

# Executive Summary

Kreditanstalt für Wiederaufbau (KfW), Germany's public development bank, is failing to prevent human rights violations resulting from its operations, despite claiming to be a responsible bank "improving economic, social and environmental living conditions across the globe".<sup>1</sup> In particular, as a result of its weak policies and weaker implementation, KfW is failing to prevent, address and remedy reprisals against those who are speaking out or raising concerns around the impacts of its projects.

***"Irresponsible banking" reveals the glaring gap between KfW's human rights commitments and the reality on the ground.***

Through three case studies and a detailed analysis of its policies, this report shows how KfW is failing to take adequate steps to ensure people can freely and safely participate, express their opinions, or oppose its projects.

The first section of this report shows that while KfW has policies, guidelines and principles for assessing the social and environmental impacts of the projects it funds, these are overly broad and inadequate. Most of them are supplemented by general references to stronger regulations and standards from other development banks or international organizations. Yet, none of these references specifies which external standards apply or outline the relevant internal processes to ensure compliance.

In the second part – through three emblematic case studies of KfW-funded projects in Indonesia, Tanzania and Mexico – the report illustrates how the lack of



Protest in Poco Leok, Indonesia.

adequate policies and their poor implementation heightens the risk of reprisals against human rights defenders (HRDs). In all these cases, an adequate human rights due diligence (HRDD) process could have helped the Bank identify reprisal risks and mitigate them.

Finally, this report presents a set of recommendations – developed in consultation with civil society actors and HRDs – on policy improvements, practical steps and procedures that the KfW Group (including its subsidiaries) should adopt to prevent, address and remedy reprisals in the context of its operations.

<sup>1</sup> "KfW – Responsible banking," KfW, <https://www.kfw.de/About-KfW>.