Development banks put human rights defenders at serious risk by relying on clients to address reprisals

5 July 2023 - A new report released today finds that development banks are putting human rights defenders at serious risk by delegating to their clients the responsibility to prevent and respond to reprisals.

Way too often, human rights defenders who speak out against the harmful impacts of development projects end up being attacked. Increasingly, major development banks (such as the World Bank or the European Bank for Reconstruction and Development) are committing to tackle reprisals in the context of the projects they fund. Yet, they continue to rely on their clients - sometimes almost exclusively - to address reprisal issues, ignoring the fact that clients are precisely those coordinating, instigating or perpetrating the attacks against defenders.

The report “Misplaced Trust: Why development banks should not rely on their clients to address reprisal risks” - published by the Coalition for Human Rights in Development on 5 July 2023 - is based on the analysis of 38 case studies of reprisals,1 in the context of development projects in 27 countries. According to this research, in all but two cases development banks’ clients played a direct role in the attacks.

Alarmingly, in these 38 cases, the clients were allegedly linked to the killing of at least 135 people. Other common reprisals were criminalization, detentions, and violent repression of peaceful protests. Public or private security forces were often involved in the attacks, acting under the control or supervision of the development banks’ clients.

The report also finds that clients, because of their conflict of interest, tend not to disclose critical information about reprisal risks to their financiers and fail to conduct meaningful consultations. “Misplaced Trust” makes a number of recommendations to development banks, including:

- stop delegating reprisal risk assessment and response to clients;
- develop protocols and guidelines for what development banks will do themselves on reprisal issues, during the entire project cycle;
- ensure that community members, human rights defenders and their allies can meaningfully and safely participate in project planning and implementation.

“Many major development banks are now saying, at least on paper, that they don’t tolerate reprisals,” says Dalile Antúnez, Researcher at the Coalition for Human Rights in Development. “But these commitments are nothing more than empty words, unless development banks start

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1 The case studies were documented in three previous reports of the Coalition for Human Rights in Development: Uncalculated Risks (2019), Unhealthy Silence (2021) and Wearing Blinders (2022).
strengthening their oversight on the projects and taking direct actions themselves. If they really want to stop reprisals, development banks need to independently assess reprisal risks, including those posed by the clients.”

“Misplaced Trust” comes at a time when development banks face increasing scrutiny for their role in human rights abuses. For example, in Uzbekistan development banks are repeatedly failing to assess and mitigate reprisal risks: “Even when civil society organizations raise concerns and denounce violations, banks are slow to respond and they are unable - or rather, unwilling - to verify information from civil society actors,” says Umida Niyazova, director of the Uzbek Forum for Human Rights. “One of the largest clients of development banks in the country, for example, is Indorama Agro, despite disturbing reports of reprisals against activists and other violations linked to this company.”

In recent years, there have been several high-profile cases where development banks have been found to have financed projects that led to human rights abuses, including the forced displacement of communities, the destruction of the environment, and the violation of labor rights. “Misplaced Trust” is a call to action for development banks to take human rights seriously and put measures in place to protect defenders and communities from reprisals.

The report will be available at this link (embargoed copy available upon request) and it will be presented during a public webinar on July 5.

Date: Wednesday, July 5 - 14.00 UTC time / local time here
Platform: Zoom / register here
Speakers:
- Lucila Bettina Cruz Velázquez (Indigenous woman human rights defender, Mexico)
- Umida Niyazova (Uzbek Human Rights Forum)
- Pichamon Yeophantong (UN Working Group on business and human rights)
- Dalile Antunez (Coalition for Human Rights in Development)

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The Coalition for Human Rights in Development is a global-south-led coalition of over 100 social movements, civil society organizations, and grassroots groups. We work together to advance community-led, rights-based development, and to hold development finance institutions, governments, corporations and other actors accountable for their impacts on peoples and the planet.

The report is a collective initiative of the Defenders in Development Campaign, which engages in capacity building and collective action to ensure that communities and marginalized groups have the information, resources, protection and power to shape, participate in, or oppose development activities, and to hold development financiers accountable.