

PRESS RELEASE

[Embargoed until 10 September 2025]

“KfW: Irresponsible Banking”: new report exposes how Germany’s development bank is failing to prevent human rights violations in its investments abroad

10 September 2025 - Kreditanstalt für Wiederaufbau (KfW), Germany’s public development bank, is complicit in serious human rights violations despite claiming to improve “economic, social and environmental living conditions across the globe,” according to a new report released today.

The report, “KfW: Irresponsible Banking” — authored by the [Coalition for Human Rights in Development](#) and endorsed by 20 civil society groups — reveals that KfW projects are often imposed without informing or consulting affected communities, and that those who raise concerns or oppose such projects face threats and attacks.

“KfW calls it ‘responsible banking’, but it’s using German taxpayers’ money to bankroll projects that displace Indigenous Peoples, destroy ecosystems, and endanger human rights defenders. If KfW wants to demonstrate real responsibility, it needs to listen to local communities and ensure their voices are not silenced”, says Dalile Antunez, the report’s author and researcher at the Coalition for Human Rights in Development.

In Poco Leok, **Indonesia**, KfW is funding a geothermal project that is displacing local Indigenous communities and threatening to destroy their sacred sites, way of life, and environment. The community has voiced strong opposition. In response, police and military forces have violently attacked and criminalized local activists.

“By not stopping their financing to the project, KfW is actually complicit in human rights violations in Poco Leok,” says Jimmy Ginting, a local human rights defender who has been supporting the struggle of the Indigenous community in Poco Leok.

In Sinaloa, **Mexico**, KfW IPEX-Bank has invested USD 1.5 billion in a controversial ammonia plant, violating the rights of local Indigenous communities by imposing the project without their consent. In a region already plagued by violence and organized crime, the project has further fueled attacks against human rights defenders.

“This is a project of death,” says Claudia Susana Quintero, Mexican Indigenous woman human rights defender from the Mayo-Yoreme Indigenous community and founder of the collective ¡Aquí no!. *“It has torn apart my community and shattered my world, my family, and my life. I fear that if they kill me*

tomorrow, my struggle will become just a memory, and my children will be left without a mother – simply because I chose to stand up to defend my land and the rights of my people.”

In **Tanzania**, KfW IPEX-Bank is supporting the construction of a graphite mining project. The community was only informed once decisions had already been made and has received no clear information about compensation or relocation. Those who attempted to raise concerns have faced threats and criminalization, leaving many too afraid to speak out.

Through these three case studies, along with a detailed analysis of KfW’s policies, the report shows that – behind the slogan “Responsible Banking” – KfW is contributing to serious harm and failing to ensure that its overseas investments serve not only Germany’s interests, but also those of the communities directly affected.

Key concerns

- **Weak safeguards:** KfW’s social and environmental policies are overly vague and open to interpretation. While its safeguards refer to international standards, they do not specify which standards apply or how compliance is monitored. For example, KfW lacks dedicated policies to prevent and address reprisals, and it remains unclear whether the World Bank Group’s standards in this area are considered applicable.
- **Reliance on clients:** KfW’s safeguards also place excessive reliance on clients to identify environmental and social risks, allowing the Bank to shirk responsibility for harms arising from its projects.
- **Lack of transparency:** Compared to other major development banks, KfW fails to provide essential, accessible information about its activities. The Bank discloses only minimal details on its direct investments and does not meet international standards on access to information.

Key recommendations

The report urges KfW to take urgent action to prevent human rights abuses linked to its projects.

KfW should:

- Adopt clear and binding policies to prevent, assess, and respond to reprisals against communities and human rights defenders.
- Guarantee transparency by proactively publishing accessible information about all projects, including risks, safeguards, and results.
- Ensure safeguards are independently verified, rather than relying solely on client-provided information.

- Strengthen requirements for meaningful community participation, including Free, Prior and Informed Consent (FPIC) for Indigenous Peoples.

Additionally, the German Federal Ministry of Economic Cooperation and Development (BMZ) – which has oversight over KfW – should establish an independent and robust accountability mechanism to ensure affected communities have access to redress when harmed by KfW projects.

About the report launch

On September 10, join us for the launch of the report “KfW: Irresponsible Banking”, where you’ll hear from:

- **Claudia Susana Quintero:** Mexican Indigenous woman human rights defender from the Mayo-Yoreme Indigenous community and founder of the collective ¡Aquí no!
- **Jimmy Ginting:** Indonesian Human Rights Defender
- **Pichamon Yeophantong:** UN Working Group on Business and Human Rights
- **Dalile Antunez:** Collaborative Researcher, Coalition for Human Rights in Development

Moderator: **Sofia Larriera Santurio** (Front Line Defenders)

When: Wednesday, September 10

(19:00 Jakarta / 15:00 Dar es Salaam / 6:00 Mexico City - check your local time [here](#))

Where: Zoom - registration link [here](#)

For media enquiries and interviews

For any media enquiry, please contact Lorena Cotza (Communications Lead - Coalition for Human Rights in Development): +39 3285761056 | lcotza@rightsindevelopment.org

We can arrange interviews with human rights defenders from Mexico, Indonesia and Tanzania for further information about the three case studies highlighted in the report.

Additionally, Mark Fodor (Coordinator of the Defenders in Development Campaign at the Coalition for Human Rights in Development) will be available for in-person interviews in Berlin, on September 22-25.