

MAKHTAR DIOP
Managing Director

November 10, 2023

Mr. David Pred
Inclusive Development International
USA

Dear Mr. Pred and Colleagues,

On behalf of President Banga, I write to you in connection with your statement of October 19, 2023.

We appreciate your attention and advocacy on this matter and like you we are deeply disturbed by the reports of child sexual abuse in one of our projects. We do not tolerate any form of abuse in the projects we finance, and we are deeply grateful to the courageous survivors who came forward. We want to make clear that sexual abuse of children, or any form of gender-based violence, is terrible and unacceptable and contradicts our values and mission. The World Bank's new gender strategy calls for an end of gender-based violence as one of its core priorities. I would also like to underscore my personal unequivocal commitment to addressing gender-based violence in all its forms.

IFC invested in Bridge International Academies in 2013 and 2016 with the aim of providing access to basic, quality education to students from low-income backgrounds in Kenya. We worked with Bridge to address gender-based and child safety issues. Specifically, we conducted a GBV-focused mission to Bridge that resulted in the development of a Child Safeguarding Action Plan. The Plan included an updated child protection policy, the hiring of dedicated child protection staff, and training programs for teachers, students, and parents in Bridge-operated schools. The Child Safeguarding Action Plan was adopted by Bridge's board of directors.

In addition, we hired a global specialist in gender-based violence to work with us to strengthen protections for vulnerable children and women in our projects and to educate IFC staff in how to identify and respond to instances of gender-based violence.

IFC subsequently exited its investment in Bridge in March 2022 and currently only holds a small stake in Learn Capital, a fund that supports many learning ventures around the world, including Bridge. We left Bridge consistent with the pilot 'Responsible Exit' principles, which aim to

address outstanding environmental and social issues with investee companies, to the extent practicable, prior to exiting the investment. IFC is not making any new direct investments in private fee-charging K–12 schools.

We know our work is not done. We are doing and will continue to do more to address gender-based violence and strengthen our ability to prevent such incidents in the future. IFC has launched an in-depth portfolio review to identify projects with elevated risks of gender-based violence, including against children. This will allow us to proactively develop action plans for prevention and mitigation in projects that need them. This is a top priority for us, and we have already hired four experts in gender-based violence to support this effort. We plan to hire additional gender-based violence specialists in the field by early 2024.

Furthermore, I am launching a review to look carefully at our operations and make any necessary additional adjustments to strengthen them so we can do better. Specifically, I am sending a high-level mission to Kenya and other countries, led by a Vice-President, to get a much deeper understanding of this problem on the ground, including what can be done to address the systemic issues that go beyond individual projects. IFC is known for its leadership on social and environmental standards and will continue to learn from experience and improve.

I would also like to respond to some of the concerns set out in your joint statement.

The World Bank is proud of its independent, robust, and effective accountability mechanisms. We believe that their work strengthens our ability to deliver on our mission. As you are aware, the Office of the Compliance Advisor Ombudsman (CAO) has issued to the IFC Board and Management its final and unredacted investigation report into child sexual abuse at Bridge schools on October 4, 2023. We are currently reviewing the report and are committed to addressing the findings diligently and transparently. Per the [2021 CAO Policy](#), both the investigation report and IFC's Management Report and Management Action Plan – including management's response to the CAO's findings and proposed, time-bound remedial actions – will be published once approved by our Board of Directors.

Regarding the process of appointing the current CAO Director General, we would like to clarify that the previous CAO Director-General served his full term. The new CAO Director General, Ms. Janine Ferretti was selected unanimously from outside the World Bank Group through a transparent, competitive process led by an independent multi-stakeholder selection committee, which included two members from civil society, two members from the business community and two members from the IFC Board of Directors. In this regard, we want to reiterate the importance of safeguarding the independence of the CAO.

Regarding the “confidentiality agreement” between IFC and Bridge, we wish to clarify that the agreement was designed to enable the CAO's access to information and facilitate Bridge to cooperate with the investigation beyond our investment. This enabled CAO to complete its investigation and issue its report.

We acknowledge your concern regarding protecting whistleblowers. Our staff rules apply to all World Bank Group employees and expressly prohibit managers and others from engaging in any form of retaliation against any person who reports misconduct. These rules specifically provide whistleblower protections.

Please be assured that we are addressing the outcomes of the investigation decisively. As a development institution that aims to end poverty on a livable planet, the issue is of utmost importance to us and has our full attention.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Makhtar Diop', is centered on the page. The signature is fluid and cursive, with a large initial 'M' and a long horizontal stroke extending to the right.

Makhtar Diop
Managing Director
International Finance Corporation