## Demanding Accountability: Joint Statement in Response to Reports of a Child Sexual Abuse Cover Up at the World Bank

## October 19, 2023

The undersigned organizations are gravely concerned about the <u>recent media report</u> of child sexual abuse at Bridge International Academies in Kenya, and allegations that the World Bank's International Finance Corporation (IFC) for years turned a blind eye to the abuse.

IFC held an equity stake in Bridge between 2013-2022. In 2018, the East Africa Centre for Human Rights (EACHRights) filed a complaint to the IFC's Compliance Advisor Ombudsman (CAO) on behalf of parents, former teachers and community members concerning labor, health and safety conditions at Bridge's schools in Kenya. During its investigation of the complaint in Februray 2020, the CAO learned about child sexual abuse at Bridge schools. The CAO initiated an investigation into the child sexual abuse allegations in September 2020. Its final investigation report was completed and circulated to the World Bank Group board the week prior to the Annual Meetings.

The CAO investigation is reported to have found that IFC ignored evidence of child sexual abuse at Bridge schools for years before CAO raised the alarm. The investigation found that IFC's failure to address the abuse at Bridge International Academies contributed to a situation where children were exposed to unacceptable risks of abuse and the harm to many victims has not been addressed. Without providing the victims with any measure of justice, IFC divested from Bridge in March 2022.

We were shocked to learn that, shortly after CAO uncovered the child sexual abuse allegations at Bridge schools, IFC and Bridge entered into a non-disclosure agreement (NDA) or a "wide-ranging confidentiality agreement that purports to cover CAO's work," which "includes commitments from IFC that CAO will not disclose information that [Bridge] asserts to be confidential."<sup>1</sup> The Intercept reports that IFC General Counsel Chris Stephens was closely involved in negotiating the NDA. It is inexplicable that the IFC would approve an NDA with a client that binds the CAO, without its involvement or consent, in the middle of a child sexual abuse investigation. Without speculating on IFC's intent, the effect of the NDA was to obstruct disclosure of the CAO investigation report, covering up details of a child abuse scandal and IFC's involvement in it.

The NDA is an egregious violation of IFC's Access to Information Policy and a gross infringement on CAO's independence and ability to carry out its mandate. Anyone at IFC involved in covering up sexual exploitation and abuse in this case should immediately resign.

<sup>&</sup>lt;sup>1</sup> CAO, Compliance Appraisal (Bridge International Academies), December 2020, p.7-8. See: <u>https://tinyurl.com/36fdm9zk</u>

We are also shocked that former World Bank President David Malpass terminated the head of the CAO shortly after his staff uncovered these explosive allegations. President Malpass selected a new CAO Director General with a background in bank management. The current CAO leadership has failed to consult with affected communities on the draft compliance report in this case, leaving the most critical voices out of the process. Worryingly, the first complaint raised to the CAO about Bridge has yet to conclude its investigation phase, which began in 2019, and additional child sexual abuse victims who came forward in 2023 have faced lengthy delays in having their complaints accepted by CAO.

The notes from a September 12, 2020 call between IFC and Bridge executives - published in the Intercept article - discussing a plan to derail CAO's investigation and "neutralize" its lead investigator on the case, Daniel Adler, and reports that he was placed on administrative leave days before the investigation report was finalized, suggest serious interference in the CAO process by IFC management. This alleged interference must be independently investigated.

This case illustrates in the starkest terms the accountability crisis that is currently facing the World Bank Group. We implore the Board to take the following actions to begin to address this crisis and to address the harm caused to the children and others impacted by the Bridge investment:

- Instruct CAO to share its draft investigation reports regarding Bridge with the original complainants (represented by EACHRights) and with all those who have complained to CAO about child abuse at Bridge schools and instruct IFC to consult these complainants on its Management Action Plan in response to the investigation report.
- Publicly disclose the investigation report in full and without redactions, providing only for appropriate confidentiality for the victims, with no regard to the NDA which should not bind the CAO;
- Establish an IFC fund to redress harm suffered by any child sexual abuse survivors during the period of its support for Bridge schools;
- Require IFC to adopt new, effective measures to prevent and address child sexual exploitation where it occurs across its portfolio;
- Conduct an expeditious, independent and thorough investigation of the allegations that World Bank Group and Bridge management colluded to obstruct and delay CAO's investigation of the child sexual abuse allegations and seek the resignation of anyone who is found responsible; and
- Recognize World Bank staff who have reported these issues as whistleblowers and have zero tolerance for any reprisals against them.

Signed by:

Accountability Counsel ActionAid International African Law Foundation (AFRILAW) Arab Watch Coalition Articulación Salvadoreña para la Incidencia en las IFIs (El Salvador) Bank Information Center BothEnds Bretton Woods Project Center for Financial Accountability (India) Center for International Environmental Law (CIEL) EACHRights Education For All Coalition (Sierra Leone) **Education International** Friends of the Earth - US Gender Action Global Campaign for Education (GCE) Global Campaign for Education-US (GCE-US) Global Initiative for Economic, Social and Cultural Rights (GI-ESCR) Global Labor Justice-International Labor Rights Forum Green Advocates International **Inclusive Development International** Initiative for Social and Economic Rights (Uganda) Institute for Justice and Democracy (Haiti) Jamaa Resource Initiatives (Kenya) Manushya Foundation (Thailand) Oxfam Peace Point Development Foundation (Nigeria) Recourse **Right to Education Initiative** Sustentarse (Chile) Urgewald World Organisation for Early Childhood Education (OMEP)