



38019 – Project course in CSR and HL

Project KIOS 2: Human rights in DFI-funded projects

Final report

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Abstract

Development Finance Institutions (DFIs) play an important role in financing development projects globally. Despite the important development work they do, the activities in DFI-funded projects have also raised a number of questions, especially in relation to human rights. Development projects funded by DFIs have been found to cause harm for people affected by the projects by e.g. causing them to lose land or means of livelihood. Civil society organizations (CSOs) often play a vital role in complaints processes to the DFIs accountability mechanisms and support the human rights of the affected communities by contacting the DFIs.

The aim of the project was to map out how human rights issues are connected to DFI-funded projects, especially through research questions related to human rights due diligence and accountability mechanisms. This report includes a literature review part and an experimental part, in which four local CSOs from South Asia or East Africa were interviewed in semi-structured interviews. Additionally, representatives from two international CSOs were interviewed in a similar manner.

Based on the literature review, there are gaps in the academic research conducted about these issues. The DFIs themselves provide information about their accountability mechanisms, but sometimes lack a clear and concise way to present their relevant human rights policies. Several reoccurring themes were found across the interviews, including impartiality, enforcement, timeframe of complaint processes, selection of project partners, and access to remedy. The requirement for the DFIs to implement a closer monitoring of their project partners and to be able to stop funding as a means of control emerged as key findings as well. In addition, serious lack of the notion of Free, Prior and Informed Consent (FPIC) was found and a need to widen the target audience of such processes to local communities not considered indigenous peoples was evident.

Future studies could approach the subject of human rights due diligence from DFI's standpoint by direct communication or discussion with them, for example, holding interviews with different DFIs instead of involving only CSOs. Additionally, the research could be expanded to other geographical regions to broaden the context of study and present a more global overview.

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Abbreviations

ADB	Asian Development Bank
AfDB	African Development Bank
AM	Accountability Mechanism
CM	Complaints Mechanism
CSO	Civil society organization
DFI	Development Finance Institution
EIB	European Investment Bank
FPIC	Free, Prior and Informed Consent
IAM	Independent Accountability Mechanism
IDB	Inter-American Development Bank
IFC	International Finance Corporation
IFI	International Financial Institution
ILO	International Labour Organization
IP	Inspection Panel
IRM	Independent Review Mechanism
ISS	Integrated Safeguard System of the African Development Bank
KIOS	Kansalaisjärjestöjen ihmisoikeussäätiö (KIOS foundation)
PAP	Project-affected people
UNDRIP	United Nations Declaration on the Rights of Indigenous Peoples
WB	World Bank

1. Introduction

Development Finance Institutions (DFIs) play a critical role in financing development projects all over the world. Despite the important efforts they make, their activities have also raised a number of questions, especially in relation to human rights. Development projects funded by DFIs have been found to cause suffering and harm for people affected by the project and have led to human rights violations (e.g. loss of land) (Brown Weiss, 2020). It is of utmost importance that the development financing activities and policies are in line with human rights principles, and that the standards are taken into consideration throughout their work in the field. Despite policies to prevent this from happening, they are sometimes not effective or followed at all (Brown Weiss, 2020). Civil society organizations (CSOs) often play a vital role in complaints processes to the DFIs accountability mechanisms by e.g. supporting the affected people with making the complaint (Brown Weiss, 2020).

The aim of the project is to map out how human rights issues are connected to DFIs, especially questions related to the human rights' due diligence in DFI-funded projects. The purpose is to give a general overview of the situation through a literature review, followed by interviews with the chosen CSOs to identify the gaps in human rights assessment and monitoring in DFI-funded projects. The purpose is to get a more thorough overview of the procedures, challenges, and opportunities regarding the human rights in the DFI-funded projects that affect the communities, in order to enhance knowledge and help with related advocacy work.

In this report, we present a closer look at what DFIs are, followed by a review on how human rights due diligence is acknowledged in these institutions. The focus of this report will be on the financial institutions related to the work of the chosen CSOs in South Asia and East Africa. The two international CSOs will be asked similar questions with a purpose to obtain a more general overview of the topics and to hear from their experiences. The literature part will shortly introduce the relevant DFIs, including their policies and accountability mechanisms, along with a look into the relevant academic literature. Free, Prior and Informed Consent, one of the most important rights relating to this topic and identified in international human rights law will be introduced, and finally, the work of some of the chosen CSOs will be discussed and highlighted through real-world cases that they have been involved with lately.

The experimental part of this report includes six interviews: four with so-called local civil society organizations operating locally in selected countries and two with international CSOs. The interviews were conducted with a semi-structured approach. The qualitative analysis is presented in the text and

at the end of this report, conclusions and recommendations will be made with some comparison to the literature.

2. International Financial Institutions and their human rights due diligence

2.1 International Financial Institutions

IFIs are institutions created by multiple countries. They are of great importance in various social and economic development programs in developing low and middle-income countries. They play an important role as advisors in development projects, funding projects and assisting in the implementation of these development projects, and promote the creation of jobs and sustainable economic growth in many countries (Bradlow, 2010). DFIs are organizations specialized in development, usually owned by national governments. The DFIs can either be bilateral, with the purpose of implementing their own government's foreign development and cooperation policy, or they can be multilateral institutions, that function as private sector branches of IFIs (OECD, n.d).

The DFI's chosen for this review include the World Bank (WB), African Development Bank (AfDB), European Investment Bank (EIB), and Asian Development Bank (ADB).

World Bank

The World Bank Group consists of five organizations, out of which the International Bank for Reconstruction and Development, which lends to the governments of middle and low-income countries, and the International Development Association, which provides interest-free loans and grants to governments of the poorest countries in the world, make up the WB. It currently has 189 member countries, who are represented by a Board of Governors, and has since 1947 funded over 12 000 development projects. The priority that guides the WBs work is to end poverty and enhance prosperity in the poorest countries through sustainable economic growth, investing in the people and building resilience in these countries (WB, 2022).

African Development Bank

Founded in 1964, the AfDB is a multilateral DFI aiming at the social and economic development of African countries. It plays an important part in providing not only monetary support but also in providing technical assistance on how to improve the development policies in its regional member countries (Nyadera et al., 2022). It consists of 81 member countries, out of which the majority are regional member countries and the rest being non-regional member countries from Europe, Asia, and the Americas.

European Investment Bank

The EIB was founded in 1958 and helps support over 160 countries all over the world, both within the European Union and beyond. Over the years, the multilateral finance institution has invested over a trillion euros on projects in various areas, prioritizing the climate and environment, development, innovation, infrastructure and cohesion, with approximately EUR 70 billion invested outside of Europe the last decade (EIB, 2023a). In 2022, the EIB Global was created as an arm to further increase the EIB's impact on development finance.

Asian Development Bank

Established in 1966, the ADB is a regional development bank, with the organization and functioning modeled to be similar to the WB. It works in Asia and the Pacific, assisting its members with financial aid, investments and technical assistance. In 2021, ADB put \$22.8 billion into their activities, including e.g. loans, grants and assistance, to both governments and the private sector (ADB, 2022). It currently consists of 68 members, the majority of them being regional members from Asia and the Pacific, and a minority of non-regional members from Europe and North America.

2.2 Human right due diligence of DFIs

2.2.1 Self-provided information by DFIs

All the aforementioned DFIs have an independent accountability mechanism (IAM) in place and most of them are based on a similar working principle, where a project affected party makes a complaint, which is then reviewed by the IAM. The IAMs have been described as managerial, instead of judicial, as they can be seen as a tool for the DFI boards to monitor management practices instead of providing international justice (Tignino, 2020). Despite certain challenges in the accountability mechanisms, they provide an important way for the people affected by a project to communicate the issues to the high-level management of the DFI (Tignino, 2020).

World Bank

The WB established their Inspection Panel (IP) in 1999 to enhance transparency and accountability in projects. Additionally, the reasoning behind the IP was to increase efficiency in the projects funded by WB. The main purpose of the panel is to independently investigate project compliance with WB procedures and policies. The IP inquiries are prompted by claims made by project stakeholders, that

can demonstrate violations or a likelihood of future violations in a project. The Panel itself cannot initiate an investigation without the approval of the board of directors. (Lukas, 2015)

The IP is extrajudicial, meaning it is only able to give recommendations that are not legally binding to the WB or other project stakeholders. The IP operations consist of e.g. a site visit, hiring consultants to review issues, or conducting public hearings. (Lukas, 2015)

In September 2020, the WB approved a resolution that established the World Bank Accountability Mechanism (AM), which houses the IP that conducts compliance reviews, and the Dispute Resolution Service that facilitates a voluntary and independent dispute resolution option for complainants and borrowers in the context of Requests for Inspection to the Panel. The AM officially became operational in 2021 and is headed by the Accountability Mechanism Secretary who reports to the Board of Executive Directors. On the other hand, the Panel members will coordinate but not subject to the supervision of the AM Secretary. (IP, n.da)

African Development Bank

The AfDB has a tool called the Independent Review Mechanism (IRM), which has recently been restructured and rebranded as IRM. AfDB released a 58-page annual report of the IRM activities of 2021 in spring 2022 and plans on releasing a similar report this year. The aim of the tool is to provide a platform for an independent and fair recourse mechanism to assist individuals, communities and workers in communicating how they have been negatively impacted by a project financed by AfDB. The complainants are referred to as project-affected people (PAP). “Independent” in the name stands for the tool being separated from the operations of AfDB, although it is hosted by the AfDB Group. (AfDB Group, 2022b)

The mission of the IRM is as follows “To provide fair, independent and effective recourse and remedy for individuals, workers and communities who are adversely impacted by AfDB-funded projects, and to identify potential areas via the complaint handling process where the Bank can further strengthen its policies, procedures and/or practices in support of sustainable development, ensuring that “no one is left behind.” (AfDB Group, 2022b)

The complaint process of IRM includes two alternative paths to move forward and the path is chosen on a case-by-case basis. The first path is called a compliance review, where claims of non-compliance in AfDB funded projects are handled. The second path is called problem solving, in which a mediated dialogue between the PAPs and relevant project stakeholders is established to resolve the complaint.

In 2021, 13 and 9 complaints were handled in compliance reviews and problem solving, respectively. The aim of both paths is to provide a formal framework for addressing, resolving and possible compensation of harm caused by AfDB funded projects. (AfDB Group, 2022b).

European Investment Bank

The EIB has released a 34-page report titled “The European Investment Bank’s approach to human rights” in February 2023. It is stated in the report, that they acknowledge their investments may have adverse effects on human rights and thus have established a variety of procedures, policies, and practices to prevent these effects. The goals of EIB as mentioned in the report are to identify human rights risks and impact and to integrate their findings into due diligence to prevent the risks from being realized. Moreover, they claim to enable a provision of remedies when their projects cause human rights issues or are directly linked to such occurrences (EIB, 2023b). Additionally, EIB intends to report about the risks, possible consequences and actions taken publicly. To further enable stakeholder communication, EIB will review their approach to addressing human rights and related risks together with stakeholders. (EIB, 2023b)

The UN Guiding Principles on Business and Human Rights (UNGPs) necessitate businesses to put in place grievance mechanisms (UN Human Rights Office, 2023). The EIB Group addresses the principle with a public accountability tool called The Complaints Mechanism (CM). The main goal is to make sure various EIB stakeholders to be able to contact EIB concerning any alleged malpractices occurring in EIB activities or related to their projects. (EIB, 2023b)

Asian Development Bank

The AM of the ADB works together with the board and president of the bank. It is an independent function within the bank and serves as the final layer of compliance review toward complaints. In compliance reviews, complaints are assessed bearing in mind the policies of the ADB. (ADB, 2023)

Moreover, the AM works together with complainants to provide a possibility for PAPs to discuss problems with the ADB and other project stakeholders. This problem-solving function does not review compliance, but rather gives a chance for PAPs to communicate their views to people in project funding or implementation. What is more, community outreach is also carried out by the AM to share lessons learned and to raise the bank’s profile in the communities (ADB, 2023).

Table 1. Summary table of the development finance institutions featured in this report.

	AfDB	ADB	EIB	WB
Policies of the DFIs and tools to assess impact	<p>The AfDB Integrated Safeguard System (ISS), established in 2014 and working on an update in 2022. In the update draft, environmental and social policy documentation required 120 days prior to board assessment in high-risk projects. Other areas of the ISS include e.g. remedy. The update was provided for UN Human Rights Office of the High Commissioner for review, as well as for public review for comments.</p> <p>Information on AfDB's ISS can be found here and here.</p>	<p>The ADB accountability mechanism exists to provide an independent forum to anyone affected by ADB development projects to voice concerns. It has two functions: problem-solving and compliance review. The current policy been in place since 2012. Link to the A can be found here.</p> <p>The ADB safeguard policy aims to help developing member countries to address social and environmental risks and to minimize and mitigate adverse impacts of ADB assisted projects. Link to ADB safeguard policy can be found here.</p> <p>The Independent Evaluation Department (IED) evaluates ADB policies, operations, and concerns relating to operational effectiveness. Link to ADB IED can be found here.</p>	<p>The EIB Group Environmental and Social Sustainability Framework, an overarching policy framework focusing on sustainable and inclusive development and committing to the transition in a just and fair way. Link to EIB Environmental and Social Standards can be found here.</p> <p>In 2023, EIB also released a publication on their approach to human rights, as an answer to questions regarding human rights often posed by CSO and other stakeholders about the EIBs policies. Refer to this link. The EIB is also bound by the requirements of the Charter of Fundamental Rights of the European Union (link here).</p>	<p>The IP adopted the updated Operating Procedures in April 2014 that details how the IP operates, and aims make the process user-friendly, transparent, predictable, and up to date. Additionally, the IP also follows a governing framework that outlines Panel process involving actions from all relevant parties. In case of any inconsistencies between Operating Procedures and Panel governing framework, the framework shall prevail. (IP, 2018) Once a request is received, the IP performs technical eligibility review according to six criteria determined in the Panel process. At the same time, when conducting investigation of the cases, the IP employs multiple methods for the purpose of fact-finding and analysis, including site visits, interviews, consulting with scientific literature and publications and so on. (IP, 2018). Link to WB IP can be found here.</p>
Locations of DFI-funded projects	<p>Work focused on Africa; countries listed behind this link.</p>	<p>Work focused on Asia, countries listed behind this link.</p>	<p>Majority of EIBs lending happens within the EU (about 90 % of activities) but operates in about 160 countries worldwide as a part of its international development aid.</p>	<p>Most of WB's loans are aimed at developing countries worldwide as listed here on their websites.</p>

Shareholders and supporting governments	<p>List of member countries is listed here.</p> <p>Finland is one of the member countries. Various countries have their own funds and agreements that support their individual values and goals.</p>	<p>68 members, 49 from within Asia and the Pacific, 19 outside as listed here.</p> <p>Formalized relations with United Nations (UN).</p> <p>Partners with other multilateral banks and financial institutions, and bilateral organizations.</p>	<p>The bank complies with international human rights laws, standards, and principles, such as the UNGPs. The EIB also invites CSOs to contribute to the policies during public consultations and can at any given moment raise their concerns with the civil society division. The Bank participates in working groups with other multilateral development banks via the Independent Accountability Mechanisms Network.</p>	<p>WB earns the status of an international financial institution that is owned by the governments of member nations (189 countries). The bank's loan strategy is influenced by the United Nations' Sustainable Development Goals, as well as environmental and social safeguards. The WB's IP collaborates with other similar recourse mechanisms of international financial institutions under Independent Accountability Mechanisms Network.</p>
Limitations of the recourse mechanisms	<p>The processes can take a long time.</p> <p>Average time to complete compliance review: 405 days.</p> <p>Average time to complete problem-solving: 560 days.</p> <p>Problem solving and compliance review outcomes are not legally binding.</p> <p>(AfDB, 2022b)</p>	<p>Lack of transparency.</p> <p>Need for improved safeguard risk screening.</p> <p>Need to improve the effectiveness of the grievance redress mechanism.</p> <p>Recommendations are not legally binding.</p> <p>https://www.adb.org/sites/default/files/institutional-document/434956/accountability-mechanism-compliance-review-guidebook.pdf</p>	<p>The 2018 EIB Complaints Mechanism Policy has left the possibility for EIB services and staff to interfere with the mechanisms final decisions, limiting the independence and legitimacy of the Complaints Mechanism. (CCE Bankwatch Network 2022). Complaint Mechanism also received critique for being insufficiently accessible to the affected people. Recommendations are not legally binding.</p>	<p>WB's AM reflects more of an internal audit process than a legal process as it still depends on the Board of management of WB to make decisions.</p> <p>AM's mandate is limited to focusing on WB's compliance with its policies and prevents affected persons from obtaining redress for other harms as a result of WB's activities. (Kolo & Fahrney, 2022)</p> <p>Post investigation controls as well as preventive procedures should be put in place.</p> <p>Recommendations should be legally binding. (Nurmukhametova, 2006).</p>
Number of complaints received	114 complaints since 2006.	The AM has received a total of	More than 500 cases since the	164 cases up to present since

in recourse mechanism	13 problem-solving complaints and 9 compliance reviews in 2021. (AfDB, 2022b)	378 complaints since 2012. 71 complaints in 2021 Complaints archives can be found here .	establishment of the Complaints Mechanism in 2008. 64 new complaints in 2021. (EIB, 2022a)	establishment of IP in 1995, of which 40 cases are in the process of investigation while 51 cases have been provided recommendations from IP. 5 new requests in 2021. (IP, n.db)
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2.2.2 Discussions in relevant literature

As mentioned before, DFIs operate in the space between public aid and true private sector investments (Trujano & Lévesque, 2022). These institutions must balance both commercial profitability and development impact due to the unique mandates under which they operate. One key value added by DFIs is their investments in underdeveloped sectors in developing countries, which most private investors consider too risky. While bilateral DFIs must follow banking regulations in their national jurisdictions, which creates challenges in risk management and development impacts (Savoy et al., 2016), multilateral DFIs must follow international law.

It is difficult to assess DFIs impact on environmental and human rights issues, as generally their internal project evaluations are not publicly available, not to mention that any information that is publicly available through the DFI is likely to be positively skewed (Spratt & Collins, 2012). Furthermore, identifying gaps in DFIs human rights due diligence is challenging, as there are no easily defined sectors, instruments, or countries that should be prioritized over others (Kingombe et al., 2011). The geographical distribution of DFIs is wide, but in this report our focus is on case studies from South Asia and East Africa.

There is limited amount of academic research on DFIs practices in relation to human rights due diligence. Bracking (2012) explored the way in which investors and DFIs assess their environmental impact. At the time of the article, the conclusions were that financiers employed thin and pseudomathematical methods in assessing their environmental harm, and these assessments were only partial. Alarming, Bracking (2012) also stated that the current models for measuring environmental and developmental impact were only marginally related to the material world it sought to measure and protect. Private equity funds use these “science” based tools to legitimize their position in power structures that exploit natural resources for their own benefit.

Trujanoa & Lévesque (2022) analyzed the potential of private sector investors and DFIs to impact care economy and gender equality in the economic environments they operate in. These institutions play a significant role in mobilizing private sector investments in developing countries and have potential to help build more gender-equitable economies by putting more focus on women's unpaid work. Although some DFIs had already unknowingly contributed to promoting gender- and care-related interventions with their investors, a more intentional approach is necessary to achieve transformational impact (Trujanoa & Lévesque, 2022). The authors also call for better data collection and analysis on care-related indicators to identify the most important gaps and the impacts of care-related investments. Before direct investment can be made by DFIs, an extensive market mapping must be conducted.

Spratt & Collins (2012) reviewed five major DFIs internal project evaluations through negotiated terms of access to find evidence of their impact on economic growth and poverty reduction and their added value to environments where they operated. The authors investigated the following functions performed by the DFIs: leveraging additional finance, influencing project design and the policy context so that development impacts are greater than they would otherwise have been, and creating a positive demonstration effect so that private investors undertake similar projects without the need for DFI participation.

In line with Bracking (2012), the authors found that hard evidence on DFI's impact is scarce. They identified three main reasons for this. First, it is difficult to determine causal relationships in infrastructure provision and development outcomes. Second, if there is an observed impact, it is hard to determine the share of DFI's in this impact, and lastly, at the time of the study, DFIs had only recently started measuring their impact, and the authors concluded that more time is required to properly collect evidence.

3. Free, prior and informed consent

3.1 The notion of Free, prior and informed consent

The idea of Free, prior and informed consent (FPIC) was first brought up in the 1980s, when indigenous people started to require the recognition for their right to give, modify or withhold their free, prior and informed consent to any action or intervention that may affect their people, lands, territories and natural resources (Hanna & Vanclay, 2013). It strongly links to the right of self-determination, which can be seen as the basis for claiming the right to FPIC, which e.g. can be found in art.1 of the 1945 Charter of the United Nations (United Nations, 1945).

FPIC is also connected to the notion of ethnodevelopment, which urges that development ought to be defined in accordance with its cultural context. This allows for communities to determine and embrace their own future and use of the resources in their own community, reflected by cultural frameworks applicable in their own community (Hanna & Vaclay, 2013). The Western idea of economic development might not always correlate with the understanding of e.g. communities of ethnic minorities and indigenous people, and ethnodevelopment acknowledges the needs of these communities and the direction of the development in said area (Clarke, 2001).

According to Vanclay and Esteves (2011) *Free* means that there must be no coercion or manipulation by companies or governments. If a community declines to any proposed actions, there can be no retaliation. *Prior* indicates that consent should be inquired and received ahead of any activity is initiated, and sufficient time needs to be provided for making any decisions. *Informed* indicates project developer fully disclose any plans. This has to be communicated in a language acceptable to the affected community, to ensure they have enough information and an adequate understanding of the implications and impacts of the plans, including what kind of a social impact it will have on the community's experience. *Consent* means that communities de facto have a real choice to decide themselves whether or not the deal will be beneficial for them and satisfies their needs. It also includes there being an applicable mechanism for determining the existence of a widespread consent within the entire community.

Despite the fact that the idea can be found in various legally binding and non-binding documents, FPIC is primarily recognized in terms of indigenous people. Buppert & McKeehan (2013) highlight that this doesn't mean that other communities don't face similar problems regarding the absence of their own input into the development in their own community. The notion of FPIC can indirectly be found in the ILO Indigenous and Tribal Peoples Convention 169, as Article 6(1) states that "...Governments shall: (a) consult the peoples concerned, through appropriate procedures and in particular through their representative institutions, whenever consideration is being given to legislative or administrative measures which may affect them directly; (b) establish means by which these peoples can freely participate, to at least the same extent as other sectors of the population, at all levels of decision-making in elective institutions and administrative and other bodies responsible for policies and programmes which concern them."

In addition to this, Article 7 (1) further declares that "*The peoples concerned shall have the right to decide their own priorities for the process of development as it affects their lives, beliefs, institutions and spiritual well-being and the lands they occupy or otherwise use, and to exercise control, to the*

extent possible, over their own economic, social and cultural development". The principle is also recognized in the United Nations Declaration on the Rights of Indigenous (UNDRIP) and the Convention on Biological Diversity (CBD). Despite all the instruments not being legally binding, successful cases have been built upon all instruments (Buppert & McKeehan, 2013).

Despite being a principle and notion generally advocated for in all development projects and recognized by experts as good practice in all undertakings with local communities (FAO 2016, p. 5), FPIC is only recognized in relation to indigenous people in international conventions. This makes the situation difficult in cases where the DFIs haven't explicitly committed to obtaining FPIC from other vulnerable groups in their own standards, and also makes it difficult to hold the DFI's accountable.

3.2 FPIC and the Development Finance Institutions

All of the DFIs mentioned in this report acknowledge the notion of FPIC to some extent (Wright et al. 2018, p. 39).

The notion of FPIC is recognized in the WB's Environmental and Social Framework, which sets out the Bank's policy and a set of standards for the Borrowers' projects. The FPIC is also recognized in the PS7, one of the International Finance Corporation (IFC)'s Performance Standards. The IFC, a part of the WB Group, is the largest development institution focusing on the private sector of developing countries. Despite this, the WB have multiple times failed to carry out proper process for FPIC with Indigenous People, and even excluded communities from the FPIC processes altogether. The processes have e.g. been lacking sufficient information about the projects to local communities, the project developer engaging only with authorities who do not represent the community, the funded company making decision about the project without considering the opinions of the community, communication has not been provided using the local Indigenous Languages and lack of documents regarding the project (CAO, 2022).

In their Environmental and Social Standards, the EIB not only sets out requirements for FPIC processes affecting Indigenous People, but also recognize the needs of other vulnerable and marginalized people that are affected by projects (EIB 2022, p. 49). The aim is to ensure their participation and respect their rights and interests. They also specifically address the promotion of gender equality. However, violations of human rights, failing to acknowledge local communities and collecting FPIC from Indigenous People has been found in various cases (Accountability Counsel, 2021).

In the currently applicable ISS, the AfDB recognizes the free, prior and informed consultation of a vulnerable group, which includes Indigenous Peoples, but also recognizes other vulnerable groups such as landless people and ethnic minorities (AfDB Group, 2013). However, they have opted for only consultation rather than consent, which leaves more room for uncertainty. An updated version of the ISS is currently being drafted. In the updated version available for public consultation, (AfDB Group, 2022a) the bank recognizes the special situation of “Highly vulnerable rural minorities”, which they state can be referred to as ‘Indigenous peoples’ in some national legislations. Whilst they point out that there is no universally applicable definition to FPIC, and that unanimity is not required within the group, it still mentions the notion of FPIC, compared to only talking about consultation in the currently applicable ISS. In the updated ISS, the bank further points out that women are not inheritably more vulnerable than men, but their resilience can be impacted by e.g. societal roles and discrimination. It points out determining whether a group is vulnerable or not has to do with their “lifestyle, culture and strong dependence on the natural environment” (AFDB Group 2022a, p. 105)

The Safeguard Policy Statement released by the ADB in 2009 recognizes safeguards needed for Indigenous People and also other vulnerable groups. However, obtaining FPIC is only mentioned by referring to the UNDRIP, meaning only referring to Indigenous People, and only in relation to “project activities where Indigenous Peoples groups are deemed to be particularly vulnerable” (ADB 2009, p. 10). This leaves the situation of other vulnerable groups and their consultation unclear.

4. Local CSOs and the case of Marsyangdi Corridor Transmission Line

4.1 Local CSOs and their activities

In Nepal, the featured CSO in this report is Lawyers' Association for Human Rights of Nepalese Indigenous Peoples (LAHURNIP) - a pioneer organization established in 1995 by professional lawyers to work for human rights and fundamental freedoms of Indigenous Peoples in Nepal. Meanwhile in Uganda, the three CSOs chosen are Twerwaneho Listeners' Club (TLC), Buliisa Initiative For Rural Development Organization (BIRUDO), and Uganda Consortium on Corporate Accountability (UCCA).

TLC is a local civic club bringing human rights activists together after they started a radio talk show together in 2006 to raise awareness about governance and respect for human rights. In the same year, BIRUDO was founded by a group of Ugandan youths to fight poverty among the local rural and urban communities. Finally, UCCA is a common platform that aims to develop joint advocacy actions

through a collaboration of multiple organizations for addressing human rights issues in Uganda, focusing especially on corporate accountability, business and human rights issues.

Among all these organizations, while working towards its goal of empowering rural communities, BIRUDO has encountered one case related to Pakwach Wadelai Irrigation Schemene where local human rights were violated by DFIs' interventions. Other organizations, over the years, have fought alongside local inhabitants while they were struggling to claim their FPIC justice.

4.2 The case of Marsyangdi Corridor Transmission Line

To illustrate the idea of how FPIC notion is violated and efforts to claim it for local communities, it is easier to explore in detail an example of LAHURNIP. One recent notable case that LAHURNIP has been dealing with is related to the construction of Marsyangdi Corridor Transmission Line, part of Nepal Power System Expansion Project (PSEP) that received almost 100-million-euro funding from the EIB. The project aims to contribute to meeting domestic electricity demand by connecting new hydroelectric schemes in the former Western Development region to the national grid and to facilitate cross-border power exchange with India.

During the project implementation, a transmission line was rerouted to pass through densely populated areas in Lamjung district, Nepal. This caused numerous adverse environmental, human rights, and economic impacts as well as serious health and safety threats to both local indigenous communities (Gurung, Tamang, Ghale), and other non-indigenous communities. Additionally, they claim that they were neither meaningfully consulted nor provided any information about the project.

This lack of information disclosure and consultation is in sharp violation of international and domestic requirements to seek FPIC of indigenous peoples. As such, in 2018, the FPIC & Rights Forum, a collective of affected communities, filed a complaint with the EIB's Complaints Mechanism (CM) requesting mediation to help resolve their issues with project financiers, promoters and government authorities. LAHURNIP and Accountability Counsel (AC), a US based organization, have been providing legal support during the filing process.

The EIB's CM conducted an initial assessment in March 2019 and issued an assessment report in July 2019 offering to facilitate a dialogue between the community and Nepal Electricity Authority (NEA). Unfortunately, the NEA refused to participate. In April 2021, EIB CM issued Conclusion Report that suggested the EIB must take urgent steps to respect IPs rights to FPIC. The report also stated that the NEA has not fulfilled the conditions for the disbursement and recommended the EIB

to provide further financing for the project if the project company meets certain social and environmental benchmarks.

However, one year after the report was released, instead of demonstrating corrective actions, NEA resumed the construction of the transmission line with the use of security forces and violent suppression. Multiple incidents of intimidation and physical assaults of indigenous residents, including women and elders, around April and May 2022 were reported. In light of the situation, United Nation (UN) human rights experts expressed their serious concerns through a letter to main stakeholders in charge of the project: Nepal government, NEA, and EIB. Yet, none of these three parties have provided any formal response to the letter up to date.

5. Findings of the literature review

Based on the literature review, there are gaps in the academic research conducted about these issues. The DFIs themselves provide information about their accountability mechanisms, but are sometimes lacking a clear and concise way to present their relevant human rights policies. There would be a need for more independent information, as there is a risk of the information provided by the organizations themselves to be biased. A more concrete, strict and public review of the human rights policies and related monitoring by the DFIs would also be beneficial. As demonstrated by the transmission line case, major human rights violations are still taking place in development projects so more research and advocacy work are clearly needed.

6. Interview overview and analysis steps

6.1 Methods and interview overview

Representatives of four local CSOs from Nepal and Uganda, and two international CSOs were interviewed for this report. Background information on the interviewed organizations can be found in Table 2. The interviews were semi-structured, with pre-defined open-ended questions, and additional questions were asked for clarification or elaboration of relevant information.

Two interview guides were constructed, one used for the four local CSO interviews, and another one with modified questions for the two international CSOs. The first interview guide consisted of 20 questions (Appendix 1.1). The second interview guide consisted of 23 questions, with slight modifications/additions to the questions to address the differences in the roles of local CSOs and international CSOs (Appendix 1.2). The questions were formed in collaboration with KIOS and the target was to identify and describe current gaps in the acknowledgement of human rights in DFIs. The interview guide consisted of three sections: background, current and past experiences, and future expectations. Themes included experiences working with DFIs, FPIC, recourse mechanisms, previous cases, their views on current gaps, and their recommendations for the future.

The interviews were conducted remotely on Teams, with two group members present, one as the lead interviewer and other in a supportive role. The sessions were recorded and transcribed with Teams internal transcription service, with consent from the interviewees.

*Table 2. Summary of participant organizations. The two international CSOs marked with *.*

Organization	Description	Area of operations
Twerwaneho Listeners Club (TLC)	Civic club that gathers together local HR activist.	Uganda, Rwenzori region
Lawyers' Association for Human Rights of Nepalese Indigenous Peoples (LAHURNIP)	An organization established by lawyers working on the promotion of indigenous peoples right to self-determination.	Nepal
Buliisa Initiative for Rural Development Organisation (BIRUDO)	An NGO founded in 2006 by a group of Ugandan youths to fight poverty among the local rural and urban communities.	Albertine region, Uganda.
Uganda Consortium on Corporate Accountability (UCCA)	Established in 2015, as a civil society consortium on corporate accountability to enhance accountability of the state companies, corporations,	Uganda

	development, finance institutions and development partners. The consortium brings together 23 organizations currently.	
*Accountability Counsel (AC)	Accountability Counsel is a nonprofit organization founded in 2009 that aims to amplify the voices of communities around the world to protect their human rights and environment that are harmed by internationally financed projects.	Global team of around 20 members working from four world regions, including Africa, Asia, the Middle East, and North America while its Global Support Team is located in the United States. It also partners with organizations and communities around the world.
*Coalition for Human Rights in Development	Global coalition consisting of social movements, CSOs and grassroots groups looking at human rights and the rights of the communities in development projects.	About 100 members globally, with $\frac{3}{4}$ being members from the Global South. Working with communities all over the world.

6.2 Analysis steps

The interviews were transcribed with the Teams transcription service. A qualitative analysis on the transcripts was carried out with the aim of identifying major themes and patterns recurring across the cases. The analysis was based on the framework presented by Spiggle (1994). The main points from the transcribed interviews were color coded according to themes we had identified previously in relation to our aim. A representation of the coding system can be found in Appendix 2.

7. Interview findings

7.1 Impacts of DFI-funded projects on local communities

DFI-funded projects, which are meant to elevate development in low- and middle-income countries, can have extremely negative consequences for the local communities.

Through illustrative cases brought up in the interviews by representatives of the CSOs, it became clear that several DFI-funded projects have turned out to cause economic harm to host communities. In most cases, these communities live in rural and remote areas, where they rely on natural resources such as land and water to carry out agricultural activities as their principal means of livelihood. However, with the implementation of DFI-funded projects, their access to those resources is often restricted or even fully blocked.

For example, an interviewee mentioned one case with AfDB in which the new fishing policies introduced as part of the project's requirements limited fishing activities of local people while they had their fishing equipment confiscated at the same time. Worse still, they received practically zero support or were not given sufficient time to transfer to another livelihood. As a result, they have lost an important source of daily food as well as income that prevented them from making ends meet.

Along the same lines, local communities also regularly suffer from loss of property when DFI-funded projects are carried out. From items of smaller value to assets of much greater value such as inherited pieces of land from their ancestors in one example that one interviewee discussed, in which the lands were taken away forcefully without their consent by the constructor. As another interviewee emphasized, when local communities are deprived of the rights to their possessions, they are not compensated properly.

Besides economic consequences, local communities usually see their quality of life deteriorated once development projects are executed, contrary to their intended purposes. Physical assaults have been a common resolution that local policeman resort to when met with villagers' resistance or protests instead of open discussion between both parties. What is more, during such confrontations, wounded community members have been denied access to critical healthcare services, which can put their lives in great danger.

On the other hand, there were even attempts to criminalize and arrest members of local CSOs that took side with affected communities as experienced by some Ugandan activists. These attempts were made to serve as an explicit warning about the outcome of standing up against the power of local authorities. Even after release, the ungrounded charges against detained members can cause serious damage to their reputation and career.

Undoubtedly, there are negative psychological impacts from the implementation of DFI-funded projects. Perhaps, the most obvious one as most interviewees agree is that local communities feel left out when they were not communicated with in advance about potential major changes that upcoming projects could make to their daily lives or simply given the chances to express their opinions on relevant matter.

According to one interviewee, in one case financed by EIB that they have dealt with recently, 1% of affected people is consulted about the project as surveyed, not to mention the fact that those consulted were mainly influential people affiliated with different political parties, thus neglecting people at more disadvantaged positions who were much more vulnerable to project aftermath. Another

interviewee also mentioned an encounter where local communities asked for further information regarding the projects, and WB could not provide it to them.

At the same time, as a result of threatening effects from aforementioned imprisonment trials and violent attacks from local armed forces, local communities also live in constant fear of harsh retaliation if they dare to speak up as shared in one interview. As such, their freedom to raise their voices is suppressed even when their rights are violated and choose to submit to the unfair situation instead of claiming what they deserve.

It is also worth mentioning that all interviewees agree that women and children were among the most vulnerable group of members that are affected by negative results of DFI-funded projects, especially women. As women are in charge of household tasks, including fetching water, collecting firewood etc., once access to these resources is restricted, they have to find alternative ways, which are usually more time-consuming and exhausting than their previous methods. For example, one interviewee said that in their experience, women once had to travel a much longer distance to get water for their family consumption when they were no longer allowed to use their usual water source. Another interviewee described this burden on women as gender-based violence, which is not rare but usually understated in literature and institutional reports.

7.2 FPIC process in DFI-funded projects

Based on the interviews, both the local and international CSOs recognized the lack of taking FPIC into consideration in the cases they had been involved with and pointed it out as a great issue for the local communities. One interviewee mentioned that there were cases where proper FPIC had been done, but most of the time the CSOs stated that no consent was obtained, consultation with the communities was not carried out or it was only done partially.

One aspect that was clearly brought up by multiple of the local CSOs was the importance of contacts and availability of information for the communities. Conducting thorough FPIC processes are limited by the fact that there has been failure in providing proper information to the locals, leading to locals not always being fully aware of their rights in terms of a proper FPIC process. This was for example highlighted through a case of discrepancy in land acquisition not being properly described to the locals, and eventually leading to the government not providing full compensation for the lost land. In many cases, access to remedy is limited, which is highlighted by the fact that people are not aware of the availability of remedy if they are not informed about it beforehand. This is for example seen in the lack of contact people in various recourse mechanisms.

As mentioned above, there is some ambiguity regarding the applicability of FPIC on various communities, and it officially only being recognized for Indigenous Peoples. The interviews further proved that the notion of FPIC itself also causes some uncertainty. There is ambiguity in the application of FPIC and regarding who can be considered Indigenous in a sense that FPIC would be applicable, e.g., regarding pastoralist communities. One of the international CSOs applies a broad notion of FPIC in their work, meaning that indigenous communities or traditional communities have a say in projects impacting their land, or natural and cultural resources. They however point out that it is problematic that this definition is not matched by the definition of all the DFIs. This can also be seen as one of the major causes of FPIC not being properly taken into consideration; it is not incorporated into the safeguards or policies of the DFIs, and in cases where it is implemented, the definitions remain unclear or not in line with e.g., the UNDRIP. Often when implemented, it is also defined as free prior and informed consultation, with poorer stakeholder engagement.

With the FPIC process, the locals aim to achieve the ability to design projects in a way that preserves their access to vital resources, and to make sure they actually benefit from the projects. Without the proper processes, situations with conflict arise between the communities and the DFIs, and the local communities are faced with the consequences mentioned earlier. In addition to the above-named situation of not receiving compensation for lost land from government, there have also been other situations where governments have blamed the communities for making the situation complicated, despite the fact that the community has not received proper information. One interview highlighted the fact that locals have been intimidated or even attacked solely for trying to speak up about the situation, and that even courts are fearful of the governments, which even further impacts the decisions of the community.

It was stated that it generally is not difficult to find out how human rights and FPIC have been taken into account. Information on violations is received, e.g. from human rights defenders working closely on the ground with the communities or fact findings done by the CSOs themselves through e.g. community surveys. For this purpose, mobilizing the communities has also been very important for the international CSOs, including training them on legal provisions and bank policies. This means that information is received both by various organizations being in contact with the communities, but also the communities being directly in contact with them, generally through intermediaries such as the local CSOs. Despite there being an intermediary, such as a local CSO, one of the international CSOs found it important to also communicate with the communities personally.

When it comes to the communication of the banks, the local communities have limited to no communication, which is also a result of the poor FPIC and human rights due diligence processes. What makes the situation further complicated is that the banks usually rely on information from their partners without conducting any independent verification.

7.3 Accountability mechanisms

Accessibility

One of the key themes in the interviews regarding the various accountability mechanisms was accessibility and access to remedy. This concerned both the threshold for the complaints to be processed, as well as the initial access to make complaints. According to one interviewee from Uganda, there is a strong need for a local access point to a grievance mechanism, as the local communities do not possess the know-how or resources to contact the DFIs directly. This is often where the CSOs step in, which requires resources: both money and knowledge-wise. For example, there may be language barriers that make it impossible for the local community to contact the DFI without a CSO. A representative of an international CSO also pointed out that there may be technological barriers of access, as well as lack of ability to produce a complaint with the right terms when contacting the DFI. Local communities do not possess the required level of knowledge about e.g. certain standards and may lack access to online information. On the other hand, a representative of a local CSO deemed access to be often relatively easy to the CSOs, as they are familiar with the processes and the legal terms.

In addition to the local CSOs, other parties can be required to support the complaint process. The external parties mentioned in the interview included the Accountability Council, Coalition for Human Rights in Development, International Work Group for Indigenous Affairs, Uganda Consortium for Corporate Accountability and KIOS. These organizations could provide monetary aid or expertise in the complaint process.

Actual impact of the recourse mechanism

Another issue was found in the effect of the IAMs, as the DFIs often only provide a recommendation that is not legally binding. In one case from Uganda, there was an ongoing investigation in the high court about the issue, which led to a prolonged waiting time on the recourse mechanism, as they were waiting for the case to be solved in court first. Another interviewee mentioned that the courts can sometimes wait too long to give their judgements, as they fear a diplomatic conflict. Due to this, it

was suggested there should be a clear distinction between the accountability mechanisms and the courts.

In some situations, the recommendation can be satisfying, but the implementation is lacking. To address this issue, an interviewee suggested there should be better monitoring of the recommendations by the DFIs. It was also stated that the complaint mechanisms fail to stop construction in the first place, which leads to the need to bring remedy as human rights are violated in the project, even if they could have been addressed beforehand.

The IP of the WB was criticized for its lack of enforcement, as it was stated to only determine whether there was an issue, but not to provide any recommendation to fix it. Another problem was that there is no higher-level authority to contact in most DFI cases, apart from the EIB, where one can also take the case up to the European Ombudsman.

The lack of common guidelines is also critical for some communities, as different DFIs operate by different standards. For example, the IP had determined there are no indigenous peoples in Kenya, whilst the EIB Complaint Mechanism decided that the Maasai should have been considered as indigenous people. The dependence on bank policies also weakens the effectiveness of human rights considerations, as certain policies do not focus on human rights issues in a sufficient manner.

Timeframe of complaints and results

A common point from more than one interview was that the timeframe from the initial complaint to a decision is often too long. In a case from Uganda, the final report of the AfDB Independent Recourse Mechanism was several months late from the initial date it was promised to be delivered for review. The level of accuracy required for the complaint to go through to the accountability mechanism also warrants a significant amount of time before the complaint is even written.

Especially if the local communities for example lose their livelihood and/or their homes due to the DFI-funded projects, the remedy may be too late for them, as there is no support for surviving during the complaint process. Another aspect is that the situation of the community may change during the long processes of the IAMs, due to e.g. reprisals or threat of reprisal. The threat of reprisal can concern both the local communities as well as the employees of the CSOs during the processes.

Impartiality

Although the notion of impartiality warranted fewer remarks from the interviewees, it remains an important point to make when assessing the gaps in the IAMs and remedies. Firstly, the independence of the accountability mechanisms is an issue that was raised by several interviewees. As noted before, the dependence on the judicial systems is a problem, but there are other aspects to consider as well. For example, the people working for the accountability mechanisms may jump back and forth between positions in the DFI organization and the mechanism (e.g. within the EIB). This leads to a hesitance by the staff to criticize the institution very openly, as it may put their future job at risk. The lack of impartiality was also present in a case in Uganda, where the same people who had committed human rights violations were sent on site to investigate the human rights violations, which brings forth a clear conflict of interest.

Selection of implementing partners

Another gap that most interviewees agreed on concerns how implementing partners of DFI-funded projects are selected. It seems that DFIs have chosen partners with past records of human right violations, which should have treated as strong indicators that similar violations could be committed if these partners are to carry out the projects in the near future. This could happen due to various reasons such as lack of sufficient assessment framework for partner selection or institutional bureaucracy. Additionally, absence of severe and immediate sanctions for implementation partners if they are found to be violating DFIs' policies may also play a part.

8. Recommendations and discussion

The interviewees provided their take on recommendations for the future, which provided a good basis for conclusions regarding how to improve the accountability mechanisms. As stated by Bracking (2012), the current systems for measuring DFIs' impact in relation to environmental and social risks are lacking. Firstly, the DFIs have to step up to monitor the human rights processes more thoroughly and provide immediate sanctions for any project participant that is found to violate human rights. An effective way to do this would be to be able to stop funding at any phase of the project if violations happen or termination of any future collaboration opportunities with DFIs. The DFIs cannot rely on the partners to independently deliver human rights due diligence, even if the partners seem trustworthy in an initial assessment, which should be carried out in all cases. This should also be included in all contracts in a legally binding way.

Starting from the planning of development projects, the local communities that will be affected by the projects are rarely consulted beforehand, and the planning is done elsewhere. The direct involvement of the local communities is missing, and the current top-down system is not able to identify the risks and possible impact on the locals in the planning stage. Consultation of the local communities is necessary for proper planning, and a bottom-up system would allow the local communities to raise concerns and identify risks before implementation. Social dialogue is one of the most effective risk mitigation activities, outlined in a report by Foreign, Commonwealth, and Development office (Feyertag & Bowie, 2021). In their analysis of financial data from 137 DFIs, a key finding was that over 90% of investors in sub-Saharan Africa perceived social dialogue to be an efficient tool in identifying the needs of local communities and achieving social license to operate.

Another major gap identified in our interviews was the lack of enforcement. This is a problem in both trying to avoid human rights violations and following through with remedies once they have been violated. The implementation of practices that help protect human rights is lacking since there is no supervision or mandate that these practices should be followed. Although DFIs can have their own safeguard policies, there is no obligation in following them. Furthermore, once a complaint has been confirmed and the human rights violations have been proven to have occurred, there is no enforcement to ensure that the recommended remedies are followed through with.

The independence and impartiality of the IAMs should be confirmed by e.g. doing more direct fieldwork without intermediaries. Conflicts of interest should be avoided both within the DFIs and between implementing partners. As reported by Tignino (2020), impartiality and independence are basic requirements for any IAMs to ensure credibility. Providing a local access point would help the communities in making complaints without the extensive involvement of the CSOs. The accessibility and transparency of IAMs has also been noted as a key aspect in the literature (MacIntyre & Nanwani, 2020), which is in line with the findings of the interviews. Moreover, the help of the media to attract attention to the issues at a global scale, but also to help the local communities in reaching out to their local CSOs.

The DFIs should confirm that they have enough capacity to handle the complaints within a sufficiently short timeframe, so that the repercussions for the local communities would be less drastic. This also includes the need to make initial contact easier and faster. Ideally, more support would be available from the DFIs themselves. As such, DFIs need to strengthen their staff's knowledge on relevant knowledge regarding human rights as there is a lack of human rights experts in these institutions as raised by one interviewee.

Access to remedy is another key point in assessing the effectiveness of various independent accountability mechanisms (Tignino, 2020). Failures in compliance should not only be corrected, but the PAPs should receive a remedy (Tignino, 2020). Making the findings of wrongdoing is not sufficient for the local communities who have already had their human rights violated.

The lack of respect for FPIC highlighted in the literature and the detrimental view upheld by some DFIs seeing it as something voluntary rather than a human right (Hanna & Vanclay, 2013) was continuously brought up during the interviews. The variation and uncertainty in the definition of FPIC and indigenous people should also be addressed by the DFIs. Through implementing a broader definition, like the one adopted by the international CSOs and UNDRIP, it would bring more clarity regarding the consent process and bring forward the needs of various local communities. It would also allow for a greater power balance between the DFIs and the communities. As mentioned above, the endorsement of the notion is being more and more acknowledged within international policy and law, but the principle needs to have a bigger impact also within the industry (Tomlinson, 2019), which was also highlighted in the interviews. For this, more pressure should be put not only on governments and DFIs, but also the companies developing the projects.

9. Conclusions

Development Finance Institutions have the potential to change the world given their dual mandate to generate both development and financial returns, bridging the public and private sectors. Yet, literature review and findings from interviews in this report indicate that these institutions continually fail to sufficiently embed human rights concerns in their investment decision-making processes. In most studied cases, DFIs did not conduct proper human rights due diligence, thus seriously violating the notion of FPIC. Various reasons for this lack of human rights assessment were analyzed and recommendations for improvement of their accountability mechanisms have been put forward accordingly.

Limitations

This paper is grounded on data collected during six interviews conducted with different KIOS's partners and associations as well as information provided by KIOS itself. It is worth mentioning that out of six interviewees, four of them are members of local organizations based in their respective countries, particularly Uganda and Nepal only. As such, the viewpoint that this paper adopts may be skewed towards the perspectives of these organizations even though a literature review has been executed to expand the knowledge proficiency regarding DFIs and their human rights due diligence

practices. Additionally, time and resource constraints also limit the extent to which this study has been carried out.

Future direction

Future studies could tackle the subject of human rights due diligence from DFI's standpoint by direct communication or discussion with them, for example, holding interviews with different DFIs instead of involving only CSOs. Additionally, they could expand their focus to other geographical regions to broaden the context of study and present a more global overview as a result.

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APPENDIX 1: LIST OF INTERVIEW QUESTIONS

Appendix 1.1 For local CSOs

1. General information

- What is your role in the organization/ can you introduce yourself shortly?
- What are your organization's main purposes and activities?

2. Current and past experiences

- Which cases involving DFIs have you been working on?
 - Which DFIs were involved?
- How have the projects financed by DFIs affected the communities?
 - What would you say are the problems in implementing actors' activity in relation to local communities?
 - How have the women and (children) in these communities been affected (any difference between men and women)?
- Do you have information on how human rights and FPIC was taken into account in those cases?
- What was the actual impact on human rights and FPIC (possible abuses/violations)?
- How do you identify these abuses/violations?
- What do you think is the reason that FPIC is sometimes not followed?
- Do you have experience in making complaints to an DFI through a recourse mechanism? Which?
- If so, what was the process like? What was the outcome (or what is the current stage)?
 - Do you feel the complaint process helped the local communities?
- Did you get help from external parties for the complaint process?

3. Future expectations

- What gaps do you see in the human rights assessments of the DFIs?
- Do you see any problems in how DFIs select implementing partners?
- How could DFIs improve their recourse mechanisms so that they would work better and be more accessible?
- Are there other stakeholders/ support mechanisms that could help to work out these human rights violation cases?
- What are your recommendations for governments supporting these DFIs in terms of preventing human rights violations?
- Both governments represented in the DFIs and the national governments where DFIs run projects

Appendix 1.2 For international CSOs

1. General information

- What is your role in the organization/ can you introduce yourself shortly?
- What are your organization's main purposes and activities?

2. Current and past experiences

- How is your work related to DFIs?
 - What is your relationship with them like, how do you communicate?
 - Which DFIs have been involved?
- In what kind of human rights violation cases does your organization step in?
- What is the added value of your organization for local communities and local organizations?
 - What do you see your role to be?
- Do you see any problems in DFIs' current practices in relation to local communities?
- How have the women and (children) in these communities been affected (any difference between men and women)?
- How would you define the notion of FPIC?
- How do you receive information on how human rights and FPIC is taken into account in cases?
- What do you think is the reason that FPIC is sometimes not followed?
- Have you encountered any general problems or challenges in DFI recourse mechanisms?
 - Do you feel the recourse mechanisms have helped the local communities?
- How do you support other organizations in the complaint process?

3. Future expectations

- What gaps do you see in the human rights assessments of the DFIs?
- Do you see any problems in how DFIs select implementing partners?
- How could DFIs improve their recourse mechanisms so that they would work better and be more accessible?
- How could DFIs address or prevent reprisals? Can Civil Society Organisations (CSOs) do something to avoid reprisals?
- Is there anything that could benefit or help you in your advocacy work to benefit both you and the local communities?
- Are there other stakeholders/ support mechanisms that could help to work out these human rights violation cases?

- What are your recommendations for governments supporting these DFIs in terms of preventing human rights violations?

- Both governments represented in the DFIs and the national governments where DFIs run projects