

TO

October 29, 2020

Mr. Werner Hoyer,  
President of the EIB

European Investment Bank  
Boulevard Konrad Adenauer 100  
Luxembourg

*JOINT CIVIL SOCIETY LETTER*

## **RAISING THE BAR ON HUMAN RIGHTS AT THE EUROPEAN INVESTMENT BANK**

Dear President Hoyer,

In November 2020, the EIB will join hundreds of other finance institutions at the Finance in Common Summit, [the first global meeting of all public development banks](#). Ahead of the Summit, [over 200 civil society organizations](#) have called for human rights and community needs to be properly integrated and prioritized both in the agenda and in the outcomes of the Summit.

With the COVID-19 pandemic highlighting and deepening already existing social and economic inequalities and being used as a pretext by scores of governments around the world to further restrict civic space, it is crucial to rethink the way public banks are operating and to put human rights obligations at the heart of any future investments.

Therefore, we, the undersigned civil society organisations, are asking you to use the opportunity of the Finance in Common Summit for the EIB to lead and commit to raise the bar on the protection, respect and promotion of human rights in its standards and operations. This is key to deliver outcomes that contribute to a just and equitable recovery from the COVID-19 crisis.

Too often, the EIB has been financing projects that have contributed to human rights abuses, has failed to react to assaults on local communities and human rights defenders, and has ignored the voices and concerns of impacted people. While weak social protections are pervasive across public banks, we have documented and shared with your services over the last years the existence of a wide gap between the EIB standards and their implementation on the ground (see for instance recent case studies in [Nepal](#) and [Georgia](#))<sup>1</sup>.

As a key player in the European development finance architecture, it is your responsibility to ensure that the Bank abides by its legal and moral obligations, in support of the values underpinning the EU external action under the EU Treaties.

We welcome the recent dialogue established between the EIB and civil society organisations on those pressing matters. Hence, we take this opportunity to share with you our key recommendations in light of the upcoming review of the EIB environmental and social standards:

<sup>1</sup> In 2018, the Complaints Mechanism registered 108 new complaints, and 84 in 2019 (69% of them related to projects outside of the EU). At the beginning of 2020, 78% of open cases concerned the environmental, social and developmental impacts of EIB operations. In some instances, one registered case comprises hundreds of individual complaints, as in the case of the [Mombasa-Mariakani Road project](#).

## 1 DEVELOP A SOLID HUMAN RIGHTS FRAMEWORK

- **A strong and binding Statement on Environmental, Social and Human Rights Principles and Standards** (replacing the existing Statement on Environmental and Social Principles and Standards).
- **A new Human Rights Strategy** that protects communities, indigenous peoples and communities, and human rights defenders, enhances public participation and details how human rights risks and impacts are considered, prevented and mitigated at all stages of the project-cycle, with special attention given to fragile and conflict-affected settings. The strategy should clearly spell out how the Bank will promote and implement a human rights-based approach among its stakeholders, clients and counterparts. The strategy should foresee extra staff resources and expertise on Human Rights. It should duly take into account the EIB Gender Strategy.
- **A sound system of human rights due diligence at project level all through the project cycle**, via dedicated ex-ante gender-sensitive screening for Human Rights risks conducted by the bank. When risks are identified the bank should require a participatory Human Rights impact assessment as well as mitigation measures that include, as a minimum, a quick response mechanism and actionable leverage points in loan agreements. This due diligence system should be integrated in a new Standard on human rights due diligence.

## 2 ENHANCE STAKEHOLDER ENGAGEMENT & PUBLIC PARTICIPATION

- The EIB must enhance participation and ensure that **local communities and people affected by its operations are meaningfully consulted at the project level. The EIB must also ensure that local communities are fully informed about the project, their rights and procedures** and have knowledge about and access to an **effective and independent complaints mechanism** (an independent project grievance mechanism, a reinforced EIB Complaints Mechanism and access to the European Ombudsman), including the right to effective redress. Specific efforts should be made to ensure indigenous peoples, women's and women's rights organisations views are taken on board.
- The right to **free, prior and informed consent** (FPIC) should be implemented in a transparent and systematic manner, documented publicly in project documentation, and extended to all affected communities in cases of land and natural resource-based investments, in line with the fundamental right to self-determination which includes sovereignty over natural resources.
- The EIB should review and reinforce its criteria for assessing the applicability of its **indigenous people's** standard. The basis for deciding whether to apply the indigenous peoples' standard should be made publicly available with project documentation so that self-identifying indigenous communities can understand (and if necessary, dispute) how they are characterized by EIB clients. Bearing in mind that as per ILO 169, Self-identification as indigenous or tribal shall be regarded as a fundamental criterion for determining the groups to which the provisions of this Convention apply.

### 3 PROTECTING HUMAN RIGHTS DEFENDERS

- The EIB should **develop specific policies on human rights defenders and protocols to prevent and respond to risks of reprisals**. The bank itself should undertake robust contextual and project-related due diligence to prevent, identify and mitigate human rights impacts and threats to defenders. This should involve consultation with human rights defenders during the bank's human rights risk assessment. The EIB should publicly acknowledge the legitimacy of human rights defenders and the work they carry out.
- The EIB should **respond in a timely and effective manner** (including publicly where appropriate) to **any threats or attacks** carried out in reprisal, in consultation with the defender/s at risk, to prevent future attacks, and ensure the accountability of those at fault. This also includes potential sanctions, withholding of disbursements or cancellation of contracts and disqualification of parties identified as responsible for the reprisals from entering into a contractual relationship with the EIB in the future.

During this time of crisis, and considering the central role that the EIB will play in the economic recovery plans and the European Green Deal in the EU and beyond, we call on you to take concrete steps to support and respect human rights and contribute to social and environmental justice for all.

For these reasons, to reaffirm a principled European Union and its relevance on the international scene as normative power, our undersigned organisations ask you to make a strong commitment at the Finance in Common summit to develop a solid Human Rights Framework and Strategy. We would also like to see the EIB taking the opportunity of the summit to pave the way to future collaboration with progressive actors on these topics.

We thank you very much for considering these issues as a matter of urgency.

Yours sincerely,

#### SIGNATORIES



Accountability Counsel



ACT Alliance EU



Action Aid



Arab Watch Coalition



Cairo Institute for Human Right Studies



CEE Bankwatch Network



Counter Balance



eurodad  
european network on  
debt and development

Eurodad



Internationa Federation  
for Human Rights



Focus  
(Slovenia)



International  
Partnership for Human  
Rights



Les Amis de la Terre  
(France)



Observatoria de la Dueda  
en la Globalizacion



Recourse



Urgewald