



**IAM Appraisal Report
regarding the
Indorama Eleme Fertilizer Line III Project
Port Harcourt, Nigeria**

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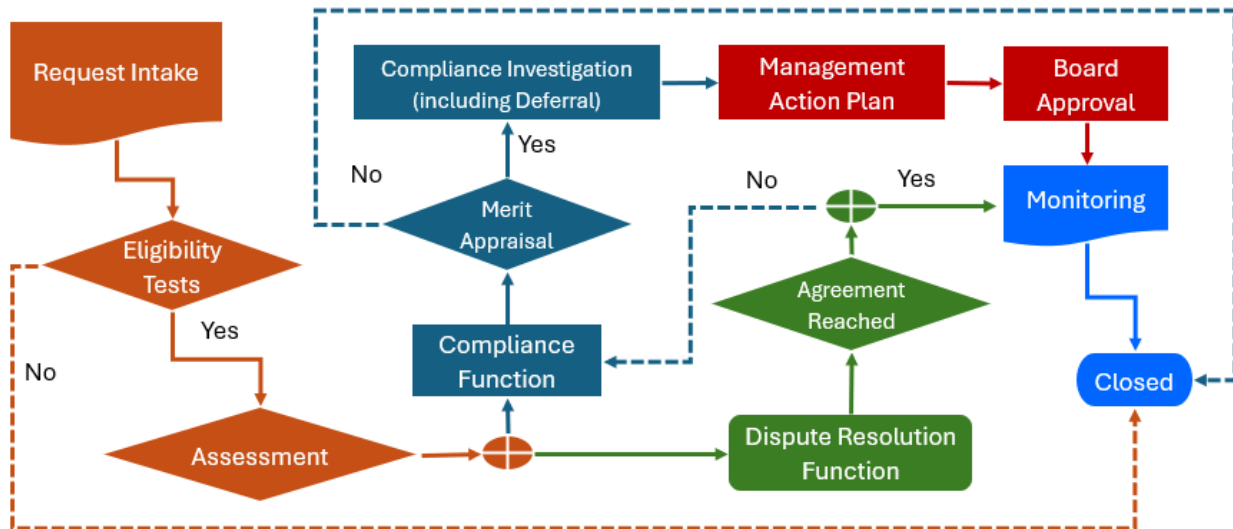
[Independent Accountability Mechanism](#)
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Document History

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About the IAM

The Better Utilization of Investments Leading to Development (BUILD) Act created the U.S. International Development Finance Corporation (DFC) and establish its [Independent Accountability Mechanism](#) (IAM) in 2018. The core functions of the IAM, which reports to DFC’s Board and Congress, are to (1) evaluate compliance with environmental, social, labor, human rights, and transparency standards, (2) deliver mediation and problems-solving services in conflicts, and (3) provide an advisory function to DFC. The flowchart below depicts the process the IAM follows when receiving a request for its compliance and problem-solving functions.



About IAM Appraisal

The purpose of the appraisal is to determine whether a request which has been deemed eligible and referred to the IAM’s compliance function merits a compliance investigation. The IAM will consider whether there are preliminary indications of harm or potential harm, whether there are preliminary indications that DFC may not have complied with its environmental and social requirements, and whether the alleged harm is plausibly linked to the potential non-compliance. The appraisal process does not lead to a definitive assessment of DFC’s compliance or related harm. Every appraisal decision, whether to investigate, close, or defer, will be made at the discretion of the IAM Director, applying the criteria set out in the IAM’s [Terms of Reference](#). Once IAM concludes an appraisal, it will circulate, for information, the appraisal report to the DFC’s board, management, and the parties, and subsequently publish the appraisal report.

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ACRONYMS

AfDB	African Development Bank
BIC	Bank Information Center
BII	British International Investment
CAO	Compliance Advisor Ombudsman of the IFC
CIA	Cumulative Impact Assessment
CSO	Civil Society Organization
CSR	Corporate social responsibility
DFC	U.S. International Development Finance Corporation
DEG	Deutsche Investitions- und Entwicklungsgesellschaft
DFI	Development Finance Institutions
EHS	Environment, Health and Safety
E&S	Environmental & Social
ESAP	Environmental and Social Action Plan
ESDD	Environmental and Social Due Diligence
ESIA	Environmental and Social Impact Assessment
ESMS	Environmental and Social Management System
FMO	Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden
IAM	Independent Accountability Mechanism of the DFC
IESC	Independent Environmental and Social Consultant
IEFCL	Indorama Eleme Fertilizer and Chemicals Limited
IEPL	Indorama Eleme Petrochemicals Limited
IFC	International Finance Corporation
IFL	Indorama Eleme Fertilizer
MAP	Management Action Plan
MIGA	Multilateral Investment Guarantee Agency
NGO	Non-Governmental Organization
OPIC	U.S. Overseas Private Investment Corporation, DFC's predecessor
PAP	Project Affected People
PS	Performance Standards
SEP	Stakeholder Engagement Plan
SPV	Special Project Vehicle
WHO	World Health Organization

1. EXECUTIVE SUMMARY

In December 2023, the U.S. International Development Finance Corporation's (DFC) Board approved a \$75 million loan, part of a \$1.25 billion loan package, to Indorama Eleme Fertilizer and Chemicals Limited/SPV Line III, involving a major expansion of an ammonia-urea fertilizer facility in Port Harcourt, Nigeria (the Project). DFC screened and categorized the Project as 'Category A' (high risk). This active DFC Project is currently in its construction phase.

On August 16, 2024, DFC's Independent Accountability Mechanism (IAM) received a Request for its services from a coalition of civil society organizations (CSOs) representing locally based complainants. A similar complaint was previously submitted to the International Finance Corporation's (IFC) IAM. On completion of this compliance appraisal report in June 2025, the IAM was aware of three ongoing legal cases involving complaints against Indorama Eleme Petrochemical Company Limited.

The Requesters allege numerous current and potential future and cumulative environmental and social harms they believe to be linked to DFC's non-compliance with its applicable policies and standards. The Requesters also raised concerns about an environment of retaliation, expressed a desire for remediation measures, a need for a cumulative impact assessment, and development of an action plan involving the complainants. In addition, the Requesters have initiated legal proceedings in Nigerian courts.

The IAM Director concludes that a compliance investigation is merited as justified below:

- a) **There are preliminary indications of Harm or potential Harm.** Key parts of the Project's risk assessment, engagement, mitigation, and benefit sharing appear centered on six government-designated "host communities" tied to land acquisition or resettlement impacts which occurred approximately four decades ago, while apparently excluding certain contemporary stakeholders and potential Project Affected People (PAPs). This may result in Harm, including through inadequate engagement, risk identification, design of mitigation strategies, and barriers to access project benefits. In addition, numerous testimonials and plausible pathways provide preliminary indication of potential Harm related to environment, community health, and livelihoods.
- b) **There is preliminary indication that DFC has not fully complied with its Environmental and Social (E&S) Policy and Procedure (ESPP, 2020)** by accepting the absence of or relying on deficient impact and/or cumulative impact assessment studies, inaccurate identification of or exclusion of certain contemporary stakeholders and PAPs, and not ensuring their adequate engagement when designing E&S risk mitigation strategy.
- c) **There is preliminary indication that the alleged Harm is plausibly linked to the potential non-compliance of DFC with applicable policies and standards** as DFC's accepted and relied on – what appears to be - deficient studies and engagement, resulting in incomplete mitigation strategy and requirements (action plans, systems, grievance mechanism, etc.) which allowed or encouraged the Client to continue implementing potentially deficient engagement and risk mitigation strategies (including project benefit sharing) centered around historic "host communities" while potentially excluding certain contemporary stakeholders or PAPs.

This Appraisal report will be circulated to DFC's Management and Board, the Parties to the Request, and published via IAM's [Public Registry of Cases](#). Next, the IAM will be initiating a compliance investigation to determine whether DFC has complied with its ESPP and its related regulatory framework, and whether there is Harm related to any DFC non-compliance. The investigation will be pursued in collaboration with IFC's IAM. The terms of reference for the investigation are presented in Annex B.

2. BACKGROUND

2.1 DFC's Investment

The Indorama Eleme Fertilizer (IFL) and Chemicals Limited/SPV Line III project involves development, design, financing, construction, and operation of Indorama's third ammonia-urea fertilizer facility in Port Harcourt, Nigeria (the Project). In December 2023, the DFC Board approved a \$75 million loan, part of a \$1.25 billion loan package¹ to Indorama Eleme Fertilizer and Chemicals Limited/SPV Line III, involving a major expansion of an ammonia-urea fertilizer facility in Port Harcourt, Nigeria (the Project). DFC's E&S Clearances occurred in February 2024, which was followed by DFC's Commitment in March 2024, and First Disbursement in August 2024.

As noted in DFC's [Initial Project Summary](#), dated September 20, 2023, the Project was screened by DFC as 'Category A' because expansion of this large-scale fertilizer manufacturing complex has the potential for accidental releases of hazardous gases (methane, hydrogen, and ammonia). In addition, greenhouse gas (GHG) emissions stemming from the project are estimated to equal 688,100 tons of carbon dioxide per year—exceeding DFC's threshold of 100,000 tons of carbon dioxide per year—also triggering a 'Category A' screening. Exporting the ammonia and urea produced by the DFC Project will require a jetty, which was excluded from DFC financing, and defined as an "associated facility". DFC also [disclosed](#) the Project's Environmental and Social Impact Assessment (ESIA) and other information.

DFC's environmental and social (E&S) due diligence identified that project impacts need to be managed consistent with the following IFC Performance Standards (PS):

- PS 1: Assessment and Management of Environmental and Social Risks and Impacts;
- PS 2: Labor and Working Conditions;
- PS 3: Resource Efficiency and Pollution Prevention;
- PS 4: Community Health, Safety, and Security; and
- PS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources.

DFC's disclosed information does not indicate the applicability of PS6, while DFC's E&S Clearances and the finance agreement—both confidential documents—state that PS 6 is applicable. The IAM also notes that DFC did not trigger PS 5 on Land Acquisition and Involuntary Resettlement as the Line III Project did not require new land acquisition or related involuntary physical or economic displacement.

2.2 IAM Process

The IAM received a Request (see Section 5) on August 16, 2024, from the Bank Information Center, a civil society organization (CSO), on behalf of locally based CSOs representing community members and/or workers. Initially, the IAM applied the Operational Guidelines Handbook for Problem-Solving and Compliance Review Services ([OOA Handbook](#), 2014) to the Request. In December 2024, the IAM's [Terms of Reference \(TOR, 2024\)](#) replaced the OOA Handbook.

¹ Other Development Finance Institutions involved include the African Development Bank, British International Investment, Deutsche Investitions- und Entwicklungsgesellschaft (DEG), and the Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden (FMO). See also <https://www.ifc.org/en/pressroom/2024/ifc-and-partners-back-indorama-in-nigeria-with-125-billion-for-fertilizer-production-food-sector>.

The IAM determined the [Request to be eligible](#) on August 23, 2024, and initiated an Assessment to better understand the issues, engage with key stakeholders, explain the IAM's role and request-handling process, and help the parties determine an appropriate process for resolving the concerns. The Requesters and the Client confirmed to IAM their preference for the IAM to conduct a compliance review of DFC relating to the DFC Project, rather than a collaborative problem-solving process between the Parties. The IAM completed its [Assessment report](#) on January 28, 2025.

Subsequently, the IAM initiated an Appraisal process to determine whether a review of DFC's compliance with its ESPP and its related regulatory framework is merited. The outcome of the IAM's Appraisal is summarized in this report.

2.3 Collaboration with CAO

Prior to filing their Request with DFC's IAM in August 2024, BIC and the Port Harcourt-based CSOs [filed a complaint](#) with the IAM of the International Finance Corporation/Multilateral Investment Guarantee Agency (IFC/MIGA), the Compliance Advisor Ombudsman (CAO), on May 29, 2024. Due to the similarity of the two complaints regarding DFC's and IFC's support of the Line III project, the similarity of IAM's and CAO's complaint-handling processes, and following consultation with, and agreement by, the Requesters; the IAM and CAO are collaborating on the case while each applying their respective policies. As permitted under its TOR, and to further enable collaboration with the CAO, the IAM will be adjusting its process timelines and participate in cost sharing.

2.4 Lawsuits in Nigeria

On completion of this compliance appraisal report in June 2025, the IAM was aware of three ongoing legal cases involving complaints against Indorama Eleme Petrochemical Company Limited (IEFCL).

- **Case 1:** Filed in 2018 (Suit No. PHC/1171/2019, formerly FHC/PH/CS/61/2018) by a representative of the Alliance for the Defense of Eleme (ADE).
- **Case 2:** Filed in 2023 (Suit No. FHC/PH/CS/103/2023) by the President-General of the O-E'la Obor Eleme Organization, who is also a lead Requester/complainant in the submission to the IAM and CAO.
- **Case 3:** Filed in 2024 (Suit No. FHC/PH/CS/23/2024) by a representative of the ADE and 69 other individuals from Alesa community.

According to press reports and other sources, all three cases were initiated in the Federal High Court in Port Harcourt, Rivers State with the complainants pursuing judicial proceedings against Indorama Corporation and other defendants. The IAM and the CAO were able to access some documentation related to the second case. However, for the first and third cases, the only information available was from press reports as no official court documentation was accessible.

In the first case, the plaintiffs are seeking recognition of Alesa as a host community of IEFCL. The defendants in that case include Indorama, and the state Bureau of Public Enterprise. In the second case, the plaintiffs allege environmental pollution. According to documents provided through the international CSO Bank Information Center, the defendants are the Federal Republic of Nigeria, the Federal Ministry of Environment, the Directorate of Petroleum Resources, the Rivers State Government, Indorama Industries Limited, and Indorama Eleme Petrochemical Company Limited. The plaintiffs are seeking four trillion

naira in damages as well as additional relief. In the third case, the plaintiffs allege that environmental pollution from the IEFCL plant is negatively affecting their health. Press reports indicate that they are seeking substantial monetary compensation for alleged damages caused by pollution.

The IAM has limited information about the status of these cases and their timetable. It is the IAM's understanding that, although one source reviewed indicates that there may be a hearing on July 9, 2025, in the second case, that information has not been confirmed. While these cases appear to be based on Nigerian law and not the IFC Performance Standards, there is apparent subject matter overlap between the subject of the Request/Complaint and the legal proceedings. Were the plaintiffs in the local proceedings to be successful in securing the relief that is apparently sought, that could also be relevant to any recommendations made by the IAM, depending on their nature and scope. Accordingly, the IAM will endeavor to continue to monitor the status of these proceedings as the investigation moves forward so that they can make a more informed assessment of their potential relevance to and impact on the IAM's processes.

3. SCOPE AND METHODOLOGY

The purpose of the appraisal is to determine whether a request which has been deemed eligible and referred to the IAM's compliance function merits a compliance investigation. The appraisal process does not lead to a definitive assessment of DFC's compliance or related Harm.

The IAM's focus is on DFC and its active Line III Project currently under construction. The Project is a major expansion, co-located and benefitting or dependent on facilities shared with Indorama's Lines I and II, both of which are operational (and can be reasonably expected to contribute to cumulative impacts involving the Line III Project). In addition, Line III benefits from or is dependent on associated facilities, such as an export jetty.

IFC has been a financier for Indorama Eleme's Line I, II and III phases, and IFC's CAO received a complaint similar to that received by DFC's IAM for the Line III Project. As encouraged by its TOR, the IAM is collaborating with the CAO on the case to avoid duplication, reduce the burden on the parties, and reduce (share) cost, where possible.

For this case, following an initial review of Project documents, the IAM and CAO co-convened numerous remote meetings with the locally based Requesters and their representatives, as well as IFC/DFC Client representatives in Nigeria.

In November 2024, the CAO team traveled to Nigeria to meet directly with the stakeholders, while IAM, unable to arrange a site visit in a timely manner, continued engaging remotely. Following the CAO's site visit, IAM and CAO held detailed discussions about outcomes of the in-person meetings, the IAM's remote meetings, and the overall perspectives of the parties. The IAM also considered numerous recorded testimonials, alleging adverse environmental and health impacts related to Indorama's facilities.

The IAM also engaged with the Lender's Independent Environmental and Social Consultant (IESC) on selected topics. This consultant is involved in reviewing and monitoring the Line III project on behalf of a group of lenders, including DFC. The same IESC has also been supporting IFC (and others) with E&S reviews and monitoring of Line I and II projects.

4. APPLICABLE STANDARDS

The key environmental and social policies and standards which apply to the Project include the ESPP (2020) and its regulatory framework. This includes the IFC Performance Standards (PS) on Social and Environmental Sustainability and related industry sector guidelines. DFC internal documents highlight that IFC PS 1, 2, 3, 4, and 6 are particularly relevant. DFC did not trigger PS 5 on Land Acquisition and Involuntary Resettlement for the Line III Project as it did not require new land acquisition, and no related involuntary physical or economic displacement was expected.

Selected sections of the ESPP (2020) the IAM considers particularly relevant to its analysis are highlighted below.

As noted in the ESPP (2020), the objective of DFC's screening and categorization is

"2.0 [...] to define the **Area of Influence**² of the **Project** for the purposes of environmental and social review as well as public consultation; (2) to identify the nature and magnitude of environmental and social risks and impacts, including those project impacts that could preclude support; (3) to identify issues to be investigated in detail in the environmental and social review process; and (4) to determine requirements for documentation, consultation, disclosure, notification and third party audits,"

"2.4 DFC reviews the risks and impacts identified by the **Applicant**, the **Applicant's** defined **Area of Influence**, and information on **Project Affected People**³ to determine whether the information is adequate, accurate, objective and appropriate to the size and nature of project activities. Additional information may be required from the **Applicant** and from knowledgeable third parties. [emphasis by underlining added]", and

"2.7 In categorizing projects, direct, indirect, induced, supply-chain related, regional, trans-boundary and cumulative environmental and social impacts are considered [emphasis by underlining added]".

² DFC's ESPP (2020, see page 42) defines AOI as follows: "**Area of Influence** – Areas potentially affected by a project including (1) the primary project site(s) and related facilities that the **Applicant** develops or controls, such as power transmission corridors, pipelines, canals, tunnels, access roads, borrow and disposal areas and construction camps; (2) associated facilities that are not funded as part of the project (funding may be provided separately by the **Applicant** or by third parties including the government), and whose viability and existence depend exclusively on the project and whose goods and services are essential for the successful operation of the project; (3) areas and communities potentially affected by cumulative impacts that result from the incremental impact on areas or resources used or directly impacted by the project, and from any existing, planned or reasonably defined developments at the time the risks and impacts identification process is conducted; and (4) areas and communities potentially affected by impacts from unplanned but predictable developments caused by the project that may occur later or at a different location. The **Area of Influence** does not include potential impacts that might occur without the project or independently of the project. Any identifiable supply chain expansion of materials or resource development that is inherent to a project's success should be included within a project's **Area of Influence**."

³ DFC's ESPP (2020, see page 46) defines PAPs as follows: "**Project Affected People** – Individuals, workers, groups or local communities, including within the supply chain, which are or could be affected by the project's Area of Influence, directly or indirectly, including as a result of cumulative impacts. Emphasis should be placed on those who are directly and adversely affected, disadvantaged or vulnerable."

The ESPP (2020) also details specific roles for the DFC, including the following:

“3.2 A review of an **Applicant’s Environmental and Social Management System (ESMS)**, (See Glossary) is performed to determine whether the **ESMS** meets the requirements of Performance Standard 1 and whether environmental, health, safety and social aspects of a project can be effectively managed by an **Applicant**. The review will consider direct, indirect, induced, supply-chain related, regional, trans-boundary and **cumulative environmental and social risks and impacts**. [emphasis through underlining added]”,

“3.3 DFC reviews the **Applicant’s** evidence of **Meaningful Consultation with Project Affected People** within the defined **Area of Influence**”, and

“5.4 DFC provides advance notice and information about potential projects to be voted on by DFC’s Board of Directors. [...] The summaries include the following [...]:

[...]

- Description of the major environmental and social risks and impacts of the **Project**
- Description of the **Applicant’s** consultation with **Project Affected People.**”

5. REQUEST SUMMARY

Throughout the Request and assessment process, the Requesters allege that Indorama is failing to comply with DFC’s environmental and social policies on the Line III project, which is currently under construction. The Requesters further allege that the non-compliances are resulting in increased pollution and other environmental harms, health impacts, gender discrimination, labor rights violations, devaluation and loss of land and livelihoods, decreased rates of school attendance, and other adverse impacts. They are concerned that completion of Line III will lead to even worse social and environmental conditions. The Requesters also raised concerns about an environment of retaliation against those who have voiced concerns or objection.

Signatories to the Request expressed their frustration that DFC approved financing to Indorama to build Line III despite two—at the time—open complaints which were being handled by the CAO regarding IFC’s investments in Indorama’s facilities.

The complainants also believe Indorama has not adequately engaged the full range of local communities affected or impacted by the Line III project, and that the company has failed to revise or establish a new stakeholder engagement strategy along with its expansion. They say that Indorama’s current stakeholder engagement activities serve some but not all the communities who are adversely impacted by its operations. In discussions about whether to meet directly with Indorama representatives in an effort to resolve the issues, they concluded such a meeting would not be fruitful, given past interactions and their belief that Indorama lacks interest in meaningful engagement, mitigating harms, or providing corrective or remedial action.

Following is a summary of the alleged adverse impacts that complainants attribute to current construction of the Line III project, and/or potential impacts they believe will occur or exacerbated once it is completed (cumulative impact):

- Pollution from the construction site is increasing already high rates of dermatitis, asthma and bronchitis, hypertension, respiratory infections, and pelvic inflammation. Some question whether the environmental degradation is contributing to decreased life expectancy.
- An increase in the number of workers moving into the area is leading to higher rates of malaria.
- The Okulu River, a historic source of drinking water, irrigation, and fishing, is already highly contaminated. Once Line III is completed it will be worse, and potentially even destroyed.
- Toxic waste disposal will increase with completion of Line III—further polluting watersheds and depleting biodiversity throughout the region.
- Agricultural lands are continuing to disappear as Indorama and other industries expand their footprint and environmental degradation. This is resulting in a continued loss of property ownership and livelihoods for local communities.
- More urea production will exacerbate the already offensive odor local communities endure on a daily basis.
- Traffic congestion and road damage from heavy equipment has increased with Line III construction, causing more pollution and long delays for local communities.
- Compensation that Indorama paid to acquire land for its facility has been unfairly and unequally distributed—and the amounts and process for disbursement has not been transparent.
- The company is not providing equal employment opportunities for women. Women employed by Indorama report gender discrimination and say they have been disproportionately laid off without pay, unlike their male counterparts. This was especially true during the pandemic.
- Because Indorama now owns much of the community's ancestral land—which women have long farmed and relied on for sustenance, livelihood, and economic security—it is increasingly difficult, if not impossible, to provide for their families and children. This in turn is increasing hunger and malnutrition among children and whole families. It also is increasing the number of children whose families can no longer afford to send them to school.
- Community members who speak out against the Line III project—and the Indorama Company generally—describe reprisals and retaliations by Indorama, including arrests, beatings, and kidnappings, especially of women and youths. One signatory to the Request stated that following the filing of the lawsuit, he began receiving threatening phone calls and specific threats against himself and others involved in the suit.

The Requesters also expressed a desire for the following remediation measures:

- Full and fair redress for all of the harms and losses suffered by them and other community members.
- Provision of immediate assistance to affected communities.
- Conduct a Cumulative Impact Assessment for Lines I and II that would inform the construction of Line III.
- Development of an action plan to address the impacts experienced by affected communities with active participation by the complainants.

A more detailed summary of the Request is presented in Appendix A.

6. SUMMARY OF DFC'S CLIENT RESPONSE

Following the IAM's invitation, DFC's Client did not offer comments to be included in this Appraisal report.

7. SUMMARY OF DFC MANAGEMENT RESPONSE

Following the IAM's invitation, DFC's Management did not offer comments to be included in this Appraisal report.

8. IAM ANALYSIS

8.1 Introduction

The IAM's Appraisal process is not designed to lead to a definitive assessment of DFC's compliance or related Harm. During the Appraisal process, the IAM considers three criteria to determine whether a full compliance investigation of DFC is merited.

The criteria comprise the following:

- a) Whether there are preliminary indications of Harm⁴ or potential Harm;
- b) Whether there are preliminary indications that DFC may not have complied with its E&S Requirements; and
- c) Whether the alleged Harm is plausibly linked to the potential non-compliance.

Based on the analysis of certain material aspects related to the case summarized below, the IAM Director concludes that all three criteria are satisfied, and a compliance investigation of DFC is merited, as justified below.

8.2 Inaccurate Universe of PAPs

DFC categorized the Project as a 'Category A', meaning that the project was deemed to have a high E&S risk profile. As noted in section 3.3 of the ESPP, DFC's role includes reviewing "the **Applicant's** evidence of **Meaningful Consultation** with **Project Affected People** within the defined **Area of Influence**". As detailed below, a preliminary review of the Project information accepted and used by DFC to determine AOI and PAPs revealed several significant gaps and potential non-compliance which can result in Harm.

⁴ The IAM's TOR defines Harm as "[a]ny material adverse environmental and social effect on people or the environment resulting directly or indirectly from a Project or Sub-Project. Harm may be actual or reasonably likely to occur in the future."

The information contained in the Table 4-1 in the Stakeholder Engagement Plan and subsection 4.1.2 (see ESIA Appendix B), indicates that:

“Directly impacted communities” are “Communities originally impacted with the acquisition of land to construct the initial petrochemicals facility”, that “Originally the land was acquired by Rivers State Government in the year 1984. [...]”, and that “Host communities have been determined vide [sic] Rivers State Officials Gazette Vol 16, No. 25, Page 25 of 22nd November 1984” which lists the six “host communities” as Aleto, Okerewa, Agbonchia, Njuru, Akpajo, and Elemenwo (Wakoahu Family).

As the Project does not involve land acquisition, and DFC did not trigger PS 5, there was no need for or requirement to focus on “host communities” linked to historic land acquisition from approximately four decades ago. However, further review of the ESIA/SEP shows that these “host communities” remain central to the Project’s engagement and E&S risk management strategy, apparent without duly engaging with other contemporary stakeholders.

The IAM notes that the Project ESIA describes major demographic and other changes in the Eleme region over time, as illustrated, for example, in Table 7-33 Population Data, which describes a projected population increase of over 19% in certain communities from 2021 to 2026, noting migration and influx as key demographic drivers, and ESIA Figure 7-26 Distribution of the Built-up Area within the Eleme LGA (1986 – 2015), illustrating material changes in terms of built up areas and related land use.

Based on the IAM’s preliminary review, it seems unreasonable for DFC, which did not trigger IFC PS 5, to assume or accept the Client’s assertion that six “host communities” linked to land acquisition completed four decades ago, predating material demographic, land use, and other changes in the Project area, would still comprise an accurate and *contemporary* universe of key stakeholders or PAPs related to the Project. This also suggests that there is preliminary indication that DFC may not have fully complied with its ESPP (and PS1), which requires a review of the accuracy of the Client’s identification of Project Affected People and their meaningful consultation, considering the Project’s potential direct, indirect, and cumulative E&S impacts.

8.3 Discrimination Against Certain PAPs

The IAM notes that the additional communities identified by the Requesters as affected communities do not appear to be mapped in the Project ESIA to show them being located inside or outside of the Areas of Influence or Area of Impact (see, for example, ESIA Figure 7.57, which does not contain or present such information), nor are they tabulated or explicitly excluded in Table 4-1 (Stakeholder Identification) in the ESIA’s SEP (see ESIA Appendix B). Based on a preliminary review of Project documents, these potential PAPs, which are not original “host communities”, appear to be invisible to or ignored by DFC or its Client.

The IAM notes that the communities the Requesters identified as adversely affected are also not explicitly identified or included in the Project’s community-related advisory or governance structures or eligible beneficiaries of the project’s Community Development Projects. Benefits are listed as including contracts and supplies, employment during construction and operation phase, scholarship programs for youth studying in universities, microgrants for women for micro businesses, and skill development program for young men and women. Wrongfully discriminating against certain PAPs eligible for Project benefits meets the IAM’s definition of Harm.

8.4 Deficient Cumulative Impact Assessment

In response to the IAM's questions related to the Project's CIA, which is required by DFC at the due diligence stage to, *inter alia*, help review the Client's determination of the Project's Area of Influence and the universe of Project Affected People, the IESC's response, from April 23, 2025, well after DFC's due diligence phase in 2023, includes the following:

“Regarding the CIA, the adequacy of [consultant name's] CIA sections in the ESIA and [consultant name's] “Air Quality Cumulative Impact Assessment Report” is in the process of being finalised by [consultant name's] ESIA specialists. **Provisionally, from this assessment, there are some shortcomings in [consultant] CIA assessment which will be discussed with the Lenders and IEFCL over the coming weeks.** [emphasis added]”⁵

Based on this comment, and a initial review of Project documents, there is a preliminary indication of DFC non-compliance with its ESPP as the IESC's comments imply DFC did not have access to a timely (meaning at DFC's due diligence phase) and accurate cumulative CIA required to review or validate the AOI and the universe of PAPs, and that this deficiency appears to continue today, well after DFC's due diligence, Board approval, E&S clearances, commitment, and disbursement. This also means that there is preliminary indication that a subset of PAPs may not have been identified and/or may have been or may continue to be harmed by potentially excluding them from engagement opportunities design to inform them, consider their views, and incorporate concerns in mitigation, monitoring, benefits sharing, or other aspects of the Project.

8.5 Other Issues

The Requesters allege numerous other adverse current, potential future, and cumulative E&S impacts and harm (see also Section 5, Request Summary, further above). The IAM Director finds that the analysis of issues above already identified sufficient preliminary indications of Harm, indications that DFC may not have complied with its E&S requirements, and that alleged Harm is plausibly linked to potential non-compliance to justify a compliance investigation (see next section). The additional issues raised by the Requesters will be analyzed further during the next, compliance investigation phase.

⁵ Email from the Lenders' IESC, dated 4/23/2025, in response to IAM's questions emailed on 3/25/2025

9. APPRAISAL CONCLUSIONS

The IAM Director concludes that a compliance investigation is merited as justified below:

- **There are preliminary indications of Harm or potential Harm.** Key parts of the Project’s risk assessment, engagement, mitigation, and benefit sharing appear centered on six government-designated “host communities” tied to land acquisition or resettlement impacts which occurred approximately four decades ago, while apparently excluding certain contemporary stakeholders and potential Project Affected People (PAPs). This may result in Harm, including through inadequate engagement, risk identification, design of mitigation strategies, and barriers to access project benefits. In addition, numerous testimonials and plausible pathways provide preliminary indication of potential Harm related to environment, community health, and livelihoods.
- **There is preliminary indication that DFC has not fully complied with its Environmental and Social (E&S) Policy and Procedure (ESPP, 2020)** by accepting the absence of or relying on deficient impact and/or cumulative impact assessment studies, inaccurate identification of or exclusion of certain contemporary stakeholders and PAPs, and not ensuring their adequate engagement when designing E&S risk mitigation strategy.
- **There is preliminary indication that the alleged Harm is plausibly linked to the potential non-compliance of DFC with applicable policies and standards** as DFC’s accepted and relied on – what appears to be - deficient studies and engagement, resulting in incomplete mitigation strategy and requirements (action plans, systems, grievance mechanism, etc.) which allowed or encouraged the Client to continue implementing potentially deficient engagement and risk mitigation strategies (including project benefit sharing) centered around historic “host communities” while potentially excluding certain contemporary stakeholders or PAPs.

This Appraisal report will be circulated to DFC’s Management and Board, the Parties to the Request, and published via IAM’s [Public Registry of Cases](#). Next, the IAM will be initiating a compliance investigation to determine whether DFC has complied with its ESPP and its related regulatory framework, and whether there is Harm related to any DFC non-compliance. The investigation will be pursued in collaboration with IFC’s IAM. The terms of reference for the investigation is presented in Annex B.

Appendix A: Summary of the Request submitted to DFC's IAM

Greenleaf Advocacy and Empowerment Center and O-E'la Obor Eleme Organization (the General Assembly of Eleme People Worldwide), supported and advised by Bank Information Center, represent local communities that have suffered harm due to DFC's failures and omissions in the design and implementation of the project in Port Harcourt, Nigeria. The harm has been caused by DFC and IEFCL's non-compliance with DFC's environmental and social requirements, based on IFC's Performance Standards (PS) and failure to implement an Environmental and Social Management System (ESMS), detailing how DFC and the client, in consultation with the community, will address severe social and environmental issues resulting from the project.

DFC's failure to adhere to its environmental and social (E&S) policies around the Indorama Eleme Fertilizer III project has resulted in several environmental, gender, and labor harms to the local community. These include, but are not limited to:

- a) The community has experienced higher rates of adverse health effects resulting from increased pollution from urea fertilizer production, including dermatitis, chronic asthma and bronchitis, respiratory infections, hypertension, and pelvic inflammation diseases.
- b) Higher rates of malaria, now endemic to the area, due to increased population concentration from workers at the project site.
- c) The Okulu River, which has historically served as a source of drinking water, irrigation, and fish (for livelihoods and sustenance), has been destroyed due to IEFCL's discharge of contaminants and toxic effluent waste into the river.
- d) There are high extirpation rates of marine life and a loss of biodiversity of all flora/fauna in the region due to IEFCL's poisonous waste disposal practices, which pollute the watershed and river.
- e) Land devaluation in the region due to decreased agricultural and commercial potential resulting from the project's adverse environmental impacts.
- f) Air pollution from gas flares and poisonous emissions resulting from urea production. The pollution from the project has a very strong and offensive odor, which IEFCL claims is not harmful.
- g) Individuals in the community have lost their livelihoods due to environmental and health harms resulting from the project.
- h) There has been increased traffic congestion and road damage from heavy equipment transport from the seaport. A trip that should take 10 minutes now takes 3-4 hours.
- i) IEFCL paid disbursements to some members of the local population to gain consent for the project. However, IEFCL failed to disclose critical information about these disbursements, including the amount paid to individual local community members, and how those payments were determined relative to IEFCL's profit. IEFCL only disclosed a sum total amount it claims to have given to community members. Each community's acquired land varies in size, and each community has a different number of people. Therefore, in some communities, where there were fewer plots of land and many people, each person received a much smaller sum of money than in communities where there were many hectares of land and few people. This system is unfair and unjust because all people living in the vicinity of Indorama have experienced severe environmental and health harms and are entitled to compensation for these harms, regardless of the proportion of land to people in their community.

- j) Environmental harms from the project have contributed to the rapid decline of local life expectancy. Nigeria's life expectancy has declined to about 54 years, one of the world's lowest and reportedly even lower in the Eleme region.
- k) IEFCL has discriminated against and failed to provide equal employment opportunities to women, especially from the region. Women who have been hired have experienced gender-based discrimination and have also been disproportionately laid off without pay as compared to their male counterparts, particularly during the COVID-19 pandemic.
- l) IEFCL now owns much of the community's ancestral land, which women have historically farmed as a source of sustenance, livelihood, and economic power. Women no longer have access to this land and have thus lost their livelihoods as farmers, reducing their ability to provide for their families and children and leading to higher rates of hunger and malnutrition. There has also been an increase in children who are not in school because their families cannot afford the school fees, leading to a rise in unemployment and crime.
- m) There have been reports of severe reprisals and retaliations by IEFCL against community members who speak out against the project, including arrests, beatings, brutalization, and kidnappings, particularly of women and youths.

Failures to Comply with IFC Policy Requirements

The Indorama Eleme Fertilizer and Chemicals Limited/SPV Line III Project is subject to DFC's 2020 Environmental and Social Policy and Procedures (ESPP), including IFC's 2012 Performance Standards (PS) on Social and Environmental Sustainability, U.S. law, and Industry Sector Guidelines. Neither DFC nor IEFCL has met the requirements of PS 1, 2, 3, 4, and 6 (which was not triggered). Further, DFC and IEFCL did not develop mitigation hierarchy procedures for Performance Standard 6 despite the harm caused by this project on marine, freshwater, and terrestrial biodiversity.

- **Performance Standard 1** covers the Assessment and Management of Environmental and Social Risks and Impacts, requiring clients to "Adopt a mitigation hierarchy to anticipate and avoid, or where avoidance is not possible, minimize, and, where residual impacts remain, compensate/offset for risks and impacts to workers, Affected Communities, and the environment." IEFCL has failed to implement its mitigation hierarchy, as evidenced by the continued adverse impacts of the project on environmental and community health. Further, the mitigation hierarchy for PS1 states, "As a result of IFC's prior investment in the existing Lines 1 and 2, Indorama has established an environmental and social management system (ESMS) that is consistent with the requirements of the IFC's Performance Standards." This is unacceptable, given the open complaints on Lines 1 and 2 of the project and the documented harms detailed above. At a minimum, the client and DFC should be required to reevaluate the mitigation hierarchy procedures for PS1 for Line 3 in light of open complaints at CAO and the documented failure of the IEFCL to prioritize the prevention of harm.
- **Performance Standard 2** covers the client and DFC's obligation to "promote the fair treatment, non-discrimination, and equal opportunity of workers." By not granting women the same employment opportunities and disproportionately targeting women for layoffs without pay, IEFCL has failed in its obligation to abide by PS2. The ESIA states that "The Project needs to monitor that workers' rights are being respected in line with the requirements of Nigerian Law and IFC PS2 related to: working conditions, discrimination, equal remuneration, freedom of association, forced labour, child labour, grievance mechanism and worker accommodation (where provided)." However, IEFCL continues to employ between 250 and 400 percent more male workers than similarly situated and qualified female

workers. Out of a group of 40 young people pursuing employment with IEFCL, all of whom communicated with each other about employment opportunities via WhatsApp, approx. 20 men and only 5-8 women were hired.

- **Performance Standard 3** covers Resource Efficiency and Pollution Prevention, requiring clients and IFC to "avoid or minimize adverse impacts on human health and the environment by avoiding or minimizing pollution from project activities; to promote more sustainable use of resources, including energy and water, and; to reduce project-related GHG emissions." IEFCL's air, water, and land pollution through urea fertilizer production has dramatically reduced biodiversity and human health in the region. The ESIA states "All wastewater (including sewage) will be treated onsite and treated wastewater discharge will be in compliance with the ambient water quality criteria for the area where discharge will take place." However, it's clear from the pollution in the Okulu River, which has harmed the community's terrestrial and marine biodiversity and health, that IEFCL's wastewater treatment system does not achieve the desired outcomes. The polluted Okulu River has also led to a loss of livelihoods by local fishermen, butchers (who can no longer rely on the river to clean meat), and farmers, who have experienced much lower crop yields due to pollution in irrigation water.
- **Performance Standard 4** covers Community Health, Safety, and Security, requiring clients to "Anticipate and avoid adverse impacts on the health and safety of the Affected Community during the project life from both routine and non-routine circumstances, and to ensure that the safeguarding of personnel and property is carried out in accordance with relevant human rights principles and in a manner that avoids or minimizes risks to the Affected Communities." Given the high rates of preventable disease and death in the region caused by pollution of the air and water, the heightened risks and harms resulting from this project are clear. The community has continued to suffer from DFC and IEFCL's failure to implement sufficient mitigation hierarchy procedures around these harms.
- DFC claims that this project has no impacts that require management under **Performance Standard 6**, Biodiversity Conservation and Sustainable Management of Living Natural Resources, which is a stark omission. Given the scale of the investment, projected increases in production, and related increases of discharged ammonia and urea, this assessment is inaccurate.
- While DFC approved this project prior to finalizing its 2024 revised ESPP, the revised ESPP states that DFC does not "tolerate any action that amounts to retaliation or reprisals – including threats, intimidation, harassment, or violence – against those who voice their opinion regarding the activities of DFC or its Clients." IEFCL has been connected to the arrest, beating, brutalizing and kidnapping of community members who speak out against the project, in violation of DFC's policy. DFC should hold IEFCL accountable for these egregious actions and take steps to protect community members from these reprisals.
- Increasing access to healthy food is urgently needed to address food insecurity, particularly in Sub-Saharan Africa. However, increasing the use and production of chemical fertilizers, which harm the environment and human health, is not the answer. Providing credit, technology, and market access to the farmers and fishers whose livelihoods have been disrupted by IEFCL and to others like them would be more effective, sustainable, and aligned with DFC's ESPP and the IFC Performance Standards.

The Requesters wish to proceed through a compliance investigation and would like their complaints addressed by DFC and the client in the form of remedy.

Appendix B: Terms of Reference for Compliance Investigation



Terms of Reference for Compliance Investigation of IFC's and DFC's Environmental and Social Performance in relation to their Investment in Indorama Eleme Fertilizer and Petrochemicals Limited (IFC project #47723) at Port Harcourt, Nigeria

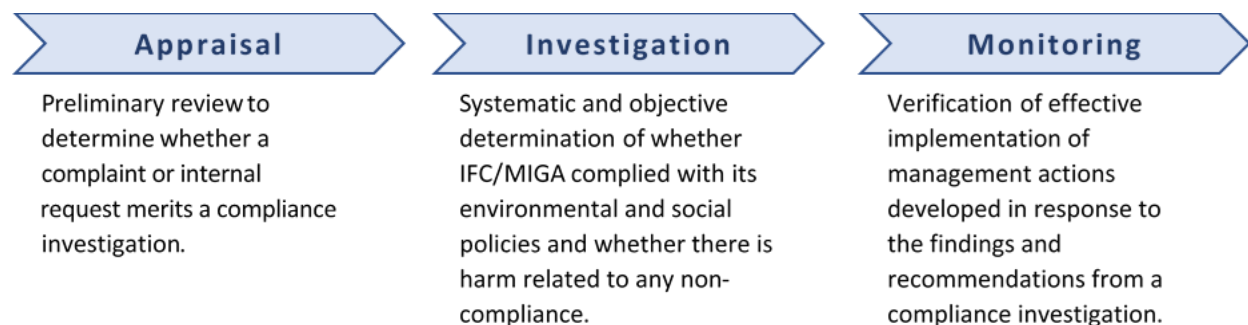
1. About CAO and the IAM of the U.S. International Development Finance Corporation

The Office of the Compliance Advisor Ombudsman (CAO) is the independent accountability mechanism of the International Finance Corporation (IFC) and Multilateral Investment Guarantee Agency (MIGA), members of the World Bank Group. We work to facilitate the resolution of complaints from people affected by IFC and MIGA projects in a fair, objective, and constructive manner, enhance environmental and social project outcomes, and foster public accountability and learning at IFC and MIGA. CAO is an independent office that reports directly to the IFC and MIGA Boards of Executive Directors. For more information, see www.cao-ombudsman.org.

The role of the Independent Accountability Mechanism (IAM) of the U.S. International Development Finance Corporation (DFC), which reports to DFC's Board and the U.S. Congress, is to (1) evaluate compliance with environmental, social, labor, human rights, and transparency standards, (2) deliver mediation and problems-solving services in conflicts, and (3) provide an advisory function to DFC. The flowchart below depicts the process the IAM follows when receiving a request for its compliance and problem-solving functions. For more information, see <https://www.dfc.gov/our-impact/transparency/independent-accountability-mechanism>.

About the CAO and IAM Compliance Functions

The CAO and IAM compliance functions are very similar and are designed to review their respective institutions' compliance with environmental and social policies, assesses related harm, and recommend remedial actions where appropriate. CAO's and the IAM's compliance functions follow a three-step approach:



2. Context and Investment

In 2007 Indorama Corporation purchased a petrochemical facility at Port Harcourt, Nigeria. In 2010, Indorama Corporation established Indorama Eleme Fertilizer & Chemicals Limited (IEFCL) for the purpose of developing and operating a nitrogenous fertilizer facility at a site it owned in Port Harcourt.⁶ The Indorama Corporation operates a petrochemical facility at the same site.

In 2012, IFC approved a loan package to IEFCL to build the first fertilizer plant. This included a US\$150 million loan from IFC's own account, US\$75 million in syndicated loans, and US\$150 million mobilized from several other development finance institutions, including DFC.⁷ The fertilizer facility was commissioned in June 2016 and the loan repaid in February 2024.⁸

In June 2018, IFC agreed to finance the company's expansion of its fertilizer facility ('Line II'). This package consisted of: an IFC loan of US\$120 million; a US\$50 million loan with IFC acting in its capacity as implementing entity for the Managed Co-Lending Portfolio Program (MCPPI); and up to \$850 million in syndicated loans.⁹ In March 2024, IFC and DFC financed further expansion at the facility ('Line III') in the form of: an IFC loan of US\$215.5 million; (b) US\$94.5 million in MCPPI loans; and US\$940 million in syndicated loans.¹⁰ Part of this new investment will finance a jetty/port terminal situated 20 kilometers from the IEFCL site to facilitate the export of all urea produced under Eleme Line III.

3. The Complaint

On May 30, 2024, CAO received complaints from the Eleme community, filed by local civil society organizations with the support of Bank Information Center (BIC), regarding the IFC investment in IEFCL Line III. A very similar request (complaint) was also submitted to DFC's IAM on August 16, 2024. The complainants state that the IEFCL Line III investment will exacerbate alleged existing Lines I and II impacts including air and water pollution—adversely affecting health, biodiversity and livelihoods loss—land devaluation in the region due to decreased agricultural productivity, and traffic safety and congestion due to increased traffic and hazardous material transport. They also claim the IFC/DFC client conducted inadequate consultations during project preparation, with women allegedly losing access to ancestral lands and being unfairly laid off without compensation. Additionally, the community complainants report health issues, contaminated water sources, and concerns over a lack of transparency, including the company's failure to share environmental data and its Cumulative Impact Assessment, hindering proper public understanding of the project's broader impacts.

4. Investigation Terms of Reference

In the present case, separate appraisal processes by CAO and IAM have resulted in a decision to conduct a compliance investigation. CAO and IAM will conduct separate, parallel, compliance investigations with

⁶ Bloomberg, Indorama Eleme Fertilizer and Chemicals Ltd Available at <https://bloom.bg/2zqs73u>. Indorama Corporation has majority ownership and control of IEFCL.

⁷ IFC Disclosure, Summary of Investment Information, project number 30967. Available at <http://bit.ly/2OydqFS>

⁸ IFC Disclosure, Summary of Investment Information, project number 42187. Available at <http://bit.ly/2RdTrdH>. IFC Management Response to CAO Complaint on Indorama Eleme Fertilizer and Chemical Limited, Nigeria. June 13, 2024

⁹ IFC Disclosure, Summary of Investment Information, project number 40420. Available at <http://bit.ly/2GGN6Da>. CAO Assessment Report, February 2019. Available at <http://bit.ly/33nkM2i>.

¹⁰ IFC Disclosure, Summary of Investment Information, project number 47723. Available at <https://bit.ly/4fmvWJS>

joint terms of reference, outlining:

- a) *The objectives and scope of the investigation*
- b) *Any limitations on the scope of the investigation that may be appropriate, considering, among others, issues closed at the appraisal stage, the presence of concurrent judicial proceedings, or an IFC/MIGA or DFC investment exit*
- c) *The approach and method of investigation, and specific consultant qualifications*
- d) *A schedule for the investigation tasks, timeframe, and reporting requirements, to include deadlines for the submission of information by IFC/MIGA and DFC to inform the compliance investigation process.*

5. Objective and Scope of the Compliance Investigation

In June 2025, the CAO and DFC released their separate compliance appraisal reports. The reports identified questions regarding IFC and DFC review and supervision of Indorama's environmental and social procedures associated with air and water pollution, approach to stakeholder engagement, and the specific issues related to land, traffic safety, and labor raised in the complaint.

The CAO and IAM investigations will determine whether IFC and DFC complied with their environmental and social (E&S) policies relevant to the investment in question and whether there is Harm related to any IFC or DFC noncompliance. CAO and IAM will include, where appropriate, an assessment of whether IFC or DFC deviated in a material way from relevant policies, directives, and procedures.

As set out in CAO's and IAM's appraisal reports, CAO and IAM will conduct a joint compliance investigation of IFC's investments in IEFCL in relation to the issues raised in the complaint related to Indorama Eleme Fertilizer and Chemicals Limited Line III (IEFCL Line III).

The objective of the investigation is to determine:

- Whether IFC has complied with its E&S policies, and specifically whether IFC has conducted adequate ESDD and supervised its investment in IEFCL Line III as required by the Sustainability Policy
- Whether DFC has complied with its E&S Policies and Procedures (2020), specifically whether DFC has conducted adequate ESDD and supervised its investment in IEFCL Line III as required by the ESPP
- Whether there is Harm or potential Harm to the complainants related to any IFC and DFC noncompliance.

In considering findings regarding Harm and whether any Harm is related to IFC and DFC non-compliance, CAO and IAM will consider project-level E&S performance particularly in relation to the application of the following Performance Standards to the project, which are relevant to the issues raised in the complaint:

- PS1 (Assessment and Management of Environmental and Social Risks and Impacts) in relation to: identification and mitigation of all E&S risks and impacts; cumulative impacts assessment;

stakeholder identification and engagement including information disclosure, consultation with affected communities, a process of Informed Consultation and Participation (ICP), and the project grievance mechanism.

- PS3 (Resource Efficiency and Pollution Prevention) in relation to adverse current and future impacts on human health, the environment, and ecosystem services due to pollution (affecting ambient air quality), and alternatives to and management of GHG emissions.
- PS4 (Community Health, Safety and Security) in relation to adverse impacts on human health and use of security forces, and threats and retaliation against those who raise concerns about the project.
- PS6 (Biodiversity Conservation and Sustainable Management of Living Natural Resources) in relation to biodiversity risks and impacts on the fish population and other ecosystems and resulting impacts to ecosystem services.

6. Methodological Approach

CAO and IAM will base their compliance investigations on information available from interviews, statements, reports, correspondence, CAO and IAM observations of activities and conditions, and other sources they deem relevant.

The compliance investigation process and compliance investigation reports will include:

- a) The investigation findings with respect to compliance, non-compliance, and any related Harm*
- b) Context, evidence, and reasoning to support CAO/DFC findings and conclusions regarding the underlying causes of any non-compliance identified*
- c) Recommendations for IFC and DFC to consider in the development of a Management Action Plan (MAP) relating to the remediation of project-level noncompliance and related Harm, and/or steps needed to prevent future non-compliance, as relevant in the circumstances. In case of a project where an IFC or DFC exit has occurred, recommendations will consider the implications of such an exit.*

Sufficient, relevant evidence is required to afford a reasonable basis for CAO's and IAM's compliance findings and conclusions. CAO and IAM will assess whether there is evidence that IFC/MIGA and DFC applied relevant E&S requirements considering the sources of information available at the time the decisions were made, and will not make findings and conclusions with the benefit of hindsight.

7. External Expert(s)

In line with established practice, CAO and DFC will engage one or more external experts for their compliance investigations, and consider the following qualifications as necessary:

- Significant expertise in evaluating and implementing E&S risk management systems
- Knowledge of IFC's and DFC's E&S policies, standards, and procedures
- Experience and knowledge of conducting E&S reviews of large nitrogenous fertilizer facilities

- Demonstrated ability to analyze policies and practices and develop proposals for reform in complex institutional contexts
- Significant expertise and experience in assessing risks and potential impacts to riverine biodiversity as well as designing and implementing preventive and mitigating measures to protect biodiversity, particularly in the context of fertilizer projects
- Demonstrated knowledge of ecosystem services assessment, species conservation, habitat restoration, and biodiversity impacts from human activities with a focus on IFC PS6
- Proficiency in techniques and best practices for controlling and mitigating air pollution, with a focus on compliance with IFC PS3
- Experience and knowledge relevant to conducting compliance investigations
- Fluency in English.

8. Field Visit and Potential Limitations of the Investigation

A field visit to the complainants' community and IEFCL's complex facilities and offices is anticipated during the compliance investigation. The CAO and IAM case teams and external experts are expected to participate in any field visit.

9. Compliance Investigation Schedule, Timeframe, and Reporting Requirements

According to the CAO Policy¹¹, the timeline of which will be mirrored by DFC, a draft compliance investigation report must be circulated within one year of the disclosure of an appraisal report. A draft compliance investigation report for this case will be circulated to IFC and DFC management and all relevant departments for factual review and comment. IFC and DFC Managements may share the draft report with the client on the condition that appropriate measures are in place to safeguard the confidentiality of the draft report prior to public disclosure. IFC and DFC will have 20 business days to provide written comments.

At the same time, the draft investigation report will be circulated to the complainants for their factual review and comment, provided that appropriate measures are in place to safeguard the confidentiality of the draft report prior to public disclosure. If such confidentiality measures are not in place, complainants will, at a minimum, receive a draft table of the investigation's findings for factual review and comment and as a source of information to inform future consultations on any IFC and DFC Management Action Plans (MAPs).

Upon receiving comments on the consultation draft from IFC, DFC, and the complainants, CAO and IAM will finalize their respective investigation reports. These final reports will be submitted to IFC and DFC's senior management and circulated to their respective Boards for information. The Boards have no editorial input on the content of a CAO and IAM compliance investigation report. Once this step is taken, CAO and IAM will notify the public on their websites of the investigations' completion.

¹¹ CAO Policy, para. 121.

Upon CAO's and IAM's final submission of the compliance investigation reports to IFC and DFC, IFC and DFC Managements will have 50 business days to submit a management report to their Boards for consideration. The management reports must each include a MAP for Board approval containing time-bound remedial actions that IFC and DFC propose for the purpose of addressing CAO and IAM findings of non-compliance and related Harm. The reports must also include a reasonable response to CAO and IAM findings or recommendations on non-compliance or related harm that IFC and DFC are unable to address in their MAPs.

IFC and DFC must consult with the complainants and clients during their MAP preparation processes. CAO and IAM will submit comments on the proposed MAPs to their Boards, and the complainants may submit a statement to CAO and IAM on the proposed MAP and the adequacy of consultations for circulation to their Boards. Upon the Boards' approval of the MAPs, the compliance investigation reports, IFC and DFC management reports, and MAPs will be published on CAO's and DFC's website.