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HUMAN RIGHTS AT DEVELOPMENT FINANCE INSTITUTIONS

Connecting the dots between environmental and social risk management and development impact

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CONTENTS

LIST OF ABBREVIATIONS AND ACRONYMS

AAAQ	Availability, accessibility, acceptability, quality
ADB	Asian Development Bank
CDC	UK Development Bank
CSO	Civil Society Organization
DEG	German Development Finance Institution
DIHR	The Danish Institute for Human Rights
DFI	Development Finance Institution
DEG	German Investment Corporation
DFC	US International Development Finance Corporation
EBRD	European Bank for Reconstruction and Development
EIB	European Investment Bank
E&S	Environmental and Social
ESAP	Environmental and Social Action Plan
EU	European Union
ESG	Environmental, Social and Governance
FMO	Dutch Development Bank
HIPSO	Harmonized Indicators for Private Sector Operations
IDB	Inter-American Development Bank
IFC	International Finance Corporation
ILO	International Labor Organization
MDB	Multilateral Development Bank
OECD	Organisation for Economic Cooperation and Development
OHCHR	Office of the United Nations High Commissioner for Human Rights
OHS	Occupational health and safety
RBC	Responsible Business Conduct
SDGs	Sustainable Development Goals
UN	United Nations
UNGPs	UN Guiding Principles on Business and Human Rights
UNDP	United Nations Development Programme

EXECUTIVE SUMMARY

Development finance institutions (DFIs) provide loans, equity and/or guarantees to the private sector and mobilise private finance for projects that work towards the sustainable development goals (SDGs) in low- and middle-income countries. This overarching developmental purpose is reflected in the operational policies and practices of DFIs, many of which refer and commit to both human rights and SDG norms and principles. This discussion paper is spurred by the fact that DFIs often seem to engage with the human rights and SDG agendas separately. This is concerning, given the interdependencies between the two agendas: many SDGs are grounded in human rights standards, and the 2030 Agenda explicitly calls for the realisation of human rights for all.

This discussion paper zooms in on two functions at DFIs: the environmental and social (E&S) risk management and development impact functions. The E&S risk management function consists of a set of policies, procedures and practices that seek to ensure that DFIs' investments do not harm people and the environment. The development impact function consists of methodologies and procedures to measure the positive impact of DFIs' investments and to document relevant contributions to the SDGs. The paper highlights how the two functions are founded on different assumptions and methodologies, which can undermine joined-up thinking in relation to SDGs and human rights.

The development impact function tends to focus on positive, transformative impacts towards the SDGs such as creation of jobs and access to goods and services, while the E&S risk management function focuses on the avoidance of negative impacts on the human rights of workers and communities. This different emphasis and focus might contribute to the prevailing but misleading understanding of the SDGs as an opportunity agenda disconnected from aspects of compliance with international standards such as human rights. It might also contribute to an understanding of human rights as a mere compliance and risk management agenda that does not contribute to the value-additionality of DFI-funded projects. Moreover, the somewhat decoupled approach that DFIs take to SDGs and human rights tends to lead to DFIs overlooking the fact that SDG investments can cause (and have caused) negative impacts on communities and workers. In addition, these decoupled approaches make it hard for DFIs to realise the opportunities for development impact offered by a human rights-based approach.

The discussion paper suggests four pathways DFIs can follow to better connect the dots between the development impact and E&S risk management functions by using a human rights lens.

CONNECTING THE DOTS BETWEEN E&S RISK MANAGEMENT AND DEVELOPMENT IMPACT – 4 PATHWAYS FOR DFIs

1 Take a holistic approach to impacts

Development impact methodologies tend to be relatively silent on the issue of human rights harm. This is important because while DFIs are expected to prevent harm, there are cases when this expectation has not been met. Development finance institutions should ensure that any negative human rights impacts by their clients is reflected in their development impact methodologies, which should not tolerate trade-offs between positive impacts towards the SDG (e.g. generation of green energy) and human rights harms (e.g. inadequate resettlement of local communities). Concrete suggestions are provided in chapter 4.1.

2 Track human rights outcomes from the implementation of the E&S standards

The management of E&S risks through the E&S function has developmental benefits and outcomes. For instance, robust E&S risk due diligence and monitoring can ensure that workers involved in an investment project earn a living wage in a country or a sector where this might not be the norm. This can have positive transformative impacts on the livelihoods of workers and their families. Development finance institutions should ensure their development impact measurement methodologies use a robust approach for documenting and tracking such and other E&S outcomes. Concrete suggestions are provided in chapter 4.2.

3 Pay heightened attention to economic and social rights when investing in essential services (e.g. water, health, education, housing)

Development finance institutions often invest in private companies that provide essential services such as health, education, water and sanitation and housing. These services correspond to specific economic and social rights that trigger distinct state and business responsibilities. Development finance institutions should carefully consider whether there may be unintended consequences of privatisation of essential services and should use human rights norms such as the accessibility, availability, acceptability and quality (AAAQ) framework to decide when and whether investments in such services actually advance human rights. An analysis is provided in chapter 4.3.

4	**Take a human rights-based approach to data**

Development finance institutions have yet to fully draw on human rights data in their E&S risk management and development impact practices. An example of areas that human rights data can shed light on are the characteristics of groups and individuals that suffer from exclusion and historical discrimination and whose well-being should be prioritised in development interventions. By drawing on human rights data, DFIs can, for example, identify groups and minorities that are systemically discriminated in terms of access to economic opportunities and can then support clients in designing inclusive recruitment practices that target individuals from such groups/minorities. An analysis is provided in chapter 4.4.

The main audience for this discussion paper is DFIs, international and national policy makers working in the space of development finance, as well as civil society organisations working at the intersection of the SDGs, human rights and business. A secondary audience includes impact investors and investors aiming to increase Environmental, Social and Governance (ESG)-aligned investment.

INTRODUCTION

Development finance institutions (DFIs) are state-owned and/or state-supported institutions with the mandate to spur private sector development in low- and middle-income countries through investment. The 2030 Agenda for Sustainable Development (the 2030 Agenda) emphasises the critical role that private finance plays in meeting the Sustainable Development Goals (SDGs) by 2030. To realise the goals, an estimated annual financing gap of some USD 2.5 trillion exists between current funding and what would be required.[1] Against this backdrop, DFIs stand out as strategic institutions with the know-how and capacity to accelerate private sector financing in low- and middle-income countries which have historically experienced challenges in attracting finance from private investors motivated by high returns and low risk opportunities. Today, most, if not all DFIs, have re-framed their strategies and investments along the lines of the SDGs and seek to demonstrate significant contributions to one or more of the goals[2].

Six years into the implementation of the 2030 Agenda, the interlinkages between the SDGs and human rights have been widely demonstrated.[3] The 2030 Agenda is explicitly grounded in the UN Charter, the Universal Declaration of Human Rights, and international human rights treaties.[4] The Preamble of the 2030 Agenda states that the SDGs "seek to realize human rights of all" and emphasises "the responsibilities of all States... to respect, protect and promote human rights and fundamental freedoms for all, without distinction of any kind as to race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth, disability or other status".[5] Moreover, given the importance of private actors for the fulfilment of the SDGs, the 2030 Agenda also recognises the importance of responsible business conduct frameworks such as the UN Guiding Principles on Business and Human Rights (UNGPs)[6]. UNGPs provide clarity and guidance on what is expected of businesses and investors under the human rights framework. Despite the demonstrated interdependency between the two agendas, this paper argues that DFIs in general have yet to fully capitalise on such synergies in their overall approaches and operational practices in the areas of human rights and sustainable development.

This paper illustrates and discusses the differences in how DFIs have incorporated the human rights agenda and the sustainable development agenda. Broadly speaking, human rights have generally been addressed by DFIs in the context of risk management processes that are part of their environmental and social (E&S) risk management function.* The 2030 Agenda has, on the other hand, often been

* The environmental and social risk management function refers to the department and/or team at DFIs that aims to ensure that the DFIs' clients prevent and address any negative actual or potential impacts on the environment, workers, and communities associated with the investment done.

integrated by DFIs as a strategic, cross-cutting framework that allows DFIs to categorise the positive impacts they make in relation to the SDGs. The DFIs usually document their positive developmental impacts by using different measurement methodologies as part of their development impact function.**

This paper argues that when, on the one hand, human rights are primarily associated with the avoidance of negative impacts, and when, on the other hand, SDGs are primarily associated with positive impacts, some of the potential fundamental interlinkages between the two agendas are lost. Moreover, this disconnect between human rights and SDGs overlooks both the fact that SDG investments can cause negative impacts on communities and workers, and the fact that proactively ensuring respect for human rights holds inherent opportunities for making positive impacts.

The paper focuses on DFIs that invest in private sector projects and does not cover sovereign or public sector investments. The term 'DFI' is used to refer to both bilateral development finance institutions and the private sector arms of international financial institutions or multilateral development banks.

The paper is structured as follows:

- **Chapter 1** provides a brief introduction to DFIs and their mandate.
- **Chapter 2** provides an overview of the development impact function (the department at DFIs tasked with measuring and documenting positive impacts) and of the environmental and social (E&S) risk management function (the department at DFIs tasked with preventing and addressing potential negative impacts on people and the environment).
- **Chapter 3** discusses the disconnect between the development impact and E&S risk management functions. The chapter proposes four areas where a human rights-based approach can break down methodological silos and open opportunities for joined-up approaches.
- **Chapter 4** concludes with recommendations for DFIs and policy makers.

1.1 OBJECTIVE AND AUDIENCE

The paper aims to serve as a conversation starter about why and how the demonstrated synergies between the sustainable development and human rights agendas can and should be better reflected in the operational practice of DFIs. A

** The development impact function refers to the department and/or team at DFIs that measures and tracks the positive developmental impacts of DFIs investments. In a social context, positive developmental impacts are often understood as the creation of new jobs, generation of taxes and access to new goods and services.

stronger engagement with human rights approaches and standards could connect the two agendas, enable holistic positive impacts towards human rights and the SDGs, and open new possibilities for DFIs to plan for and document their contribution towards positive societal impacts.

The main audience for this discussion paper is DFIs, international and national policy makers working in the space of development finance, as well as civil society organisations working at the intersection of the SDGs, human rights and business. A secondary audience includes impact investors and investors aiming to increase Environmental, Social and Governance (ESG)-aligned investment.

1.2 METHODOLOGY

The paper draws upon publicly available information about DFIs' policies and processes. The Danish Institute for Human Rights (DIHR) has conducted desk-based research on 10 DFIs[7] and reviewed their publicly available documents and website information on development impact methodologies, their E&S performance standards and approach to human rights and SDGs. It should be noted that DFIs are not a homogenous group and that practices and approaches can differ across institutions.

Due to the varying levels of DFIs' disclosure of information about related policies and procedures and due to the diversity of DFI approaches to impact assessment and documentation,[8] this paper does not aim to provide a granular or a comprehensive comparative analysis, but rather seeks to identify broad trends and patterns. Inevitably, some of these trends might not resonate in the same way across all DFIs included in the study. The analysis has also been informed by the practical experience and insight gained by the DIHR when supporting DFIs in strengthening the integration of human rights in their policies and procedures.[9]

Future research into the topic could be strengthened by the collection of primary data on DFIs' processes through surveys, interviews, and validation workshops to address methodological limitations of the present study, such as the varied availability of public data and the diversity of approaches to the implementation of policies across DFIs.

2 DEVELOPMENT FINANCE INSTITUTIONS: IMPACT INVESTORS WITH A PUBLIC MANDATE

Development finance institutions are unique investors. While acting as commercial enterprises tasked with demonstrating sound financial performance, they are also entrusted with a developmental role to support private sector growth in low- and middle-income countries, in particular in countries and sectors where private investors have traditionally hesitated to invest because of the associated political and governance risks. The 'unlocking' of investment in low- and middle-income countries by DFIs is supported by states through capital replenishments, political risk guarantees and other forms of subsidies.

Development finance institutions vary in respect to their governance and ownership structures, business models, and the sectoral and geographic focus of their investments. A common distinction is drawn between bilateral DFIs, which are fully or partially controlled by national governments, and multilateral DFIs that are the private sector arms of international financial institutions or multilateral organisations and manage significantly larger portfolios (see Box 1).

BOX 1 EXAMPLES OF BILATERAL AND MULTILATERAL DFIs

Some of the largest bilateral DFIs are owned/controlled by OECD development assistance committee (DAC) member states and include: DFC (United States), CDC Group (UK), KFW/DEG (Germany), FMO (Netherlands), OEEB (Austria), BIO (Belgium), IFU (Denmark), FINNFUND (Finland), AFD/PROPARCO (France), NORFUND (Norway), SWEDFUND (Sweden).

Some of the largest multilateral DFIs include: the International Finance Corporation (IFC), the European Investment Bank[10] (EIB), the Asian Development Bank (ADB), the Inter-American Development Bank (IDB), the African Development Bank Group (AFDB), the European Bank for Reconstruction and Development (EBRD).

Development finance institutions are different from commercial banks and investors insofar as they are set up to address the reluctance of private finance to invest in riskier markets and thus to create development impacts when doing so. Consequently, DFIs are expected to be additional to what private financiers can provide. DFIs should be in a position to demonstrate that such investments could not materialise or materialise in the same way without their contribution.[11] The principle of 'additionality' covers both the financial and non-financial input of DFIs. In addition to providing loans, equity and guarantee instruments to private companies (financial additionality), DFIs also make non-financial contributions, for example by supporting clients to meet higher environmental and social standards through contractual requirements as well as technical assistance and capacity building (often referred to as value, institutional or development additionality[12]).

Since the adoption of the 2030 Agenda, most if not all DFIs have mainstreamed the SDGs into their multi-annual strategies, communication and reporting.[13] The multilateral DFIs have articulated their role in the SDG ecosystem through the widely used catch phrase 'from billions to trillions'[14]. The multilateral DFIs ground their work in an underlying consensus, reflected in SDG 17 on Means of Implementation and in the Addis Ababa Action Agenda on financing for development, that private finance, combined with innovative financing modalities such as blending and public-private partnerships, is essential to complementing the scarce levels of official development assistance and public financing.[15] Even before the adoption of the SDGs, the investment portfolios of DFIs had been expanding considerably. According to one estimate, between 2002 and 2014, new investments by DFIs grew from USD 10 billion to around USD 70 billion per year, which is an increase of 600 %. [16] A more recent report indicates that total investments in 2017 stood at USD 87 billion. [17] The COVID-19 pandemic and its social and economic consequences are expected to drive another push for increased official development financing, including compensating for drops in external private finance inflows.[18]

BOX 2 PRIVATE FINANCE FOR DEVELOPMENT: SYSTEMIC CONCERNS

Civil society organisations and other observers have raised concerns about the increasing channelling of finance for development through private actors, including via DFIs. Arguments have been made that the increased promotion and reliance on private finance in development cooperation undermines the quality and quantity of development aid allocated to states for investments in basic public services that have the most potential to reach the poorest of the poor.[19] The channelling of development finance through the private sector conditions the allocation of finance on the identification of bankable, profit-making opportunities, which might not always be found in the least-developed countries and might not reflect the most urgent developmental priorities within a country.

Observers have raised concerns about the financing modalities of DFIs, such as the increasing reliance on financial intermediaries and the promotion of public-private partnerships. Such practices have been associated with failings in accountability and transparency[20], and connected with broader financialisation trends that have been shown to pose systemic risks to the fulfilment of economic and social rights.[21] These concerns raise fundamental questions around the validity of the development rationale or theory of change underlying DFIs' investment strategies and require further research and consideration.

The enhanced visibility of DFIs as critical actors in the SDG ecosystem has also been accompanied by a closer scrutiny of their impacts – positive and negative alike. Perhaps as a side-effect of the 2030 Agenda's focus on monitoring and evaluation, closer attention is being paid (also by DFIs themselves) to the rigour and credibility of DFIs' methodologies for measuring the results of their additionality or, in DFI terminology, the development impact of their investments. [22]

Moreover, against a backdrop of concerns about harm to workers, communities and human rights defenders resulting from some DFI projects[23], the attention of some stakeholders has turned to the effectiveness of the DFIs' implementation of their E&S standards (see section 3.2). Most DFIs have historically managed risks to workers and communities through E&S frameworks, most often without an explicit recognition of international human rights standards as the authoritative benchmark for identifying and assessing impacts on people. The emergence of the UN Guiding Principles on Business and Human Rights (UNGPs) (see Box 3) has brought clarity about the human rights responsibility of business, including investors and their clients, and has opened important discussions about the degree of alignment of the DFIs' E&S frameworks with international human rights standards and what would be needed to close any gaps in this alignment.[24]

BOX 3 THE UNGPs AND DFIs

The UN Guiding Principles on Business and Human Rights (UNGPs) are an international soft law document endorsed by the UN Human Rights Council in 2011. The UNGPs clarify the responsibilities of states and businesses to avoid and address adverse human rights impacts that are business related. All businesses, including DFIs, have a responsibility to respect internationally recognised human rights standards wherever they operate and irrespective of whether home or host states meet their own human rights obligations. The responsibility to respect human rights is to be implemented by businesses, including DFIs, through a process of human rights due diligence geared towards identifying and addressing the adverse or negative human rights impacts associated with their activities, services and business relationships. Addressing negative impacts entails providing or contributing to the remediation of adverse human rights impacts where necessary. The UNGPs also create heightened expectations for those states that control or provide substantial support to DFIs. According to Principle 4 of the UNGPs, the State should protect against abuses by DFIs by requiring, when appropriate, that DFIs conduct human rights due diligence.

This paper posits that DFIs have so far addressed their positive and negative social impacts in a relatively disjointed manner by using development impact measurement methodologies to look at positive social impacts and using E&S risk management policies and procedures methodologies to address negative social impacts. Because the development impact function tends to be associated with value creation and transformative change, there is the risk that the E&S risk management function - with its emphasis on risks and negative impacts - is perceived as solely an operational compliance exercise at best and a source of operational delays, extra costs and investment barriers at worst. The next section briefly explains how the two functions work in practice.

3 THE APPROACH TO POSITIVE AND NEGATIVE SOCIETAL IMPACTS: A FUNCTIONAL DISCONNECT?

Both development impact and E&S risk management functions are critical to the DFIs' value additionality[25]. Development impact measurement can demonstrate how financial contributions translate into improved living standards for people in low- and middle-income countries. The E&S risk management practices can mitigate the risks of DFI clients exploiting a laxer regulatory and enforcement regime in certain emerging-economy contexts and of causing negative impacts on people and the environment. Most DFIs have specialised teams that deal with development impact and E&S risk management, sometimes organised in one integrated department and more often than not in different departments with different mandates and reporting lines.[26]

3.1 THE DEVELOPMENT IMPACT FUNCTION: CAPTURING POSITIVE SOCIETAL IMPACTS

Broadly speaking, DFIs construe their positive developmental impacts as stemming from their investments in private sector growth in certain priority sectors including those traditionally associated with economic development, such as infrastructure. Such investments are assumed to lead to improved standards of living via employment creation, generation of taxes, improved access to goods and services and ultimately economic growth (see Box 4). Most of the DFIs publicly report on their positive development impact through socio-economic metrics, which include:

- number of jobs created,
- improved access to goods and services e.g. access to electricity; access to infrastructure such as roads, public transportation; access to water and sanitation; access to food
- generation of taxes; and
- environmental and social performance e.g. number of emissions reduced, number of low-income individuals that access credit from financial institutions supported by DFIs. [27]

In some cases, such contributions would then be mapped onto specific SDGs, for example, job creation to SDG 8, improved availability of water and sanitation to SDG 6, and so on[28].

BOX 4 MEASURING DEVELOPMENT IMPACT IN A NUTSHELL

For most DFIs[29], the identification and documentation of development impact pans out across the investment life cycle. Before investment, an ex-ante analysis predicts the direct and indirect impact of the investments. Some DFIs use a scoring tool to allow investment officers to rank and prioritise investments. Sometimes the scores are adjusted to reward investments in low-income countries and in the sectors with the highest potential to generate jobs. During the monitoring of the investment, key data is collected from clients on the impact indicators decided in the ex-ante analysis. Development finance institutions use different cut-off dates beyond which they stop monitoring and collecting data on a project. The scope and detail of reporting on the development impact metrics varies widely from DFI to DFI. In general, DFIs report impacts at the aggregate level, e.g. by reporting the number of new jobs created as result of all the projects a DFI has funded during a year.

Development finance institutions have sought to improve their assessment methods for development impact, for example by improving data comparability across DFIs. In 2012, over 20 DFIs formed a Working Group on Indicator Harmonization to develop harmonised benchmark indicators for private sector investment operations. This work has resulted in a set of 38 Harmonized Indicators for Private Sector Operations (HIPSO) that take the form of an MoU, which has been signed by 28 DFIs. Whilst some of the indicators cover social impacts, including in areas of health, education and housing, none of the metrics explicitly refer to human rights. (See Box 5 for examples)

BOX 5 HIPSO INDICATORS: EXAMPLES

	SECTOR-RELATED INDICATORS
Health	• Number of patients served • Number of female patients served
Education	• Number of students enrolled • Number of female students enrolled
Housing	• Number of improved dwellings • Number of new dwellings
	CROSS-THEMATIC INDICATORS
Jobs	• Direct jobs supported (operations and maintenance) • Construction jobs (temporary construction) • Direct jobs created by the investment (operations and maintenance)

In 2020, the HIPSO Work Stream on SDGs published an overview of the HIPSO's alignment with the SDGs, which maps the HIPSO indicators to relevant SDG indicators, but does not revise the original indicator framework.[30] Some DFIs revised and made more substantive changes to their development impact methodologies in the wake of the 2030 Agenda.[31]

Beyond the development finance space, some DFIs have engaged with the broader impact investing industry (see Box 6) to support knowledge-creation and standard-setting initiatives. For example, in 2019, IFC launched the Operating Principles for Impact Management, a framework that aims to standardise and improve the quality of impact investment processes[32], and in 2021, the International Capital Market Association published the Harmonised framework for Impact Reporting[33].

BOX 6 SYNERGIES WITH THE IMPACT INVESTMENT INDUSTRY

Impact investments are investments that intentionally aim to generate – in addition to financial returns – a measurable positive social or environmental impact.[34] The impact investment industry has grown significantly over the last decade as more private finance has been channelled towards the realisation of the 2030 Agenda. In 2020, impact investments were estimated to be USD 715 billion.[35] Initiatives such as the Global Impact Investing Network's IRIS+ system and the Impact Management Project have proposed shared norms for what constitutes an impact investment and how investors can meaningfully embed impact considerations into their decision-making. Moreover, there are ongoing efforts to ensure that the IRIS+ system and DFI-related HIPSO indicators are aligned. [36] Multilateral organisations such as the OECD and the UNDP have also contributed to the standardisation of the area by publishing Impact Standards for Financing Sustainable Development (2021) and SDG Impact Standards (2020) respectively.

The many initiatives to define and develop sound methodologies for measuring impact indicate that this is by no means a straightforward exercise. It poses several challenges, ranging from the reliability of the data collected from DFI clients to the limited availability of baseline indicators and the relevance of what gets measured. Various limitations in how DFIs measure their development impact have been highlighted, including the limited comparability of data across time within and across DFIs[37], the lack of data on both poverty alleviation and on positive benefits for the poorest and most vulnerable[38], and the availability of only a relatively narrow set of metrics for public reporting.[39]

The human rights lens applied in this paper allows us to add nuances to the above challenges in measuring development impact. For example, the creation of jobs does not automatically guarantee positive social impact given the dire statistics on human rights violations in the workplace. Globally, workers experience excessive and unpaid overtime,[40] union busting and impeded access to justice,[41] as well as weak regulatory protection from discrimination on grounds of race, ethnicity, sexual orientation, or gender identity.[42] Further, between 21 and 48 million people are estimated to work in forms of modern slavery; around 85 million of the estimated 168 million child labourers are in hazardous forms of work; and more than 2.3 million people die annually as a result of occupational accidents or work-related diseases.[43] Demonstrating that the jobs created are decent jobs that empower workers and disrupt underlying patterns of abuse and vulnerability would be, from a human rights perspective, truly transformative. Moreover, there is a need for disaggregated data on the characteristics of those who gain from the jobs created by DFIs' investments.

This data shed light on whether the people in such jobs are subject to discrimination based on any of the recognised grounds of discrimination in international human rights law such as ethnicity, race, gender, or disability status. Data of this type can help to demonstrate whether the DFIs' investments benefit those left behind as result of systemic discrimination and inequality. The increasing focus on gender lens investing in DFI strategies has improved the availability of gender-disaggregated data, [44] but more can be done to document the impact of interventions along other markers of discrimination such as race, ethnicity, disability, or migration status.

3.2. THE ENVIRONMENTAL AND SOCIAL RISK MANAGEMENT FUNCTION: MANAGING NEGATIVE IMPACTS

Human rights are primarily approached by DFIs from a risk management perspective and integrated – as substantive and procedural standards - in their E&S risk management function. With slight variations across institutions, this function is governed by:

- a Sustainability Policy that outlines the DFIs' responsibility to ensure that funded projects do not result in harm to people and the environment, and
- a set of E&S Standards (also known as safeguards) outlining corresponding and contractually binding expectations for clients. The E&S standards cover procedural expectations whereby clients should establish an adequate environmental and social management system as a basis for preventing and addressing negative impacts. The type of negative impacts to be managed in the social area include workers' rights, Indigenous Peoples' rights, community health, safety and security, as well as land and resettlement. While the private sector arms of large multilateral banks use their own in-house E&S standards[45], bilateral DFIs tend to rely on the IFC's Environmental and Social Performance Standards.[46]

Most of the DFIs also have grievance mechanisms where stakeholders affected by the operations of their clients can lodge complaints and seek remedy.

The DFIs have E&S teams responsible for the oversight and implementation of the E&S standards at the investment level. They follow specific procedures before and after contract signature, for example E&S assessments including, where necessary, the elaboration of Environmental and Social Action Plans (ESAP), and E&S monitoring. The scope of these measures differ across financial instruments (e.g. equity, loans) and the type of finance (e.g. direct or intermediated via financial institutions and funds). Below, in figure 1, the process is exemplified for a loan to a non-financial client.

SCREENING STAGE →	DUE DILIGENCE STAGE →	CONTRACT STAGE →	MONITORING STAGE
Pre-assessment: Exclusion list, Risk rating.	Detailed assessment: reviewing environmental and social impact documentation, sometimes conducting site visits, or supporting stakeholder engagement processes, designing Action Plans to close compliance gaps against E&S standards.	Drafting contract clauses reflecting actions to close compliance gaps, outline of technical assistance and capacity building where relevant.	Site visits/data requests to track progress. Intensity depends on project risk and contextual risk.

Figure 1 Practical steps in the implementation of the E&S standards

The extent to which human rights norms are reflected in the E&S procedures and practice varies significantly across DFIs. Some institutions have made an explicit commitment to respecting human rights in accordance with the UNGPs. [47] However, many areas of misalignment remain. In respect to the coverage of human rights issues, observers have noted gaps related to the right to privacy and the right to remedy[48]. Shortcomings in the implementation of E&S due diligence have also been noted, for example, in respect to the quality of stakeholder engagement, the analysis of country-level and sector-level contextual human rights risks, in addition to project risks and the adequate provision of remedy in cases of abuses.[49] Evaluations commissioned by DFIs have pointed out a need for additional internal capacity and resources for E&S teams, more proactive stakeholder engagement processes and stronger oversight and reporting lines.[50]

The E&S risk management practice has come under increased scrutiny as result of civil society organisations' reports of human rights abuses linked to DFI investments, including environmental contamination and destruction of local livelihoods, attacks against human rights defenders, forced evictions, inadequate resettlement, and poor working conditions.[51] Interestingly, in 2020, the Finance in Common Summit, the first high-level summit of public development banks including DFIs, had an explicit focus on sustainable development and building resilience for people and planet. However, despite the SDGs having a strong foundation in human rights standards and a vocal campaign calling for the Summit organisers to open the event to the human rights community,[52] the organisers of the event did not feature human rights, or environmental and social standards, on the agenda.[53]

This paper posits that the E&S risk management function, when it includes robust human rights due diligence, can bring about transformative impacts such as:

- signalling which investments have the highest potential to empower workers and communities
- helping DFI clients align practices with international standards on responsible business conduct, which can potentially lead to positive ripple effects along supply chains.

4 CONNECTING THE DOTS BETWEEN ENVIRONMENTAL AND SOCIAL RISK MANAGEMENT AND DEVELOPMENT IMPACT

The previous section highlighted a contrast in the ways DFIs have approached the 2030 Agenda and the human rights agenda. Development finance institutions have incorporated the 2030 Agenda and SDGs as a cross-cutting, strategic framework that the DFIs primarily associate with positive impacts. However, the DFIs have taken a narrower approach to the human rights agenda by addressing them as a dimension of their E&S standards, the ethos of which is primarily geared towards addressing negative impacts. The DFIs' decoupled approach to the SDGs and human rights falls short of fully recognising the synergies between these agendas (see Box 7).

This decoupling might contribute to the prevailing but misleading understanding of the SDGs as an opportunity agenda for DFIs to showcase impact that is disconnected from aspects of the DFIs' legal compliance and risk management. it might also contribute to an understanding of human rights as a mere compliance agenda that does not contribute to the value-additionality of DFI investments.

BOX 7 – THE 2030 AGENDA AND HUMAN RIGHTS

The SDG targets are not articulated explicitly in the language of human rights; however, most SDG targets reflect the content of human rights standards. According to an analysis by the DIHR, over 90% of the SDG targets can be directly linked to international and regional human rights standards.[54] For example, Goal 3 on good health and well-being, Goal 4 on quality education and Goal 6 on clean water and sanitation relate to the normative content of the right to an adequate standard of living and the rights to food, water, health and education, enshrined in the International Covenant on Economic, Social and Cultural Rights and other conventions. Goal 5 on gender equality reiterates many of the obligations contained in the Convention on the Elimination of All Forms of Discrimination Against Women and other equality instruments. Goal 8 on decent work and economic growth reflects international human rights standards in the area of labour rights, including working conditions, elimination of forced and child labour, and equal pay for work of equal value. The Human Rights Guide to the SDGs is an interactive database that highlights all the links between SDGs and human rights instruments.

The disconnect between how DFIs measure their development impact and how they work with E&S impacts is exemplified by the fact that the DFI development impact methodologies do not adequately incorporate or capture the positive outcomes of the implementation of the E&S standards. For example, most DFIs, with a few exceptions[55], tend to report on the number of jobs created by their projects (rather than the quality of jobs created, or, in ILO/SDG terminology, the number of "decent jobs"), despite evidence of worrying levels of in-work poverty globally[56] and widespread use of forced and child labour.[57]

> **"For businesses, the most powerful contribution to sustainable development is to embed respect for human rights in their activities and across their value chains, addressing harm done to people and focusing on the potential and actual impacts — as opposed to starting at the other end, where there are the greatest opportunities for positive contribution. In other words, businesses need to realize and accept that not having negative impacts is a minimum expectation and a positive contribution to the Goals."**[58]
>
> The UN Working Group on Business and Human Rights

When DFIs include environmental and social aspects in their development impact methodologies, they tend to include only the positive impacts that stem from the productive nature of their investment (e.g. greenhouse gas emissions avoided, access to healthcare and education, provision of micro-finance to unbanked groups), and do not include the extent to which the DFI E&S safeguards teams managed to move the behaviour of clients towards more human rights-respecting practices.[59] This is a missed opportunity to document and inspire further value additionality in DFI-funded projects, as robust E&S and human rights risk management can be transformative and contribute significantly towards meeting SDGs.[60] For example, getting a client to consult with local communities, in addition to government-led consultation, before undertaking a natural resource-related project on local communities' lands can contribute to target 12.2 (achieve the sustainable management and efficient use of natural resources) and target 1.4 (ensure equal rights to economic resources).

One should note that the interconnections between E&S/human rights risk management and SDGs are not ignored altogether by DFIs[61].However, DFIs would benefit from an enhanced operational understanding about the need to translate these interconnections into new practices and methodologies. The sections below highlight four areas where a human rights lens can open avenues for a joined-up and coordinated approach to development impact and human rights.

4.1 THE ACCOUNTABILITY GAP: NEGATIVE IMPACTS IN DEVELOPMENT IMPACT FRAMEWORKS

Development finance institutions are expected to prevent harms that could be associated with their investments by implementing robust human rights due diligence processes. Unfortunately, this expectation has not always been met. As mentioned in section 3.2., civil society organisations have documented cases where DFI clients have allegedly negatively impacted the rights of local communities and workers.[62] The Accountability Console, a database hosted by the not-for-profit organisation Accountability Counsel, keeps track of hundreds of complaints about actual and potential environmental and human rights harms that various stakeholders have lodged with the accountability or grievance mechanisms of DFIs since the mid-1990s.[63]

In light of the increased attention on the negative impacts of DFIs on human rights, it is concerning that development impact methodologies include little information on how the impact of projects that result in harm is measured. From the ten DFIs considered in this paper, two DFIs state that their development impact assessments account for negative environmental and social impacts by downgrading the overall impact scores for the investments.[64] One DFI states that their annually updated picture of client performance includes negative effects such as decreases in job quality[65]. A further problem is related to a confusing duality in the way DFIs use the term 'negative impact'. They use 'negative impact' to both refer to instances where predicted development impact metrics will be different than expected (e.g. less jobs created than initially envisaged) and to refer to occurrences of environmental and social harm and human rights violations. This makes it difficult for observers to understand current DFI practice.

Development impact frameworks that are silent on negative impacts might inadvertently advance a version of sustainability where trade-offs between positive impacts such as "creation of jobs or access to new goods and services" and human rights harm are deemed to be tolerable, irrelevant or even regarded as an unavoidable externality of the development processes (see Box 8). This stands in contrast to the human rights ethos that elevates the well-being, safety and dignity of individuals and communities to the status of non-negotiable protections that override economic or utility objectives. Human rights are not negotiable factors that can be suspended in the name of objectives such as private sector growth.

BOX 8 HUMAN RIGHTS CONCERNS IN GREEN ENERGY INVESTMENT

The danger of trade-offs comes to the fore in the case of SDG investments that enjoy strong political support, such as investments in renewable energy and climate change mitigation. Over recent years, DFIs have significantly expanded their portfolios of investments in support of the transition to low-carbon energy. There is the risk, however, that the rush to decarbonise the planet can create perverse incentives by pressuring DFIs to pursue green investments at all costs, including by increasing their tolerance of potential harm to workers and communities. Reports of a dramatic increase in allegations of human rights violations linked to clean-energy projects and abuses related to land rights, forced labour in supply chains, and decent work[66] act as a warning signal about the pitfalls of a silo approach to green transition and human rights. Integrating considerations of the risk of human rights harms into development impact frameworks can be a powerful way to and correct one-sided 'positive-impact' decision-making.

Relatedly, negative human rights impacts cannot be simply offset by the provision of positive economic or societal benefits. While the offsetting of impacts is common practice in environmental management, "in human rights there is no equivalent to buying carbon offsets" as John Ruggie, the former Special Representative of the UN Secretary General and author of the UNGPs, aptly put it.[67] In a DFI investment context, this means, for example, that investing in the construction of a hospital that can serve the underserved does not justify relocation of local populations without due process and adequate respect for their human rights.

> **"Business enterprises may undertake other commitments or activities to support and promote human rights, which may contribute to the enjoyment of rights. But this does not offset a failure to respect human rights throughout their operations."**
> UNGPs Principle 11 commentary

Development impact frameworks should therefore be calibrated as holistic frameworks that can account for both positive and negative impacts[68]. For example, a renewable energy company cannot carry the torch of sustainability if that company has dislocated communities from their traditional lands. In other words, an economic project should not be celebrated as sustainable if it caused harm and destitution. A first step towards such holistic frameworks would require DFIs to assess the available options for integrating negative impacts in their development impact methodologies and metrics. Various possibilities can be considered, depending on the nature and root causes of the harm that has occurred. For example:

- As a preventative measure, DFIs could consider conducting a joint SDG and E&S/human rights impact assessment[69] as part of their screening and due diligence procedures to ensure that investments intended to make a contribution to a specific SDG target do not inadvertently undermine the realisation of human rights or other SDG targets
- Development finance institutions could have a different reporting and measurement approach for projects which have been shown to have caused or contributed to human rights harm. For example, this could involve compiling a list of controversial projects that will not be included in aggregate development impact metrics, but instead reported on separately
- Development finance institutions could routinely report, alongside development impact metrics, data on allegations of harm and the provision of remedy by them or clients. The annual impact reports of DFIs could include a statement from the Grievance or Accountability Mechanism, particularly if this mechanism meets the effectiveness criteria specified in the UNGPs[70], with an assessment of the grievances handled in the respective year and the quality of remedies provided.

Such an approach would be consistent with ongoing policy efforts to develop strict criteria around defining certain economic activities as sustainable, such as the EU taxonomy for sustainable activities (see Box 9).

BOX 9 EU TAXONOMY FOR SUSTAINABLE ACTIVITIES

In 2020, the EU adopted a Regulation on the establishment of a framework to facilitate sustainable investment. The Regulation foresees the development of technical criteria to classify which economic activities are environmentally sustainable. The EU Commission is currently exploring the possibility of extending the Regulation's taxonomy to social sustainability objectives. For an economic activity to be considered environmentally sustainable according to the taxonomy, it needs to meet three conditions:

- it should contribute to one of six environmental objectives (e.g. climate change mitigation, pollution prevention and control),
- it should 'do no significant harm' to the other objectives and
- it should comply with minimum safeguards defined as the UNGPs and OECD Guidelines on Multinational Enterprises. [71]

In other words, for an investment to qualify as environmentally sustainable it is not sufficient for an activity to make a positive contribution to climate change mitigation, it also needs to ensure that in that process it did not adversely impact, amongst others, the human rights of workers and local communities. The possible extension of the taxonomy to also include social objectives has the potential to provide a useful benchmark, which could be used by DFIs. [72]

KEY TAKEAWAY

Development impact frameworks should be recalibrated as holistic frameworks that capture both positive and negative impacts.

4.2 A MISSED OPPORTUNITY: E&S OUTCOMES IN DEVELOPMENT IMPACT FRAMEWORKS

Effective compliance with the E&S and human rights standards in challenging contexts can carry inherent developmental benefits. For instance, robust implementation of E&S risk management can ensure that workers involved in an investment project earn a living wage in a country or a sector where this is not the norm. This can have transformative positive impacts on the workers and their families. This is why the outcomes of E&S compliance actions should be documented more visibly development impact methodologies.

Opportunities for improvement in this area are plentiful. Given that some of the largest multinational companies still fail to include any form of meaningful human rights due diligence in their operations,[73] it can be only assumed that many of DFI clients, which are usually smaller companies facing less international scrutiny, are in the very early stages of engagement with the UNGPs. The limited access to remedy and grievance mechanisms in the Global South leads to many human rights abuses not being reported,[74] and if they are reported, they are rarely addressed in a manner that is satisfactory to the affected rights holders.[75] A simple browsing of the global database of the Business and Human Rights Resource Centre, which tracks allegations of human rights abuses by more than 9000 businesses, can act as a reminder of the scale of human suffering associated with irresponsible business practices.

To appreciate the transformative potential of E&S risk management practice, however, a new approach to documenting its effectiveness might be needed. When DFIs publicly communicate on the results of E&S risk management, they tend to report on output indicators such as percentage of clients who set up a grievance management mechanism[76] and high-level metrics such as percentage of investments complying with ILO Fundamental Conventions.[77] Such reporting, however, does not fully capture:

- how impactful DFIs are in changing clients' practices and behaviours
- how meaningful this change is given the country and sector of operation, and/or
- how rights holders are likely to benefit from these shifts in business conduct.

Because the publicly disclosed data is rarely contextualised, it is difficult to appreciate the relationship between an indicator or metric, the extent of behavioural change by clients and the extent to which that change is consequential and/or meaningful given the context of operation. The compliance with the E&S standards might be 'business as usual' for some clients, for example in the case of repeat clients operating in low-risk environments, whereas in other cases compliance can necessitate significant investments of time, pressure and financial resources by the DFIs. The metrics developed to measure, monitor and report in this area should reflect these qualitative differences and aim at providing meaningful information about the scope and depth of change.

A human rights-based approach informed by **contextual human rights analysis** and **leverage**, as defined below, can provide guidance in this respect.

	CONTEXTUAL ANALYSIS	LEVERAGE
Definition	An assessment of human rights risks that goes beyond a project level analysis. It includes information on human rights risks resulting from investments in a certain country, region and/or sector, as well as in business relationships or in the further evolution of a project (e.g. if the project involves constructing a hospital not just identifying risks associated with the construction phase but also the operational phase).	In the UNGPs framework, leverage refers to the ability of a DFI to change the practices and conduct of another party to which it has a business relationship with the purpose of preventing or addressing human rights adverse impacts. Leverage can be exercised through for example: contractual requirements; trainings; guidance and technical assistance; advocacy (together with other DFIs) for changes in national laws and policies that undermine human rights protection.
Why DFIs should use it	• To have a comprehensive overview of the human rights risks associated with a certain client/ investment • To identify what human rights outcomes would be qualitatively important and meaningful to document given the country and sector of investment (e.g. compliance with occupational health and safety (OHS) standards in a country/sector with historically high rates of OHS incidents)	• To reflect on and explore what type of influence is most effective in changing clients' practices • To orient the E&S risk management practice towards an outcome-driven culture that focuses on what clients can do differently to ensure human rights outcomes for workers and communities

Some DFIs have started to move towards the direction of using contextual risk analyses and experimenting with different forms of leverage in relation to E&S standards and or human rights. Combining these two approaches allows the development of a new type of development impact metrics that are geared towards capturing the effective and successful exercise of DFI leverage. For illustrative purposes, examples of quantitative metrics that focus on change, leverage and contextual elements at client and rights holder levels are provided in the box below.

BOX 10 EXAMPLES OF OUTCOME-RELATED HUMAN RIGHTS METRICS

Client-level metrics:

- Percentage of clients, in countries without non-financial reporting regulation in place, that now report on adverse human rights impacts, where the DFI requested such reporting (SDG target 12.6)
- Percentage of clients, in industries/countries with high rates of occupational health and safety (OHS) incidents (compared to country/sector averages), that reported no incident or improvements in their performance in the reporting period where OHS was covered in the agreed DFI-client environmental and social action plan (SDG target 8.8)
- Percentage of clients in countries without data protection laws that now have a data protection policy, where the DFI requested such a policy (SDG target 16.10)

Worker-level metrics (at project level):

- Percentage of workers, in countries that do not allow free and independent unionisation, who are now organised in independent worker committees[78] with democratically elected representatives as result of the leverage exercised by DFI in support of freedom of association (SDG target 8.8)
- Percentage of workers whose wages were increased to a living wage or beyond, after payment of living wage was made a contract conditionality (SDG target 8.8)
- Percentage of workers, in countries where working hours legislation is not aligned with ILO conventions, that work a maximum of 48 hours, with overtime not exceeding 12 hours weekly and not occurring regularly, where working hours was included in the agreed DFI-client environmental and social action plan (SDG target 8.8.)

A meaningful cluster of metrics will inevitably have to be adapted to the investment portfolio of DFIs and will look different across organisations depending on strategic priorities, type of clients and countries of operation. Rather than aiming for a set of unique and harmonised indicators only – which has been the ambition of the development impact harmonisation initiative – this approach acknowledges that the effectiveness of DFIs' influence depends on a host of institution-specific and contextual variables that can change over time. For example, a growth in investments in a new sector, such as artificial intelligence, will inevitably bring new contextual human rights issues to the surface and the direction and scope of a DFI's leverage might need to be captured in a different way. The indicators should be designed to reflect the dynamic and ongoing nature of E&S and human rights risk management while still aiming to capture meaningful instances of behavioural change.

KEY TAKEAWAY

Development impact frameworks should include metrics that capitalise on the DFIs' E&S risk management efforts and that highlight meaningful changes and transformations in the responsible business conduct practice of clients in relation to the human rights contextual risks in the country/sector.

4.3 A HUMAN RIGHTS LENS TO INVESTMENTS IN HEALTH, EDUCATION, WATER AND HOUSING

Many DFIs invest in private sector projects and enterprises that provide essential services such as healthcare, education, water and sanitation, and housing. From a SDG perspective, such investments are considered the quintessential impact investments with clear contributions towards SDG 3 (good health and wellbeing), 4 (quality education), 6 (clean water and sanitation) and 11 (sustainable cities and communities). From a human rights perspective, these investments carry a heightened importance because they relate to the enjoyment of economic and social rights such as the right to health, right to an adequate standard of living and the right to education codified in the Universal Declaration of Human Rights[79] and the International Covenant on Economic and Social Cultural rights[80]. Authoritative human rights bodies such as the UN Committee on Economic and Social Cultural Rights monitor the implementation of these rights by states and have produced guidance on the scope of each right and the measures duty-bearers should take to ensure their protection and wide enjoyment. For example, the framework of availability, accessibility, acceptability and quality (also known as the AAAQ framework) has been widely used by the UN Committee on Economic, Social and Cultural Rights to gauge the level of compliance of duty bearers with these rights.[81] While Box 11 exemplifies this framework in respect to the right to health, a similar analysis can be carried out for other rights.

BOX 11 THE AAAQ FRAMEWORK AND THE RIGHT TO HEALTH

The framework of availability, accessibility, acceptability and quality was established in General Comment 14 of the UN Committee on Economic, Social and Cultural Rights. Within the 2030 Agenda, the availability, quality and accessibility of healthcare are reflected in the targets on universal health coverage (SDG target 3.8).

- **Accessibility** refers to physical access (e.g. services should be in safe reach for all sections of the population, including children, adolescents, older persons, and vulnerable groups such as people in rural areas and under-served populations); financial access (e.g. the affordability of services and medicine); and non-discriminatory services (e.g. all patients, including persons with disabilities, should be able to seek, receive and impart health-related information).

- **Availability** refers to the provision of a sufficient amount of health services and goods (clinics, hospitals, trained medical professionals, essential treatment) for the entire population of a territory.
- **Acceptability** refers to facilities, goods and services respecting medical ethics, and being gender-sensitive and culturally appropriate.
- **Quality** refers to the existence of trained health professionals, scientifically approved and medically appropriate drugs and hospital equipment, adequate sanitation and safe drinking water.

Private healthcare providers can negatively impact these dimensions of the right to health through:

- prohibitive costs and refusal of emergency treatment to people without the ability to pay
- choosing a location that is not within safe reach for vulnerable sections of the population such as children, people with disabilities, people in rural areas, under-served groups
- poor patient data confidentiality practices
- gender insensitive and culturally inappropriate services
- lack of consent for medical treatments.

As clarified by the UNGPs, DFIs have a responsibility to respect these rights, which includes ensuring that their investments do not undermine the availability, accessibility, acceptability and quality of these services. There is little evidence, however, that indicates that the human rights underpinnings of essential services investments are thoroughly recognised in the E&S policies and procedures and development impact methodologies (see Box 12).

BOX 12 THE RIGHT TO HEALTH IN E&S STANDARDS AND DEVELOPMENT IMPACT FRAMEWORKS

The right to health is often not fully captured by the E&S standards or by development impact frameworks examined in this paper. The DIHR's analysis of the Performance Standards of the International Finance Corporation (IFC), one of the E&S frameworks widely used by DFIs, reveals a fragmented and partial coverage of the normative content of the right to health as articulated in international human rights standards. The IFC Performance Standards contain references to possible impacts on health in respect to emergency preparedness (PS 1), working environment, worker accommodation, occupational health and safety (PS 2), minimising pollution (PS 3), and community health (PS 4).[82] The right to health appears to be conceived primarily as pertaining to occupational health and safety and environmental issues, and as more at risk as result of manufacturing activities than the activities of private healthcare providers. For example, the Standards cater more for risks associated with the construction of a hospital than those associated with the subsequent running and existence of said hospital. What is omitted is a comprehensive recognition of the right to health as the enjoyment of a system of health protection of a certain quality and accessibility which includes access to essential medicines and the right to prevention, treatment and control of diseases.[83]

From a development impact perspective, the two health impact indicators developed by the DFI Working Group on Harmonized Indicators for Private Sector Operations, i.e. the number of patients served and number of female patients served, [84] are conspicuously narrow. Moreover, the two indicators provide limited insight into the extent to which healthcare investments contribute to improvements across the AAAQ framework. Without additional information about such factors as the socio-economic status of the patients served, the costs of medical services, or the location of a healthcare facility, it is very difficult to gauge the actual 'development impact' of the investment. Such fragmented and decontextualized metrics tell us little about the extent to which investments address underlying inequalities in access to healthcare.

There is a growing body of human rights research that raises concerns that the private provision of essential services has cumulatively had negative impacts on the enjoyment of economic and social rights. Although human rights instruments are neutral on the provision of services by private or public entities, the privatisation of essential services in certain cases has been associated with an increase in fees and lower access to goods and services for poor and marginalised groups, a general deterioration of the quality of essential services and discrimination and segregation in access.[85] In respect to health, potential human rights risks associated with the private provision of healthcare include an increased cost of healthcare and health insurance (e.g. through incentives to over-treat in order to maximise income); a 'brain drain' of specialists from the public healthcare sector to the private sector, leaving public hospitals without quality staff; and the undermining of the long-term public provision of healthcare.[86] Research in this area needs to be factored into the development impact strategies of DFIs to better identify the contexts in which investments in healthcare - in the medium and long term – may inadvertently undermine the quality of and accessibility to healthcare services and the ability of states to provide healthcare to all citizens.

Both the E&S standards and development impact teams need to incorporate a stronger human rights lens when it comes to investments in services crucial for the realisation of economic and social rights. This re-orientation would lead to new synergies between the E&S risk management and development impact functions.

By conducting contextual analyses of human rights, the E&S safeguards teams can advise development impact practitioners on possible human rights concerns regarding DFI investments in the provision of health, education, water and housing by private companies as well as possible patterns of discrimination in access to these rights. Such information can stress-test the development impact rationale presented for some of these investments, as well as integrate a stronger focus on vulnerable groups in the selection of investments.

KEY TAKEAWAY

Both the E&S and development impact teams should show stronger awareness of human rights norms when DFIs invest in essential services in healthcare, water, education and housing. This includes demonstrating that adverse impacts are avoided, and that the accessibility, availability, acceptability and quality of these services are improved.

4.4. A HUMAN RIGHTS-BASED APPROACH TO IMPACT DATA

The need for and challenges in getting meaningful and accurate data form a common thread across the development impact and E&S risks management functions, and are crucial to their effectiveness. The operationalisation of the three areas of synergies identified in the previous sections – in respect to attention to adverse impacts, documentation of behavioural change as a result of leverage applied, and a focus on impacts on economic and social rights – requires a stronger commitment to human rights data and human rights-based approaches to data collection.

As already mentioned in the previous section, contextual human rights data about the country of operation are key to identifying and understanding the key gaps in human rights protection at the national level that might affect a DFI client's human rights impacts. Relevant sources of such data include:

- specialised UN Treaty bodies (see box 8),
- national human rights institutions,
- international and local non-governmental organisations,
- development agencies or human rights teams in ministries of foreign affairs in the DFIs' home states.

Feeding such data into decision-making processes should become common practice. The data can be used to identify:

- the areas where changes in responsible business conduct hold the greatest transformative potential,
- which groups are at the highest risk of discrimination in access to economic opportunities and essential services and target those groups as key beneficiaries of the investments

- which human rights risks appear to be systemic and embedded in inadequate national regulatory frameworks and implementation capacities, and which might require a broader use of DFI leverage, i.e. beyond client level, at the industry or policy-making level.

BOX 13 SOURCES OF UN-LEVEL DATA ON HUMAN RIGHTS

The OHCHR´s Universal Human Rights Index allows searches of recommendations made to countries by UN treaty bodies, Special Procedures and the Universal Periodic Review. These recommendations can shed a light on areas of gaps in policy and practice in respect to the implementation of human rights obligations. The Index is searchable in relation to key rights or groups of rights, countries and regions, and specific types of populations or population groups in accordance with grounds of discrimination identified in key international human rights instruments.

The DIHR's SDG Human Rights Data Explorer allows searches of recommendations made to countries by UN treaty bodies, Special Procedures and the Universal Periodic Review and connects these recommendations with specific SDGs.

A stronger human rights focus in the DFI data collection practices also requires a stronger commitment to the disaggregation of development impact metrics to shed light on the characteristics of the final beneficiaries of investments. This is a stepping stone towards a stronger alignment with the principle of 'leaving no one behind' whereby SDG interventions should reach the poorest of the poor and those suffering from discrimination and exclusion.

The E&S teams of DFIs are in a good position to leverage the collection of disaggregated data to better support the ability of development impact practitioners to design and monitor metrics that can reveal, for example, the distributional impact of investments and their contributions to poverty reduction. Relevant data can be extracted from some of the E&S documentation that DFIs request from clients and third party consultants, such as environmental and impact assessments, environmental and social due diligence reports by third parties, baseline studies, resettlement policy frameworks, and stakeholder engagement plans. Such documentation usually includes information on the demographic characteristics of people potentially affected by investments. These characteristics can include gender, age, ethnicity, levels of formal and informal employment, livelihood strategies, and land ownership patterns. If these data points are insufficient and/or incomplete, E&S practitioners can, upon consultation with development impact practitioners, ask external E&S consultants to collect additional data on beneficiaries as part of their standard impact assessment and stakeholder engagement methodologies and require them to take a human rights-based approach to impact assessments[87].

Box 14 shows a set of human rights principles for data, developed by the OHCHR, that can guide DFIs in their approach to data.[88]

BOX 14 PRINCIPLES FOR A HUMAN RIGHTS-BASED APPROACH TO DATA

- **Participation:** data collection exercises should allow the free and meaningful participation of relevant stakeholders, including the beneficiaries of DFI investments, and in particular the most marginalised population groups.
- **Disaggregation:** where there are no legal barriers, data collected should be disaggregated based on the grounds of discrimination stipulated in international human rights law, for example, race, ethnic origin, sex, age and disability, displacement status, religion, civil status, income, sexual orientation and gender identity, age, nationality, marital and family status, health status, gender identity, place of residence, economic and social situation and other grounds.
- **Self-identification:** If the disaggregation includes identity categories (e.g. religious beliefs, sexual orientation, gender identity and ethnicity), these should be developed through a participatory approach and assigned through self-identification in a way that does not reinforce biases.
- **Transparency and privacy:** Principles of access to information and privacy should be carefully balanced. The data collected should support clients and DFIs in designing better measures to prevent, address, and publicly communicate on human rights risks. At the same time, DFIs should ensure that personal data, such as information on sexual orientation, ethnicity and gender identity, are handled with the consent of the individuals concerned, and that the use of data does not further endanger individuals at risk, such as human rights defenders.

KEY TAKEAWAY

DFIs should improve their E&S risk and impact data by using contextual data on human rights and applying human rights principles in their data collection, such as the disaggregation of data on their beneficiaries.

CONCLUSIONS AND RECOMMENDATIONS

This paper aims to be a conversation starter about how human rights standards and approaches can be better incorporated at DFIs to ensure their investments in private actors meet global standards of accountability, transparency and responsible business conduct. Connecting the E&S risk management and development impact functions of DFIs is important in light of the interdependencies between human rights instruments and the 2030 Agenda and in light of the increased expectation among stakeholders that DFIs better document and account for the positive and negative impacts of their investments. Ultimately, E&S risk management and development impact functions need to work better together to ensure that DFIs are indeed furthering the enjoyment of human rights.

Recommendations for development finance institutions

- Ensure that development impact measurement methodologies account for the negative human rights impacts of the investment portfolio
- Develop a robust approach to document and track outcomes stemming from the effective implementation of E&S standards as part of development impact. This can be done by
    - Developing E&S and human rights metrics that focus on outcomes in addition to outputs
    - Documenting positive changes and transformations at the level of clients and rights-holders as result of the exercise of DFI leverage
    - Making explicit the extent to which the change achieved at the level of the client and rights-holders is meaningful and important in relation to the human rights context and risks at country and sector level
- Integrate human rights norms when investing in services crucial for the realisation of economic and social rights such as health, education, water & sanitation and housing including by
    - Demonstrating that negative impacts are avoided in relation to the accessibility, availability, acceptability and quality of those services
    - Documenting positive benefits from these investments through metrics that provide information across the dimensions of accessibility, availability, acceptability and quality
    - Integrating contextual human rights data, research and evidence in decisions regarding the prioritisation of these sectors for private investment
- Apply human rights principles in the collection and publication of data as part of the E&S risk management and development impact practices, which includes disaggregating data on the characteristics of the beneficiaries of investments to check for recognised grounds of discrimination.

Recommendations to states that own or control development finance institutions

- Set an expectation that DFIs should respect and support human rights as part of their core mandates
- Set an expectation that DFIs should have a clearly stated approach to how negative impacts on people and the planet are included in development impact measurement methodologies
- Set an expectation that DFIs should measure and communicate on the positive transformations achieved at the level of clients and rights-holders by implementing the E&S standards, including human rights, into development impact methodologies
- Set an expectation that DFIs should use human rights data and evidence to inform the design of development impact metrics and their decisions to invest in essential services such as healthcare, education, water and sanitation and housing that are critical to the fulfilment of economic and social rights.

The proposals made in this paper show how human rights can act as a bridge that can connect the E&S risk management and development functions at DFIs. Implementation of these proposals requires further specification, reflection and experimentation in collaboration with a range of stakeholders, including practitioners in DFIs, the impact investment ecosystem more broadly, and human rights organisations.

The development and implementation of innovative practices in impact management and reporting by DFIs are likely to influence a broader group of stakeholders, including private banks, investors and non-traditional development finance actors[89], that are part of a surge in Environmental, Social, and Governance investing globally.[90] Development finance institutions are placed in a unique position to lead by example and articulate a persuasive narrative about how private finance can contribute to the realisation of SDGs and human rights.

ENDNOTES

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6 Ibid, para. 67
7 These comprise CDC Group, FMO, DEG, Swedfund, DFC, EIB, EBRD, IFC, ADB, IDB Invest. The institutions were selected based on a combination of criteria including availability of public information on the approach to human rights and development impact, significant ability to influence the DFI ecosystem as result of investment volumes and/or standard-setting role, and an equal representativeness of bilateral and multilateral DFIs in the sample. Nine of the 10 institutions were included by the World Benchmarking Alliance in the list of the 2000 most influential companies and financial institutions globally with a disproportionate influence on meeting the UN SDGs. See World Benchmarking Alliance, SDG2000 Methodology, https://www.worldbenchmarkingalliance.org/research/sdg2000-methodology/
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9 Over the past five years the DIHR has collaborated with the following DFIs or associated actors: the European Association of Development Finance Institutions (2021), SwedFund (2020), the European Investment Bank (2019), IFU (2017) and the European Bank of Reconstruction and Development (2016). Collaborations at the time of publication of this paper include IFU.

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12 See Charles Kenny and Todd Moss, What to Do When You Can't Prove DFI Additionality, 2020, https://www.cgdev.org/sites/default/files/Moss-Kenny-DFI-Additionality-Full.pdf

13 See for example, International Finance Corporation, Strategic alignment with the SDG, available at https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/development+impact/sdgs;
FMO, Our strategy, available at https://annualreport.fmo.nl/2017/ir2018/ataglance2/ourstrategy6/a1345_Our-strategy; The IDB Group and the Sustainable Development Goals, https://crf.iadb.org/en/sdgs?institution=idbgroup;

14 The African Development Bank, the Asian Development Bank, the European Bank for Reconstruction and Development, the European Investment Bank, the Inter-American Development Bank, the International Monetary Fund and the World Bank Group, Joint Statement, From Billions to Trillions – Transforming Development Finance Post-2015 Financing for Development: Multilateral Development Finance, April 2015, available at https://thedocs.worldbank.org/en/doc/622841485963735448-0270022017/original/DC20150002EFinancingforDevelopment.pdf; Asian Development Bank and the SDGs, https://www.adb.org/what-we-do/sdg/main

15 See for example SDG 17.3 on the mobilisation of additional financial resources and SDG 17.5 on the role of investment promotion regimes. The Addis Ababa Action Agenda, the global framework for financing for development adopted in 2015, includes various references to the role of the private sector, see for example, paras. 35-49 on domestic and international private business and finance, available at https://sustainabledevelopment.un.org/content/documents/2051AAAA_Outcome.pdf
The Danish Institute for Human Rights has published an overview of what a human rights-based approach to the financial aspects of SDG 17 would require, including aligning the performance standards of IFIs with international human rights standards and the due diligence provisions outlined in the UN Guiding Principles on Business and Human Rights. See Dahlbeck et al: A Human Rights-Based Approach to the Means of Implementation of the Sustainable Development Goals, available at: https://www.humanrights.dk/publications/human-rights-based-approach-means-implementation-sustainable-development-goals

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OHCHR | Joint Statement by independent United Nations human rights experts warning of the threat that financial speculation poses to the enjoyment of a range of human rights

22 See, for example, The European Parliament, Directorate General for External Policies, Policy Department, Financing for development post 2015: improving the contribution of private finance, April 2014, p. 29-30, available at https://www.europarl.europa.eu/RegData/etudes/etudes/join/2014/433848/EXPO-DEVE_ET%282014%29433848_EN.pdf; Charles Kenny and Todd Moss, What to Do When You Can't Prove DFI Additionality, 2020, https://www.cgdev.org/sites/default/files/Moss-Kenny-DFI-Additionality-Full.pdf; , Samantha Attridge, Dirk Willem te Velde and Søren Peter Andreasen (eds), Impact of development finance institutions on sustainable development, September 2019, available at: https://odi.org/en/publications/impact-of-development-finance-institutions-on-sustainable-development/;

23 See, for example, SOMO et al. (2016) Glass Half Full: The State of Accountability in Development Finance, available at https://www.somo.nl/glass-half-full-2/; see also Coalition for Human Rights in Development, A decade of human rights abuses, available at https://rightsindevelopment.org/human-rights-abuses-development-finance-reports/

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Swedfund and FMO have an integrated department on ESG and Impact, see graph on corporate governance structure at https://www.swedfund.se/media/2490/swedfund-integrated-report-2020.pdf and https://www.fmo.nl/l/en/library/download/urn:uuid:b9ede33d-4414-4c98-9609-97a2a71b65cd/2021+fmo+org+chart.pdf
IFC has separate organisational structures for E&S Policy Risk and what is called Sector Economics & Development Impact, see organisational structure at https://www.ifc.org/wps/wcm/connect/993ca9be-9010-436d-92fd-e91f29309aef/IFC+Org+Chart+as+of+July+1+2019+-+External_version.pdf?MOD=AJPERES
IDB Invest has teams on Development Effectiveness and Environmental, Social and Governance in two different departments (i.e. Strategy and Development Department and Risk Management Department, respectively), see organigram at https://sapfnidbinvestrm.blob.core.windows.net/atidocs/Spanish/EZSHARE-1502569691-47/IDB%20Invest%20-%20Organizational%20Structure.pdf

27 Publish What You Fund, DFI Transparency Initiative, Impact Management – objectives, theories of change and impact, September 2020, p. 25, available at https://www.publishwhatyoufund.org/projects/dfi-transparency-initiative/2-objectives-theories-of-change-impacts/; Conor Savoy, Paddy Carter, and Alberto Lemma, Development Finance Institutions Come of Age. Policy engagement, impact and new direction, October 2016, p. 16, available at https://csis-website-prod.s3.amazonaws.com/s3fs-public/publication/161021_Savoy_DFI_Web_Rev.pdf

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The results measurement framework, September 2017, available at https://www.eib.org/attachments/rem_framework_methodology_en.pdf; IDB Invest, Impact management framework, available at https://idbinvest.org/en/impact-management-framework

30 HIPSO Alignment to the SDG, November 2020, https://indicators.ifipartnership.org/wp-content/uploads/2021/01/HIPSO-ALIGNMENT-TO-THE-SDGs_-Dec-9_2020.pdf

31 For example, the International Finance Corporation launched an ambitious new framework, the Anticipated Impact Measurement and Monitoring framework; the CDC group started publishing the 'Impact Dashboard' to summarise the SDG impact of every single investment; and the German Development Finance Institution (DEG) revised its Development Effectiveness Rating methodology.

32 A total of 135 signatories from 33 countries publish annual statements detailing how they meet the requirements of the Principles, including most DFIs (such as CDC, DEG, Swedfund, DFC, EIB, IFC, IDB and EBRD), but also large private investment firms, such as BlackRock Inc., BNP Paribas and Credit Suisse. See https://www.impactprinciples.org/signatories-reporting

33 The development of this handbook was led amongst others by EBRD and KFW.

34 See The Global Impact Investment Network, https://thegiin.org/impact-investing/

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36 See GIIN, How to use IRIS+ and HIPSO indicators together, February 2021, available at IRIS+ and Harmonized Indicators for Private Sector Operations (HIPSO) | IRIS+ System (thegiin.org)

37 Conor Savoy, Paddy Carter, Alberto Lemma, Development Finance Institutions Come of Age, Policy engagement, impact and new direction, October 2016, p. 3, available at https://www.edfi.eu/wp/wp-content/uploads/2017/10/Development-Finance-Institutions-Come-of-Age.pdf

38 Maria Jose Romero and Jeroen Kwakkenbos, Development finance institutions: a complement, not a panacea, p. 74, in Impact of development finance institutions on sustainable development. An essay series edited by Samantha Attridge, Dirk Willem te Velde and Soren Peter Andreasen, September 2019, https://www.edfi.eu/news/odiessays/

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See, for example, the "2X Challenge Financing for Women" initiative supported by many DFIs. The initiative aims to mobilise finance to provide women in developing country markets with improved access to leadership opportunities, quality employment, finance, enterprise support and products and services that enhance economic participation and access. Available at https://www.2xchallenge.org/home

45 See, for example, EIB´s Environmental and Social Standards, https://www.eib.org/en/publications/environmental-and-social-standards; Asian Development Bank, Safeguard Policy, available at https://www.adb.org/who-we-are/safeguards/involuntary-resettlement

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50 See, for example, Woicke, P. et al. (2020), External Review of IFC's / MIGA's E&S Accountability including CAO's Role and Effectiveness: Report and Recommendations, available at: https://www.worldbank.org/en/about/leadership/brief/external-review-of-ifc-miga-es-accountability; Asian Development Bank Independent Evaluation Department (May 2020), Effectiveness of the 2009 Safeguard Policy Statement, available at https://www.adb.org/documents/effectiveness-2009-safeguard-policy-statement

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52 See Coalition for Human Rights in Development, Global development summit needs human rights focus, say 200 organizations around the world, 3 September 2020, https://rightsindevelopment.org/news/letter-finance-in-common-summit-human-rights/
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53 See The Finance in Common Summit website, available at https://financeincommon.org/
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55 DEG, for example, reports its impacts along five categories. These include decent jobs and community impacts, into which DEG has integrated considerations of E&S risk management and impact indicators. For example, DEG not only reports on number of jobs but seeks to measure the quality of jobs. In practice, significant improvements in the employment conditions and in the company's environmental and social management can increase the development impact score assigned to the project

56 According to ILO data in 2019, 21% of employed persons globally were poor. See ILO, 2019, The working poor or how a job is not a guarantee of decent living conditions, available at https://ilo.org/wcmsp5/groups/public/dgreports/stat/documents/publication/wcms_696387.pdf

57 See supra note 43

58 UN Working Group on Business and Human Rights (2018), Report of the Working Group on the issue of human rights and transnational corporations and other business enterprises: "Corporate human rights due diligence – emerging practices, challenges and ways forward", A/73/163. Available at https://ap.ohchr.org/documents/dpage_e.aspx?si=A/73/163.

59 Some DFIs such as DEG and Swedfund, for example, capture E&S results by reporting on the number of decent jobs created or the number of clients that comply with the E&S performance standards.
Some DFIs, such as IFC, clarify that the development impact frameworks only exceptionally capture compliance with E&S standards. See IFC's AIMM General Guidance Note, p. 4 "project effects do not measure clients' actions to achieve compliance with IFC environmental and social performance standards, e.g. the implementation of ESMS or OHS standards. Instead AIMM assesses the direct effects of those actions on stakeholders or the environment. While for most IFC investments, meeting Performance Standards reflects improved environmental and social performance, effects from implementation of the standards are only claimed in the AIMM framework where a clear counterfactual can be established and where the investment intent is to improve environmental or social outcomes", available at https://www.ifc.org/wps/wcm/connect/45565802-1b1c-4697-a4cf-45d675dd5640/AIMM-General-Guidance-Note-Consultation.pdf?MOD=AJPERES&CVID=mDqGyqA
EIB mentions that the development impact rating for each project includes an E&S score: "Environmental, social and governance impact — The likely positive or negative environmental, social and governance impact resulting from project implementation and the completed infrastructure is assessed and rated for each project. Planned measures to mitigate negative effects are also taken into account in the rating. The three sub-components — environmental, social and governance — are weighted equally". See EIB, Measuring the EIB group's impacts. Methods and Studies, October 2021, p. 11, available at Measuring the EIB Group's impact: Methods and studies

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61 See FMO, Sustainability Policy: "Environmental, social and governance standards are an integral part of FMO's investment process. These standards serve several purposes. First, they help reduce the risk to the environment, employees, workers and communities, and other stakeholders. Second, they help our clients to contribute positively to the SDGs"; IFC, Reporting IFC´s contribution to the SDGs: "IFC measures and monitors investees' alignment to the SDGs through adoption of IFC's Performance Standards and Corporate Governance methodology. The Performance Standards have a line of sight to more than 30 of the SDG targets.", available at https://www.ifc.org/wps/wcm/connect/Topics_Ext_Content/IFC_External_Corporate_Site/Development+Impact/SDGs/SDGs-Measurement/; EBRD Sustainability Report 2019, EBRD Performance requirements and the SDGs, available at https://2019.sr-ebrd.com/
EIB, Draft Environmental and Social Sustainability Framework (under public consultation), 3 June 2021, policy.pdf (eib.org)

62 See supra note 51

63 See https://accountabilityconsole.com/

64 US International Development Finance Corporation, Developing DFC's New Development Performance Measurement System What is Impact Quotient?, p. 18, available at https://www.dfc.gov/sites/default/files/media/documents/DFC-IQ-PerformanceMeasurement_072020.pdf;
See IDB Invest's Impact Management Framework, 2020, p.20, available at https://idbinvest.org/en/publications/idb-invests-impact-management-framework-managing-portfolio-impact

65 DEG, Disclosure Statement for the Operating Principles for Impact Management, 2021, p.10

66 Business and Human Rights Resource Centre, Renewable Energy & Human Rights Benchmark, 2021, available at https://www.business-humanrights.org/en/from-us/briefings/renewable-energy-human-rights-benchmark-2/
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67 See supra note 60.

68 See Framework for SDG aligned Finance, OECD and UNDP (2020), (https://www.oecd.org/development/financing-sustainable-development/Framework-for-SDG-Aligned-Finance-OECD-UNDP.pdf), p. 9 f. for a discussion on the accountability gap and need for holistic approaches

69 See Birgitte Feiring, Realising human rights and the 2030 Agenda through comprehensive impact assessments: lessons learned from addressing indigenous peoples' rights in the energy sector, 2019, in Handbook on human rights in impact assessment edited by Nora Gotzmann, Edward Elgar Publishing.

70 See UNGP 31.

71 See EU Regulation 2020/852 Taxonomy on the establishment of a framework to facilitate sustainable investment. https://ec.europa.eu/info/business-economy-euro/banking-and-finance/sustainable-finance/eu-taxonomy-sustainable-activities_en

72 Some DFIs have already committed to align policies and practices with the requirements of the Taxonomy. See, for example, EIB Group Climate Bank Roadmap 2021-2025

73 The 2020 Corporate Human Rights Benchmark found that of 229 global companies, 46.2% failed to score any points on the human rights due diligence part of the benchmark, despite its importance for the identification and mitigation of human rights risks. See CHRB (2020 https://assets.worldbenchmarkingalliance.org/app/uploads/2020/11/WBA-2020-CHRB-Key-Findings-Report.pdf

74 The UN Working Group on Business and Human Rights notes that specific estimates of alleged negative impacts are a "deeply insufficient indicator to assess performance, not least because of issues of access to complaint mechanisms for affected rights-holders." https://undocs.org/A/HRC/47/39; see also EU Fundamental Rights Agency. Do victims of corporate Human Rights violations get justice?, 2020, Available at https://fra.europa.eu/en/news/2020/do-victims-corporate-human-rights-violations-get-justice.

75 CHRB (2020), supra note 73, p. 36. Of 225 allegations reviewed, only in 4% of cases did the companies show that they provided remedy that was satisfactory to the victims.

76 DEG, Responsible business – adding value, 2020, available at https://www.deginvest.de/DEG-Documents-in-English/About-us/What-is-our-impact/Development-Report_2020.pdf

77 Swedfund Annual Report 2020, p. 78-81, available at https://www.swedfund.se/media/2490/swedfund-integrated-report-2020.pdf

78 On worker committees, FairWear find it essential to "understand how the committees function, if they are genuinely independent, and how well they are able to ensure workers' involvement and their voices in the workplace. It is also important to ensure that management does not use the fact that there is a worker committee in place to prevent union organising." FairWear (2020). Freedom of association and the right to collective bargaining Available at https://api.fairwear.org/wp-content/uploads/2021/04/Fairwear-Freedom-of-Association-Brand-Guide-2021.pdf, p. 15.

79 See Universal Declaration of Human Rights, articles 25, 26.

80 See International Covenant on Economic, Social and Rights, articles 11, 12, 13.

81 See UN Committee on Economic, Social and Cultural Rights General Comment No. 14: The Right to the Highest Attainable Standard of Health (Art. 12) Adopted at the Twenty-second Session of the Committee on Economic, Social and Cultural Rights, on 11 August 2000 (Contained in Document E/C.12/2000/4), available at https://www.refworld.org/pdfid/4538838d0.pdf

82 See International Finance Corporation, 2012, International Bill of Human Rights and IFC Sustainability Framework, p. 23, available at https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/publications/ibhr_ifc_sustainability_framework

83 See, for example, the UN Committee on Economic, Social and Cultural Rights, General Comment 14 on the right to health, available at: https://tbinternet.ohchr.org/_layouts/15/treatybodyexternal/Download.aspx?symbolno=E%2fC.12%2f2000%2f4&Lang=en

84 Harmonized Indicators for Private Sector Operations (HIPSO) | Health (dev-newhipso.pantheonsite.io)

85 See, for example, The Global Initiative for Economic, Social and Cultural Rights, Private Actors & Public Services, available at
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