

The New Way Forward for BRICS Bank

Groups call for openness and commitment to sustainability

(July 21, 2016) As government officials from Brazil, Russia, India, China and South Africa wrapped up proceedings in Shanghai for the first Annual Meeting of the BRICS New Development Bank (NDB), development and environmental groups from BRICS countries called for greater transparency and engagement with civil society as a cornerstone for sustainable development. The NDB's Annual Meeting July 20-21 included meetings of the Board of Governors and Directors as well as a High-level Seminar under the theme of "A New Way Forward."

Inside and outside the meetings, civil society groups stressed the need for the New Development Bank to set the parameters for the sectors and types of investments it will make in order to ensure that those investments support sustainable development. "The big question is whether the institution wants to be a new bank to an old development model or a bank for a new development model," said Adhemar S. Mineiro, Economist and Advisor to the Executive Secretariat of REBRIP, Rede Brasileira pela Integração dos Povos. "This is the existential question to be defined by the BRICS countries, its creators."

Groups raised concerns that the NDB has already approved investments in each of its member countries, including an investment in Russia approved this week, yet it is not clear what controls exist to anticipate and deal with social and environmental impacts. "While NDB staff state that a social and environmental policy exists, it has not been disclosed, nor was civil society consulted in its development," explained Vladimir Chuprov, Head of Greenpeace Russia Energy Program. "By avoiding dialog with civil society, NDB risks getting into social conflicts. Many international banks have met such conflicts caused by absence of dialog and social and environmental standards. NDB has a chance not to repeat others' mistakes."

The need for greater transparency was a critical demand raised by those attending the meeting as well as many civil society groups unable to attend. Groups criticized the lack of accessibility of the Annual Meeting, citing a registration window of under a week, lack of notice, and denials of registration. "Meaningful participation and listening to stakeholders, especially to directly affected communities, is a prerequisite for effective development," said Caio Borges, attorney at Conectas Human Rights in Brazil. "As a public institution that operates with public funds, the NDB needs to be open to the voices of civil society and to abide by the highest standards of social accountability."

For more information:

Caio Borges, Conectas (Brazil) +55 113-884-7440 caio.borges@conectas.org / caiojp@yahoo.com

Calvin Quek, Greenpeace East Asia +86 186-1171-4673 calvin.quek@greenpeace.org

Gonzalo Roza, FUNDEPS / Coalition for Human Rights in Development +54 935-1636-1656
gon.roza@fundeps.org