

CAPE TOWN, SOUTH AFRICA, 26-28 FEBRUARY 2025



#### INTRODUCTION

The confluence of rising inequality, debt crises, and the escalating climate emergency demands that Public Development Banks (PDBs) demonstrate genuine leadership in driving just, sustainable development. At this critical juncture, PDBs must move beyond rhetoric and commit to concrete, transformative actions, placing human rights, community leadership, and environmental sustainability at the core of all financing decisions. Civil Society Organisations (CSOs) call on PDBs to embrace this responsibility and champion a new era of development finance.

PDBs, as publicly mandated institutions, should serve people, respect planetary boundaries, and ensure long-term benefits for communities and their environments. To achieve these goals, PDBs must uphold transparency, accountability, and meaningful engagement with civil society and communities to foster shared peace, freedom, and prosperity.

While some progress has been made by the Finance in Common (FiC) to increase engagement between PDBs and CSOs and emphasise human rights-based approaches, concerned communities must play their rightful role as a driving force in addressing global challenges. Civil society and community representatives join forces at the 2025 Finance in Common Summit (FiCS) to amplify the voices of development experts in their own right: human rights defenders, Indigenous Peoples, affected local communities, and other diverse civil society groups and networks, both present at FiCS and engaging remotely, to demonstrate the importance of community-led and human rights approaches in development.

The need for environmental and social safeguards, backed by international operational and human rights standards, is imperative. As extensions of state policy and actions, PDBs are also accountable under the Extraterritorial Human Rights Obligation principles (ETOs) as outlined in international human rights law. We urge PDBs to ensure that energy transitions and development projects are community-centred, empowering those most affected to shape their future, and context-specific, championing community-led, local solutions and needs.

# CIVIL SOCIETY RECOMMENDATIONS



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### Strengthening Civic Space & PDB-CSO Engagement

Civic space continues to shrink globally, with only <u>40 out of 198 countries currently enjoying an open rating</u>. The enabling environment for civil society continues to deteriorate, with restrictive legal frameworks, repression of human rights defenders, and financial constraints limiting civic engagement. While FiCS has made some progress in fostering dialogue between PDBs and CSOs, critical gaps remain. PDBs must go beyond consultation and meaningfully integrate civil society perspectives in their governance, policies, and project cycles. PDBs have a duty to facilitate inclusive, transparent, and structured engagement with CSOs and affected communities.

In this context, we demand that FiCS immediately implement its commitment to structuring a meaningful, regular, systematic, and strategic dialogue between PDBs and CSOs.

To achieve this, PDBs must:

- **Establish and launch a FiCS PDB-CSO Coalition** at a global conference between PDBs and CSOs by the end of 2025 to institutionalise engagement, share best practices, and cocreate solutions.
- Ensure formal CSO engagement mechanisms at headquarters, country, and project levels to align investment strategies with community needs and strengthen governance, accountability, transparency, and decision-making in PDB-funded projects.
- Develop multi-stakeholder dialogues and institutionalised CSO engagement mechanisms, including tripartite committees or councils, ensuring structured participation at each stage of the project or investment cycle (from selection to implementation and evaluation).
- **Leverage digital technologies** to complement CSO consultations and expand citizen engagement in financial decision-making.
- **Promote and actively support an enabling environment for civil society** by systematically incorporating civic space, human rights, and gender-transformative approaches into PDBs' decision-making at local, national, regional, and global levels.
- Ensure that PDBs, their investment partners, and investees fully respect and protect civic space, placing the interests and needs of local communities at the centre of decision-making.
- **Support freedom of expression and assembly**, ensuring that PDBs' activities do not contribute to repression or harm to human rights defenders.
- **Establish robust accountability mechanisms** that enable community members to assert expectations, file grievances, and meaningfully engage with project details, ensuring accessible, effective remedies for those impacted.

### **Upholding Human Rights & Community-Led Development**

Respecting, protecting, and fulfilling human rights must be a fundamental principle guiding all PDB operations. As publicly funded institutions, PDBs have a duty to ensure that their projects do not contribute to human rights violations but rather support the realisation of economic, social, and cultural rights for all. Tragically, large-scale infrastructure and development projects financed by PDBs have too often led to forced displacement, environmental degradation, and the repression of human rights defenders advocating for their communities. Stronger accountability mechanisms, greater transparency, and direct involvement of affected communities are necessary to ensure PDB investments advance sustainable, rights-based development.

PDBs must ensure that human rights are at the heart of their operations, from project conception to evaluation.

To achieve this, PDBs must:

- Recognise and incorporate the international human rights framework in their strategies, plans, and actions, following "do no harm" principles.
- **Ensure that** Free, Prior, and Informed Consent (FPIC) is rigorously obtained for Indigenous Peoples, marginalised groups, and affected local communities before any development projects are approved and implemented.
- **Prioritise community leadership and ownership** in decision-making processes to ensure that development projects align with local needs, respect cultural heritage, and promote long-term social and economic benefits.
- Establish and strengthen independent grievance mechanisms that are transparent, accessible, and free from political interference, ensuring that affected communities can seek effective redress without fear of retaliation.
- Enforce mandatory human rights due diligence and impact assessments at every stage of project design, implementation, and evaluation, ensuring that all investments align with international human rights standards and do not exacerbate inequalities or social harms.
- Establish clear protocols for reporting threats and violence against human rights defenders, and ensure that these reports are investigated promptly and impartially. PDBs must create and enforce mechanisms that allow defenders to safely report concerns.
- Enhance financial transparency and accountability by disclosing all PDB-supported financial flows, project risks, and mitigation plans to ensure communities can monitor and engage in the decision-making process.

### **Development Finance: A Call for Fundamental Reform**

The current global financial architecture is failing to address the structural causes of poverty, inequality, and the climate crisis. It perpetuates a system that benefits wealthy nations at the expense of the global majority, hindering their ability to achieve sustainable development goals and respect human rights. This system is characterised by insufficient public finance, crippling debt burdens, massive tax avoidance and illicit financial flows, and neoliberal policies that prioritise profit over people and the planet. Fundamental reforms are urgently needed to create a fair and equitable global economic order. Public Development Banks (PDBs), with National Development Banks (NDBs) at their core, must play a leading role in mobilising public finance for transformative change. This requires a shift away from extractive neoliberal policies towards a renewed global financing framework that prioritises human rights, environmental sustainability, and locally led development.

To achieve this, PDBs must:

- **Champion a Renewed Global Financing Framework:** PDBs should actively support a renewed global financing framework as outlined in the Civil Society <u>FfD4 mechanism recommendations</u>. This includes:
  - Significantly scaling up public funding for development, particularly from developed countries and those benefiting from globalisation.
  - Increasing grant-based financing to alleviate debt burdens and support public services, prioritising women, marginalised communities and civil society.
  - Reforming multilateral development banks (MDBs) to enhance financial capacity, review governance structures and mandates, and commit to locally led development.
  - Regulating blended finance to ensure sustainable impact and adherence to social and development standards.
  - Eliminating International Monetary Fund (IMF) surcharges.



- Facilitate Debt Cancellation and Restructuring: International PDBs must support debt
  cancellation and restructuring for countries with unsustainable debt burdens. PDBs
  should reject the Common Framework and advocate for a UN framework convention on
  sovereign debt to democratise the debt process. All lending policies must prioritise human
  rights and environmental protection.
- **Center National Development Priorities:** PDB investments must align with individual countries' development strategies. This requires:
  - Adopting a locally led development approach, reforming decision-making processes, and working directly with NDBs.
  - Aligning investments with national development plans and strategies, such as Integrated National Financing Frameworks.
  - Strengthening local capital markets and institutions by providing technical assistance and access to affordable financing for local businesses.
  - Respecting national sovereignty through <u>local currency lending</u> and addressing <u>credit</u> <u>rating distortions</u>.
  - Prioritising local actors to ensure investments strengthen sustainable local economic development.
  - Modelling sustainable and responsible investing practices, <u>placing SDGs at the core of MDBs and NDBs</u>. This includes shifting away from harmful practices like industrial agriculture, promoting care economies, supporting the transition to renewable energy, and building resilient local economies.
- Cease Investments in For-Profit Healthcare and Education: PDBs must immediately stop funding for-profit private healthcare and education thus driving privatisation and commercialisation of essential public goods. They should:
  - <u>End all new funding for commercial private healthcare</u> and education, including investments through intermediaries.
  - Launch an independent evaluation of past and current healthcare and education investments, focusing on their impact on inequality, poverty, gender, and human rights.
  - Commit to redressing any harm caused by these investments.



#### **Climate Finance: A Call for Just Transition**

Climate finance must be a tool for a just and sustainable future, not a mechanism that perpetuates inequality and environmental destruction. Public Development Banks (PDBs) have a crucial role to play in shaping climate finance flows and championing a just transition based on the principles of "polluter pays" and Common but Differentiated Responsibilities and Respective Capabilities (CBDR-RC). The current system often reinforces inequalities through debt cycles and exclusion of communities from decision-making. Fair, concessional, and equitable climate finance is essential to address the climate crisis, uplift communities, and create a pathway for justice-based development. This requires a shift away from the growth-led development model towards a sustainable and equitable socio-economic paradigm, including recognising the right to remedy and reparations for affected communities. A just transition must also provide access to electricity and resources for historically excluded communities. PDBs must establish a transformative approach to just transition with clear investment criteria and accountability mechanisms.

#### To achieve this, PDBs must:

• Phase Out Fossil Fuel Projects and Exclude False Solutions: PDBs must immediately commit to a timeline for ending all direct and indirect financing of existing and future fossil fuel projects, including fossil gas and false solutions. They should adopt a renewables-only energy taxonomy that promotes sustainable and inclusive renewable energy technologies, excluding damaging technologies and false solutions, including but not limited to large-scale hydropower, waste-to-energy, industrial biofuels, Carbon Capture, Utilisation, and Storage (CCUS), hydrogen-ready fossil gas infrastructure, and carbon markets. PDBs must support countries in developing and implementing ambitious, just and inclusive energy transition plans, phasing out fossil fuels while enhancing economic development through diverse renewable energy systems. Critically, PDBs must uphold international human rights law, ensuring their resources promote human rights and climate justice, including the right to remedy and reparations for affected communities. PDBs that have contributed to destructive energy infrastructure must support decommissioning plans in consultation with affected communities, contribute to remediation, and provide reparations.



- Support a Just, Renewable Energy Transition: PDBs must redirect fossil fuel finance to support a just, renewable energy transition, aligned with <u>principles</u> of transparency, accountability, community-led solutions, human rights, and gender equality. This includes strategic investments in care economies, recognising undervalued care work and women's role in environmental stewardship. Grant-based climate finance for renewable energy is crucial to prevent exacerbating debt burdens. PDBs should develop just transition indicators to ensure projects deliver development benefits, including for women, youth, decent work, agriculture, local businesses, health, and education. Mandatory community involvement in all project phases is essential. Finance must be accessible locally for diverse, decentralised energy systems, and for renewable energy technology and knowledge transfer. All PDB-funded projects require strengthened safeguards and social/environmental accountability, with recourse to remedy for affected communities. This includes access to effective and impartial grievance mechanisms, legal representation, and appropriate compensation for damages.
- Support Climate Mitigation and Adaptation: PDBs must redirect fossil fuel finance to support climate mitigation and adaptation measures in countries particularly vulnerable to escalating climate disasters, based on the principles of "polluter pays" and CBDR-RC. Clear separation of funding streams for <u>Overseas Development Assistance</u> (ODA) and climate mitigation/adaptation/loss and damage is essential to ensure equitable climate finance and eliminate double counting.
- Promote Sustainable Food Systems: PDBs must phase out finance for intensive livestock
  production and instead finance sustainable food systems, especially agroecological
  practices. All agricultural investments should support diversified, agroecological farming
  systems and sustainable food businesses that bolster food security, farmer livelihoods,
  biodiversity, health, nutrition, and ecosystem services.



This declaration, available in **English**, **French**, **Spanish** and **Portuguese**, represents a unified call to action for PDBs to prioritise people, planet, and justice in all financing decisions. We demand accountability, transparency, and meaningful partnership with communities to ensure a just and sustainable future for all.







Find the full list of civil society signatories

Sign the 2025 CSO Declaration



## LIST OF SIGNATORIES THIS LIST WILL BE UPDATED DAILY UNTIL FEBRUARY 28, 2025

ABONG - Associação Brasileira de Organizações Não-Governamentais, Brazil

Accountability Counsel, Global

Action 237-Suisse, Switzerland

Action Education, France

African Climate Reality Project, South Africa

African Resources Watch (AFREWATCH), Democratic Republic of Congo

Agrisud International, France

AidWatch Canada, Canada

AJESH, Cameroon

Alliance of NPO Networks (ANNET), South Africa

ALTSEAN-Burma, Burma/Myanmar

AOI (Aide Odontologique Internationale), France

ARAB PLATFORM for RENEWABLE ENERGIES & ENERGY EFFICIENCY, Tunisia

Asia Development Alliance, Asia

AsiaDHRRA, Philippines

Association CACAO POUR LA PAIX, France

Association for Progressive Communications, South Africa

Association For Promotion Sustainable Development, India

Association Habitat Cité, France

AwazCDS/Pakistan Development Alliance, Pakistan

Bangladesh NGOs Network for Radio and Communication, Bangladesh

Bantay Kita - Publish What You Pay Philippines, Philippines

BATIK International, France

Bir Duino Kyrgyzstan, Kyrgyzstan

Bond, United Kingdom

Bahuuday Lok Seva Sansthan, India

Budget Advocacy Network (BAN), Sierra Leone

Buliisa Initiative for Rural Development Organisation (BIRUDO), Uganda

Cadre de Concertation des Réseaux d'Organisations de la Société civile, Congo-Brazzaville

CAFSO-WRAG for Development, Nigeria

CAGF, France

Carolina eco green economy, South Africa

CEE Bankwatch Network, Czechia

Centre de Defense des Droits de l'Homme et Démocratie (CDHD), Democratic Republic of Congo

Centre for Human Rights and Development, Mongolia

Centre for Social Change, University of Johannesburg, South Africa

CFSI Comité français pour la solidarité internationale, France

Chaine de l'espoir, France

CHD, France

Christian Aid, United Kingdom

CIEDEL, France

CIONGCA - Conseil Inter ONG de Centrafrique, Central African Republic

Civil Society Coalition on Sustainable Development, Nigeria

Climate Finance Group for Latin America and the Caribbean (GFLAC), Mexico

Club des Africains de Bretagne, France

Coalition Femme-Paix-Sécurité (COFEPAX), Burkina Faso

CODE-NGO - Caucus of Development NGO Networks, Philippines

Collectif des Organisations de Solidarité Internationale issues des Migrations de la Région Bretagne (COSIM

Bretagne), France

Commerce Equitable France, France

Committee for Peace and Development Advocacy, COPDA, Inc., Liberia

COMPPART Foundation for Justice and Peacebuilding, Nigeria

CONSEIL NATIONAL DES ONG DE DEVELOPPEMENT, CNONGD, Democratic Republic of Congo

Coordination SUD, France

Creation of unity and development, South Africa

CRID, France

CSVVDH, Mauritania

DECA, Equipo Pueblo, Mexico

Derecho Ambiente y Recursos Naturales, Peru

Development Initiative for Community Impact, Nigeria

Development Service Exchange, Solomon Islands

Dignity Initiative, Nepal

Director, Universal Rights Network, Australia

Ecoactivist, Kazakhstan

Economic Justice Network of FOCCISA, South Africa

Economic Justice Network Sierra Leone, Sierra Leone

ECPAT France, France

Ecolur Informational NGO, Armenia

Egyptian Association for Comprehensive Development, Egypt

Engagé·e·s & Déterminé·e·s (E&D), France

Entrepreneurs du Monde, France

Entrepreneurship Initiative for African Youth (EIFAY Africa), Nigeria

Equipop, France - Sénégal - Burkina Faso

ESSOR, France

Estonian Roundtable for Development Cooperation, Estonia

European Network on Debt and Development - Eurodad, Europe

Experts-Solidaires, France

Fédération Congolaise du Commerce Equitable (FECOCE RDC), Democratic Republic of Congo

FIAN, Sri Lanka

FIDH, France

Finnish Development NGOs Fingo, Finland

FOCSIV Italian Federation Christian NGOs, Italy

Fondation Danielle Mitterrand, France

FONGA, Angola

Forus, Global

Friends of the Earth U.S., USA

Fundación CAUCE: Cultura Ambiental - Causa Ecologista, Argentina

Fundeps, Argentina

GAPID, Mali

Geres, France

Global Initiative for Economic, Social and Cultural Rights (GI-ESCR), Global

Globe International Center, Mongolia

Green Advocates International, Liberia

Green Development Advocates, Cameroon

GRET, France

Groupe initiatives, France

**GROUPE SOS, France** 

Habitat-Cité, France

HIMAYA DAEEM AATAA, Lebanon

HRC RIGHT TO INFORMATION TRUST, India

Ikhaya Lothando Care for the Aged, South Africa

INDICEP - Instituto de Investigación Cultural para Educación Popular, Bolivia

Indonesia for Global Justice, Indonesia

Iniciativas para el Desarrollo de la Mujer Oaxaqueña (IDEMO), Mexico

Initiative Développement, France

Initiatives for Safe Migration and Social Justice, Nigeria

Innovea Development Foundation, Nigeria

International Accountability Project, Global

International Rivers, Global

International Service for Human Rights, Switzerland

ISIZIBA Community Based Organizations of South Africa NPC, South Africa

IYAFP, Global

Jamaa Resource Initiatives, Kenya

Jawahar Jyoti Bal Vikas Kendra, India

JOINT Liga de ONGs em Mocambiquue, Mozambique

L'Appel, France

La Coordinadora de Organizaciones de Desarrollo, Spain

La voûte nubienne, France

Lawyers' Association for Human Rights of Nepalese Indigenous Peoples (LAHURNIP), Nepal

Lumière Synergie pour le Développement (LSD), Senegal

Middelburg Environmental Justice Network (MEJN), South Africa

Migrations & Développement, France

Mining host communities in crisis network, South Africa

Mongolian CSOs Network for Sustainable Development, Mongolia

Mouvement pour la Defense de l'Humanité et l'Abolition de la Torture (MDHAT), Cameroon

MY World Mexico, Mexico

Murna foundation, Nigeria

Nareto Latia Indigenous Peoples' Program, Kenya

Nash Vek PF, Kyrgyzstan

National Campaign for Sustainable Development Nepal, Nepal

National Senior Citizens Organization of Liberia, Liberia

Natural Justice, Africa

NGO Federation of Nepal, Nepal

Nigeria Network of NGOs, Nigeria

Noakhali Rural Development Society - NRDS, Bangladesh

OBA Global Citizens, Nigeria

Oil Workers' Rights Protection Organization Public Union, Azerbaijan

ONG CACAO POUR LA PAIX, Democratic Republic of Congo

ONG Humatem, France

Orthodox Archbishopric of Zimbabwe and Angola, Zimbabwe

Oyu Tolgoi Watch, Mongolia

Pakistan Development Alliance, Pakistan

Pakistan NGOs Forum, Pakistan

Pamoja Earth Care, Kenya

Participatory Research & Action Network- PRAAN, Bangladesh

PFNOSCM - Plateforme Nationale des Organisations de la Société Civile de Madagascar, Madagascar

Plateforme des Droits Humains, France

Pojoaju, Paraguay

Pólis Institute, Brazil

Psychological Responsiveness NGO, Mongolia

Publiez ce que vous payez Congo, Democratic Republic of Congo

Recourse, Uganda

Recourse, Belgium

Rencontre pour la Paix et les Droits de l'Homme (RPDH), Democratic Republic of Congo

REPONGAC - Réseau des Plate-formes des ONG de l'Afrique Centrale, Central Africa

Ritimo, France

Rivers without Boundaries Coalition, Mongolia

ROTAB, Niger

Rural Reconstruction Nepal-RRN, Nepal

Sahas sewa sansthan, India

Santé Sud, France

Sayanaa Wellbeing Association, Mongolia

SCMAC, South Africa

Searchlight Development Action Cameroon, Cameroon

Seinoli Legal Centre, Lesotho

Sinergia Animal, Global

Society for Gender Justice, Zambia

SSDC, Nepal

Stop Financing Factory Farming (S3F) Coalition, Global

SUKITA TZ, Tanzania

SWATI, India

SWB NGO, Mongolia

Tetraktys, France

The Bretton Woods Project, United Kingdom

The Kenya Human Rights Commission, Kenya

The New Environmental Justice Solutions, South Africa

Touiza Solidarité, France

TRAFFED -RDC asbl, Democratic Republic of Congo

Triangle Génération Humanitaire, France

Tshwaraganang Ma-Africa, South Africa

Uganda Consortium on Corporate Accountability, Uganda

Uganda Peace Foundation, Uganda

UNASCAD (Union des Amis Socio Culturels d'Action en Developpement), Haiti

UNITAS, Bolivia

Uzbek Forum for Human Rights, Germany/Uzbekistan

VANI - Voluntary Action Network India, India

Village Farmers Initiative (VFI), Nigeria

Waterberg Women Advocacy Organisation, South Africa

Women and Youth Advancement Inc. (WOYA), US

World For World Organization (WFWO), Italy

Zimbabwe People's Land Rights Movement, Zimbabwe







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