



Setting A Strong Policy Foundation For the New World Bank Group Independent Accountability Mechanism

The creation of the new World Bank Group (WBG) Independent Accountability Mechanism (IAM) marks a major shift in the institution's approach to environmental and social accountability. This shift comes with serious risks to the many project-affected communities around the world who suffer harm, and to the WBG's reputation as a high integrity institution.

The new IAM's "primary role remains to provide an independent and accessible forum for people who believe that they have been, or are likely to be, adversely affected by a WBG-financed operation to file a complaint and seek recourse, improve accountability and learning, facilitate dispute resolution, ensure compliance with the E&S policies of the WBG, enhance E&S sustainability and reduce the risk of harm to people and the environment."¹ A strong policy foundation for the new IAM is vital to ensuring that it can deliver on its role and mandate effectively. The WBG Boards have committed to a new IAM Policy Framework that "builds on the experience of the existing IAMs and is guided by the principle of non-regression."²

The Task Force on the Integration of World Bank Group Independent Accountability Mechanisms identified several areas where there is a discrepancy between the policies of the Inspection Panel and Dispute Resolution Service (public sector) and the Compliance Advisor Ombudsman (private sector). Currently, many of the Inspection Panel/DRS policies are weaker than the CAO policy.³ In the spirit of the principle of non-regression, which the Boards have committed to, the current strengths in the CAO policy should be maintained for private sector investments and should also be expanded to public sector investments. Notably, none of the peer MDB IAMs examined in the Task Force's report make distinctions in their policies for public versus private sector investments, even though they lend to both types of Clients.

¹ World Bank Group, Jobs, Director General, WBG Independent Accountability Mechanism (Posted August 3, 2026)

<https://worldbankgroup.csod.com/ux/ats/careersite/1/home/requisition/37822?c=worldbankgroup>.

² World Bank Group, Press Release, World Bank Group Boards Strengthen Independent Accountability Mechanisms (Posted June 9, 2026) <https://www.worldbank.org/en/news/press-release/2026/06/09/world-bank-group-boards-strengthen-independent-accountability-mechanisms>.

³ The Targeted CAO Review Report also noted the strength of the 2021 CAO Policy (para. 89).

We understand that a working group is developing recommendations for the new IAM policy, and we provide the following recommendations from a community-centered perspective. As CSOs who have supported communities to use each of the WBG IAMs, we present each policy recommendation with a short explanation of how it impacts communities seeking to use the accountability mechanism. Effectiveness for project-affected communities must be the guiding star for the working group's recommendations.

Issue: Purpose of the New Independent Accountability Mechanism

Why this Matters for Communities Affected By WBG Projects: IAMs serve many purposes, which include promoting institutional learning and facilitating accountability to institutional commitments. Project-affected communities approach IAMs to achieve remedy for the harms they have suffered. The IAM purpose statement must reflect all of these aspects of the IAM's mandate, including the facilitation of remedy. A failure to include facilitating remedy for harm in the purpose statement would mark a serious regression from the current CAO policy and would undermine complainant confidence in the mechanism. Moreover, if complainants cannot secure remedy through the IAM, the World Bank Group will face increased legal and reputational risks.

Policy Recommendation: Model the new IAM's remedy mandate on the CAO Policy's remedy mandate - "In executing its mandate, CAO facilitates access to remedy for Project-affected people in a manner that is consistent with the international principles related to business and human rights included within the Sustainability Framework," (CAO Policy, para. 5). The Task Force's final report recommends that the World Bank IAM adopt a purpose statement that is based closely on CAO's purpose statement (Task Force report, para. 170).

Issue: IAM DG/VP selection process

Why this Matters for Communities Affected By WBG Projects: Communities must be able to trust the independence and professionalism of the IAM leadership. A selection process that includes civil society and other external stakeholders on the selection committee, as does CAO's, helps engender the legitimacy of the IAM.

Policy Recommendation: Include the CAO policy's requirement for civil society stakeholders to serve on the selection committee - "The CODE Chair and Vice-Chair will appoint six people to form the selection committee, including two Executive Directors, two senior representatives from the global business community, and two senior representatives from the civil society community, and appoint one of these Executive Directors as chair of the selection committee," (CAO Policy, para. 15).

Issue: Intake and Admissibility/Eligibility

Why this Matters for Communities Affected By WBG Projects: Accessibility is a fundamental requirement for a well-functioning IAM. Overly complicated intake and admissibility requirements create barriers to entry that block legitimate complaints, ultimately reducing the World Bank Group's ability to address and learn from problems on the ground. Moreover, when complainants cannot access the IAM, the World Bank Group faces increased legal and reputational risks.

Policy Recommendation: Adopt eligibility requirements that focus on core admissibility criteria and do not create access barriers, as described below:

Sub Issue: Number of Complainants

Why this Matters for Communities Affected By WBG Projects: There is no correlation between the existence of harm and the number of complainants. Even just one project-affected person should have the right to seek redress for harm.

Policy Recommendation: Adopt the CAO Policy's approach, which does not require any minimum number of complainants - "Any individual or group, or representative they authorize to act on their behalf, who believes they are or may be harmed by a Project or Sub-Project may lodge a complaint with CAO" (CAO Policy para 30). The Task Force recommended taking this approach across public and private sector operations as the "harmonize upward" option (Task Force Report, para 184).

Sub Issue: Non-local Representation

Why this Matters for Communities Affected By WBG Projects: Complainants should be able to freely choose their representatives, without having to seek an exception for non-local organizations. There are many reasons project-affected people may want support from non-local or international organizations, including local retaliation risks, preexisting trusted relationships, and expertise on particular issues, institutions, or the complaint process itself. The restriction on complainants is also inequitable: the World Bank Group and its borrowers are not restricted in their choice of representation during complaint processes.

Policy Recommendation: Adopt the CAO Policy, which does not restrict complainants' choice of representation - "Any individual or group, or representative they authorize to act on their behalf, who believes they are or may be harmed by a Project or Sub-Project may lodge a complaint with CAO...If the party lodging the complaint is doing so on behalf of a Project-affected person(s), such party should identify on whose behalf the complaint is made. Such party should also present evidence that it has been requested to present the complaint on behalf of the Project-affected person(s)" (CAO Policy paras 30, 33(b)). The Task Force recommended removing the exception requirement for public sector cases as an option (Task Force Report para 185).

Sub Issue: Complainant in Territory of the Borrower

Why this Matters for Communities Affected By WBG Projects: Project-affected people should not be barred from raising complaints about cross-border impacts they are experiencing. Many World Bank Group-funded projects, including dams, mines, roads, and other infrastructure projects, have the potential to cause environmental and social impacts across country borders. Any complainants experiencing such impacts should have access to the accountability mechanism.

Policy Recommendation: Adopt the CAO Policy, which does not require complainants to be located in the Borrower's territory - "Any individual or group, or representative they authorize to act on their behalf, who believes they are or may be harmed by a Project or Sub-Project may lodge a complaint with CAO" (CAO Policy para 30). Note that the

accountability mechanisms of other development finance institutions that lend to public sector clients, such as the AfDB's IRM, EBRD's IPAM, and EIB's CM, do not require complainants to be located in the Borrower country. The ADB's AM allows complaints from people in the borrowing country or in a member country adjacent to the borrowing country.

Sub Issue: Harm (without the need to specify non-compliance)

Why this Matters for Communities Affected By WBG Projects: Communities may not be familiar with the specific institutional policies applicable to a particular project or even have transparency into all the relevant project documents. Project-affected people are often marginalized, remote communities without access to information through the internet, and who have been further disadvantaged by the WBG-project. The IAM has sufficient information about the nature of the complaint if affected communities describe the alleged harm or their concerns. Complainants should not be required to specify areas of non-compliance in the complaint.

Policy Recommendation: Adopt the CAO policy, which does not require complainants to specify areas of non-compliance - "There are no formal requirements for lodging a complaint with CAO, but...the Complainants may wish to provide information on the following:...[h]ow the Complainants thinks noncompliance with E&S policies may have occurred, without the need to specify particular policies, guidelines, or procedures" (CAO Policy paras 33, 34(b)). The Task Force recommended that across all WBG operations, complaints should only be required to allege environmental or social harm, not policy non-compliance (Task Force Report, para. 180(a)).

Sub Issue: Prior Engagement

Why this Matters for Communities Affected By WBG Projects: There are many reasons why it may not be feasible for project-affected people to attempt to resolve their grievances with the client/borrower or the World Bank Group prior to accessing the IAM. For example, WBG staff and clients may not always be accessible or equipped to address grievances. Communities may fear reprisals if they attempt to challenge or oppose a project through local institutions and offices, particularly those lacking the ability to keep their identities confidential. Communities may also find it futile to try to engage with the same actors who contributed to the project-related harms.

Policy Recommendation: Adopt the CAO Policy, which does not require complainants to have first engaged with the Borrower or WBG management - "There are no formal requirements for lodging a complaint with CAO, but...the Complainants may wish to provide information on the following:...[w]hether anything has been done by the Complainant to attempt to resolve the problem, including any contact with IFC/MIGA staff, the Client, Sub-Client, or the host government, and what aspects remain unresolved" (CAO Policy paras 33, 34(a)). The Task Force agreed that across WBG operations, complainants should not be required to have previously engaged with management (Task Force Report para 180(b)).

Sub Issue: Time Limits (pre approval and post project closure eligibility)

Why this Matters for Communities Affected By WBG Projects: Project-affected communities may wish to raise a concern to an IAM at any point within the project cycle, from before project approval, to after closure. Allowing complaints to be found eligible before project approval strengthens prevention of potential harm, as the financial institution has more leverage and ability to influence project design at this early stage. Allowing complaints to be filed after project closure is also important, as some kinds of harm do not become evident until late in implementation. In addition, lack of transparency and disclosure around projects often makes it difficult for communities to know which financial institutions are supporting the project, which can delay their ability to file a complaint until later in the project cycle.

Policy Recommendation: At minimum, adopt the Inspection Panel's approach to eligibility before project approval and after project closure - "A Request may be submitted starting at the stage at which a project is under consideration by Management...For projects approved by the Board on or after September 8, 2020, the Request cannot be filed more than 15 months after the Closing Date of the loan financing the project" (Inspection Panel Operating Procedures para. 13). Note that most other IAMs allow complaints to be filed more than 15 months after project closure. ADB AM, EBRD IPAM, and IDB MICI allow complaints to be found eligible up to 24 months after closure, and AfDB IRM allows complaints up to 24 months after the harm is discovered (or 24 months after project closure, whichever is later).

Issue: Complainant Choice

Why this Matters for Communities Affected by WBG Projects: Project-affected people are the experts on the harm they are experiencing and should retain authority to make decisions about which complaint process best suits their needs. Complainants often approach IAMs about project-related harm that stems from a lack of consultation and information disclosure, so it is important not to replicate this dynamic within the accountability process meant to facilitate corrective actions and remedy.

Policy Recommendation: Adopt policies that enshrine complainants' right to informed choice of process, as described below:

Sub Issue: Choice Between Dispute Resolution and Compliance

Why this Matters for Communities Affected By WBG Projects: Some communities enter into the IAM process knowing which IAM function they would like to pursue. Complaints requesting a dispute resolution process should not be required to undergo a separate eligibility process related to compliance review, as this could delay access to dispute resolution. Likewise, complainants who know that they only want compliance review should not be held up in lengthy assessments whether dispute resolution is viable.

Policy Recommendation: Build on the CAO's approach, which allows complainants to immediately access dispute resolution or compliance review after a complaint has been found eligible - "During the assessment process, the Complainant and the Client and/or Sub-Client decide whether they would like to initiate the CAO's dispute resolution or compliance function. If both Parties agree to undertake dispute resolution, CAO will

facilitate this process. If there is no agreement, the complaint will proceed to CAO's compliance function" (CAO Policy para 59). The Task Force agreed that the WBG IAM should give complainants the choice between dispute resolution and compliance after the complaint is determined eligible and before any determination relevant to authorizing a compliance investigation (Task Force Report para 188(a)).

Sub Issue: Referrals

Why this Matters for Communities Affected By WBG Projects: While complainants should not be required to engage with WBG management prior to an IAM complaint (as discussed above), some complainants would appreciate the opportunity to engage with management if contact were facilitated. However, a referral to management should always be voluntary and time-bound, with complainants retaining the ability to access the IAM process at any time.

Policy Recommendation: Adopt the CAO's approach, which allows complainants to choose for the complaint to be referred to management and allows the complainants to return to the IAM at any time - "In the event that the Complainant ...[wishes], CAO will refer such complaint to IFC/MIGA and/or the Client or Sub-Client. Complainants who have decided to pursue their complaint with IFC/MIGA and/or the Client or Sub-Client may notify CAO at any time of their desire to resume the processing of the complaint by CAO in accordance with this Policy" (CAO Policy para 39). This is consistent with the Task Force's recommendation, which refers more explicitly to the WBG Management Grievance Mechanisms (GMs) and urges that both the IAM and GM should make clear to complainants that they have the choice to return to the IAM. The Task Force also recommends that the GM should facilitate the transfer of unresolved referred complaints back to the IAM, and, with the consent of the complainants, provide the IAM with information on how it has handled the case. (Task Force report, para. 190). Additionally, based on recommendations of the CAO Targeted Review Team, any referral process needs to include obligations on management regarding clear and timely communication with complainants throughout the process, as well as public and internal reporting requirements to ensure accountability and transparency.

Sub Issue: Deferrals

Why this Matters for Communities Affected By WBG Projects: As discussed above, complainants should not be forced to directly engage with management but may appreciate the opportunity during the complaint process.

Policy Recommendation: Allow complainants to choose if they wish for the complaint to be deferred to management. As discussed by the Task Force report (para. 191), this deferral process should be based on the complainant's informed choice and have a timeframe for the agreed plan to be implemented. Additionally, the complainant should have the right to leave the deferral process at any time and return to the IAM process, and management should be required to publish ongoing updates on deferred cases.

Issue: Dispute Resolution Timeline

Why this Matters for Communities Affected By WBG Projects: Successful dispute resolution processes provide a unique opportunity for directly affected communities and World Bank Group clients/borrowers to mutually agree on a path forward to remedy harm, build trust and create sustainable solutions. While poorly managed dispute resolution processes can languish unproductively, leading to fatigue and disillusionment of the parties, imposing arbitrary timelines can be equally detrimental to the likelihood of success. Moreover, in the context of dialogue processes where there is typically a serious power imbalance between the parties, strict time limits run the risk of coercing communities, who may not have other viable options, into agreements that do not sustainably address the serious harm that led to the complaint in the first place. In such cases, the World Bank Group runs the risk of subsequent complaints about the same project or other escalating risks.

Policy Recommendation: Do not institute arbitrary dispute resolution timelines. Some cases can and should be closed quickly, while others require a significant time investment to produce results. The Head of Dispute Resolution must be given the authority to make case-by-case decisions informed by the mediation team's deep familiarity with the case. Case closure determinations should focus on the likelihood of successful resolution.

Issue: Compliance

Sub Issue: Self-Initiation

Why this Matters for Communities Affected By WBG Projects: There are instances where serious harm is occurring from a WBG project, but communities may not be able to directly approach the IAM. This could be due to severe retaliation risks (even if confidentiality is promised), a lack of capacity to engage (especially in situations of extreme hardship or duress), etc. Providing the IAM the ability to self-initiate an investigation based on credible information gives an avenue to address and remedy the harm before it exacerbates and further impacts communities, the environment, and the World Bank Group's reputation.

Policy Recommendation: Allow the IAM to self-initiate compliance investigation, modeled after the CAO policy - "CAO may initiate a compliance appraisal of one or more Projects or Sub-Projects in response to an internal request from the CAO DG ... Such internal request may be made in circumstances where: (i) an appraisal is deemed necessary to review environmental and social compliance issues of systemic importance to IFC/MIGA; (ii) concerns exist regarding particularly severe Harm; or (iii) Project-affected people may be subject to, or fear, reprisals, preventing them from lodging a complaint with CAO." (CAO policy, paras. 81-82)

Sub Issue: Investigation Approval

Why this Matters for Communities Affected By WBG Projects: When entering an IAM process, communities expect independent and predictable decision-making according to clear eligibility criteria and without conflicts of interest. Requiring Board approval for investigations into public sector projects risks introducing unpredictability

and conflicts of interest, especially if the complaint originates in a Board office's country or relates to the actions of its government.

Policy Recommendation: Do not require Board approval for either public or private sector investigations. As stated by the Task Force, this “would enhance the authority of the IAM(s) with regard to investigation of public sector projects.” (Task Force report para. 205)

Sub Issue: Management Action Plan Recommendations

Why this Matters for Communities Affected By WBG Projects: It is not enough for complainants to receive an investigation report that confirms their experiences; there must be concrete action to stop and remedy the harm and prevent its reoccurrence. Allowing the IAM to make recommendations for remedial actions helps provide benchmarks against which the adequacy of the management action plan can be assessed. Given that the IAM's investigation often includes site visits and in-depth discussions with stakeholders, and subject-matter experts, it is well-placed to make recommendations.

Policy Recommendation: Include the ability to make recommendations, modeling the language on CAO policy's provision - CAO investigation reports will include “Recommendations for IFC/MIGA to consider in the development of a MAP relating to the remediation of Project- or Sub-Project-level non-compliance and related Harm, and/or steps needed to prevent future non-compliance, as relevant in the circumstances.” (CAO policy para. 120 (c)). The Task Force report supports the ability to make recommendations for both public and private sector investments (Task Force report para. 212).

Sub Issue: Management Action Plan Monitoring

Why this Matters for Communities Affected By WBG Projects: Ensuring that the IAM has the authority to conduct strong, independent monitoring is important for communities to help ensure that commitments made in management action plans are actually implemented and harm is remedied. It is important that monitoring not just be a desk exercise where documents are reviewed, but a process that includes site visits and getting community feedback on implementation.

Policy Recommendation: Adopt the CAO's approach across the public and private sector, which would allow the IAM to independently monitor the implementation of all MAPs - “After the Board has approved a MAP, CAO will monitor its implementation” (CAO Policy, para 139). Note that the Inspection Panel's lack of independent monitoring authority puts it out of step not only with the CAO, but with every other MDB IAM the Task Force benchmarked in its Report, all of which lend to public sector Borrowers (Task Force Report, Table 15).

Issue: Advisory

Why this Matters for Communities Affected By WBG Projects: In addition to seeing harms redressed, many complainants want to ensure that the harm they suffered does not happen to another community. IAM cases can yield valuable lessons for the Bank on strengthening

implementation of environmental and social policies, as well as on areas where the policies themselves could be improved to better prevent harm to people and the environment.

Policy Recommendation: Endow the IAM with an expansive advisory mandate, modeled after CAO's advisory function (see paras. 148-154 of the CAO policy and Task Force report, para. 223).