2016 was a year of growth for the Coalition and for the movement. We helped to change the debate around development finance, showing that human rights can no longer be ignored. We brought new constituencies into this fight, prevented an erosion of standards while strengthening others, and worked to prevent human rights violations.

As 2017 begins, we face even bigger challenges. Our members and partners around the world are witnessing a rapid rollback of social and environmental protections. Marginalized communities are under attack, while numerous governments abuse fundamental human rights. Meanwhile, investors are pressing for more and more private sector involvement in development and bigger and faster growth in infrastructure, energy and extractives.

This strange new world was not born in an instant – it has been slowly building over time. The recent political upheaval in countries like Brazil and the United States and the continuing shifts in executive powers in major countries have created a new environment for human rights. Yet, communities should be in the driver’s seat of development processes and projects that will impact them. Too often, people are shut out of development decisions and only become aware of development plans when the bulldozers move in. To counter this, in 2016 the Coalition launched our Community Engagement Partnerships. These partnerships connect community struggles with strategic resources and campaign support, and bring community expertise to inform our strategies and policy work. In 2016 we engaged in partnerships with communities in Kenya, Nigeria, Bangladesh, Senegal and Malawi, and began working with communities in Cameroon and Democratic Republic of Congo.

In April 2016, Citizens For Justice Malawi, in partnership with International Accountability Project and with the support of the Coalition, worked through the Early Warning System to inform communities in western Malawi about a planned $71 million Water Project to be financed by the World Bank. The construction of the Diamphwe Multipurpose Dam and associated infrastructure is expected to affect 6,015 people. Utilizing participatory research, Citizens for Justice worked with communities to document the lack of access to information and meaningful consultation as well as serious flaws in the project’s proposed resettlement plan. After continuous engagement with Bank officials, the communities succeeded in securing time for their concerns to be considered by Bank officials.

A look back at 2016 and a glance at what lies ahead

Partnering with Communities to Defend Human Rights

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In August, the World Bank concluded a four-year process of overhauling its social and environmental “safeguard” policies – the policies designed to ensure that development activities financed by the Bank do not cause harm to communities or the environment. While we had hoped the review would be an opportunity to strengthen the safeguards, we ended up fighting a protracted battle to prevent their dismantling. Coalition members around the world engaged in consultations, developed analysis and case studies, and conducted advocacy with government officials and World Bank staff and directors. Working together with allies we were able to defeat some of the most egregious proposals, including a provision that would have allowed countries to “opt out” of applying protections for indigenous peoples. We were also able to secure notable improvements, including broader coverage of social impacts, new provisions to prevent discrimination, and language on the prevention of reprisals. But while the scope of the new Social and Environmental Framework was expanded, its overall effectiveness was compromised.

The new framework shifts from a compliance-based system with clear requirements and timelines for planning and reporting to a more flexible “adaptive management” framework. In several areas, key requirements for Bank supervision and due diligence were eliminated, while responsibility for various aspects of assessment, reporting, and supervision was shifted from the Bank to the borrower. This shift presents real risks for affected communities and raises serious challenges for implementation.

The Bank is now working on developing the guidelines and procedures that will help implement the new policy framework. In 2017 we’ll work to influence the development of guidance notes and implementation tools to close some of the gaps in the policy and strengthen implementation.

Promoting Human Rights Due Diligence

Development projects should not have adverse impacts on human rights. But when governments and banks assess the risks of a given development activity they often fail to anticipate fully how that project will affect people’s lives. The human rights framework can provide a critical tool to help practitioners identify the range of potential impacts of a development proposal and assess what impacts are acceptable or not. With the adoption of the UN Guiding Principles on Business and Human Rights, the concept of investors’ obligations to undertake due diligence to ensure that their activities are not causing or contributing to human rights violations and to ensure remedy for harm, has gained considerable momentum. This past year, the OECD developed new guidelines for export credit agencies regarding human rights due diligence, while several countries and development financiers adopted commitments on human rights due diligence.
In 2016, the New Development Bank (NDB) established by the BRICS countries (Brazil, Russia, India, China and South Africa) celebrated its first year of operations. The bank, whose purpose is to finance infrastructure and sustainable development projects in emerging market economies and developing countries, initiated its first batch of projects, developed and published a social and environmental policy, and held its first annual meeting. Although its first year of operations has shown some positive aspects, including an initial focus on small-scale energy projects, civil society groups have raised serious concerns as to whether the NDB can live up to its sustainability mandate. In particular, there are significant concerns regarding the NDB’s lack of transparency or engagement with civil society and lack of robust social and environmental safeguards and management processes.

The Coalition’s BRICS Working Group worked throughout the year monitoring the NDB’s evolution and engaging in advocacy with BRICS governments and bank officials. Through strategic engagements in São Paulo, Shanghai, Delhi, Washington, and Goa, working group members pressed for several key demands, namely that the Bank establish sustainability criteria, institute processes for meaningful engagement with affected communities and civil society at the project and policy level, and develop a robust policy framework that meets international standards and reflects best practice. With the Bank’s plans to scale up lending, expanding to non-BRICS countries and the private sector, we’ll work in 2017 to build stronger bases of accountability in NDB-member countries to press for a revision of the bank’s social and environmental policy framework, shape the institution’s strategy, and influence project selection and implementation.

Yet actually operationalizing these policy commitments remains a big challenge. The Coalition has been developing tools to show governments and development banks how to incorporate human rights within their social and environmental risk management systems. This year, in addition to strengthening social impact assessment provisions in the World Bank’s new safeguards, we secured improvements in due diligence procedures at the US Overseas Private Investment Corporation (OPIC) while initiating discussions with several other financiers. In early 2017 we plan to finalize our online Human Rights Risk Analysis Tool and roll out a series of workshops with development finance institutions around the globe.

In 2016, Coalition member Inclusive Development International launched the Follow the Money to Justice Initiative - a new tool to fight land grabs and other corporate abuses. Behind many harmful investment projects lies a web of actors, including local and transnational corporations and their subsidiaries; equity and debt investors, including development banks; commodity traders; refiners and retailers. Many of these actors can be leveraged, including through advocacy or campaigning, to use their influence to ensure that human rights are respected or violations are redressed. But these investment chains are almost always invisible to affected communities.

To address this gap, upon request of local advocates, IDI maps out key actors and pressure points along a given project’s investment chain to reveal new advocacy opportunities that communities can seize to defend their human rights and the environment. IDI also created a step-by-step guide on how to conduct research and analysis on investment chains and how to craft effective advocacy strategies: www.followingthemoney.org
Safeguarding Human Rights Defenders

Attacks on individuals and communities who speak out about harmful development activities are on the rise. In a 2016 report, Michel Forst, the UN Special Rapporteur on the situation of human rights defenders warned of a “disturbing trend of increasing violence, intimidation, harassment and demonization of the brave individuals and groups who strive to defend and promote environmental and land rights.” According to the watchdog group Global Witness, more than three environmental human rights defenders are killed each week. Most of those facing threats are opposing land grabbing, extractive industries, and other large-scale development projects. Around the world, the space for civil society to engage in or raise concerns about development processes is shrinking as governments criminalize dissent and pass laws restricting the ability of civil society organizations to function. To address this growing crisis, in 2016 the Coalition launched a global campaign to press development financiers to respect human rights, promote an enabling environment for participatory development, and safeguard environmental and human rights defenders. Coalition members and allies conducted advocacy with multilateral development banks and used strategic communications to highlight campaign recommendations and amplify the voices of defenders.

Following the tragic killing of indigenous leader Berta Cáceres, Coalition members joined Honduran social movements to press the Dutch Development Bank FMO, the Finnish development financier FinnFund, and the Central American Bank for Economic Integration (CABEI) to pull their funding from Agua Zarca, to suspend their financing in Honduras for other projects that infringe on human rights, and to use their leverage to press for justice for Cáceres’s murder. FMO, FinnFund, and CABEI suspended their financing and FMO and FinnFund committed to withdrawal. The Coalition and other groups pressed FMO to develop mechanisms to safeguard human rights defenders. There is much more to be done, but in January FMO adopted a policy statement “recognizing the need to protect dissenting voices.” Coalition members also succeeded in pressing the independent accountability mechanisms of the World Bank, International Finance Corporation and the Inter-American Development Bank to develop protocols to ensure that individuals and communities who lodge complaints against development projects are protected from reprisals.

In 2017, we’ll work to strengthen the capacity of civil society groups to safeguard defenders in development processes. We will expand our advocacy with bilateral agencies and development banks to improve their policies and practices, and will bring together a compendium of case studies to illustrate the connection between human rights defenders and development finance, and effective safeguard strategies.

Development Finance and the Rollback of Social and Environmental Protections

Be sure to check out our infographic posters explaining the connection between development finance and the rollback of social and environmental protections around the globe. You can find these and other tools in our online resource library.
Growing Our Branches and Deepening Roots

In 2016 the Coalition membership grew to 70 member groups around the world. We expanded our International Secretariat to include Fundación para el Desarrollo de Políticas Sustentables (FUNDEPS) in Argentina, staffed by Gonzalo Rosa, and International Accountability Project in Washington DC, staffed by Ann Perreras. In 2017, the Coalition will expand the Secretariat to include one or more new regions.

In September, we transitioned to an independent fiscal sponsor - Social and Environmental Entrepreneurs, in Calabasas, California. A big thank-you to the Center for International Environmental Law which served as our fiscal sponsor during our start-up period. We are grateful as well to our 2016 outgoing Steering Committee members: Vladimir Cuk with International Disability Alliance, Melania Chiponda with Chiadzwa Community Development Trust, and Emmanuel Saffa Abdulai of Society for Democratic Initiatives.

The 2017 Coalition Steering Committee:
Prabindra Shakya, Asia Indigenous Peoples Pact; Pía Marchegiani, Fundación Ambiente y Recursos Naturales; Ryan Schlief, International Accountability Project; Manana Kochladze, CEE Bankwatch; Jessica Evans, Human Rights Watch; Carla Garcia Zendejas, Center for International Environmental Law; Ramesh Sharma, Ekta Parishad; Rayyan Hassan, NGO Forum on ADB; Aly Sagne, Lumiere Synergie pour le Développement; Mariana González Armijo, Fundar Centro de Análisis e Investigación; Juana Kweitel/Caio Borges, Conectas Direitos Humanos.

A Look Back, continued from p. 1

in the geopolitical power map will necessarily require us to change how we work. But they also confirm the basic strategic assessment that underpinned the Coalition’s very creation – that to change the development model we need a united front that crosses geographic and thematic boundaries, is rooted in the Global South, and is able to leverage accountability through a diversity of channels to hold financiers, governments and business to account. We will continue to utilize institutions and governments wherever strategic, but we know that the real power lies with communities and social movements. We must support and build that people power. The fight for human rights in development will not be easy in 2017, but it is today more critical than ever.

In Solidarity,
Gretchen Gordon, Coordinator

Communities, continued from p. 1

pushing back the timeline for consideration of the project, securing time for their concerns to be heard and for reconsideration of the resettlement.

Indigenous communities in the Chittagong Hill Tracts region of Bangladesh grew concerned when they learned of a World Bank-financed project to plan a road and port development through their territory. Despite the potential serious risks for their land rights, forest resources and social cohesion, indigenous peoples were not informed about the project and their leadership was left out of consultations. With the Coalition’s support through the Asia Indigenous Peoples Pact (AIPP) local indigenous peoples organizations held community consultations and conducted their own impact assessment of the proposed project. After communities filed a complaint with the World Bank’s Inspection Panel and conducted advocacy with Bank management, the Bank announced in October its disavowal of the feasibility studies and cancelation of plans for future financing.

In 2017, the Coalition has plans to continue strengthening these existing relationships while we develop ten to twelve new partnerships. You can read about all our partnerships here.