

U.S. Treasury Statement on the IFC Bridge International Academies Case



March 14, 2024

The U.S. Treasury Department is profoundly concerned with the unacceptable failures at the IFC identified by the Compliance Advisor Ombudsman (CAO) in its investigation of the IFC's Bridge International Academies project. The investigative report (the "CAO Report")^[1] disclosed on March 14 confirmed numerous incidents of child sexual abuse between 2013 and 2020 at schools in Kenya run by Bridge International Academies (Bridge), a former IFC client. The CAO also concluded that IFC's failure to ensure Bridge's compliance with IFC's environmental and social risk mitigation policies (i.e., the Performance Standards) likely contributed to the severe harms inflicted on the abused school children.

The IFC accepts the CAO's investigation findings and over the last several months has been developing its plan to address the project-related harms, support the sexual abuse survivors and correct its institutional failures. This Management Action Plan (MAP) was approved by the IFC Board on March 13 and disclosed alongside the CAO Report. The United States welcomes President Banga's call for an independent, external investigation of the CAO investigation and supports the MAP, highlighting the following.

Throughout this process, our immediate priority has been to address the harms suffered by the survivors and support their recovery. We believe survivors should be central to determining the scope and focus of remediation. We therefore welcome the inclusion of consultation with survivors as a first step in the MAP to inform the final approach to providing a range of services to the survivors.

These consultations should be the main driver for the design of the proposed remediation program. We believe IFC should keep all remedy options on the table while the consultations proceed.

To prevent similar harms from happening again in IFC financed projects, a key MAP commitment is for the IFC to release a zero-tolerance statement on inaction or reprisals related to gender-based violence and child protection issues. We also welcome the proposed mandatory staff training and the protocol making clear that reporting and escalation of these

issues within the IFC management structure are staff obligations, as well as the inclusion of anti-retaliatory policies to support early detection and remediation. We also expect that updates on the implementation of this commitment will be included in the publicly disclosed MAP implementation reports and discussions with the IFC Board.

Finally, we are deeply troubled by the broader accountability issues raised by this case. These include IFC's agreement with Bridge to put in place a supplemental confidentiality agreement following the initiation of the CAO's investigation. To perform its role effectively, the CAO must be independent, and its investigations must be conducted free of interference and retaliation. Even the perception that this independence is being undermined is troubling. Reflecting these concerns, we reiterate our support for President Banga's call for an independent, external investigation.

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[1] <https://www.cao-ombudsman.org/cases/kenya-bridge-international-academies-04kenya>