret the policy has been clarified. The General Counsel for each respective institution, in their capacities as advisors to the Boards, will provide legal advice on the interpretation of the Policy.

VI. ACCESS TO INFORMATION AND DISCLOSURE		
<i>Access to information</i>	Multiple stakeholders expressed support for requirements for IFC/MIGA and clients to provide CAO with access to information as needed to carry out the CAO role. One stakeholder suggested that access to information also be “timely.”	Clarification added that CAO’s access to information be “timely.”
	A few submissions questioned how non-disclosure agreements with clients will be handled.	The Policy provides that contracts between IFC/MIGA and their clients will include obligations to permit CAO to have access to relevant files and sites. CAO’s disclosure of information will be subject to IFC’s/MIGA’s Access to Information Policies and any other applicable requirements.
<i>Disclosure</i>	Several submissions noted that any escalated Board decisions regarding disclosure should be timebound.	Noted. Although not explicit in the Policy, timeframes can be established in practice by the Boards if they so choose.
	Several submissions noted support for the disclosure requirements, particularly publishing eligibility determinations, decisions to defer compliance investigations and compliance appraisal reports, and allowing complainants the opportunity to review and comment on draft investigation reports and to be consulted in the preparation of Management Action Plans (MAPs).	Support noted.
	One submission highlighted the need to ensure disclosed information includes how each party is responding to issues raised and should be timed to minimize reputational risk for all parties.	Noted. The Policy provides additional opportunities for client involvement and input at various stages in the process, including for responses.
VII. LODGING A COMPLAINT AND SCREENING FOR ELIGIBILITY		
<i>How to lodge a complaint</i>	A few submissions requested provisions to accept non-written complaints (e.g. verbal, audio) and to ensure the anonymity of complainants.	The Policy does not preclude this and CAO procedures in relation to the need for a written complaint are sufficiently flexible to accept complaints in another mediums (e.g. video or voice message) in exceptional circumstances.



	One submission requested clarification that complaints can be made by a "legitimate representative" of affected persons/communities.	Language incorporated in the Policy on complainant representation ("Any individual or group, or representative they authorize to act on their behalf") comes from current CAO Operational Guidelines and already addresses this suggestion.
	One submission requested more stringent eligibility requirements for complaints.	The eligibility review is a preliminary screening and not an assessment on the merits of the complaint. CAO addresses the concerns mentioned across the subsequent phases of its process.
	One submission suggested that CAO should have the ability to request more or missing information when making an eligibility determination.	Noted. Covered under "Screening a Complaint for Eligibility."
	With respect to anonymous complaints, stakeholders commented on the importance of providing a mechanism to protect whistleblowers who raise issues of non-compliance with social or environmental laws, policies, or requirements, especially when there are threats of reprisal.	The Policy includes provisions for threats and reprisals. The concerns referenced may also be effectively addressed through implementation of the relevant institution's approach to addressing threats and reprisals.
	One submission suggested clarifying in the Policy that complaints may be submitted without any cost to complainants and without the need to engage legal counsel.	Noted. This can be incorporated in communication materials about the Policy.
	One submission requested that complainants should be able to submit their complaint through a standard form available on the CAO's website.	Noted. This can be incorporated into CAO's new website.
<i>Screening a complaint for eligibility</i>	While multiple submissions and feedback from consultation participants expressed support for establishing good faith efforts by complainants to address complaints with IFC/MIGA, some stakeholders suggest such actions should be compulsory, while several complainants prefer to maintain direct access to CAO without requiring prior efforts to approach IFC/MIGA to address their complaints.	Noted. The Policy encourages good faith efforts but does not require them.

	One submission suggested the addition of a requirement for CAO to monitor cases referred to IFC/MIGA management.	It is not proposed that CAO monitor complaints that have not been declared eligible. Language clarified in the Policy to indicate that complainants can come back to CAO any time.
	One stakeholder recommended that the complainant be afforded the right in all cases to comment on a proposed decision to reject and close a case based on the application of eligibility criteria.	CAO allows complainants to resubmit with additional information if they believe there is a determination in error.
	Two submissions suggested requiring "informed consent" from complainants before referring a complaint to the client or sub-client.	Language added to clarify process for seeking consent.
	One submission suggested that all complaints should be published on CAO's website within seven days of being filed, subject to the agreement of complainants and consistent with complainants' requests regarding confidentiality.	Pros and cons of disclosing complaints at different stages were considered. The Policy provides for disclosure of all complaints following assessment.
	A few stakeholders suggested the Policy should permit organizations that are not directly affected by IFC/MIGA projects to file complaints under defined circumstances (e.g. public goods/environmental interest cases).	The Policy requires complainants to be affected or potentially affected.
	One submission requested the Policy should specify what recourses are available in case a complaint is not deemed eligible.	Complainants may take the issue to IFC/MIGA at any time and/or explore other recourse options as they see fit.
	A stakeholder questioned the objectivity of current eligibility criteria, noting that the current text leaves too much room for subjective interpretation.	The eligibility review answers the preliminary question of whether CAO should engage in any further action, as this is a preliminary screening and not an assessment on the merits of the complaint. More detailed objective consideration of the issues raised by a complaint is addressed in the subsequent stages of the CAO process.
	Several complainants supported the inclusion of eligibility criteria for FIs and supply chains.	Support noted.

	One submission noted that complaints related to potential harm (not yet realized) should not be eligible or at minimum future harm should be certain for the complaint to be deemed eligible.	Complaints regarding potential future harm are eligible under the Policy criteria.
<i>FI eligibility</i>	While several consultation participants and submissions supported the additional eligibility criteria for FIs, many suggested clarifying them to make them easier to understand.	Noted. This suggestion can be addressed in communication materials about the Policy.
	Two submissions suggested allowing complaints regarding projects financed by bonds underwritten by FI clients, and where the FI provides advisory services.	The Policy provides criteria for FI eligibility that will be applied relevant to the sub-project on a case-by-case basis.
	One stakeholder questioned how concepts such as “harm” and “remedy” apply in the case where IFC/MIGA has no influence on the sub-project or sub-client.	The Policy provides significant flexibility to consider issues of harm and remedy on a case-by-case basis and includes provisions to consider situations where IFC/MIGA has no influence on the project (e.g. post-exit).
<i>Post-exit complaints</i>	Many stakeholders supported the acceptance of post-exit complaints. However, some stakeholders suggested a longer timeframe of eligibility than 15 months. One stakeholder suggested 24 months in line with practice at other multilateral development banks (MDBs), or even longer. Some stakeholders do not agree with exceptional circumstances requirements.	Exceptional circumstances are those where the listed criteria are met, which are intended to provide clarity and facilitate meaningful outcomes. For complaints relating to impacts beyond the given timeframe, the Boards, Management, President, or the CAO DG may also initiate a compliance process in relation to a post-exit project.
	One submission noted that it should be clear that the decision to accept post-exit complaints is at the discretion of CAO.	Post-exit complaints are eligible in circumstances where the listed criteria are met. The Boards, Management, or the CAO DG may also initiate a compliance process in relation to a post-exit project.
	To avoid CAO and IFC/MIGA losing their leverage over the client, some complainants recommend that IFC/MIGA contracts include clauses by which clients commit to cooperate with the CAO if a complaint is submitted after IFC/MIGA exit.	IFC/MIGA will be exploring appropriate means to address post-exit complaints and leverage in the context of the work on enabling remedial solutions.

	One stakeholder noted that in the case of FIs, a post-exit period of up to 15 months is probably not commercially viable.	Noted. The Policy allows for post-exit complaints only in exceptional circumstances.
<i>Supply chain complaints</i>	One submission noted that the criteria for supply chain-related complaints appears to insert elements of compliance analysis into the eligibility criteria by cross referencing concepts from the Performance Standards and recommends that CAO should accept supply chain complaints when they relate to E&S impacts of the supply chains of IFC/MIGA clients/sub-clients.	Noted. The intent of the Policy is to ensure that there is a link between the issues raised in the complaint and the project and not to require compliance analysis at this stage. Note that reference to primary suppliers as defined in the Performance Standards is not a reference to first tier suppliers.
	One submission noted that additional "primary supplier" criteria would be good for predictability, but also notes the burden of proving material linkages between the project and the subject of the complaint given limitations to access relevant information.	Noted. Complainants are not required to prove a supply chain link; the burden to research a linkage is on CAO. The Policy incorporates clear provisions on CAO having full and timely access to relevant information. Note this process may take longer than 15 business days.
<i>Pre-Board approval complaints</i>	Several submissions noted that pending/pre-Board approved projects should not be excluded because they provide opportunity for quick resolution of issues and to act proactively on threats/reprisals issues to prevent escalation to violence.	The Policy provides for Management to address concerns directly with complainants pre-Board approval. Access to CAO is available immediately upon Board approval of a project.
	One stakeholder agreed that complaints submitted pre-Board approval should be referred to IFC/MIGA, but noted that in order for those complaints not to be re-submitted post Board approval, the IFC/MIGA team appraising the project should include in Board documents how the complaint was addressed.	According to the Policy, CAO will notify the Boards when referring ineligible pre-Board complaints to IFC/MIGA.
<i>Climate change/public goods complaints</i>	One submission suggested that a complaint that raises issues regarding IFC/MIGA compliance with the E&S requirements on climate change should not be excluded.	In line with the Policy, complaints that focus exclusively on global impacts of a global public good would not be considered eligible. However, complaints raising climate change impacts may be accepted by CAO if they meet the eligibility criteria.
<i>Employment-related complaints</i>	One submission suggested that language on employment/labor-related complaints more closely match the requirements of Performance Standard 2, avoid barriers to eligibility, and ensure that complaints are not unnecessarily discouraged.	Language clarified to refer to working conditions and terms of employment rather than employment contract.

VIII. ASSESSMENT		
<i>Assessment</i>	One stakeholder suggested that CAO should give clients 15 days to respond to eligible complaints, at which point both complaint and client response would be published.	The Policy provides that complaints and client responses are published at the end of the assessment process.
	Several submissions and complainants requested shorter timeframes, with emphasis on resolving concerns as quickly as possible.	Noted. Timelines clarified and shortened.
	Some complainants welcomed efforts by IFC/MIGA if they contribute to solutions.	Support noted.
	Several stakeholders welcomed the opportunity for clients to present their position and comment on complaint assessments.	Support noted.
	One submission noted that if complainants wish to have their case referred to CAO, a time limit should be established for Management to respond and potentially resolve issues for complainants in these cases, which should be monitored by the CAO.	The 90 (business) day assessment period allows for complainants and client/management to attempt to resolve issues, with complainants able to resume the CAO process if they are not satisfied.
	One submission suggested DR and compliance should be both triggered irrespective of the choice by complainants.	The Policy allows complainants to pursue the CAO function they prefer.
IX. DISPUTE RESOLUTION		
	One submission suggested that the Parties, including complainants, should approve the selection of the mediator.	The Policy states that CAO will engage mediators who are considered acceptable as independent and impartial by the Parties.
	One stakeholder suggested that DR process should have timelines and key performance indicators.	The Parties may choose to agree on mutually acceptable timelines and performance indicators applicable to their specific case. The Parties and other stakeholders may also refer to the Core Principles section for evaluating CAO performance against those principles.

	A complainant suggested that when the complaint is against a sub-contractor, the direct IFC client should still participate in the DR process.	DR is a voluntary process, so no participant can be forced to participate. DR between a sub-contractor and complainant would require client agreement (or no objection), but not necessarily their participation.
<i>Reaching and documenting agreement</i>	One submission suggested a clarification to support compatibility with the UNGPs: “In pursuit of a resolution, CAO will take <b>reasonable steps to ensure that it does not knowingly</b> support agreements that would coerce one or more Parties, be contrary to IFC/MIGA policies, or <del>violate the</del> <b>contravene</b> domestic laws applicable to the Parties or international law.”	The Policy states that, in pursuit of a resolution, CAO will not knowingly support agreements that would coerce one or more Parties, be contrary to IFC/MIGA policies, or violate applicable domestic laws or international law.
	One stakeholder suggested a statement whether IFC/MIGA will be involved in DR and whether IFC/MIGA involvement is optional (and who decides this and on what basis).	Participation in DR is voluntary. As indicated in the Policy, IFC/MIGA may be invited to participate in a CAO dispute resolution process.
<i>DR outcomes and conclusions</i>	Several stakeholders and complainants noted it is good practice to get complainants’ consent before transferring a case from DR to compliance and supported this change. Several noted that the process of getting consent should be simple and efficient, not time consuming. Some complainants noted it is better that a case is transferred from DR automatically to Compliance.	There were differing views among stakeholders. Pros and cons were weighed and the Policy reflects the change recommended by the External Review.
	One stakeholder noted that in the case of a closed DR process, where complaints do not wish to continue with compliance, the institution loses an opportunity to improve project performance based on the lessons learned from a compliance review.	Noted. General comment.
	One submission suggested that all parties should have the opportunity to comment on the DR conclusion report.	This is current CAO practice and is now clarified in the Policy.
<i>Role of mediators</i>	One submission suggested that social context should be added to cultural context (socio-cultural context).	Noted. While not explicitly in the Policy, mediator understanding of social context is also important.

<i>IFC/MIGA engagement</i>	Many stakeholders supported IFC/MIGA participation in the DR process.	Support noted.
	Some stakeholders felt that IFC/MIGA participation could be strengthened, and they should participate by default or if requested by complainants.	Participation in DR is voluntary.
<b>X. COMPLIANCE</b>		
<i>Purpose</i>	Some stakeholders expressed concern that the CAO compliance mandate does not extend to making compliance findings in relation to the client.	Noted. While CAO's compliance mandate does not extend to making compliance findings in relation to the client, the Policy reflects the need for CAO to consider project level E&S performance as part of its compliance mandate.
<i>Compliance appraisal process</i>	Some submissions support CAO retaining the decision to investigate, without Board review. One complainant group did not find it positive that the Board can review the CAO DG's decision to investigate.	The Policy assigns CAO the decision to investigate. The option for Board review is limited to exceptional circumstances and technical criteria explicitly spelled out in the Policy. Even in these circumstances, the Board does not make a judgment on the merits of the complaint or on considerations that require the exercise of discretion by the CAO DG under this Policy.
	One submission noted that complainants should be offered the opportunity to comment on the draft appraisal report and scope of investigation (if any).	Noted. CAO may consult with complainants and IFC/MIGA as part of the appraisal process, but a formal review and comment on the appraisal report and scope of investigation is not required under the Policy. CAO can include guidance on such processes during Policy implementation.
<i>Deferral</i>	Several submissions and feedback from stakeholders and complainants supported the deferral approach.	Support noted.
	One stakeholder noted that it is important to mention that CAO should have overall information on the handling of the case and that the deferral should be timebound.	Noted. The Policy sufficiently accounts for this.



	One submission suggested the Policy make explicit that complainants have access to the management response and request for deferral before consultations to support informed consultation - if not consent to deferral - or closure post deferral.	Clarification added that CAO may share Management and any client response with complainants ahead of any consultation on deferral, but on the condition that appropriate measures are in place to safeguard the confidentiality of such responses prior to public disclosure.
	One submission noted that any reports issued by CAO in relation to a deferred investigation should be published on CAO's website in addition to being circulated to all relevant parties.	CAO deferral reports will be published (together with Management inputs).
<i>Board review</i>	Several submissions noted that the eligibility criteria are confusing, which could lead to politicizing the process.	The technical review criteria language has been clarified.
	One submission noted that any Management request for Board review of CAO decision to investigate should be published on submission and that decisions of the Board should be published.	The Policy requires the Request to be published after Board decision.
	Several stakeholders noted that the process for Board review threatens to undermine the independence of the mechanism and perceptions of legitimacy. They suggest that review criteria do not require the Board to exercise discretion in relation to issues that require independent judgement of experts with specialized competencies.	Noted. The technical criteria have been clarified to note that the Board review process is not intended to allow for exercise of discretion in these circumstances.
	One submission noted that efforts to align CAO with the Inspection Panel (particularly regarding the Board Review) has major limitations because CAO and IFC Board are fundamentally different than IP/WB Board. The Board's role in CAO investigation decisions should be extremely limited, to assure investigation decisions do not become politicized or disincentivized by politics.	Noted. General comment.
<i>Compliance investigation process</i>	Several submissions welcomed the ability of clients and complainants to comment on reports.	Support noted.
	One submission welcomed the timelines proposed.	Support noted.

	One submission noted that sharing report with client should be contingent on measures to protect complainants against reprisals.	Language clarified.
<i>Management Action Plans (MAP)</i>	Several stakeholders welcomed the new provisions on MAPs, including getting input from complainants.	Support noted.
	One submission noted that the practice of including Management commentary on agreement or disagreement with CAO findings should be explicitly ended in the new Policy. Discussions of this nature can occur during the investigation process and in the factual review.	Noted. Policy language clarified to Management response on addressing findings.
	One stakeholder noted that emphasis on remedy should be included in the section on Management's response and action plans.	As set out in the Policy, the MAP will comprise "... any time-bound remedial actions proposed by Management to address CAO's findings of non-compliance and related harm." The focus on non-compliance and harm here should focus the MAP on remediation. The purpose of the compliance process also refers to remedy.
	One submission noted that MAP actions should be timebound and verifiable.	Noted. No change required. Policy language on MAP and compliance monitoring is sufficiently clear.
<i>Compliance monitoring</i>	Several stakeholders suggested that CAO should be mandated to monitor (the effectiveness of) Board-approved corrective actions <i>in the context of</i> the associated findings of non-compliance/harm or outcome indicators.	Noted. The Policy requires that "Monitoring will verify the effective implementation of the actions set out in the MAP" and that the MAP sets out "timebound remedial actions" for the purpose of addressing CAO's findings of non-compliance and harm.
	Several submissions suggested that the monitoring process should expressly provide for complainant inputs.	CAO may consult with complainants and Management during monitoring, but a formal review and comment on monitoring reports is not required.
	One submission suggested Management progress reports on implementation of MAPs should be publicly disclosed.	Policy language clarified to state IFC/MIGA progress reports will be published on the CAO website.

XI. ADVISORY		
	One stakeholder welcomed the provision that both the Boards or Management can request to initiate CAO advisory work.	Support noted.
XII. THREATS AND REPRISALS		
	One submission emphasized that IFC/MIGA are in a better place than CAO to address reprisals risks.	Noted. IFC/MIGA have a position statement including zero tolerance.
	Several complainants welcomed the inclusion of language on threats and reprisals but noted that CAO should have more authority to address threats and reprisals concerns, including punishment of the investor in the form of monetary fines. Some complainants also noted that it is possible to use the Policy in bad faith and report the cases of threats and reprisals that do not exist.	Support noted, although comments on CAO's authority are beyond the scope of the Policy. CAO has no authority with respect to judicial processes. CAO is not a judicial or legal enforcement mechanism, nor is CAO a substitute for courts or regulatory processes.
	One stakeholder noted that the current draft Policy should also include protection for clients' reputation which can be harmed intentionally or unintentionally by protests and negative public relations campaigns.	Noted. Aspects of the Policy related to Threats and Reprisals are primarily focused on the physical safety and wellbeing security of individuals involved engaged in a CAO process. With regard to the client's reputation, it is protected in various sections of the draft Policy. Complaints that are clearly fraudulent, frivolous, malicious, or generated to gain competitive advantage will be deemed ineligible. Eligible complaints will only be publicly reported at the end of the assessment phase, along with a response from the client. The draft Policy also provides three opportunities for client and/or IFC/MIGA involvement in the compliance process: (1) appraisal, where IFC/MIGA and/or the client can provide a response when a case transfers to CAO's Compliance function;(2) once a decision is made that investigation is merited, IFC/MIGA can share the draft investigation report with clients; or (3) Management Action Plans (MAPs) prepared in consultation with both clients and complainants.

	One submission noted that CAO should continue monitoring reprisal risks and take appropriate follow up actions in response to retaliation, even after IFC/MIGA exit or after CAO processes end (even when there is no investigation).	The Policy describes the steps and principles that CAO follows in cases of threats and reprisals risks (including after IFC/MIGA exit if there is an on-going CAO process). In its Approach to Threats and Reprisals, CAO acknowledges that incidents of reprisals and their consequences for concerned person(s) may be of an ongoing nature and may require ongoing efforts. However, for CAO, monitoring normally stops when CAO processes end.
<b>XIII. OUTREACH AND COMMUNICATION</b>		
	Many stakeholders and submissions welcomed efforts to increase outreach and communication efforts about CAO. Several stakeholders mentioned the need to increase awareness of IFC/MIGA and CAO approaches to threats and reprisals.	Support noted. The Policy includes an outreach section which highlights the steps that will be taken by CAO, IFC and MIGA to increase awareness about CAO, including CAO's approach to threats and reprisals. Further guidance will be developed during implementation of the Policy.
	Several stakeholders and complainants noted the important role that CSOs play in supporting complainants and informing them about the role of the CAO.	Noted. Agree.
	Several stakeholders recommended that IFC/MIGA require clients to share information about CAO at the project level, as well as information on the reprisals policies and procedures of IFC/MIGA and CAO.	Noted. Further guidance will be developed during implementation of the Policy.
	Several stakeholders recommended that all reports be translated into [local language] to allow direct access to data, encourage transparency, and promote dialogue.	CAO case reports are translated into the local language of complainants. Other CAO materials which may be used for outreach are also provided in relevant local languages or upon request.
	Several submissions noted the need to establish differentiated requirements to disclose CAO with sub-projects and FIs.	Current Policy language allows for differentiated disclosure based on financial relationship.

XIV. COOPERATION WITH OTHER IAMs		
	Several stakeholders noted that the approach to remedy should be harmonized across IFIs when projects are co-financed.	Noted. The Policy addresses coordination among IAMs. Coordination on remedy requires coordination among IFIs.
	One submission suggested clarifying CAO's position if the same complaint is raised to Co-lenders and/ or to courts, arbitration tribunal or other dispute resolution mechanism. CAO should also consider the status of those efforts in order not to duplicate its own efforts.	Added reference to duplication of efforts.
XV. REVIEW OF POLICY		
XVI. ENTRY INTO EFFECT		
	One submission suggested that CAO develop a transitional framework that will ensure that cases already before CAO at whichever stage do not get disrupted by the change in Policy.	Noted. Transitional arrangements will be submitted to the Board and published once approved.
XVII. GLOSSARY		
<i>Harm</i>	One submission noted that the definition of "harm" is very broad and needs further guidance/clarification.	Noted. Further guidance and clarification can be developed through Policy implementation.
CROSS-CUTTING THEMES		
<i>Access to remedy</i>	Many stakeholders, including complainants, and submissions gave supportive feedback regarding the inclusion of language and emphasis on remedial solutions, emphasizing the need to have community feedback and set clear expectations.	Support noted.
	One stakeholder cautioned that the Policy language may give the wrong idea that CAO can provide remedy when all it can do is provide access to mechanisms to address grievances, which is not remedy in itself.	The Policy refers to CAO's role in terms of 'facilitating' access to remedy, rather than providing remedy. This will also be emphasized in associated communications material.
	One stakeholder suggested that remedial solution related funding requirements could raise the cost of borrowing to a point where IFC will find itself uncompetitive.	Noted. This comment will be addressed in the context of the issues and options paper on remedial solutions that IFC/MIGA are developing separately.

<i>Implementation</i>	One stakeholder raised the importance of proper budget and resources to implement the new Policy.	Noted. Agree.
<i>Timeframes</i>	One submission recommended that CAO should keep to timeframes established for each step in the complaint process. Aside from enforcing these timeframes it should be clarified if the drafting of reports and disclosure fall within these periods.	Language regarding timelines clarified throughout the Policy.
<i>Responsible exit</i>	One submission suggested a public statement from IFC acknowledging its decision to divest from problematic projects would serve to provide communities some level of protection, reducing the risk that they would be blamed for the divestment itself or held responsible for announcing it publicly.	Noted. Principles for responsible exit may be further considered in the context of the issues and options paper on enabling remedial solutions that IFC/MIGA are developing separately.
<i>Accessibility/Communicating the Policy</i>	One submission recommended developing communication materials explaining the main tenants of the Policy for a wide audience.	Noted. CAO will develop communication materials in multiple languages.

#### ANNEX I: LIST AND DATES OF PUBLIC CONSULTATION MEETINGS

DATE OF MEETING	REGION
26 April 2021	Bogota (Spanish speaking Latin America)
27 April 2021	Dakar (Francophone Sub-Saharan Africa region)
28 April 2021	Cairo (Middle East and North Africa)
29 April 2021	Nairobi (Sub-Saharan Africa region)
30 April 2021	Brasilia (Latin America and the Caribbean region)
3 May 2021	Bangkok (East Asia and the Pacific)
4 May 2021	Delhi (South Asia)
7 May 2021	Kiev (Europe and Central Asia)
10 May 2021	Washington, DC (Global meeting)



## **ANNEX II: AGENDA**

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

MEETING DURATION: 2 HOURS
<ul style="list-style-type: none"><li>• Welcome, background and purpose of the meeting</li><li>• Overview of cycle to complete draft CAO Policy, including regional sessions held so far.</li><li>• Key changes to CAO processes brought about by the draft CAO Policy.</li><li>• Update on other actions IFC and MIGA are developing to strengthen environmental and social accountability and IFC and MIGA's work program on enabling remedial solutions.</li></ul>
<ul style="list-style-type: none"><li>• Questions and comments from participants on the draft CAO Policy</li></ul>
<ul style="list-style-type: none"><li>• Closing remarks and next steps</li></ul>