**IDB Response to UN request for Right to Development Report**

1. **Policies and guidelines of the IADB on human rights, including the right to development**

Human rights are intrinsic to the IDB’s mission of improving lives and bringing sustainable development to our region. The IDB recognizes that human rights are central to its mission of improving lives and bringing sustainable development to the Latin America and the Caribbean (LAC) region.

On September 16, 2020, the Inter-American Development Bank’s (IDB) adopted a new Environmental and Social Policy Framework (ESPF), which became effective in November 2021 (<https://idbdocs.iadb.org/wsdocs/getdocument.aspx?docnum=EZSHARE-110529158-160>). The ESPF makes an explicit commitment to respecting internationally recognized human rights standards, as provided for in the International Bill of Rights, the International Labor Organization’s (ILO) Declaration on Fundamental Principles and Rights at Work, and other universal and regional instruments relating to human rights.

In May 2022, the IDB published a Technical Note (TN) on Managing Human Rights Risks in IDB Projects, which aims at providing support to IDB borrowing member countries (Borrowers) in identifying and addressing human rights risks and impacts on IDB-financed projects under the new ESPF (<https://publications.iadb.org/publications/english/viewer/Managing-Human-Rights-Risks-in-IDB-Projects--Requirements-of-the-IDBs-Environmental-and-Social-Policy-Framework.pdf>.) The TN outlines how human rights are addressed by the ESPF’s ten Environmental and Social Performance Standards (ESPS) and various other IDB policies and provides information on key human rights issues in the Latin American and Caribbean (LAC) region. With a particular focus on ESPF requirements, the TN focuses on how Borrowers can integrate a human rights lens into the design and implementation of IDB-financed projects. As such, it also provides key guidance on stakeholder engagement and effective grievance management, as these are key parts of the human rights-based approach. Finally, the TN looks at the importance of collaborative approaches to working on human rights issues, particularly when addressing complex and contextual challenges.

In addition to the ESPF, the IDB has complementary instruments governing or relating to human rights.

* The Access to Information Policy and its Implementation Guidelines define what project-related information and Board documents should be disclosed publicly, how this should happen, and commits the Bank to transparency in all its activities. This policy is currently being updated trough a consultation process with civil society (<https://nam02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.iadb.org%2Fdocument.cfm%3Fid%3DEZSHARE-908968382-303&data=05%7C01%7CCRISTIANPI%40IADB.ORG%7Cc2cd524f390743c4f2c208da89dbb2df%7C9dfb1a055f1d449a896062abcb479e7d%7C0%7C0%7C637973873944792025%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=B%2FsKPW7w8%2BnFuLvEozsh8thND%2BHPgy3gU65KZqztBig%3D&reserved=0>)
* The IDB Policies for the Procurement of Goods and Works and for the Selection and Contracting of Consultants and their Standard Bidding Documents contain provisions and instructions related to human rights, such as forced labor, which all contractors and suppliers need to comply with in the implementation of IDB-financed projects. (<https://projectprocurement.iadb.org/en/policies>)
* The Independent Consultation and Investigation Mechanism (MICI) establishes the process of the Inter-American Development Bank Group’s (IDBG) independent accountability mechanism. MICI handles complaints from communities harmed by environmental and social impacts caused by projects funded by any of the institutions that make up the IDBG, including the IDB. Once a complaint is found to be eligible, the Mechanism can either initiate a consultation phase – a flexible and voluntary dispute resolution process – or a compliance review phase, which involves a fact-finding process where MICI acts as an independent investigator to determine whether the IDBG has complied with its environmental and social standards in relation to the allegations of harm raised by the complainants. See Section 7 for more information on the interplay between MICI and project-level complaint mechanisms (<https://www.iadb.org/es/mici/mici-mecanismo-independiente-de-consulta-e-investigacion>).

Additionally, the IDB has developed guidelines to provide guidance to Borrowers on the requirements of the ESPSs, with the overall purpose of improving project performance and environmental and social outcomes (<https://www.iadb.org/document.cfm?id=EZSHARE-110529158-192>.)

Other specific guidelines produced includes:

* The IDB Reprisal Risk Management Guidance Note provides guidance to Borrowers and Executing Agencies in giving practical effect to the ESPF requirements on addressing risks of retaliation against project stakeholders (<https://publications.iadb.org/publications/english/viewer/Reprisal-Risk-Management.pdf>.)
* The IDB-developed note on Social Impact Assessment: Integrating Social Issues in Development Projects provides an overview of good practice standards in Social Impact Assessment. The note aims to provide guidance to practitioners and decision-makers (<https://publications.iadb.org/publications/english/viewer/Social_Impact_Assessment_Integrating_Social_Issues_in_Development_Projects.pdf>) .
* The joint publication on Meaningful Stakeholder Engagement developed by the Multilateral Financial Institutions Group on Environmental and Social Standards provides useful guidance on stakeholder engagement throughout a project’s lifecycle (<https://publications.iadb.org/publications/english/viewer/Meaningful_Stakeholder_Engagement_A_Joint_Publication_of_the_MFI_Working_Group_on_Environmental_and_Social_Standards_en.pdf>.)

At the sectoral level, the IADB has produced s studies and manuals related to specific human rights issues. In 2017, the Water and Sanitation Sector published the Basic Manual on the Human Rights to Water and Sanitation in Latin America and the Caribbean (<https://publications.iadb.org/publications/spanish/viewer/Manual-de-Base-sobre-los-Derechos-Humanos-al-Agua-y-al-Saneamiento-en-Latinoam%C3%A9rica-y-el-Caribe.pdf>) oriented to Borrowers, and in 2021 a study on regulators and the implementation of the human rights to water and sanitation in Latin America and the Caribbean was published aim to understand to what extent the human rights to safe drinking water and sanitation are being incorporated into the regulation of water and sanitation services, and to identify the main trends, good practices and opportunities for their full incorporation (<https://publications.iadb.org/publications/spanish/viewer/Los-reguladores-y-la-implementacion-de-los-derechos-humanos-al-agua-y-al-saneamiento-en-America-Latina-y-el-Caribe.pdf>)

For its part, IDB INVEST has developed a new Sustainability Framework, integrated by a new Access to Information Policy and an Environmental and Social Sustainability Policy approved in April 2019 and 2020, respectively.

The new Access to Information Policy reaffirms IDB Invest's commitment to transparency in the exercise of its activities, making explicit reference to the recognition and exercise of the right of access to information as a fundamental human right. Providing clear and correct information to those potentially affected by a project, particularly the most vulnerable, and protecting the identity of information seekers, whistleblowers and human rights defenders from possible reprisals is a fundamental part of this approach (<https://idbinvest.org/sites/default/files/2019-05/ENG%20-%20Pol%C3%ADtica%20de%20Acceso%20a%20Informaci%C3%B3n_web.pdf>.)

Through its new Environmental and Social Sustainability Policy (Sustainability Policy), IDB Invest promotes the responsibility of companies to respect human rights. To that end, IDB Invest requires its clients to have an approach to assess potential human rights risks and impacts, respect human rights, avoid violating the human rights of others, and address risks and adverse impacts to those rights in the context of the projects supported by IDB Invest (<https://idbinvest.org/en/download/18692>).

The new policy includes a greater focus on fostering full respect for the human rights, dignity, aspirations, culture, and livelihoods of indigenous peoples, Afro-descendants, and other vulnerable groups. In the new Sustainability Policy, additional protections have been put in place for Indigenous Peoples in voluntary isolation or initial contact.

1. **How does the IADB identify, prevent and address human rights impacts and risks in its operations and activities?**

The ESPF provides the IDB with the tools to assess human rights risks in the context of IDB-financed projects. Where such risks are identified, the IDB is committed to supporting Borrowers in carrying out their due diligence to manage risk and minimize adverse impacts to vulnerable communities, and workers from abuse, enable the fulfilment of their rights, and remedy harm caused. By helping borrowers, details on IDB project cycle have been included in the “Designing and Developing Projects with human rights in mind” (section 5 TN), such section outlines how Borrowers can integrate human rights considerations in development of IDB-financed projects. It focuses on providing guidance to Borrowers on applying a human rights lens to the identification of risks and impacts, the integration of identified risks into the development of mitigation measures, and the subsequent monitoring and review of a project and the implementation of these measures.

The IDB requires Borrowers to conduct an environmental and social (E&S) assessment of the specific investment project, program or financial intermediation proposed for IDB support in accordance with ESPS 1. The assessment and management of E&S risks and impacts should be part of the larger overall set of processes that a Borrower uses to manage projects, which must be included in a Borrower’s Environmental and Social Management System (ESMS): a dynamic management tool that enables continuous improvement of E&S performance.

More information on the methodology can be found at the TN <https://publications.iadb.org/publications/english/viewer/Managing-Human-Rights-Risks-in-IDB-Projects--Requirements-of-the-IDBs-Environmental-and-Social-Policy-Framework.pdf>.

1. **How does the IADB ensure active, free and meaningful participation of affected communities and stakeholders in the development projects you support and in the fair distribution of benefits resulting therefrom?**

Active, free and meaningful participation of project stakeholders and affected communities is a core aspect of the IDB’s approach to environmental and social (E&S) risk management. In its [ESPF](https://www.iadb.org/en/mpas) , the IDB commits to ensuring that an open, transparent, and inclusive engagement process with all stakeholders, including affected communities, is a priority in the projects it finances. To this end, the IDB commits to support Borrowers in carrying out early and continuing engagement and meaningful consultation with stakeholders and in developing project-based grievance mechanisms. Also, in line with its [Access to Information Policy](https://www.iadb.org/en/about-us/about-us-3)[[1]](#footnote-1), IDB commits to disclose documentation regarding environmental and social risk and impact assessments and management plans produced by the IDB and its Borrowers, in order to promote informed engagement and participation in IDB-funded projects.

Besides the clear statement on IDB’s commitment regarding stakeholder engagement, the ESPF outlines specific requirements and guidelines for IDB Borrowers on engaging with project stakeholders throughout the project cycle, which are included in its Environmental and Social Performance Standard 10 on Stakeholder Engagement and Information Disclosure ([ESPS10](https://www.iadb.org/en/mpas)). According to ESPS10, IDB Borrowers are required to: i) Identify relevant project stakeholders and assess their interests, benefits, risks, impacts and opportunities in relation the project, ii) Develop and implement a Stakeholder Engagement Plan (SEP) commensurate to the nature and scale of the project and its potential risks and impacts. The SEP shall include disclosure of information on project objectives, activities and E&S risks and impacts, through accessible and culturally appropriate means, as well as a meaningful stakeholder consultation to gather views and feedback from project stakeholders, and iii) Document a record of stakeholder engagement, including a description of the stakeholders consulted, a summary of the feedback received, and a brief explanation of how the feedback was taken into account or the reasons why it was not. The SEP ensures that stakeholders views and needs are considered throughout the project, from its design to its implementation and monitoring.

Moreover, ESPS10 requires IDB Borrowers to implement a grievance redress mechanism (GRM) to receive, process and address stakeholder questions and grievances that may arise in connection with the project. The grievance mechanism is informed to project stakeholders during stakeholder engagement activities, and shall provide a prompt, effective and transparent channel to address stakeholder concerns at no cost and without retribution. The GRM is a tool to ensure the voices and needs of project-affected communities are heard and a tool to provide effective redress.

1. **What efforts does the IADB undertake to ensure that its operations and activities do not have negative human rights impacts, and what measures has the IDB taken to address any negative impacts that have occurred?**

IDB has implemented several mechanisms and processes in order to prevent, manage and remediate negative human rights impacts in the operations it finances. Respect for human rights is an IDB core commitment and a requirement for IDB borrowers under its [ESPF policy.](https://www.iadb.org/en/mpas) The ESPF understands respect for human rights as avoiding infringement on the human rights of people and addressing adverse human rights impacts that a project may cause or to which it may contribute to. Under the ESPF, human rights respect includes the protection of workers’ rights, fostering gender equality, promoting non-discrimination and inclusion of vulnerable groups, and respect for the rights of Indigenous, African-descendant and traditional peoples.

In this context, the ESPF sets new standards in several areas and elevates respect for human rights to the core of environmental and social (E&S) risk management. The IDB is committed to respecting human rights and requires its Borrowers to respect human rights, avoid infringement on the human rights of others and address risks and impacts on human rights in IDB projects (ESPF Policy Statement paragraph 1.3).

Each of the 10 Environmental and Social Performance Standard (ESPS) has elements related to human rights and any Environmental and Social (E&S) due diligence realized can be considered as a form of human rights due diligence. Some standards emphasize specific rights language (see for example ESPS 2 Workers rights or ESPS 7 Indigenous rights) or require preventive and protective measures (see for example ESPS 4 Security Personnel) while other standards cover human rights intrinsically (see ESPS 9 Gender Equality and ESPS 10 Stakeholder Engagement). Many key human rights issues such as migration, health and economic inequalities are streamlined throughout the ESPF. Additionally, the IDB has a zero-tolerance policy towards reprisals and takes any credible allegations seriously. ESPS 1 requires Borrowers to consider risk and impacts related to human rights as part of the E&S assessment process and requires specific human rights due diligence (HRDD) where significant human rights risks exist (ESPS 1 para. 6 and Footnote 52).

IDB’s Environmental and Social Performance Standard 1 (ESPS1) requires Borrowers to assess and manage their environmental and social (E&S) risks and impacts. Such assessments include the consideration of human rights risks and impacts, according to a process of human rights due diligence in line with the United Nations Guiding Principles on Business and Human Rights. Moreover, the Grievance Redress Mechanism (GRM) required to Borrowers under ESPS10 on Stakeholder Engagement and Information Disclosure, provides for a channel for project-affected individuals or communities to raise concerns about negative project impacts and seek appropriate redress.

In addition, [IDB’s Independent Consultation and Investigation Mechanism (ICIM)](https://www.iadb.org/en/mici/mici-independent-consultation-and-investigation-mechanism) is a complementary resource available to individuals and communities who may have been negatively affected by IDB-financed projects. The ICIM receives complaints regarding human rights, social or environmental harm in relation to IDB projects and provides two courses of action, where the complaints meet the eligibility requirements. The first course of action involves the facilitation of a dispute resolution process between the affected communities and the project borrower to seek joint solutions, while the second course of action available is a compliance investigation on the IDB’s performance in fulfilling its environmental and social commitments, in order to identify areas where E&S performance can be improved. ICIM’s processes have provided affected communities with remediation measures, as well as lessons to the IDB on how to improve its social and environmental performance.

1. **Efforts by the IADB to promote and protect human rights through its partnerships and relationships with other financial institutions, governments, and private sector actors.**

There are many efforts carried out by the IDB to protect human rights through strategic partnerships. Among those efforts are permanent participation and collaboration with other International Financial Institutions (IFIs) that implies collaborative Working Groups for sharing and interchange of experiences on good practices. For example, the SEA/SH Working Group that consists of 12 MFIs work on mitigating risks of and addressing Sexual Exploitation and Abuse and Sexual Harassment (SEA/SH) in development operations. Members of the MFI working group include policy leaders,  technical and thematic specialists on gender-based violence (GBV)  and SEA/SH, gender, and environment and social development from: Asian Development Bank (ADB), African Development Bank (AfDB), Asian Infrastructure Investment Bank (AIIB), European Bank for Reconstruction and Development (EBRD), European Investment Bank (EIB), Inter-American Development Bank(IADB), IDB Invest, International Finance Corporation (IFC), International Fund for Agricultural Development (IFAD), Islamic Development Bank IDB), Multilateral Investment Guarantee Agency (MIGA), and the World Bank (WB).   This group has most recently created a knowledge sharing platform that will be available to all practitioners during the first semester of 2023. Other MDBs Working Groups include Fragility, Conflict and Violence (FCV). Other relevant collaborations with ILO Office in Washington to interchange experiences on labor and indigenous peoples’ rights issues are relevant examples of cross collaboration.

1. **Do States leverage human rights obligations, including the right to development in their engagement and negotiations with the IADB?**

Although many countries in Latin America and the Caribbean have ratified strong regional human rights standards, the level of enforcement varies in each country. The IDB supports countries to adopt and implement investment strategies with a focus on human rights and development.

Some processes of strategic definition and programming with the countries, such as the Country Strategy, developed by the IDB with each of the 25 countries, results from a process of combining the National Development Plans (NDPs), their development priorities (sometimes aligned with the SDGs) and the IDB's strategies, that have among their fundamental pillars the promotion of inclusion and diversity.

The IDB is committed to supporting its Borrowers in the development and execution of IDB-financed projects that are environmentally and socially sustainable, as well as to strengthening the capacity of borrowers' environmental and social frameworks to assess and manage risks and impacts of projects. To this end, the ESPF establishes specific Environmental and Social Performance Standards —designed to avoid, minimize, reduce, or mitigate adverse environmental and social risks and impacts of IDB-financed projects— that describe the requirements that the borrower must comply in the preparation and execution of projects financed by the IDB. The IDB provides assistance to borrowers to facilitate the application of the standards. IDB also leverages investments in high quality projects that support a comprehensive migration and development agenda.

1. **Please provide examples of how financial assistance and funding by the IADB to States have either supported or hindered the realization of the right to development.**

The IDB prioritizes social inclusion and equality; productivity and innovation; and regional economic integration in its development work across Latin America and the Caribbean. In doing so, it addresses the cross-cutting issues of gender equality and diversity; climate change and environmental sustainability; and institutional capacity and the rule of law.

In these areas, some of the IDB contributions in LAC, according to IDB’s Corporate Results Framework[[2]](#footnote-2) are as follows: in support of social inclusion and equality, there have been 12,364,965 beneficiaries of IDB targeted anti-poverty programs and 4,349,555 students benefited by education projects (#); in support of productivity and innovation, 2,017,907 micro, small and medium enterprises have been financed; in support of economic integration, 4,457 km of roads have been built or upgraded; regarding gender equality and diversity, 355,946 women have benefited from economic empowerment initiatives; regarding climate change and environmental sustainability, 22,602,919 hectares of habitats have been sustainably managed using ecosystem-based approaches; and regarding institutional capacity and the rule of law, 20,311public officials have been trained on citizen security and justice.

IDB’s projects are aimed towards improving the lives of the most vulnerable populations in Latin America by focusing on the needs of the population, as well as focusing on the most vulnerable sectors such as water and sanitation. Through projects across LAC focused on waste management, it has not only transformed waste dumps in sanitary landfills (Brazil, Colombia, Dominican Republic), and greatly improved the workers’ labor conditions, but also addressed and prevented child labor and sexual and gender-based violence

1. The IDB is currently updating its Access to Information Policy to maximize access to information, thus enhancing transparency and accountability. Interested parties are invited to participate in a consultation process, where they can provide their feedback to this Policy. More information available at: <https://www.iadb.org/en/access-information/access-information-policy-update>

   [↑](#footnote-ref-1)
2. IDB Corporate Results Framework, available at: https://crf.iadb.org/en/2020-2023/level-2?country=all&institution=all&year=progress-to-date [↑](#footnote-ref-2)