

Annual Report
Independent Complaints Mechanism
DEG / FMO / PROPARCO
January – December 2025

Panel foreword

The ICM Panel is delighted to present its eleventh Annual Report, which provides an update of its activities and accomplishments in 2025.

In 2025, the ICM has made a significant leap forward by completing its Policy review process, including extensive consultation and revision process. The Panel worked closely with the DFIs to draft a new ICM Policy informed by international standards and the effectiveness criteria for non-judicial grievance mechanisms outlined by the United Nations Guiding Principles for Business and Human Rights. We are confident that the new ICM Policy, effective from 1 March 2026, will more firmly provide access to remedy for those who may be affected by DFI-financed operations. Furthermore, it will foster institutional accountability and learning to enhance environmental and social accountability and reduce the risk of harm in DFI financed operations.

We extend our sincere appreciation to all those who contributed to the work of the ICM and during the Policy revision process over the past year, including members of the Supervisory Boards, the DFIs, peer Independent Accountability Mechanisms (IAMs), mediators and experts, civil society organizations, and various parties in the ICM cases. Your continued partnership has been instrumental in our shared goals. As we look ahead to 2026, we are committed to further strengthening the ICM and deepening our collaboration to facilitate effective complaints processing, remediation and institutional learning.

In a changing global order, accountability of development finance institutions for the sustainable development outcomes of their investments – consistent with institutional policies and international standards – is more critical than ever. IAMs such as the ICM play an essential role in safeguarding the accountability and credibility of DFIs’ environmental and social commitments, by ensuring that the voices of project affected people are not only heard, but also meaningfully shape development outcomes.

We recognize the challenges: resource constraints, the need for greater visibility as well as threats of retaliation against complainants or other persons involved in the ICM’s processes. The new Policy is foundational for a more effective ICM with a stronger governance structure, greater independence and simpler and harmonised processes. This is an important moment of transformation for the ICM.

In 2026, our focus will be on operationalising the new Policy and continuing to build a robust foundation for the Mechanism including refining our organisational structure and systems, setting up a dedicated team and strengthening relationships with key stakeholders. All with the aim to make accountability work.

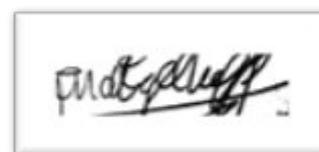
Sincerely yours,



Seynabou Benga



Inbal Djalovski



Marina d'Engelbronner-Kolff

1. Introduction

This Annual Report presents the activities of the Independent Complaints Mechanism (ICM or Mechanism) of DEG, FMO and Proparco (the DFIs) from 1 January until 31 December 2025. It is published simultaneously on the websites of the DFIs. The Report provides information about the ICM's work in complaint-handling as well as its institutional activities, including the revision of the ICM Policy and outreach efforts.

1.1 About the ICM

The ICM provides an independent, credible and trusted avenue to address complaints on project-related adverse impacts. The ICM is designed to enhance compliance with social, environmental, and human rights standards in the operations of FMO, DEG, and Proparco. The ICM forms part of the three DFIs broader commitments towards accountability and transparency.¹ In December 2025, the updated ICM Policy received the required approvals of the three Supervisory Boards of the DFIs and will come into effect on 1 March 2026 replacing the 2017 ICM Policy.²

The ICM addresses complaints through four different functions. Through its **Dispute Resolution** function, the ICM uses mediation and facilitation to address concerns raised by Complainants, by engaging the Complainants, the Client and other relevant parties in collaborative processes.

Through its **Compliance Review** function, the ICM determines whether a DFI is compliant with its Environmental and Social Policies, and whether any such non-compliance is connected to harm. If so, the ICM recommends ways to address non-compliance and related harm and draws lessons for current and future DFI Financed Operations.

In addition, as of the entry into force of the revised 2026 ICM Policy, the ICM will provide advice to the DFIs based on insights gained through its casework and related international good practice, and will undertake outreach to ensure that potentially affected communities, current and potential DFI Clients, civil society organizations, and others understand the ICM and how to access it. These will constitute two new functions that have been added to the ICM's mandate, complementing the core functions of the ICM and strengthening the independence and effectiveness of the ICM. The **Advisory function** will enable the ICM to provide lessons learned and foster institutional learning at the DFI-level, to enhance compliance across its operations and prevent recurrence of harms. The **Outreach function** will allow the ICM to independently conduct its outreach and ensure it is accessible to project affected communities.

¹ See, OECD Guidelines for Multinational Enterprises, 2011, <https://mneguidelines.oecd.org/mneguidelines/>; OECD Due Diligence Guidance for Responsible Business, 2018, <https://www.oecd.org/corporate/mne/due-diligence-guidance-for-responsible-business-conduct.htm>.

² See the 2017 ICM Policies: [Independent Complaints Mechanism](#) (FMO); [Independent Complaints Mechanism](#) (DEG); and [Independent Complaints Mechanism Proparco | AFD - Proparco](#) (Proparco).

1.2 About the Independent Expert Panel

The Independent Expert Panel (IEP or Panel) is composed of three members. The Panel Members have expertise in Human Rights, Environmental and Social policy of development finance institutions, and investigation proceedings. In 2025, the Panel conducted its core functions with the support of the ICM Secretary and the Complaints Offices of DEG, FMO and Proparco.

In the exercise of its mandate, the Panel applies the ICM Policy and interprets it as necessary. The Panel is fully independent of DEG, FMO and Proparco. The Panel decides on the admissibility of each complaint received by the ICM Complaints Offices, performs preliminary reviews, conducts compliance reviews, and facilitates dispute resolution processes in accordance with the ICM Policy. Following a compliance review, the Panel monitors the implementation of measures taken by the DFIs to bring a project into compliance. After the conclusion of a dispute resolution process, the Panel monitors the implementation of agreed outcomes.

In 2025, the Panel was composed of Seynabou Benga, Inbal Djalovski and Marina d'Engelbronner-Kolff.

2. Overview of Complaints

2.1 Complaints received in 2025

In 2025, the ICM received 15 new complaints for admissibility assessment based on the criteria laid out in paragraph 3.1.4 of the 2017 ICM Policy.³ Three complaints were declared admissible: complaints 25-003 and 25-008 which relate to the same project in the Middle East / Asia and were joined into one ICM case, and complaint 25-009 which relates to Hotel Noom Conakry, a hotel in Guinea.

Ten complaints were declared inadmissible for various reasons. In six complaints, the Panel decided that the subject-matter of the complaint does not relate to environmental and social adverse impacts and thus does not fall within the scope of the ICM Policy. Therefore, the Panel found no indication of a relationship between the DFI-Financed Operation and the subject of the complaint (Egypt, Costa Rica (2), Kenya, Pakistan, Paraguay). The ICM, as an independent accountability mechanism, was designed to enhance compliance with social, environmental and human rights standards in projects financed by the development banks. The ICM does not handle, for instance, matters concerning labour disputes of individual nature, corruption, fraud or legal misrepresentation.

In two cases in the Middle East/Asia, the Panel found no financial relationship between the Client and the DFI and thus declared the complaints inadmissible.

In one complaint the Panel found that both the subject-matter of the complaint does not relate to the environmental and social standards and there was no financial relationship between the Client and the DFI (Nigeria). In the last complaint, the Panel decided that, since the case was being

³ Available under [Independent Complaints Mechanism](#) (FMO); [Independent Complaints Mechanism](#) (DEG); and [Independent Complaints Mechanism Proparco | AFD - Proparco](#) (Proparco).

handled in a judicial process and based on paragraph 3.1.7 of the 2017 ICM Policy, it should be declared inadmissible (Ghana).

Two complaints were still pending a decision on admissibility at the end of the reporting period (Ecuador and Africa).

The subjects of the complaints covered a wide range of issues related to the companies in question, including allegations of conduct of fraud, corruption and/or misrepresentation of funds (Nigeria, Costa Rica (2), Pakistan); unlawful conduct, financial malpractice, customer abuse (Paraguay, Kenya); labor issues (Egypt, Middle East/Asia (2)); resettlement issues, misconduct and livelihood impacts (Africa); refusal to comply with a court judgment (Ghana), and concerns regarding animal welfare, environmental and social risks (Ecuador).

ICM complaints received in 2025:

Complaint number	Date of complaint	Receiving complaints office	Business sector	Country of DFI Client	Status as of 31 December 2025
25-001	03.02.2025	FMO	Infrastructure	Nigeria	Closed - inadmissible
25-002	23.01.2025	FMO	Energy	Middle East / Asia	Closed – inadmissible
25-003	1.03.2025	Proparco	Energy	Middle East / Asia	Preliminary Review
25-004	6.03.2025	DEG	Services	Egypt	Closed – inadmissible
25-005	01.06.2025	Proparco	Energy	Middle East / Asia	Closed – inadmissible
25-006 / 25-007	28.08.2025	FMO / Proparco	Equity	Costa Rica	Closed – inadmissible
25-008	10.09.2025	DEG	Energy	Middle East / Asia	Preliminary Review
25-009	28.06.2025	Proparco	Infrastructure	Guinea	Preliminary Review
25-010	17.10.2025	Proparco	Financial Institution	Pakistan	Closed – inadmissible
25-011	21.10.2025	FMO	Financial Institution	Paraguay	Closed – inadmissible

Complaint number	Date of complaint	Receiving complaints office	Business sector	Country of DFI Client	Status as of 31 December 2025
25-012	3.11.2025	FMO	Forestry	Ghana	Closed – inadmissible
25-013	10.11.2025	FMO	Agri, Food and Forestry	Ecuador	Admissibility phase
25-014	01.12.2025	DEG / FMO	Forestry	Africa	Admissibility phase
25-015	9.12.2025	FMO	Financial Institution	Kenya	Closed - inadmissible

2.2 Ongoing Complaints

In 2025, the ICM handled a total of seven cases. Two cases, one of which concerns two joined complaints, proceeded to Preliminary Review. Two Dispute Resolution processes, in Ghana and in Liberia, were concluded and have proceeded to the monitoring phase. One concluded Dispute Resolution process, in the Democratic Republic of Congo, continued to be monitored by the Panel. Two Compliance Review cases, in Togo and Senegal, continued to be monitored.

3. Preliminary Reviews

In 2025, two cases proceeded to the Preliminary Review. A description of the complaint and activities conducted by the Panel in the reporting period is provided below.

3.1. Renewable Energy Projects, Middle East/Asia (25-003, 25-008 / Proparco and DEG)

On 1 March 2025, the ICM received a complaint alleging harm related to labour and working conditions and unethical conduct related to three renewable energy projects in the Middle East/Asia, including a project which is co-financed by a Client of Proparco. Due to reported high retaliation risks in this case, the Panel agreed to keep any identifying details of the Company and the complainant confidential.

On 25 April 2025, the Panel declared the complaint admissible.⁴ It found that all admissibility criteria were met and that the complaint could continue to the Preliminary Review stage. In the admissibility decision, the Panel also noted that, as per paragraph 2.1.3 of the ICM Policy, since the contract with the Client was signed before Proparco joined the ICM in 2019, Proparco should first ensure that contractual arrangements with the Client are in place before the ICM can effectively address the complaint.

⁴ ICM, Notice of Admissibility, Proparco Complaint 25-003, 25 April 2025, published [online](#).

On 9 September 2025, the ICM received a similar complaint concerning labour, working conditions and unethical conduct related to three renewable energy projects in the Middle East/Asia, including two projects which are co-financed by DEG (DEG-Financed Operations), and which are owned and operated by the same Company.

On 8 October 2025, the Panel declared the complaint admissible.⁵ As it concerns the same Company as in the ICM Complaint 25-003, the Panel decided that the cases should be joined and proceed as one case to the Preliminary Review phase.

As part of the Preliminary Review, the Panel has engaged with all parties and the DFIs to explain the ICM's mandate and processes as well as to obtain a clear understanding of the issues raised in the Complaint.

The absence of the necessary ICM clauses within the contractual agreements between Proparco and its Client to ensure the ICM's access to information related to this case, affects the approach to the review and creates delays in the ICM's processing of the case, which depends on obtaining access to necessary project-related information and documentation.

During the Preliminary Review, the ICM continues to assess, prevent and address reported retaliation risks to the best of its ability, in collaboration with the complainants and the DFIs.

Status: Preliminary Review

3.2. Chain Hotel Conakry, Guinea (25-009 / Proparco)

On 28 June 2025, the Complaints Office of Proparco received a complaint concerning the Chain Hotel Conakry (CHC) project, financed through FISEA, a wholly owned subsidiary of *Agence Francaise de Developpement* (AFD) and operationally managed by Proparco. CHC is an affiliate of Teyliom Group (Client), a regional consortium operating in various sectors.

The complaint was filed by fishing communities from Téménétyé, Conakry, represented by a non-governmental organization called *Même Droits pour Tous* (MDT). The complaint alleges that the rights of the fishing communities have been infringed upon due to the construction of Hotel Noom, which is partly owned by CHC, in the area where the fishing community used to live and work. The allegations include forced physical and economic displacement without adequate replacement or compensation, health impacts, and impacts on livelihood. The complaint also raises failures related to stakeholder consultation, transparency, and respect for social and environmental standards.

On 22 October 2025, the Panel declared the complaint admissible. In its decision, the Panel noted that the agreements with Teyliom/CHC and Proparco were signed before Proparco formally joined the ICM, and that therefore these do not include explicit ICM clauses. It notes that the absence of contractual ICM clauses does not prevent a complaint from being admissible and that, as per paragraph 2.1.3 of the ICM Policy, these clauses have to be agreed before the ICM can effectively address the Complaint. The Panel recognises that this will require additional time and, depending on the scope of the actual contractual arrangements, might restrict the Mechanism as set out in the ICM Policy. If the Complaint requires an approach, which deviates from the ICM Policy, the Complainants will be informed on a regular basis on the approach, process and timeline that is being followed.

⁵ ICM, Notice of Admissibility, DEG Complaint 25-008, 8 October 2025, published [online](#).

Proparco also informed the Panel of a commercial dispute between FISEA and Teyliom Group / CHC concerning the repayment of the equity investment in Teyliom Group /CHC. Given the litigious nature of the relationship between Proparco and its Client as well as the absence of ICM clauses in the relevant agreements, the Panel experiences significant challenges in progressing in the preliminary review of this complaint. From September 2025, the Panel held various meetings with Proparco to explore available approaches to address the complaint but has not yet obtained project documentation. The Panel has informed the complainants about these challenges and related delays in the processing of the complaint.

Status: Preliminary Review

4. Compliance Reviews

The ICM has two ongoing Compliance Review cases, which are currently in the monitoring phase. A description of the complaints and of activities conducted by the Panel in the reporting period is provided below.

4.1 Sendou I Coal Power Plant, Senegal (16-001, 16-002 / FMO)

On 9 May 2016 and 15 July 2016, the ICM received two complaints on the FMO-project Sendou I, a 125 MW coal-fired powerplant project near the town of Bargny in Senegal. The Panel decided to treat the two complaints as one case. The complainants alleged harms with respect to resettlement, air pollution, health impacts, marine impacts, and community consultation. Of particular concern are the loss of land rights and the right to continue fish drying activities of a large community of vulnerable women in an area adjacent to the coal-based powerplant. The complainants raise concerns about the establishment of a coal-based powerplant in a densely populated area in the immediate vicinity of a major town.

On 12 October 2017, the Panel issued its Compliance Review Report.⁶ The Panel made non-compliance findings with regards to Environmental and Social policies applicable to FMO-Financed Operations, with the IFC Performance Standards as well as with resettlement policies and possible violations of land rights. On 27 January 2020, the Panel issued a first Monitoring Report, finding substantial outstanding non-compliances.⁷ On 30 October 2023, the ICM published its second Monitoring Report.⁸ In the Second Monitoring Report, the Panel concluded that five issues remain in non-compliance with Environmental and Social standards: (i) the ash disposal facility; (ii) the coal storage; (iii) the air quality monitoring; (iv) economic resettlement of the fish drying women; and (v) the issues with land titles. Three issues remain in partial compliance: (i) drinking water impacts; (ii) marine impacts; and (iii) coal transport.

In 2024, as part of its monitoring activities, the ICM kept in contact with FMO operational team and its Client the Compagnie d'Électricité du Sénégal (CES) on the progress in bringing the Sendou project into compliance.

⁶ ICM, Compliance Review Report, FMO Complaint 16-001/002 (Sendou), 12 October 2017, published [online](#).

⁷ ICM, Monitoring Report, FMO Complaint 16-001/002 (Sendou), 27 January 2020, published [online](#).

⁸ ICM, Second Monitoring Report, FMO Complaint 16-001 / 002 (Sendou), 30 October 2023, published [online](#).

Activities in 2025

In April 2025, FMO publicly announced that it had exited the Sendou Project and sold its outstanding loans in CES to Kebe Capital.⁹ In June 2025, the ICM conducted a site visit to Sendou as part of its monitoring mandate.

The ICM visit to Senegal involved meetings with local and national authorities, the complainants, and on-site visits to Khelcom, the work location of women involved in the drying and processing of fish. The ICM engaged a technical expert consultant to obtain a thorough understanding of outstanding technical non-compliance issues.

In October 2025, FMO provided the Panel with a progress report. This progress report presents the efforts undertaken by FMO and CES to bring the project into compliance with the relevant social and environmental standards while specifically responding to the conclusions formulated in the Panel's second Monitoring Report.

Following the site visit of June 2025 and the review of the progress report and relevant documents, the ICM will publish its Third Monitoring Report in 2026.

Status: Monitoring

4.2 Lomé Container Terminal, Togo (18-001 / DEG and FMO)

The complaint in relation to Lomé Container Terminal (LCT) in Togo was received by the Complaints Offices of FMO and DEG on 28 August 2018. The complainants are local community members represented by a civil society organization called "Collectif des personnes victimes d'érosion côtière" (Collective of victims of coastal erosion). The complainants allege that the project has accelerated the erosion of the coast east of the port of Lomé with negative impacts on their homes, livelihoods, and communities. The complaint raises several questions in relation to the due diligence carried out by FMO and other lending institutions and to the quality of the Environmental and Social Impact Assessment which did not assess the impact on the coast east of the port. A comparable complaint had already been filed with the Office of the Compliance Advisor Ombudsman (CAO) of the IFC in 2015. The CAO issued a Compliance Investigation Report on this complaint in August 2016.¹⁰

On 23 January 2020, the Panel issued a Preliminary Review Report and decided to proceed with a compliance review, focusing on actions taken since the issuance of the CAO's Investigation Report of 8 August 2016. The Panel completed its investigation and issued its Compliance Review Report on 31 August 2022, finding several non-compliances.¹¹ In particular, the Panel underlined that at the time the Panel completed its investigation, the Study on the Causes of Coastal Erosion along the Togolese coast was not yet completed. The purpose of the study was to determine causes for coastal erosion, including impacts of the port and infrastructure associated with the Container Terminal. The Study has since been completed but has not been shared with the affected communities as government authorities have not, to date, agreed to its release, despite

⁹ See: FMO, FMO and Kebe Capital reach agreement on Sendou power plant, 25 April 2025, published [online](#).

¹⁰ CAO, Compliance Investigation Report, IFC Investment in Lomé Container Terminal, Togo, 8 August 2016, available [online](#).

¹¹ ICM, Compliance Review Report, FMO and DEG Complaint 18-001 (LCT), 31 August 2022, published [online](#).

efforts made by DEG and FMO to obtain agreement by the Government of Togo. In December 2023, the Panel conducted a monitoring site visit in Togo. During the visit, the ICM engaged with complainants, the Client (LCT), and government authorities and visited the communities affected by coastal erosion.

In January 2024, DEG and FMO presented a Management Action Plan (MAP) in response to the ICM Compliance Review Report.¹²

Activities in 2025

On 20 March 2025, the ICM published its First Monitoring Report.¹³ In the Report, the Panel concluded that DEG and FMO are making significant efforts to support LCT with a framework for community engagement and development, which LCT conducts as part of its Corporate Social Responsibility activities. Nonetheless, the Panel is of the view that coastal erosion impacts caused by LCT were not adequately addressed in the MAP as adverse impacts on communities, as they were not assessed and addressed in line with PS1, and there remains unclarity about support to the construction of coastal protection infrastructure. Therefore, the Report concludes that the identified harms have not been addressed, and the project remains in non-compliance status.

In October 2025, DEG and FMO shared a progress report with the Panel. The ICM expects to publish a Monitoring Report in 2026.

The risk of retaliation associated with the LCT complaint remained high due to indications of intimidation and potential reprisals against individuals and communities expressing opposition to the LCT project. The ICM has continuously worked with Complainants and DFIs to provide safeguards against retaliation.

Status: Monitoring

5. Dispute Resolution Processes

The ICM currently has three ongoing cases related to complaints that are being addressed through Dispute Resolution Processes which are all in monitoring. The following paragraphs provide an overview of the activities conducted by the Panel in the reporting period.

5.1 Plantation et Huileries de Congo SA (PHC), DRC (18-002 / DEG)

On 5 November 2018, DEG's Complaints Office received a complaint about "Plantations et Huileries du Congo SA" (PHC), a palm oil producer based in the Democratic Republic of Congo. PHC was a subsidiary of Feronia Inc., Canada. The complainants claimed that they have been negatively affected by the project, and identified multiple issues to be addressed by the ICM regarding (i) title and access rights to part of the plantation, (ii) treatment of community members, particularly by security forces, and (iii) lack of information provided to the community.

¹² FMO and DEG, Joint Management Action Plan to the ICM Compliance Review Report on Lomé Container Terminal SA, 15 January 2023, published [online](#).

¹³ ICM, First Monitoring Report, FMO and DEG Complaint 18-001 (LCT), 20 March 2025, published [online](#).

The complaint was filed with DEG as the lead of a consortium of DFIs including FMO and other European Development Banks.

The dispute resolution process formally started in 2022 due to delays associated with the Covid-19 pandemic and with a change of ownership of the company. In 2022, the Panel identified in both locations the participants for the Mediation process and agreed with the complainants, the communities, and the company on the composition of the mediation tables. In both locations the Panel conducted training on mediation processes with all selected participants. In March 2023, the Panel facilitated a mediation round, one in Mbandaka (Province of Equateur) and one in Kisangani (Province of Tshopo).¹⁴ Amongst the agreed outcomes that were signed by all participants, it was agreed that in both locations separate land commissions would be created to assess pending land disputes. In addition, both parties agreed to revitalize the existing conflict management committee, established by PHC to address potential cases of conflict and human rights abuses. In May 2023, the ICM's Expert Mediator conducted a site visit to monitor the implementation of the agreed outcomes and gain insights into implementation challenges.

In January and February 2024, the ICM held an additional mediation roundtable in Mbandaka (Équateur Province) and Kisangani (Tshopo Province) to discuss pending issues. An agreement was reached on all issues identified by the parties in 2023, formally concluding the mediation phase. The parties also agreed to establish permanent concertation committees to facilitate dialogue. In April 2024, the ICM published an information sheet on the mediation outcomes in response to concerns raised by several non-governmental organizations.¹⁵

A site visit was planned in August 2024 to attend the first meeting of the concertation committees. It did not take place as PHC was unavailable. On 19 August 2024, the ICM released its Report on the Conclusions of the Dispute Resolution Process.¹⁶

With the conclusion of the dispute resolution, the case entered the monitoring phase. In November 2024, the ICM visited Kinshasa and Kisangani to engage with company and community representatives and assess implementation progress and challenges.

Activities in 2025

In 2025, the ICM continued to fulfil its monitoring mandate. In April-May 2025, the ICM team travelled to Boteka and Lokutu to assess the implementation of the mediation agreements. The ICM expects to hold a third monitoring visit and publish a monitoring report in 2026.

Status: Monitoring

¹⁴ ICM, Successful Mediation Outcome, DEG Complaint 18-002 (PHC), 24 March 2023, published [online](#).

¹⁵ ICM, Information statement on PHC, DEG Complaint 18-002 (PHC), 18 April 2024, published [online](#).

¹⁶ ICM, Report on the Conclusions of the Dispute Resolution Process, DEG Complaint 18-002 (PHC), 19 August 2024, published [online](#).

5.2 FirstRand Bank, Liberia/South Africa (21-001, DEG and Proparco)

In November 2020, the ICM received five complaints, representing five communities from around the area of the New Liberty gold mine in Liberia. The gold mine is operated by Bea Mountain Mining Corporations (BMMC), a company that received extended loans from FirstRand Bank which is a client of DEG and Proparco. The complainants alleged that the gold mine caused multiple adverse impacts on neighbouring communities without any proper compensation or mitigation measures to the affected people. The Panel declared the complaint admissible on 2 July 2021 and conducted a first site visit in August 2022 (with some delays due to COVID-19 restrictions).

On 2 February 2023, the IEP issued its Preliminary Assessment Report which provided an overview of the issues raised in the complaint, including the perspectives of the different parties on the issues.¹⁷ Furthermore, the Panel recommended proceeding with a dispute resolution process to which both parties agreed. As part of the preparation work towards the dispute resolution process, in June 2023, the Panel, together with the Expert Mediator, met in Liberia with the parties and government officials who were invited by the parties to participate in the process as observers. In August 2023, the ICM facilitated the first joint sessions leading to the agreement on the ground rules for the dispute resolution process. From the five original complainant communities, three communities decided to withdraw from the ICM process due to various reasons.

In 2024, the ICM held three roundtable dialogue sessions to discuss the issues that were raised in the complaint. The meetings took place in Monrovia in January, April, and July of 2024. During the dispute resolution dialogues, all complaint issues were discussed, resulting in separate agreements for each community on the issues. Besides the representatives of the communities and BMMC management, the NGO Advisors to the communities and the Government Observers attended all dispute resolution process sessions.

Activities in 2025

During the dispute resolution dialogues, the parties agreed to engage an independent technical expert to assess outstanding issues concerning blasting impacts, as well as impacts on water, soil and crops. The expert was selected by the ICM, in coordination with the parties to ensure there are no concerns regarding conflict of interest or independence of the expert. In February 2025, the expert conducted a field visit to collect data and obtain information from the parties. The expert's recommendations informed the discussions during a joint ICM session that was held in August 2025. During this session, the parties reached additional agreements. All agreements are subject to ICM monitoring.

In October 2025, the Panel issued the Report on the Conclusions of the Dispute Resolution Process.¹⁸ Through this Report, the ICM formally concluded the dispute resolution phase of the ICM process and confirmed that several action items had been successfully implemented in parallel with the dispute resolution phase. With respect to the action items that remain

¹⁷ ICM, Preliminary Review Report, DEG and Proparco Complaint 21-001 (FirstRand Bank), 2 February 2023, published [online](#).

¹⁸ ICM, Conclusions of the Dispute Resolution Process, DEG and Proparco Complaint 21-001 (FirstRand Bank), 16 October 2025, available [online](#).

outstanding, the ICM will continue to monitor the implementation. The Panel expects to publish a monitoring report on the implementation of the agreements in 2026.

Status: Monitoring

5.3 Niche Cocoa Ltd., Ghana (22-004 / FMO)

On 1 December 2022, the FMO Complaints Office received a complaint concerning FMO-Financed Operation Niche Cocoa Industry Ltd. The company is a privately owned cocoa processing company in Ghana, producing finished chocolate goods. The complaint was filed by workers of the company who raised concerns regarding the company's failure to comply with labor standards. Amongst others, their concerns relate to the interference with the labor union, adequate pay, working conditions, unfair termination of employment, and the absence of a project-level grievance mechanism.

On 20 January 2023, the Panel declared the complaint admissible and published a Notice of Admissibility on the ICM webpage.¹⁹ The Panel conducted a site visit in February 2023 as part of the preliminary assessment of the complaint. During the visit, the Panel met with workers of the company, labor union representatives, as well as the company's management. On 11 April 2023, the Panel published its Preliminary Review Report.²⁰ The Report provides an overview of the fifteen issues raised in the complaint and recommends the initiation of a dispute resolution process in light of both parties' agreement to enter a collaborative dialogue. In accordance with the parties' mutual preference, the Panel set a deferral period to allow the newly established labor union and the company management to directly negotiate a collective agreement. Following the deferral period, in November 2023, the Panel, with the support of a local Mediator, convened the first dispute resolution roundtable session to agree on the ground rules for the mediation and initiate discussions on the issues of the complaints. In addition to the company and the complainants' representatives, the national trade union and FMO participated in the dispute resolution process as observers.

The ICM facilitated two dispute resolution sessions in February and September 2024. With respect to issues that were addressed via the collective agreement, the ICM's dispute resolution process focused on facilitating dialogues on implementation of these agreements through concrete action steps developed jointly by the participants. With respect to the remaining issues, the ICM continued to facilitate a platform for dialogue with the view to achieving resolutions of all issues of the complaint.

In addition, the ICM has initiated monitoring in parallel with the continuation of the dispute resolution process with respect to agreed implementation plans and dialogue outcomes.

Activities in 2025

The ICM facilitated two dispute resolution sessions in February and December 2025. On several issues, the parties agreed to resort to external expertise to assist in the advancing the dialogue discussions. On the issue of retroactive payment of unpaid overtime, the parties jointly sought

¹⁹ ICM, Notice of Admissibility, FMO Complaint 22-004 (Niche Cocoa), 20 January 2023, published [online](#).

²⁰ ICM, Preliminary Review Report, FMO Complaint 22-004 (Niche Cocoa), 11 April 2023, published [online](#).

the advice of an independent expert on Ghana's labor law, who provided clarity and guidance on questions posed by the dispute resolution table based on existing legal practice and precedent in similar disputes. Likewise, the ICM's Assistant Mediator who is a qualified accountant was able to assist the parties in reaching agreements on the calculation methodology in relation to the agreements.

In December 2025, all issues had been addressed and captured in signed and final agreements. As the dispute resolution process was completed, the case moved to the monitoring phase. The monitoring of agreements had already started in parallel with the dispute resolution process throughout 2025. To carry out its monitoring of the implementation of agreements, the ICM held regular check-in meetings, and hybrid joint monitoring sessions, with the support of the ICM's local Mediation team.

The Panel expects to publish its Report on the Conclusion of the Dispute Resolution Process in 2026.

Status: Monitoring

6. ICM Policy Revision Process

In 2022, the ICM Policy review process was launched with the aim to align the ICM Policy with evolving international good practice and standards, such as the United National Guiding Principles on Business and Human Rights (UNGPs) as well as good policies and practices of other Independent Accountability Mechanisms. The process was initiated with the appointment of an independent expert to conduct a detailed review of the ICM Policy, including document analysis, peer benchmarking, and stakeholder interviews, and produce a report identifying key policy gaps, issues, and opportunities. The report also helped build consensus among the DFIs on the priority policy areas for revision. The external reviewer's Policy Review Report was finalized in 2023 and made concrete recommendations in line with accepted good international practice and in response to stakeholder concerns and interests.

The drafting process of the revised ICM Policy was initiated in 2024 when a joint working group, comprising the ICM Panel and DFIs' representatives, was established to consider recommendations of the Policy Review Report from 2023. The Policy update process continued through 2025 with an extended working group, including additional representatives of the DFIs operational teams.

The drafting process was facilitated by an independent external facilitator with the aim of reaching consensus on the proposed policy revisions. The working group agreed on a set of key principles that would guide the policy development process, including: (i) consistency of the ICM Policy with the UNGPs; (ii) alignment of the ICM Policy with good policies and practices of the IAM Network community of practice, as applicable; and (iii) non-regression from the 2017 ICM Policy.

Additionally, it was agreed that where the ICM Panel and the DFIs did not reach consensus, the Panel would highlight their differing views in the draft revised policy when it was shared for public consultation, and stakeholders would be encouraged to share their views on the outstanding points. The draft revised policy was approved for public consultation by the DFI Management Boards in July 2025. The ICM public consultation on the draft policy began on 20

August 2025 and concluded on 17 October 2025. The primary aim of the public consultation was to seek feedback on the draft policy, which would be channeled to the working group's drafting process for consideration, to ensure it meets the needs of its intended stakeholders and can be effectively implemented by the DFIs and the ICM Panel.

The public consultation was extensive and benefited from broad, meaningful engagement across stakeholders. During the 8.5-week consultation period, a diverse range of stakeholders — including national and international non-governmental and civil society organizations, peer financial institutions, independent accountability mechanisms, DFI clients, and subject matter experts — provided substantive feedback on the draft policy.

Feedback was received in writing through 13 formal submissions representing 34 unique organizations and individuals, and verbally through a series of regional webinars and in-person meetings in Nairobi, Kenya, and The Hague, the Netherlands, attended by over 50 individuals representing key stakeholder groups and geographies.

Following the public consultations, in November 2025, the joint working group continued its collaborative process to review all stakeholder feedback, and finalized the draft policy based on the inputs provided.

Following approvals of the Management Boards and endorsements by the Supervisory Boards of the three DFIs, the updated 2026 ICM Policy will come into effect on 1 March 2026. Together with the updated ICM Policy, a formal response to stakeholders will be published detailing how feedback has been considered and integrated.

7. Outreach Activities

Participation in Massive Online Outreach Session (MOOS)

On 11 June 2025, the ICM co-hosted jointly with six other independent accountability mechanisms an open, online outreach seminar for Portuguese-speaking audiences to increase awareness about accountability mechanisms. The organization of the event was led by the Independent Consultation and Investigation Mechanism (MICI) of the Inter-American Development Bank. The seminar, "[Right to Complain: Independent Accountability Mechanisms for internationally funded development banks](#)", attracted more than 35000 views, and is available online.²¹

8. Institutional Learning and Exchange

Participation in the IAM Network Annual Meeting in Barbados

From 6 to 9 October 2025, the ICM participated in the 22nd Annual Meeting of the Independent Accountability Mechanisms Network (IAMnet), a global network of 23 accountability mechanisms of bilateral and multilateral development finance institutions. The network facilitates learning and exchanges of good international practice on complaints-handling and

²¹ See also: [news - Online Seminar in Portuguese to Present Independent Complaint Mechanisms of Development Banks - FMO](#).

institutional development of IAMs. The meeting was hosted by the Caribbean Development Bank in Bridgetown, Barbados. ICM Panel members contributed as speakers in panel discussions in sessions concerning complaints related to financial intermediaries, policy reviews, and operational efficiency and organisational structure of IAMs.

Participation in the UN Forum on Business and Human Rights

From 24 to 26 November, the ICM participated in the UN Forum on Business and Human Rights in Geneva. The theme of the Forum was “*Accelerating Action on Business and Human Rights Amidst Crises and Transformations*” Together with Coalition for Human Rights Development and the Inter-American Development Bank, the ICM co-hosted a roundtable discussion. The discussion presented insights on challenges faced by communities from projects funded by DFIs and raised awareness on available complaints mechanisms. During the roundtable discussion, the ICM’s mandate and scope were presented, as well as the policy review, and an ICM case study was presented to illustrate why accountability mechanisms are essential in a world facing multiple crises, specifically: widening inequalities, climate change impacts, and increasing complexity of global value chains. Thus, highlighting how the ICM can provide a structured pathway for transparency, mediation, and institutional responsibility in a multi-actor, cross-border context.

9. Lessons Learned

Reflecting on its casework in 2025, the Panel identified several cross-cutting issues that offer valuable insights both into the ICM’s procedures and its interaction with the DFIs more broadly. These learnings highlight key areas for improvement and innovation.

1. Reflecting on the ICM Policy Review process including the public consultation

One key lesson from the policy review process was the value of agreeing, at an early stage, on a clear set of guiding principles to frame the discussions. The shared commitment to consistency with the UN Guiding Principles on Business and Human Rights, alignment with good practice among independent accountability mechanisms, and non-regression from the 2017 ICM Policy provided a common reference point throughout the drafting process. These principles helped structure deliberations, manage areas of disagreement, and maintain focus on the overarching purpose of the ICM.

The review process also demonstrated the importance and the impact of a collaborative approach. While the drafting process was demanding, time-consuming, and challenging it created valuable space for an open dialogue between the ICM Panel and the DFIs as well as among the DFIs themselves on their shared values and principles. This engagement enhanced mutual understanding of the respective roles and constraints of the various stakeholders involved in ICM processes, deepened awareness within the DFIs of the critical function of the ICM and contributed to increased trust in the mechanism. Over time, the process helped entrench respect for the independence of the ICM and reinforced its role as an essential component of the DFIs’ accountability framework.

The public consultation on the revised policy draft—held between 20 August and 17 October 2025—engaged a broad range of stakeholders and generated an invaluable contribution that enriched the policy deliberations. The consultation provided an important opportunity to test

the clarity, robustness, and practical implications of the proposed revisions and to ensure that the Policy responds to the needs and expectations of its intended stakeholders.

A notable feature of the consultation was the decision to transparently present and discuss areas where the ICM Panel and the DFIs held diverging views. This approach went beyond a formal commitment to transparency and proved instrumental in fostering a clearer understanding of different positions, allowing greater focus of stakeholder feedback, and enabling more substantive and constructive discussions on the outstanding issues.

The consultation benefited from a deliberate mix of engagement formats, including regional webinars and face-to-face meetings, as well as outreach in regions where the DFIs invest and an online form. This diversity of consultation modalities recognized that stakeholders have different ways of communicating their views and capacities to engage. Offering multiple channels for participation enhanced accessibility to the process and generated a wider range of perspectives and inputs.

The process also highlighted the importance of engaging stakeholders earlier in the policy development cycle. Earlier consultation with civil society organizations, non-governmental organizations, subject-matter experts, peer institutions, and other relevant actors could further strengthen future policy reviews by allowing external perspectives to inform the drafting process from the outset, rather than primarily at the draft consultation stage.

Another important lesson learned is the value of systematically reporting back to stakeholders following the consultation. Providing a clear account of how feedback was considered, including which aspects of the draft Policy were revised and which were not, can help manage expectations, reinforce the credibility of the process, and strengthen trust between stakeholders, the DFIs, and the ICM. A formal response to stakeholders detailing how feedback has been considered and integrated will be published in March 2026.

Overall, the public consultation process contributed not only to improving the quality and clarity of the revised Policy but also to raising awareness of the ICM itself. By engaging a broad and diverse set of stakeholders, the consultation helped make the ICM better known, reinforced its visibility and legitimacy, and underscored its role as a key accountability mechanism within the DFIs' institutional framework.

2. Absence of ICM-related contractual arrangements between DFI and Client

In the past year, the ICM admitted two complaints related to projects in which the necessary ICM-related contractual arrangements between the DFI concerned and the Client are missing. In such a situation, contractual arrangements have to be agreed before the ICM can effectively address the complaint, which is further complicated if the Client is unwilling to cooperate with the ICM or to adjust accordingly the legal agreement. Obtaining commitment of the Client after financing agreements are in place not only requires additional resources from the ICM and the DFI, it may also lead to delays in the ICM process.

Furthermore, the lack of appropriate legal arrangements might restrict the ICM mandate and functions as set out in the ICM Policy, though the ICM could seek other approaches deviating from the Policy. Consequently, people who may be affected by DFI financed operations might not be provided with access to remedy, and potential harm to complainants might not be remedied. As

part of the DFIs commitment to support the effective and efficient execution of the ICM's mandate, the necessary contractual arrangements need to be integrated in all client agreements. The ICM is of the view that the DFIs should proactively work to amend legal agreements concluded before the establishment of the ICM to ensure the inclusion of appropriate ICM clauses, rather than attempting to do so only once a complaint is filed. This will not only enable the functioning of the ICM, but it would also contribute to the provision of effective remedy, where appropriate, in line with international standards and the DFIs' environmental and social commitments.

3. Enhancing Dispute Resolution outcomes

In 2025, the ICM concluded two dispute resolution processes. Drawing on the experience in these cases, the Panel identified several institutional pillars that contribute to the success of dispute resolution processes.

First, transparency forms the foundation for trust. Confidence is built through access to reliable, shared information, thus agreed actions such as independent technical reviews, townhall presentations, and site visits help demystify operations and misinformation. By replacing speculation with direct observation, trusted expert opinion and transparent communication, parties can move toward mutual acceptance and collaboration.

Second, institutionalizing continuous engagement. The most resilient outcomes are rooted in regular, structured dialogue. Establishing, as part of the dispute resolution outcomes, recurring consultation forums (e.g., regular joint meetings) creates a sustainable channel for addressing emerging issues before they escalate, fostering a long-term culture of collaboration.

Third, the value of independent technical expertise. Neutral, independent expert assessments are indispensable for resolving long-standing grievances. To ensure legitimacy, parties should jointly define the Terms of Reference for the experts and be allowed an opportunity to pose their questions to the experts. This collaborative approach ensures that findings are not only sound but also "owned" by all stakeholders.

Fourth, the role of observers in increasing legitimacy in the process. The ICM processes involved government representatives and NGO advisors as observers in one case, and the DFI representatives and national labor union in the other case. The presence of the observers added a critical layer of accountability and reassured the parties that their concerns were being recognised. Furthermore, the observers played a vital role in clarifying roles and responsibilities, while enriching discussions with broader contextual knowledge and expertise.

Lastly, proactive monitoring during the dispute resolution phase. In the view of the Panel, monitoring should not wait for the formal conclusion of the mediation phase. Monitoring of interim agreements can contribute to trust in the process. Early "wins" reinforce the value of the process and provide the necessary momentum to tackle more complex, long-term issues.