

WCC-2016-Res-073-EN

Investments of development finance institutions: socio-environmental impacts and respect for rights

CONSIDERING that development finance institutions (DFIs), including the international finance institutions and recently created national development banks in emerging countries, are important stakeholders in the development of these countries, providing financial support in the form of loans, donations, technical assistance to governments, as well as credits to private businesses that invest in developing countries;

RECOGNISING that development finance has the potential to help individuals and communities to improve their quality of life, and to help States reduce poverty, preserve the environment and achieve sustainable development;

OBSERVING, however, that many DFI investments are aimed at major infrastructure and energy projects with a high environmental and social impact on local communities, which are helping regions such as Latin America and Africa to pursue extractivist models of development in greater depth;

CONCERNED that although some DFIs have made significant progress in the development of policies and mechanisms to protect the environment and local communities, others lack sufficient standards to ensure the protection of rights;

CONSIDERING the urgent need for DFI mechanisms and regulations to be based on secure, effective rights, which allow the affected communities and civil society to play an important role in the creation of policies and projects, and in the definition of sustainable development priorities;

RECOGNISING the use by the International Finance Corporation and other DFIs of information based on IUCN standards such as the Red List, Key Biodiversity Areas and Protected Planet; and

HIGHLIGHTING the fact that IUCN has developed an Environmental and Social Management System (ESMS), with a rights-based approach that incorporates advanced concepts and methodologies to safeguard the rights of both individuals and communities, and the integrity of biodiversity within the framework of the projects it executes;

The World Conservation Congress, at its session in Hawai'i, United States of America, 1-10 September 2016:

1. CALLS ON the Director General and Commissions to use available resources to:
 - a. provide technical support and capacity building to Members monitoring large-scale, DFI- financed projects and their socio-environmental impacts;
 - b. identify possible donors interested in supporting capacity building for IUCN Members in subjects such as: enforceable national and international regulations; the possible impacts of projects referred to in subparagraph a above and best mitigation practices to support project consultation and assessment/approval processes; and key elements of Environmental and Social Impact Assessment (ESIA) and Strategic Environmental Assessment (SEA), amongst other risk management tools;
 - c. share with DFIs and make available to IUCN Members material prepared by IUCN on socio- environmental safeguards as part of the ESMS, promoting its use and application extensively; and
 - d. continue to provide information based on IUCN standards and data sources such as the IUCN Red List, National Red Lists, Key Biodiversity Areas and Protected Planet in order to support DFIs in the application of standards and safeguards;
2. URGES those DFIs that do not have their own safeguard systems to develop them expeditiously, with the full participation of all stakeholders and including as basic requirements elements on Strategic Environmental Assessment (SEA), Environmental and Social Impact Assessment (ESIA), ecosystem approach, safeguarding of protected areas,

compensatory and /or mitigation measures, analysis of alternatives, access to information, citizen participation mechanisms, prior consultation and free, prior and informed consent, resource efficiency and the prevention of pollution, etc.; and

3. URGES those DFIs with incipient safeguard systems to continue developing them, with the full participation of all stakeholders, and with the same basic elements as those listed in paragraph 2 above.