Resource Policy

Public Money for Mining

Closing the Gaps in Standards, Transparency and Accountability

PowerShift

Legal Notice

Public Money for Mining: Closing the Gaps in Standards, Transparency and Accountability

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Who is PowerShift?

We highlight pathways out of the climate crisis. Our goal is an ecologically and socially just world. Through comprehensive research, we scrutinize political processes, identify the flaws of an unjust global economic system, and develop alternative courses of action. Through our advocacy work, we urge political decision-makers to set the necessary frameworks for change. We organize actions and campaigns and forge strong networks—with other organizations, social movements, and citizens. Together, we get involved!

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Glossary

Bonds: Promissory notes through which a company borrows money from multiple investors—instead of just a single bank. The company pays interest and must repay the principal at a later date.

ADB Asian Development Bank

CAO Compliance Advisor Ombudsman: The independent grievance mechanism for the IFC and MIGA

CAPEX Capital Expenditure (see also OPEX)

CRMA Critical Raw Materials Acts (EU)

CSDDD Corporate Sustainability Due Diligence Directive (the „EU Supply Chain Act“).

CSRD Corporate Sustainability Reporting Directive (EU directive on sustainability reporting)

DEG *Deutsche Investitions- und Entwicklungsgesellschaft* (The German Investment Corporation, part of the KfW Group)

EBRD European Bank for Reconstruction and Development

ECAs Export Credit Agencies

EIB European Investment Bank

EIB-CM EIB Complaint Mechanism

Equity Money that owners or investors inject into a mining project—their own risk capital. Unlike loans, it does not have to be repaid. In return, investors receive shares in the company or mine, granting them voting rights and profit participation.

EITI Extractive Industries Transparency Initiative

ECHR European Convention on Human Rights

Equator Principles A voluntary standard adopted by over 130 international banks, heavily based on the IFC Performance Standards.

ESG Environment, Social, and Governance: Criteria used to measure the sustainability and ethical impact of an investment in a company or business.

EU Taxonomy Defines the criteria for determining whether an investment is considered „green“ or environmentally sustainable.

Financial Intermediary An institution (e.g., a national/local private bank, fund, or investment company) that receives capital from larger public or multilateral financial actors (e.g., the World Bank) and on-lends or invests those funds into individual projects or companies. This mechanism allows smaller projects to be financed and strengthens local financial systems. However, it often results in low transparency regarding the actual end projects supported, complicating the monitoring of environmental, social, and human rights standards, as well as obstructing access to grievance mechanisms.

FPIC Free, Prior, and Informed Consent. A principle designed to ensure that Indigenous communities are consulted before a project begins on their land—with the objective of a participatory, bottom-up decision-making process.

Guarantee A commitment by a public institution (e.g., a development bank or a state) to repay a loan should the borrowing company default.

Global Gateway A major investment program by the European Union launched in 2021. It aims to mobilize around €300 billion by 2027 to promote infrastructure, energy, digitalization, health, education, and raw materials worldwide. It is the European response to China‘s Belt and Road Initiative.

Grant A non-repayable subsidy awarded by public or international institutions. Grants are generally not used for the direct extraction of minerals, but rather for early-stage project preparation.

HRIA Human Rights Impact Assessment

IBRD International Bank for Reconstruction and Development (the „World Bank for sovereign states“): Does not directly finance private mining operations, but rather acts indirectly via sovereign loans, guarantees, and structural reform programs that shape a country‘s mining sector.

IFC International Finance Corporation: The private sector arm of the World Bank Group

IFC Performance Standards Issued by the IFC. These constitute the most important global reference framework for environmental and social due diligence in project finance. They are utilized by almost all development banks as the baseline for their own internal standards.

ILO International Labour Organization: A UN specialized agency focused on promoting human and labor rights

IPAM Independent Project Accountability Mechanism: The grievance mechanism of the EBRD

IRMA Initiative for Responsible Mining Assurance: Certifies the social and environmental performance of global mine sites against an internationally recognized standard

KfW *Kreditanstalt für Wiederaufbau:* The German state-owned investment and development bank

Credit Line/Facility) A contractually agreed maximum loan amount that a bank extends to a borrower. It can be drawn upon flexibly as needed. Instead of a single lump sum, funds are accessed in tranches, and interest is only charged on the utilized amount.

MDBs Multilateral Development Banks

MIGA Multilateral Investment Guarantee Agency: The World Bank Group‘s political risk insurance and credit enhancement agency. It facilitates investments in the Global South by protecting lenders against political risks.

NCPs National Contact Points are state-run agencies established to promote and implement the OECD Guidelines. They provide information and offer an extrajudicial grievance and mediation mechanism for alleged corporate misconduct.

OECD Organisation for Economic Co-operation and Development. An international organization with 38 member countries committed to democracy and the market economy.

OECD Common Approaches Guidelines dictating how state-backed Export Credit Agencies should assess environmental, social, and human rights risks (Due Diligence) and integrate them into their financing decisions.

OPEX Operational Expenditure (see also CAPEX)

Royalty A financing structure where a royalty firm provides upfront capital to a mining company in exchange for a permanent, agreed-upon percentage of future revenues (e.g., 2 percent of total sales).

SFDR Sustainable Finance Disclosure Regulation: An EU transparency framework requiring financial market participants to disclose how they integrate sustainability risks into their investment decisions.

Streaming A financing agreement where a company (the „streamer“) provides capital to a mining company in exchange for the right to purchase a specific portion of the future metal production at a fixed, highly discounted price.

UNDRIP UN Declaration on the Rights of Indigenous Peoples, adopted by the UN in 2007.

UNGPs UN Guiding Principles on Business and Human Rights: A UN framework asserting that states have a duty to protect human rights, businesses have a responsibility to respect them, and victims must have access to effective remedies/grievance mechanisms.

UFK *Ungebundene Finanzkredite* (Untied Loan Guarantees) State-backed loan guarantees issued by the German federal government to secure the financing of raw material projects abroad.

Executive Summary

Public financial institutions have announced that they will be investing more heavily in the mining sector in future – despite the immense impact on the environment and people, as seen here in Bor, Serbia. Photo: Maja Wilke

This publication examines and compares the standards, transparency requirements, and accountability mechanisms of the European Investment Bank (EIB), the European Bank for Reconstruction and Development (EBRD), the German KfW (*Kreditanstalt für Wiederaufbau*), the International Finance Corporation (IFC), the state-backed Raw Materials Fund, and Export Credit Agencies (ECAs). It concludes that the existing safeguards of these actors are insufficient to effectively address the specific risks inherent to the mining sector. Because these institutions plan to invest more heavily in mining projects in the future, a substantial tightening of their protective standards is urgently required—particularly in the following areas:

A. Mandatory human rights and environmental due diligence with clear “red lines”:

Public financial actors must not rely solely on project developers when assessing risks. Instead, they must conduct their own independent and robust due diligence for mining finance—including mandatory Human Rights Impact Assessments (HRIA) and clear exit clauses in the event of severe violations. This requires stringent minimum requirements for FPIC (“no consent, no financing”), effective protection of land and land-use rights (including collective and customary rights), as well as binding exclusion criteria and no-go zones prohibiting mining in highly sensitive ecological areas. Particularly where financing is channeled through financial intermediaries, responsibility must not be outsourced: the financing institution must systematically assess and effectively monitor the end projects.

B. Substantially strengthening transparency and democratic control—along the entire financing chain:

Transparency in mining finance must be implemented proactively, particularly through a public project registry and the early publication of key documents (including environmental and social impact assessments, risk assessments, stakeholder plans, and monitoring reports) prior to any financing decisions. Exceptions to this disclosure must be narrow, comprehensible, and justified on a case-by-case basis. Transparency is particularly crucial for financing via intermediaries: sub-projects and final beneficiaries must also be made visible so that affected communities even know who is providing the financing—and which grievance mechanism they can access.

C. Ensuring effective accountability, access to remedy, and responsible exit

Given the severe risks in mining, financial institutions require independent, adequately resourced grievance mechanisms that have low barriers to access (including availability in local languages) and guarantee protection against retaliation. It is critical that grievance mechanisms do not stop at mere compliance checks but possess a clear mandate for remedy. This must be accompanied by a consistent framework for Responsible Exit (including rules covering long-term risks such as tailings and legacy pollution) and the publication of meaningful investigation reports, ensuring that institutional learning and accountability do not remain hidden.

The objective must be to align the role of public financial actors in a way that effectively protects the environment and human rights, strengthens transparency and democratic control, and supports a socially just transition. In Germany and the European Union, the expansion of mining is increasingly framed as an industrial, climate, and security policy necessity, and is politically supported accordingly. The greatest hurdle to keeping pace with China, the US, and other states in the global race for raw materials is deemed to be access to financing for new and existing mining projects. The EU Commission aims to support companies by, among other things, prioritizing so-called „strategic projects,“1 which are intended to access capital faster, easier, and with higher political priority. Several public development banks—including the European Investment Bank (EIB) and the European Bank for Reconstruction and Development (EBRD)—have already announced their intention to support this goal and invest more heavily in mining projects going forward. These institutions play a key role in this context: Most mining projects fail to secure financing because private banks are frequently unwilling to bear the substantial project risks alone. Furthermore, they demand high risk premiums, especially in the early phases—exploration, feasibility studies, permitting processes, and construction. Public and publicly mandated financial actors thereby become the central lever to make such projects „bankable“ in the first place. Their significance extends far beyond the volume of funds they provide: they act as „anchor investors“ and risk buffers in complex financing structures. Through equity investments, loans, guarantees, and risk mitigation, they mobilize additional private capital flows. Moreover, they shape raw material projects and their safeguards from the very beginning and, for example with the IFC Performance Standards, set central frameworks that guide the entire industry. At the same time, new mining projects are associated with considerable environmental, social, and human rights risks. It is therefore crucial that the financial institutions and instruments funding projects in this high-risk sector enforce robust environmental, social, and human rights standards, and that these are rigorously implemented in practice.

1 PowerShift (2024): EU Strategic Projects – Civil Society Requirements. Online: https://power-shift.de/hintergrundpapier-strategische-projekte-crma/

Introduction

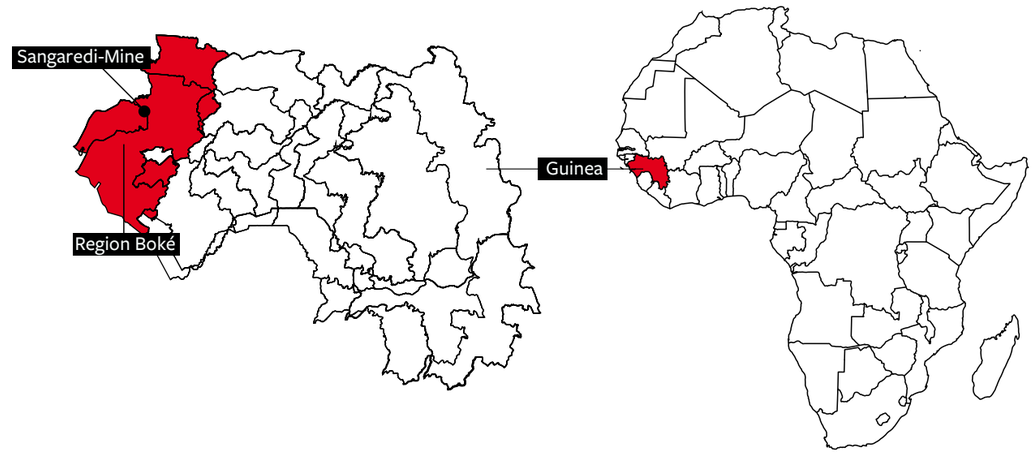
The area around the Sangaredi mine was previously covered by lush forest. Photo: xx

A bauxite-laden dust cloud hangs over the Boké province in the far northwest of Guinea. Where mango trees once stood, the Sangaredi mine now eats further and further into the red earth.

For more than five decades, the semi-state-owned mining company *Compagnie des Bauxites de Guinée* (CBG) has been extracting bauxite, the raw material used to produce aluminum, here. Since the company began expanding the mine in 2016, numerous residents of the adjacent villages have lost vast tracts of their pasture and arable land. The village of Hamdallaye even had to give way entirely: In March 2020, CBG relocated its inhabitants to a former mine site—a barren location that was inadequately rehabilitated and offers the people barely any opportunities to rebuild their livelihoods.[1]

As early as February 2019, members from several communities filed a complaint with the World Bank's private sector arm, the International Finance Corporation (IFC).[2]This was because US$200 million of the massive US$823 million loan for the mine's expansion came from the IFC.[3] An additional US$150 million was provided by the Overseas Private Investment Corporation

1 Inclusive Development (2020): The Relocation of Hamdallaye Village in the Midst of Covid-19. Online: https://www.inclusivedevelopment.net/wp-content/uploads/2020/12/FINAL-Report_Hamdallaye-English.pdf
2 CAO (2026): Sangaredi Complaint Case. Online: https://www.cao-ombudsman.org/case/guinea-cbg-01-sangaredi https://www.cao-ombudsman.org/case/guinea-cbg-01-sangaredi
3 Inclusive Development (n.d.): Guinea: Demanding a fair deal for communities from Alcoa-Rio Tinto bauxite mine. Online: https://www.inclusivedevelopment.net/cases/guinea-alcoa-rio-tinto-bauxite-mine



(OPIC), an institution of the US government's development finance framework. An international banking syndicate—including the German ING-DiBa—provided additional loans totaling US$473 million. However, because such a large-scale financial commitment in a country like Guinea is considered highly risky by banks, they demanded collateral: For US$293 million, or more than a third of the total financing package, the German federal government provided an Untied Loan Guarantee (UFK). Should the mining company default on the loan, German taxpayers will foot the bill. In exchange, a firmly agreed-upon quantity of bauxite is shipped to Aluminum Oxid Stade (AOS), an aluminum refinery near Hamburg.

Meanwhile, some 5,000 kilometers away from the port city of Hamburg, the people of Guinea are still waiting for adequate compensation. In the mediation process that began in 2019, only two points of contention had been resolved by early 2026—one concerning the impacts of CBG's blasting operations and another regarding stakeholder engagement.[4]Negotiations over water access and water quality have been ongoing since October 2021; the issue of land grabbing has yet to be discussed.[5]Thus, the people in Guinea still face a long road ahead. Looking beyond this specific case, the example of the Sangaredi mine illustrates how banks, international financial institutions, and even the German government can contribute to human rights violations and environmental destruction, despite being bound by both international environmental and social standards as well as their own internal financing safeguards when issuing loans and guarantees.

This is particularly alarming because these and other financial actors have announced their intention to invest even more heavily in mining moving forward. Yet, the mining sector is globally recognized as one of the highest-risk industries for the environment and human rights: It is repeatedly linked to fatal violence against land and environmental defenders[6], severe ecological damage, land conflicts, forced displacement, and the violation of Indigenous land rights. Therefore, this publication examines how the financing of the high-risk mining sector operates, where the critical regulatory gaps lie, and how these loopholes can be closed.

Billions for Metals

The experiences surrounding the Sangaredi mine in Guinea demonstrate how loans for new mining operations can massively contribute to environmental destruction and human rights abuses. Nevertheless, numerous financial institutions have recently announced substantial investments in this high-risk

4 CAO (2026): Sangaredi Complaint Case. Online: https://www.cao-ombudsman.org/case/guinea-cbg-01-sangaredi
5 ibid
6 Global Witness (2025): 146 environmental defenders killed. Online: https://globalwitness.org/en/press-releases/at-least-146-land-and-environmental-defenders-killed-or-disappeared-globally-in-2024/

sector. For example, the European Investment Bank (EIB) announced in March 2025 that it would double its investments in so-called critical raw materials7. In February 2026, the Bank stated it also intends to significantly expand its footprint in the raw materials sector across the African continent8. Similarly, the European Bank for Reconstruction and Development (EBRD) declared it would increase its engagement in the mining sector in the coming years9. In Germany, the federal government has tasked the state-owned development bank KfW with establishing a Raw Materials Fund (*Rohstofffonds*), endowed with approximately €1 billion.10 Furthermore, at the EU level, access to financing is to be eased for so-called „strategic projects"—raw material ventures selected under the **CRITICAL RAW MATERIALS ACT** (CRMA).

Definition CRITICAL RAW MATERIALS ACT
Der EU-Critical Raw Materials Act ist 2024 in Kraft getreten und soll die Abhängigkeit der EU von Rohstoff-Importen verringern, insbesondere durch heimischen Abbau und Produktion.

In reality, mining projects are among the most capital-intensive undertakings in the global economy and require massive, continuous financing over long periods—even though costs vary widely depending on the resource, location, technology, and scale of the project. Generally, these expenditures can be divided into several phases: **exploration** and **feasibility studies** (e.g., drilling, assessments, permitting), **development** and **construction** (infrastructure, plant engineering, processing facilities, machinery), ongoing operational costs (personnel, energy, consumables, maintenance), and finally, costs for decommissioning and **closure**. Many years typically pass from initial exploration to the start of production—for a copper mine, the average is over 24 years.[11]

Financial risk is highest during **the exploration phase**, as there are no proven mineral reserves yet, and the project's economic viability remains uncertain. Financing in this phase primarily comes from „**JUNIOR MINERS**" and **VENTURE CAPITALISTS** willing to take on high risk for potentially high returns. They provide equity to finance geological surveys and initial feasibility studies. With the exception of the EBRD (via its Junior Mining Programme, **JUMP**), banks are generally not active in this phase, as the project is not yet considered „bankable."

Definition JUNIOR MINERS
Junior Miner sind kleine Bergbauunternehmen, die sich auf die Exploration spezialisiert haben. Sie entwickeln Projekte häufig so weit, bis sie für große Bergbaukonzerne oder Finanzinvestoren attraktiv werden, die dann einsteigen oder die Projekte übernehmen.

Definition Risikokapitalgeber
Risikokapitalgeber sind Finanzinvestoren, die Eigenkapital in Unternehmen oder Projekte in frühen Projektphasen mit hohem Risiko, aber auch hohen Gewinnerwartungen investieren.

Definition JUMP
Jump ist ein Programm der EBRD für kleine und mittlere Bergbauunternehmen. In vielen EBRD-Ländern fehlen Investor*innen, die frühe Bergbauphasen (Exploration) mit Risikokapital finanzieren. Diesen Junior Minern stellt die EBRD mit dem Programm deshalb Eigenkapital bereit.

During **the feasibility phase**, the technical and economic foundations of a project are rigorously assessed. Financing typically continues to be driven by equity. Once this phase is nearly complete and the project is deemed promising, financing through the German Raw Materials Fund[12] or the IFC[13] becomes possible, alongside the EBRD (JUMP).

In **the construction phase**, risk drops significantly, as comprehensive feasibility studies and often preliminary contracts or supply agreements are already in

7 EIB (2025): EIB provides more financing for defense. Online: https://www.eib.org/de/press/all/2025-156-eib-steps-up-financing-for-european-security-and-defence-and-critical-raw-materials?
8 EIB (2026): EIB Global backs sustainable critical raw material projects in Africa. Online: https://www.eib.org/en/press/all/2026-050-eib-global-backs-sustainable-critical-raw-material-projects-in-africa
9 EBRD (2024): Mining Sector Strategy 2024-2028. Online: https://www.ebrd.com/content/dam/ebrd_dxp/assets/pdfs/natural-resources/mining-sector-strategy/Mining-Sector-Strategy-2024-2028-Report-on-the-invitation-to-the-public-to-comment-Public.pdf
10 KfW (2024): Raw Materials Fund. Online: https://www.kfw.de/PDF/Download-Center/Konzernthemen/Rohstofffonds/KfW_Factsheet-Rohstofffonds_DE.pdf
11 S&P Global (2024): Mine development time. Online: https://cdn.ihsmarkit.com/www/pdf/0724/SPGlobal_NMA_DevelopmentTimesUSinPerspective_June_2024.pdf S.6
12 „Pure exploration risks are not financed. Financing during a pre-feasibility phase is only possible if this phase is already nearly complete and is assessed as promising according to an independent expert evaluation." KfW (2024): Raw Materials Fund. Online: https://www.kfw.de/Rohstofffonds/
13 „We provide financing for all stages of development, including pre-development, construction, production, and expansion phases." IFC (2023): IFC's Impact in Sustainable Metals and Mining Development. Online: https://www.ifc.org/content/dam/ifc/doc/2023/ifc-infrastructure-sectorsheet-mining.pdf p. 1

A layer of red bauxite dust has settled on the plants surrounding the Sangaredi mine in Guinea. Photo: MS

place. Alongside the Raw Materials Fund (acting as an equity investor)[14], public financial institutions like the EIB[15] and commercial banks now step in as lenders. In addition, Export Credit Agencies (ECAs) and UFKs increasingly play a role by mitigating project risks, thereby making bank loans possible.

For **the operation** of mining projects, there is a broad spectrum of financiers and financial instruments. Because regular revenues are expected in this phase and the risk is considerably lower than in earlier stages, capital providers are far more willing to engage. During ongoing operations, mines typically generate cash flows from raw material sales, which are used to self-finance operations, maintenance, and expansions. Commercial banks and capital market investors offer loans, corporate bonds, and equity to maintain and scale operations.

Public Finance as Leverage

Mining projects are typically realized through a mix of equity, debt financing, state risk mitigation, and off-take/trading structures. The largest sums generally come from commercial banks and financial markets. Commercial banks frequently finance mining projects via syndicated loans: These are large-scale loans jointly provided by a group of banks so that no single institution bears the entire risk. Additionally, large mining companies frequently utilize corporate bonds. Through these, they borrow money directly from capital market investors (e.g., funds or insurance companies) and pay interest in return. Another vital mechanism consists of off-take agreements. These contracts establish in advance who will purchase the metals and under what conditions—sometimes accompanied by pre-financing, for example from commodity traders.[16] This ensures predictable revenues and provides banks with the necessary security to finance the project in the first place. This is supplemented by royalty and streaming financing, where specialized investors pay the mining company upfront capital. In return, they secure the right to receive a portion of the revenues over many years—often under pre-agreed terms.

Public financial institutions and multilateral development banks primarily serve as anchor financiers. This means they invest as the first or central investor to provide security to other lenders and trigger further investments. Their involvement (in the form of equity or loans) thus has a market-opening effect: They lower risks and thereby mobilize additional (private) capital. Consequently, even though their financial stake is

14 Mining Technology (2025): Vulcan Energy secures financing package. Online. https://www.mining-technology.com/news/vulcan-energy-financing-package-phase-one-lionheart/
15 EIB (2026): Critical Raw Materials. Online: https://www.eib.org/en/projects/topics/innovation-digital-and-human-capital/critical-raw-materials/index
16 PowerShift (2024): Metal Trading – The Blind Spot in the Supply Chain. Online: https://power-shift.de/metallhandel-blinder-fleck-in-der-lieferkette/

Project Lifecycle and Financing Instruments

Phase	Typical Financier
Exploration	**Equity and quasi-equity, e.g., through** ▶ Junior Miners ▶ Venture Capitalists ▶ EBRD Junior Mining Programme (JUMP)
Feasibility	**Equity and quasi-equity, e.g., through:** ▶ Junior Miners ▶ Venture Capitalists ▶ EBRD Junior Mining Programme (JUMP) ▶ German Raw Materials Fund
Construction / Expansion	**Loans/Credit, e.g., through:** ▶ Commercial Banks ▶ EIB ▶ IFC ▶ **Equity: Raw Materials Fund (primarily in the initial phase)** ▶ ECAs and UFKs for risk mitigation
Operation	**Equity, e.g., through:** ▶ The mining companies themselves (reinvestment of profits **Loans/Credit, e.g., through:** ▶ Commercial Banks **Loans/Credit, Equity and Quasi-Equity, Guarantees, e.g., through:** ▶ IFC ▶ EBRD ▶ EIB ▶ ... **Pension funds, insurance companies** ▶ ECAs for risk mitigation
Decommissioning	Often underfunded

usually smaller than that of commercial banks, their financing yields an enormous leverage effect.

Therefore, this publication focuses on these public financial institutions, as they occupy a strategic key role in the mining sector. At the same time, they operate under public oversight, and their risks are partially borne by taxpayers. Their financing decisions critically determine not only whether projects are implemented, but often how. The widespread assumption that public funding automatically enforces high environmental, social, and human rights standards is, however, only conditionally valid. For instance, while the IFC sets industry-wide benchmarks for Environmental, Social, and Governance (ESG) requirements with its Performance Standards, practice reveals recurring loopholes, as the example of the Sangaredi mine in Guinea demonstrates. Against this backdrop, this publication turns its focus to those public financial institutions whose decisions predominantly shape the mining sector from a German and European perspective. These include the IFC, the EIB, and the EBRD, as well as the German KfW, Export Credit Agencies, the Raw Materials Fund, and UFKs.

The Río Tinto in Huelva, Spain, is heavily polluted with heavy metals as a result of mining activities.
Photo: Jarcosa/iStock

2 Public Banks and Guarantees: Who Finances Mining

Headquarters of the EIB Group in Luxembourg. Photo: Oscar Romero, EIB.

The European Investment Bank (EIB)

The European Investment Bank (EIB) was established in 1958 and is the largest multilateral financial institution in the world.[1] Together with the European Investment Fund, which finances smaller enterprises, it has formed the EIB Group since 2000. The EIB's shareholders are the 27 EU member states, which have subscribed to its capital in proportion to their economic strength. The EIB also raises funds by issuing bonds on the credit markets. In 2024, the EIB Group signed new financing agreements totaling €88.8 billion[2], comprising loans and credit lines to states, public banks, and corporations, as well as smaller amounts of equity and guarantees used to minimize risk and leverage private funds. With its new „strategic initiative," the bank intends to invest €2 billion annually (via loans, venture capital, and private funds) across the entire metallic value chain—from extraction and processing to recycling and the development of substitutes.[3] In addition to financing raw materials projects, the EIB has established an advisory hub providing technical assistance to potential project developers to help structure their projects, making them more „bankable" and attractive to investors. [4]For most raw materials projects, the EIB acting as a lender and national funds acting as equity investors complement one another, with co-financing from commercial banks added to the mix.

In addition to financing so-called strategic projects, the EIB—alongside the EU Commission and member states—plans to provide financial support for other raw material projects under the umbrella of RESourceEU, such as the **Malmbjerg molybdenum project by Greenland Resource**s.[5] The EU Commission launched the RESourceEU action plan in early December 2025. Building upon the Critical Raw Materials Act (CRMA), up to €3 billion are to be mobilized for this purpose over the next twelve months.[6]

Furthermore, negotiations are currently underway between the EIB and the Kazakh company **Sarytogan Graphite**, which is receiving financing from the EBRD as a strategic project. [7]Under the CRMA framework, the EIB has also entered **into an investment partnership with Rwanda** in the field of critical raw materials[8]—despite the ongoing armed conflict in the Democratic Republic of Congo (DRC), which is closely linked to the country's mineral wealth and in which Rwanda is involved. The currently growing investments and partnerships of the EIB raise significant concerns, particularly in light of previous EIB financing in the raw materials sector, which has repeatedly led to severe environmental and human rights violations.

1 EIB: Who we are. Online: https://www.eib.org/de/about/index.htm
2 EIB: 2025 Highlights. Online: https://www.eib.org/en/about/key-figures/index
3 EIB (2025): EIB backs Sandvik. Online: https://www.eib.org/en/press/all/2025-472-eib-backs-sandvik-with-eur500-million-for-advanced-mining-and-machining-innovation
4 EU Commission (2025): RESo urceEU Action Plan. Online: https://single-market-economy.ec.europa.eu/document/download/01c448d6-dc93-40d7-9afe-4c2af448d00c_en p. 4

5 EU Commission (2025): Strategy and RESourceEU. Online: https://germany.representation.ec.europa.eu/news/wirtschaftliche-sicherheit-der-eu-starken-strategie-und-resourceeu-2025-12-03_de?
6 ibid
7 Kazinform (2025): EIB keen on expanding cooperation with Kazakhstan. Online: https://qazinform.com/news/eib-keen-on-expanding-cooperation-with-kazakhstan-11dc40
8 EIB (2023): Rwanda and EIB agree on new critical raw materials investment partnership. Online: https://www.eib.org/de/press/all/2023-530-rwanda-and-eib-agree-new-critical-raw-materials-investment-partnership

Infobox 01
Strategic Projects Funded by the EIB

Project Emili Imerys Demo-Plant[1] (battery-grade lithium), France:
€61 million (EIB), €123 million (total cost)

Keliber Battery Grade Lithium Production[2], Finland:
€167.5 million (EIB), N/A (total cost)

Vulcan Energy, Germany[3]**:**
€250 million (EIB), €2 billion (total cost)

UpCatalyst Green Graphite[4], Estonia:
€18 million (EIB), €46 million (total cost)

1 https://www.eib.org/en/projects/pipelines/all/20240167
2 https://www.eib.org/de/projects/loans/all/20170804
3 https://www.eib.org/en/press/all/2025-486-vulcan-energy-secures-eur250-million-eib-financing-for-landmark-lithium-project-in-germany
4 https://www.eib.org/en/projects/all/20240127

Infobox 02
Financing with Consequences: EIB Case Study

In 2005, the EIB financed **the Mopani copper mine in Zambi**a, which led to air and drinking water contamination, soil degradation, and health impairments for the local population due to pollutant and sulfur dioxide emissions.[1] In Madagascar, the construction of the **Ambatovy nickel mine**, financed by the EIB since 2007, resulted in the displacement of local communities and the pollution of water resources, among other issues.[2]

1 UBA (2014): Case study on the environmental and social impacts of copper extraction in Mopani, Zambia. Online: https://www.umweltbundesamt.de/sites/default/files/medien/378/dokumente/umsoress_fallstudie_kupfer_sambia.pdf
2 Counter Balance (2017): A tale of reverse development - the Ambatovy mine case. Online: https://counter-balance.org/news/a-tale-of-reverse-development-the-ambatovy-mine-case

Entrance to the EBRD headquarters in London. Photo: EBRD.

Infobox 03
Strategic Projects Funded by the EBRD

Cínovec Lithium Project1 (Czech Republic)
Equity investment €6 million (EBRD)
(approximately a 6 percent stake)

Sarytogan Graphite Project[2] (Kazakhstan)
Equity investment €3 million (EBRD) (a 17.36 percent stake)

1 https://www.ebrd.com/home/work-with-us/projects/psd/53554.html
2 ttps://www.ebrd.com/home/news-and-events/news/2024/ebrd-acquires-stake-in-sarytogan-graphite-limited.html

The European Bank for Reconstruction and Development (EBRD)

The European Bank for Reconstruction and Development (EBRD) was founded after the fall of the Berlin Wall to support the transition to a market economy in formerly centrally planned countries. Today, it ranks among the most important institutional investors in Central and Eastern Europe, Central Asia, and the southern and eastern Mediterranean region. It provides loans ranging from €3 million to €250 million, and equity investments from €10 million to €200 million for private-sector projects. Since 1991, the EBRD has invested a total of €210 billion across 7,400 projects.[9] A central financing model of the EBRD is „de-risking“: the bank leverages its own capital to mobilize private investment. Politically, this is significant because it makes projects bankable more quickly, potentially accelerating exploration and extraction.[10] The EBRD also provides technical assistance and advisory services for raw materials projects[11] and plays a crucial role in financing so-called strategic projects.

In 2023, the EBRD also published a new Mining Sector Strategy (2024–2028).[12] This strategy sets four priorities: (1) the selective support of exploration and production (primary and secondary) of relevant raw materials, (2) the decarbonization of the mining sector, (3) the strengthening of ESG standards, and (4) supporting governments with regulation and governance in the mining sector. Overall, the strategy primarily focuses on expanding and securing the supply of metals, while the circular economy is only mentioned as a supplementary approach.[13]

Normally, the EBRD finances large-scale investment projects in its countries of operation through loans (often jointly with other banks/IFIs). In the mining sector, this predominantly involves development, expansion, modernization, or infrastructure directly tied to a project.[14] In 2024, however, the EBRD launched the Junior Mining Programme (JUMP). Through this program, a total of €150 million is slated to flow as equity and quasi-equity investments into small and medium-sized mining companies in their early project phases (exploration) by 2029—with a focus on strategic raw materials.[15] The rationale behind this is that projects in the exploration phase—the search for and assessment of new mineral deposits—typically do not yet generate revenues, making traditional loans frequently unfeasible. In this phase, the EBRD acquires a direct stake in the company and provides equity rather than issuing loans. A central instrument in this regard is a joint facility between the EU and the EBRD, aiming to mobilize up to €100 million. The goal is to acquire stakes in five to ten smaller mining companies („junior miners“) that are advancing critical raw material exploration projects in selected countries. This is intended to accelerate the development of new raw material projects and make them more attractive to additional investors.[16] However, the exploration phase and the financing of so-called junior companies are associated with particularly high conflict potential. They represent the very project phases during which affected communities often have the least access to information, protective mechanisms, and effective participation. This makes transparency, early engagement, and binding anti-retaliation protocols particularly vital. Against this backdrop, past experiences with EBRD-financed raw materials projects are of critical importance: they have repeatedly been linked to severe environmental and human rights violations.

9 EBRD (2024): Projects. Online: https://www.ebrd.com/home/what-we-do/projects.html
10 ibid
11 EBRD (2025): Uzbekistan - Critical Raw Materials Market Development. Online: https://www.ebrd.com/home/work-with-us/projects/tcpsd/12011.html
12 EBRD (2023): EBRD approves new mining sector strategy. Online: https://www.ebrd.com/home/news-and-events/news/2023/ebrd-approves-new-mining-sector-strategy.html
13 EBRD (2024): Mining Sector Strategy 2024-2028. Online: https://www.ebrd.com/content/dam/ebrd_dxp/assets/pdfs/natural-resources/mining-sector-strategy/Mining-Sector-Strategy-2024-2028-Report-on-the-invitation-to-the-public-to-comment-Public.pdf
14 ibid
15 EBRD (n.d.): Junior Mining Programme (JUMP). Online: https://www.ebrd.com/home/what-we-do/ebrd-sectors/natural-resources/junior-mining-programme.html

Critics of the Amulsar gold project were hit with intimidation lawsuits, known as SLAPP lawsuits. Photo: Bankwatch.

Infobox 04
Financing with Consequences: EBRD Case Study

Beginning in 2009, the EBRD invested roughly €13 million in equity into exploration and development activities for the **Amulsar gold project in Armenia**. However, as mine construction commenced in 2017, negative impacts on local communities, agriculture, and the environment materialized. Critics were hit with intimidation lawsuits, known as SLAPPs (Strategic Lawsuits Against Public Participation). After affected communities filed multiple complaints with the EBRD‘s grievance mechanism, the bank exited the project in 2020 without acknowledging any responsibility for the damage caused or its own failures regarding due diligence and participation, leaving the affected communities without remedy.[1] There was also a lack of genuine participation in the Vareš project operated by **Adriatic Metals in Bosnia and Herzegovina[2]**—which coincided with significant ecological damage, including impacts on biodiversity, forests, and water. The EBRD had invested €6.84 million in equity in 2020.[3] In June 2025, Dundee Precious Metals—a Canadian mining company that had stored arsenic-laden waste in the open air in Namibia for years[4]—purchased Adriatic Metals for a total of US$1.3 billion.[5]

1 Bankwatch (2024): The EBRD's responsible exit from the Amulsar gold mine project in Armenia. Online: https://bankwatch.org/wp-content/uploads/2024/05/2024_05_The-EBRDs-irresponsible-exit-from-the-Amulsar-gold-mine-project-in-Armenia.pdf
2 EBRD (2025): DFF Adriatic Metals. Online: https://www.ebrd.com/home/work-with-us/projects/psd/52342.html
3 ibid
4 PowerShift (2024): Metal Trading – The Blind Spot in the Supply Chain. Online: https://power-shift.de/metallhandel-blinder-fleck-in-der-lieferkette/
5 Mining Scout (2025): DPM acquires Adriatic Metals. Online: https://www.miningscout.de/blog/2025/06/13/dundee-precious-metals-uebernimmt-adriatic-metals-fuer-13-milliarden-us-dollar/

16 EBRD (2024): EBRD and EU to mobilise up to €100 million for critical raw materials investments. Online: https://www.ebrd.com/home/news-and-events/news/2024/ebrd-and-eu-to-mobilise-up-to-100-million-for-critical-raw-materials-investments.html

Headquarters of the KfW in Frankfurt. Photo: KfW.

The Kreditanstalt für Wiederaufbau (KfW)

The KfW, or to give its full German name, Kreditanstalt für Wiederaufbau. is the state-owned promotional and development bank of the Federal Republic of Germany, founded in 1948 as a public-law institution. The KfW Bank Group includes **KfW Development Bank**, one of the largest development banks in the world. On behalf of the Federal Ministry for Economic Cooperation and Development (BMZ), it finances investments in the Global South and provides technical guidance—usually in cooperation with state partner institutions on the ground. Two subsidiaries also operate internationally: the smaller **German Investment Corporation (DEG)**, which finances private corporate investments in the Global South, and **KfW IPEX-Bank**. The DEG occasionally finances mining projects (mostly via corporate or fund financing) in developing and emerging economies. The KfW Development Bank generally does not finance mining projects directly, but rather state infrastructure and transformation initiatives.

Since January 1, 2008, KfW IPEX-Bank has been the largest subsidiary of the KfW Group and the central actor for mining finance. It maintains its own raw materials/mining division[17] and regularly highlights mining financing in its Equator Principles reports.[18] According to these reports, it has funded a total of eight mining projects since 2018, though these are not listed by name.

However, external reports reveal that KfW IPEX-Bank previously participated in the expansion of **the Peruvian copper mine Mina Justa**[19] with US$300 million, and invested US$75 million in **the Sangdong tungsten mine in South Korea**.[20] It is also supporting the US-based underground copper mine project Pumpkin Hollow, owned by Nevada Copper Corporation, with long-term, UFK-backed project financing amounting to US$115 million.[21] Additionally, it invested US$190 million for an **aluminum project in Malaysia** backed by an export credit guarantee from Euler Hermes.[22] As part of a banking syndicate, KfW IPEX-Bank also participated in the financing of the **Fruta del Norte gold mine in Ecuador** in 2018 with US$37.4 million.[23] Together with the German export finance bank AKA, KfW IPEX is providing €146 million as the first financing tranche for the construction of a copper smelter for the Uzbek mining conglomerate **Almalyk Mining and Metallurgical Combine (AMMC)**.[24] Most recently, KfW IPEX is participating, as part of an international banking consortium, with a loan of €187.5 million to finance a **green steel plant in Sweden**[25]; it is also supporting the financing of a **lithium-ion battery cell factory** by the Swedish manufacturer Northvolt (KfW's share unknown)[26] and providing a loan of up to US$150 million

17 KfW (2026): Raw Materials. Online: https://www.kfw-ipex-bank.de/Gesch%C3%A4ftssparten/Industrie-Handel/Grundstoffe-und-Recycling/Rohstoffe/
18 KFW (2026): Equator Principles. Online: https://www.kfw-ipex-bank.de/Sustainability/Equator-Principles/
19 KfW (2018): For Growth and Prosperity. Online: https://www.kfw-ipex-bank.de/Presse/Download-Center/Geschäftsbericht/Geschäftsbericht-2018/Rohstoffsicherung/
20 InvestmentWeek (2025): The Price of Independence. Online: https://www.investmentweek.com/der-preis-der-unabhangigkeit/
21 KfW (2019): KfW IPEX-Bank finances US copper mine. Online: https://www.kfw-ipex-bank.de/Presse/News/Pressemitteilungsdetails_521536.html
22 Global Trade Review (2018): Malaysian alumina project secures KfW Ipex funding. Online: https://www.gtreview.com/news/asia/malaysian-alumina-project-secures-kfw-ipex-funding/
23 KfW (n.d.): For Growth and Prosperity. Online: https://www.kfw-ipex-bank.de/Presse/Download-Center/Gesch%C3%A4ftsbericht/Gesch%C3%A4ftsbericht-2018/Rohstoffsicherung/ and KfW (2018): KfW participates in financing the Fruta del Norte gold mine. Online: https://www.kfw-ipex-bank.de/Presse/News/News-Details_481280-2.html
24 Trend News Agency (2024): German KfW IPEX-Bank unveils investment scope in Uzbekistan (Exclusive). Online: https://www.trend.az/casia/uzbekistan/3953682.html
25 KFW (2024): H2 Green Steel: KfW IPEX-Bank participates in financing for sustainable steel production in Sweden. Online: https://www.kfw-ipex-bank.de/Presse/News/Pressemitteilungsdetails_793920-2.html
26 KfW (2020): KfW IPEX-Bank participates in financing a lithium-ion battery cell factory of the Swedish manufacturer Northvolt. Online: https://www.kfw-ipex-bank.de/Presse/News/Pressemitteilungsdetails_599360.html

In 2019, a dam at a tailings storage facility collapsed near the small town of Brumadinho. Cracks were also discovered in the tailings dam of the KfW-financed Quebrada Blanca copper mine. Photo: Jeso Carneiro. License: CC BY-NC 2.0.

Infobox 05
Financing with Consequences: KfW-IPEX Case Study

For the expansion of the **Quebrada Blanca copper mine in Chile**, KfW IPEX-Bank arranged a UFK for US$300 million in 2019, providing roughly US$155 million of that amount itself.[1] Total investment costs for the project amounted to US$4.7 billion. Further loan tranches are being financed by other ECAs and international commercial banks. The financing went through despite the Chilean environmental authority having previously identified multiple environmental violations by the mine operator. In 2019, the operator was fined US$1.2 million for waste treatment violations and failure to comply with protective measures for vegetation, animals, and emissions.[2] In 2025, significant cracks and water leaks were discovered in the mine's tailings dam, sparking grave concerns regarding safety and the environment. Employees criticized the fact that the risks had initially been downplayed.[3]

1 KfW (2019): KfW IPEX-Bank finances Quebrada Blanca 2 open-pit copper mine in Chile. Online: https://www.kfw-ipex-bank.de/Presse/News/News-Details_524928.html
2 Mining Weekly (2019): Teck's Quebrada Blanca copper mine in Chile fined for environmental violations. Online: https://www.miningweekly.com/article/tecks-quebrada-blanca-copper-mine-in-chile-fined-for-environmental-violations-2019-08-23
3 Reuters (2025): Exclusive: Chilean regulator, workers flagged risk at Teck's Quebrada Blanca dam. Online: https://www.reuters.com/world/americas/chilean-regulator-workers-flagged-risk-tecks-quebrada-blanca-dam-2025-12-09

Infobox 06
Strategic Projects Funded by the Raw Materials Fund

The Lionheart Project

Lionheart Project by Vulcan Energy Resources (Australia/Germany)[1] Equity investment by the Raw Materials Fund of up to €150 million out of €2.2 billion total investment costs.[2]

- Debt financing package from a consortium of 13 financial partners: €1.2 billion.
- EIB: €250 million loan[3]
- 5 international Export Credit Agencies:
  - Danish ECA (EIFO): €100 million loan[4]
  - French ECA (Bpifrance): €373 million cover[5]
  - Canadian ECA (EDC): €200 million loan[6]
  - Italian ECA (SACE): €60 million cover[7]
  - Australian ECA (EFA):[8] €120 million loan[9]
- 7 commercial banks (ABN AMRO, Unicredit, Natixis, ING, BNP Paribas, Kommunalkredit, OCBC)[10]
- Industrial partners (Hochtief, Siemens Financial Services, Demeter): €133 million
- Vulcan Energy Equity: €528 million11

The Arafura Rare Earths Nolans Project

Also likely to be funded (due diligence currently ongoing): * The Arafura Rare Earths Nolans Project in Australia with €100 million from the Raw Materials Fund +

- US$533 million from Export Finance Australia (EFA)[12]: acting as the state anchor financier
- Untied Loan Guarantees from Euler Hermes and KEXIM enable commercial lenders—KfW IPEX-Bank, KEXIM Global (Singapore), Commonwealth Bank of Australia, ING, and EFA (via its commercial portfolio)—to provide financing through the ECA-backed tranches[13]
- Commercial lenders, including KfW IPEX (as Lead Arranger, the financial institution that structures and coordinates the financing of all participating banks), KEXIM Global (Singapore), Commonwealth Bank of Australia, ING

1 https://www.bundeswirtschaftsministerium.de/Redaktion/DE/Pressemitteilungen/2025/12/20251203-startschuss-fuer-erstes-projekt-des-rohstoffonds-australien-und-deutschland-begruessen-investitionen.html
2 Vulcan Energy (2025): Vulcan Energy closes €2.2 billion project financing package for Phase One Lionheart project. Online: https://v-er.eu/de/blog/vulcan-energy-schliesst-projektfinanzierungspaket-in-hoehe-von-22-milliarden-fuer-erste-projektphase-lionheart-ab/
3 Finanznachrichten (2025): €2,200 million (A$3,929 million) financing package secured to fully fund Vulcan Energy's Phase One Lionheart Project. Online: https://www.finanznachrichten.de/nachrichten-2025-12/67128979-eqs-adhoc-vulcan-energy-resources-limited-euro-2-200-million-a-dollar-3-929-million-financing-package-secured-to-fully-fund-vulcan-ener-gy-s-phase-one-lionhe-023.htm
4 EIFO (2025): EIFO provides EUR 100 million loan for lithium production in Germany. Online: https://www.eifo.dk/en/knowledge/news/eifo-provides-eur-100-million-loan-for-strategic-lithium-production-in-germany/#:~:text=Lithium%20is%20essential%20for%20Europe%27s%20energy%20and,provides%20Europe%20with%20a%20new%20sustainable%20source.%E2%80%9D%27
5 Finanznachrichten (2025): €2,200 million (A$3,929 million) financing package secured to fully fund Vulcan Energy's Phase One Lionheart Project. Online: https://www.finanznachrichten.de/nachrichten-2025-12/67128979-eqs-adhoc-vulcan-energy-resources-limited-euro-2-200-million-a-dollar-3-929-million-financing-package-secured-to-fully-fund-vulcan-ener-gy-s-phase-one-lionhe-023.htm
6 ibid
7 ibid
8 EIB (2025): Germany: Vulcan Energy secures €250 million EIB financing for landmark lithium project. Online: https://www.eib.org/en/press/all/2025-486-vulcan-energy-secures-eur250-million-eib-financing-for-landmark-lithium-project-in-germany
9 Export Finance Australia (2025): Supporting Australian critical minerals expertise to go global. Online: https://www.exportfinance.gov.au/newsroom/supporting-australian-critical-minerals-expertise-to-go-global/
10 EIB (2025): Germany: Vulcan Energy secures €250 million EIB financing for landmark lithium project. Online: https://www.eib.org/en/press/all/2025-486-vulcan-energy-secures-eur250-million-eib-financing-for-landmark-lithium-project-in-germany
11 was raised through the issuance of new shares; €130 million of the equity is accounted for by Hochtief's participation.
12 EFA acted here as a state anchor financier, attracting further investments.
13 Arafura Rare Earths (n.d.): Project Update. Online: https://www.arultd.com/projects/nolans/project-update/

for an energy-efficient **rebar manufacturing plant in Arkansas**.[27] Moving forward, the bank intends to invest more heavily in the South American mining sector.[28]

The German Raw Materials Fund

In October 2024, the German federal government launched the state-backed Raw Materials Fund (*Rohstofffonds*), which is managed by KfW and designed to secure the strategic supply of raw materials for German and European companies through equity investments.[29] The Raw Materials Fund is structured as a state subsidy and has been endowed with €1 billion. The financing budget per project generally ranges between €50 million and €150 million. The fund aims to mobilize private investors and mitigate early-stage risks to increase the bankability of these projects. The Raw Materials Fund focuses exclusively on critical or strategic raw materials as defined by the CRMA. According to the tender guidelines, projects can encompass the extraction, processing, and recycling of raw materials. In practice, however, no secondary raw materials (recycling) projects have been accepted to date. The likely reason is that the minimum funding threshold of €50 million is set too high for such projects. KfW reviews the projects and makes an initial selection in cooperation with the German Mineral Resources Agency (DERA). In the next step, the federal government decides which projects will undergo in-depth due diligence.

Just over a year after its launch, in November 2025, the federal government released €300 million for the first three projects. Two projects have already passed their in-depth due diligence, and a third is currently undergoing the process. It is considered certain that Vulcan Energy and Arafura will receive the subsidy. Vulcan Energy aims to extract lithium from the Upper Rhine Graben using geothermal methods, while Arafura plans to mine rare earths in Australia. With this, the German government will be directly subsidizing mining projects—a sector with exceptionally high human rights and environmental risks.

27 KFW (2023): KfW IPEX-Bank: Financing for sustainable steel production in the US. Online: https://www.kfw-ipex-bank.de/Presse/News/Pressemitteilungsdetails_776833-2.html
28 BNamericas (2025): Why Germany's KfW IPEX-Bank sees lasting potential in South America. Online: https://www.bnamericas.com/en/interviews/why-germanys-kfw-ipex-bank-sees-lasting-potential-in-south-america
29 BMWE (2024): Federal Government's Raw Materials Fund launches. Online: https://www.bundeswirtschaftsministerium.de/Redaktion/DE/Pressemitteilungen/2024/10/20241002-rohstofffonds-der-bundesregierung-startet.html

Infobox 07
Italian Raw Materials Fund

The Italian Raw Materials Fund (*Fondo Nazionale per il Made in Italy*, FNMI) is directed by the Italian Ministry of Economy and Finance and launched in May 2025. The fund holds €900 million, supplemented by further contributions from private investors. Operational execution is handled jointly with the state-owned Cassa Depositi e Prestiti (CDP) and the asset management company Invimit, with CDP holding a majority stake in FNMI, thus assuming a central role in managing the fund's activities. The fund supports the entire value chain, from extraction to processing, reuse, and recycling. Officially, the fund is linked to promoting sustainability, the circular economy, and social inclusion. However, specific, binding requirements for environmental and social standards, as well as the inclusion of affected communities, are missing from the official documents, and to date, there is no mandatory, proactive publication of project information, environmental assessments, or compliance reports for the public. *Author: Helen Levine*

Infobox 08 :

French Raw Materials Fund

The French Raw Materials Fund (*Fonds pour les métaux critiques et minéraux stratégiques*) was launched in May 2023 as a central initiative to secure the supply of critical raw materials. It is managed by the private investment firm InfraVia. The goal is to mobilize a total of €2 billion, including €500 million in state funds. The fund aims to channel capital into projects along the entire critical raw materials value chain: from exploration and extraction to processing and recycling. It acts as a minority investor and, in return, seeks to facilitate long-term off-take agreements for French and European industry to bolster their industrial sovereignty. The fund operates as a blended finance instrument combining state, industry, and private investors. A major issue is that comprehensive assessment reports on the social or environmental risks of the individual fund projects are not published. Without clear transparency mechanisms, however, the ability to verify the practical implementation and adherence to social and environmental standards remains severely restricted. The involvement of local communities in decision-making processes is also not transparently documented. *Author: Helen Levine*

Infobox 09

Equity Investment Means Shared Responsibility

An equity investment fundamentally differs from loans or guarantees. Here, investors directly bear the entrepreneurial risk of the project and share in potential losses just as they do in profits. At the same time, the entry of state or state-backed actors—such as through a Raw Materials Fund—exerts a powerful signaling effect: the project is perceived as politically desired and investment-worthy. Particularly in mining, this can mobilize significant subsequent private investments, even for ventures with high social, environmental, or political risks. Theoretically, equity capital brings with it influence over corporate decisions, as it equates to co-ownership. In principle, this entails voting rights and influence over strategic choices such as project development, expansion, or exit, alongside the ability to demand the binding implementation of sustainability requirements. In practice, however, this influence depends heavily on the size of the stake, whether actual voting rights exist, and whether sustainability stipulations are effectively and enforceably anchored.

Furthermore, equity is often required in the early project phases—for exploration, feasibility studies, or project development, which is also highly relevant for the mining sector. Fundamental decisions are made during this phase, such as location, technology, water consumption, the handling of overburden and tailings, or the involvement of local communities. Later corrections are often much harder to implement. Whoever invests here shapes the structure of the project long-term—with potentially far-reaching positive or negative consequences. Equity investments thus establish shared responsibility for the impacts of raw material projects, especially concerning environmental destruction, human rights abuses, land conflicts, or violence against affected communities. For state actors, this entails a special responsibility, given the use of public funds and the involvement of state duties to protect people and the environment.

World Bank Group lettering at the institution‘s headquarters in Washington, D.C. Photo: Victorgrigas / CC BY-SA 3.0

World Bank Group: IFC and MIGA

The World Bank Group, headquartered in Washington D.C., was founded in 1944 during the Bretton Woods Conference. It comprises five institutions: **The International Bank for Reconstruction and Development (IBRD)** and t**he International Development Association (IDA)** for sovereign financing; **the International Finance Corporation (IFC)** for the private sector; **the Multilateral Investment Guarantee Agency (MIGA)** for political risk insurance; and **the International Centre for Settlement of Investment Disputes (ICSID)**. The shareholders of the World Bank Group are its 189 member states, which pay in capital according to their economic strength.[30] In 2025, the World Bank Group invested a total of US$118.5 billion.[31] This is primarily done through the provision of long-term loans (IBRD) or interest-free, long-term credits (IDA) for investment projects, increasingly through promoting private sector development via corporate equity stakes (IFC), and through the issuance of guarantees (MIGA). Beyond financing, the World Bank Group provides extensive advisory services and technical assistance. In many sectors—including raw materials—the World Bank Group‘s instruments complement one another: While sovereign frameworks and infrastructure are often financed via IBRD or IDA loans, investments in companies or project vehicles run through the IFC, partially supported by MIGA guarantees. In this way, the World Bank Group influences entire value chains and combines public development finance with private capital mobilization. Beyond individual project financing, the World Bank Group is also engaged in resource-focused programs: With the „Climate-Smart Mining Initiative,“ it aims to advance the development and governance of the mining sector in resource-rich countries of the Global South.[32] To achieve this, it plans to increase its spending in this sector from

30 World Bank Group (2024): Member Countries. Online: https://www.worldbank.org/en/about/leadership/members
31 World Bank Group (2025): Creating Jobs, Growing Economies The World Bank Group Annual Report 2025. Online: https://www.worldbank.org/en/about/annual-report p. 4
32 World Bank Group (2019): Climate-Smart Mining: Minerals for Climate Action. Online: https://www.worldbank.org/en/topic/extractiveindustries/brief/climate-smart-mining-minerals-for-climate-action

approximately US$3 billion (2021-2025) to up to US$17 billion (2026-2030).[33]

By far the most important and relevant institution for financing raw material projects within the World Bank Group, however, is the IFC. It finances mining projects directly via loans, equity investments, project financing, funds, and financial intermediaries. IFC investments cover the entire value chain.[34] MIGA, on the other hand, issues political risk guarantees (e.g., against expropriation or war), making many mining projects in high-risk countries investable in the first place. It is therefore frequently deployed alongside IFC financing. Unlike the EIB and EBRD, the IFC explicitly publishes figures for the raw materials sector: According to these, it invested a total of US$180 million in the „Metals and Mining“ division during the 2024 fiscal year; of this, US$100 million was in loans, and US$80 million was additionally mobilized funds („core mobilization“). Core mobilization refers not to the IFC‘s own funds, but to additional private capital mobilized in direct connection with an IFC project. This involves financing from third parties—such as private banks, investors, or funds—who enter a specific project because of the IFC‘s participation. By contrast, the IFC did not finance any equity or guarantees.[35] Over the past ten years, the IFC has invested and mobilized approximately US$8 billion globally in mining projects and supporting infrastructure (including MIGA guarantees).[36] Many of the world‘s most controversial mining projects have been or are being financed (directly or indirectly) via the IFC:

Export Credit Agencies and UFKs

Export Credit Agencies (ECAs) are state or state-mandated bodies that cover or finance the exports and foreign investments of domestic companies when private banks or insurance companies are unwilling to assume the risks (or will only do so to a limited extent). Currently, there are 25 ECAs across 21 EU member

33 World Bank Group (2025): Metals and Minerals. Online: https://www.worldbank.org/en/topic/extractiveindustries/overview
34 IFC (2025): Focus Area: Metals and Mining. Online: https://www.ifc.org/en/what-we-do/sector-expertise/infrastructure/metals-and-mining
35 IFC (2024): Annual Reports: Industry Results. Online: https://www.ifc.org/content/dam/ifc/doc/2024/ifc-annual-report-2024-industry-results.pdf p. 7
36 Work Bank Group (2026): Transforming Metals and Minerals into Jobs and Lasting Prosperity. Online: https://www.worldbank.org/en/news/immersive-story/2025/12/12/turning-minerals-and-metals-into-development

Infobox 10
Financing with Consequences: IFC Case Study

For instance, in 2025, the IFC committed a total of US$700 million for **the Reko Diq mining project** in Pakistan, one of the largest undeveloped copper and gold deposits globally.[1] This was despite the project being situated in a highly militarized region with massively restricted civic space, making effective participation by those affected practically impossible. Moreover, the Indigenous Baloch population was not recognized as an Indigenous community in the environmental and social impact assessment, and their rights—particularly to Free, Prior, and Informed Consent (FPIC), participation, land rights, and the protection of cultural heritage—were violated. Thirty civil society organizations therefore called on the IFC in August 2025 to suspend financing for the Reko Diq project.[2] In July 2023, the IFC also committed a loan of US$180 million for the development of **the Sal de Vida lithium mine in Argentina**.[3] In this project, too, Indigenous communities were inadequately informed, their rights violated, and opportunities for participation undermined. Civil society organizations have also highlighted that the project massively underestimates both direct and indirect environmental impacts, particularly regarding water extraction, hydrological processes, biodiversity, and cumulative effects caused by multiple lithium mines in the salt flat, and that the environmental and social impact assessment was insufficient for this context.[4]

1 In April 2025, the IFC announced a loan of US$300 million: https://www.reuters.com/business/finance/world-bank-investment-arm-commits-300-million-loan-pakistans-reko-diq-mining-2025-04-09 In June 2025, it was announced that it will provide an additional US$400 million in the form of a subordinated loan: https://www.reuters.com/world/americas/ifc-provide-400-million-loan-pakistans-copper-gold-reko-diq-mine-2025-06-13

2 BHRC (2025): Pakistan: Civil society groups raise human rights & environmental concerns about Reko Diq copper mine; incl. co. Responses. Online: https://www.business-humanrights.org/en/latest-news/pakistan-civil-society-groups-raise-human-rights-and-environmental-concerns-about-reko-diq-copper-mine-incl-co-responses/
3 IFC (2023): IFC Makes First Investment in Lithium, Supports the Development of Sal de Vida in Argentina. Online: https://www.ifc.org/en/pressroom/2023/ifc-makes-first-investment-in-lithium-supports-the-development-of-sal-de-vida-in-argentina
4 FARN (2023): Sal de Vida: A risky lithium mining project in Argentina. Online: https://farn.org.ar/wp-content/uploads/2023/05/Sal-de-Vida-A-risky-lithium-mining-project-in-Argentina.pdf

ECAs cover exports and foreign investments. Photo: Pixabay.

states.[37] They play an increasingly critical role in the financing architecture of new EU policy initiatives aimed at securing critical raw materials.

ECAs support companies in international transactions through:

- **Export credit guarantees („covers“)**, meaning protection against political and commercial risks (e.g., expropriation, war, payment default)
- **Financing or refinancing**, meaning direct loans or the backing of bank loans
- **Investment guarantees**, meaning the protection of foreign direct investments

The financial risk ultimately rests with the state: losses are borne by public budgets, while profits (e.g., from exports) generally remain with the companies. In Germany, export credit guarantees are managed on behalf of the federal government by Euler Hermes (as of 2024: Allianz Trade) and are often referred to as „Hermes covers“ (*Hermesdeckungen*). According to the European Commission‘s annual report from March 2022, the total risk covered by European export credit agencies stood at a staggering €362 billion at the end of 2020.[38] These enormous sums illustrate the financial clout of export credit agencies—even for highly capital-intensive and risky ventures like mining projects. Precisely because mining investments are frequently associated with severe political, social, and ecological risks, export credit agencies are regarded as a central instrument. They often determine whether projects can be realized at all, and whether public funds are deployed to back raw materials extraction.

Untied Loan Guarantees (UFK)

A state instrument used to make raw material projects „bankable“ for lenders is the Untied Loan Guarantee (UFK). These are loan guarantees with which the German federal government backs financing for raw material projects abroad against commercial and political risks, without requiring the export of German goods or services—unlike traditional export credit guarantees. UFKs are central pillars of the German raw materials strategy, intended to secure long-term access to raw materials for German companies by relieving banks of the risk, thereby making loans possible in the first

37 European Parliament (2023): Aligning European export credit agencies with EU policy goals. Online: https://www.europarl.europa.eu/RegData/etudes/IDAN/2023/702590/EXPO_IDA(2023)702590_EN.pdf
38 ibid

Infobox 12
Financing with Consequences: UFK Case Study

In 2016, the German federal government backed an ING-DiBa Bank loan for the expansion of **the Sangaredi mine in Guinea** to the tune of US$293 million via a UFK. The IFC also supported the mine expansion with a US$200 million loan. The funds were approved even though impact assessments for the mine expansion had warned of severe ecological and social risks. Indeed, starting in 2019, the expansion of the mine led to massive relocations and the pollution and draining of vital water bodies. In February 2019, the 13 communities filed a complaint with the World Bank, which was still unresolved by early 2026.

Infobox 11

UFK-Backed Projects (Category

A projects prior to decision; no information on actual cover) There is no central „official database“ that comprehensively lists all UFKs along with company names and volumes.

- March 19, 2025, Construction and operation of a copper mine, Pakistan: The project encompasses an open-pit mine, a processing plant, and associated infrastructure.[1]
- July 12, 2024, Construction and operation of a mine for the extraction of rare earths, Australia: The Nolans Project involves a mine, a processing facility (comprising beneficiation, extraction, and separation plants), and associated infrastructure.[2]
- March 1, 2024, Expansion and operation of a copper mine, Chile: The project concerns the substantial expansion and operation of a copper mine through the development of two additional open pits.[3]

1 UFK Guarantees (n.d.): Project Information. Publication of raw material and transformation projects. Online: https://www.ufk-garantien.de/de/nachhaltigkeit/vertrauen/projektinformationen.html#aprojekte
2 ibid
3 ibid

place.[39] The maximum liability of the federal government stemming from assumed guarantees currently at risk—including interest cover—amounted to €10.9 billion across 13 guarantees at the end of 2024.[40] Of this, €8 billion was allocated to raw material projects (ten guarantees) and €2.9 billion to transformation projects (three guarantees). Annual reports reveal that the federal government issued cover for a copper project in Chile in 2024 and provided an approval in principle for a rare earth project.[41] Beyond this, the annual reports only contain information regarding the eligibility of projects that have applied—but no data on the guarantees that have actually been issued.

Mining projects are enabled throughout their entire lifecycle by a dense network of public and private financial actors. The case studies in this publication—forced relocations in Guinea, intimidation lawsuits in Armenia, and cracks in tailings dams in Chile—demonstrate exemplarily that such financing is repeatedly accompanied by human rights violations and environmental destruction. Against this background, the following chapter focuses on those financing standards—particularly in the context of strategic projects—that are supposedly designed to prevent precisely such damages and investigates where they must be tightened to make mining as sustainable as possible.

39 UFK Guarantees (n.d.): UFK guarantees as part of the German raw materials strategy. Online: https://www.ufk-garantien.de
40 UFK Guarantees (2024): Untied Loan Guarantees (UFK). Online: https://www.ufk-garantien.de/_Resources/Persistent/6/d/e/1/6de11147e4310dbca5c5611d4978816fce695af2/ufk-jb-2024.pdf
41 ibid

Infobox 13
Financial Instruments and Their Role in the Mining Sector

Finance Instrument	Type of Financing	Target Audience	Role in the Mining Sector
EIB	Primarily loans, guarantees, equity (funds), blended finance[1]	Companies, States	Financing of raw material and infrastructure projects within the framework of EU raw materials policy
EBRD	Loans, equity, guarantees[2]	Private Companies	Direct financing of mining projects (incl. exploration), particularly in former Eastern Bloc countries
KfW-IPEX	Project and export finance	German/(European) Companies	Direct financing of large, internationally operating companies and their exports or projects
Rohstofffonds	Equity, participations, loans	Companies	Strategic securing of raw materials, industrial policy-driven investments
Raw Materials Fund	Loans	Private Companies	Direct project financing of mining and processing projects; mobilization of private capital; setting of ESG standards
MIGA (World Bank Group)	Political risk guarantees	Private Investors, Banks	Protection of mining investments against political risks
Export Credit Agencies	Specialized finance and insurance products	Export Companies, Banks	Exporters are to be protected against payment defaults, and financing is facilitated
UFK	State loan guarantees	Banks	Securing of raw material imports: German companies are granted easier access to raw materials abroad by protecting lenders against credit default risks
IBRD/IDA (World Bank Group)	Sovereign loans, grants	States	Indirect: Mining policy, reforms, infrastructure, governance
Commercial Banks	Project finance, syndicated loans	Companies, Project Vehicles	Commercial financing of capital-intensive mining projects. Often the largest share of financing, but they enter at a later stage
Commodity Traders	Pre-financing, off-take agreements	Mining Companies	Pre-financing & procurement, integration of mining projects into global supply chains

1 EIB (2024): Product Catalogue. Online: https://www.eib.org/files/publications/20240233_product_catalogue_de.pdf
2 EBRD (n.d.): Products and Services. Online: https://www.ebrd.com/home/what-we-do/products-and-services.html#

International Standards in Mining Finance

The UN Guiding Principles on Business and Human Rights (UNGPs) form the fundamental normative baseline for all businesses—and thus also for financial institutions. Photo: UN Photo/Rick Bajornas

Public financial institutions and instruments play a central role in financing mining projects. In contrast to purely private financial actors, they operate on the basis of a public mandate, draw on state-backed funds, and are politically accountable. This entails a special responsibility to strictly adhere to international social, environmental, and human rights standards in their financing decisions.

The fundamental normative baseline for all businesses—and thus including financial institutions—is the **UN Guiding Principles on Business and Human Rights (UNGPs)**. Adopted by the United Nations Human Rights Council in 2011, they represent the first global standard recognized by governments that addresses the role of business regarding human rights. The UNGPs rest on three pillars: first, the state's duty to protect people against human rights abuses by third parties, including businesses; second, the corporate responsibility to respect human rights by identifying, preventing, and mitigating risks through human rights due diligence (HRDD); and third, access to effective remedy. While the UNGPs are not legally binding, they have exerted a decisive influence on international regulation, national legislation, jurisprudence, and corporate practice (e.g., internal bank standards).The UNGPs are supplemented by the **core labor standards of the International Labour Organization (ILO)**, which establish minimum standards for labor rights, safety, and non-discrimination, and include a prohibition of child and forced labor. These norms are particularly relevant for the mining sector, as precarious employment conditions, safety risks, and extensive subcontractor networks are common. Another central reference framework is the body of international standards protecting **the rights of Indigenous peoples**, particularly the **UN Declaration on the Rights of Indigenous Peoples (UNDRIP) and ILO Convention 169**. They enshrine the principle of Free, Prior, and Informed Consent (FPIC) for projects on Indigenous land. Public financial institutions must therefore ensure that mining projects are only financed if this principle is genuinely upheld. Complementing international law, the **OECD Guidelines for Multinational Enterprises** form a vital reference framework for responsible business conduct. They specify expectations for environmental and human rights due diligence and provide an extrajudicial grievance mechanism through National Contact Points (NCPs). Public financing instruments also align themselves with these guidelines, particularly when assessing corporate practices and supply chains. On an operational level, many financial institutions base their practices on the IFC Performance Standards, which represent the globally dominant reference framework for environmental and social assessments in mining projects (see page xx).

The UNGPs also served as the foundation for national and regional binding human rights and environmental due diligence laws, including the **EU Corporate Sustainability Due Diligence Directive (CSDDD)**, which was adopted in July 2024.[1]Under this directive, companies exceeding a certain size are legally required to conduct human rights due diligence (HRDD) for both their own operations and their supply chains. The financial sector, however, is only subject to the CSDDD's due diligence requirements regarding its own operations and the „upstream" portion of its value chain.[2] „Downstream" activities, such as the financing of companies—the actual core business of the financial sector—remain excluded. Consequently, banks only have to scrutinize their own supply chains (e.g., IT service providers), but not the risks embedded in their financing. A review clause, which mandated a reassessment of this financial sector exemption after two years, was struck during the Omnibus package negotiations in February 2025.

For European public financial actors, European human rights frameworks apply additionally. The **EU Charter of Fundamental Rights** is binding for EU institutions and is therefore of central importance, particularly for the EIB. As the EU bank, it is legally obliged to respect the fundamental rights enshrined in the Charter in all its actions.[3]

The **European Convention on Human Rights (ECHR)** is binding under international law for the member states of the Council of Europe—and thus all EU member states. It establishes state duties to protect, including against human rights risks that are co-caused or exacerbated by state-influenced activities such as public financing, guarantees, or equity stakes. For state-owned development banks like KfW, the ECHR is therefore a central benchmark for state co-responsibility.

Export Credit Agencies (ECAs) are subject to the **OECD Common Approaches**, which stipulate minimum requirements for environmental and social due diligence in state-backed export credits, aligned with the IFC Performance Standards or the World Bank Group's Environmental, Health, and Safety (EHS) Guidelines. However, the OECD Common Approaches are formally not legally binding, but rather a political recommendation lacking strong enforcement mechanisms. It is also problematic that, in the context of raw material projects, ECAs increasingly cover more than just pure export transactions, offering other forms of financing that do not fall under the OECD framework. These include untied financing, investment loans, or equity investments.[4] As a result, their role in the raw materials sector is becoming more relevant, yet less regulated. Lastly, human rights risks are not systematically recorded. If human rights due diligence is required at all, it typically only applies to projects exceeding a certain financial threshold or after an initial risk screening for selected high-risk projects. Especially for mining projects, which inherently carry high human rights risks, there is a danger that risks will go unrecognized, undisclosed, and unaddressed.[5] Furthermore, neither is the Free, Prior, and Informed Consent of Indigenous peoples (FPIC) established as a mandatory prerequisite for project approvals. Should

1 BHRC (n.d.): Mining and Human Rights - An Investor Perspective. Online: Mining-and-Human-Rights-An-Investor-Perspective.pdf p. 17
2 Finanzwende.de (2025): Exemption for the financial sector. Online: https://www.finanzwende.de/themen/finanzlobbyismus/lobby-recherchen/ausnahme-fuer-den-finanzsektor
3 EIB (2026): Human rights and the EIB. Online: https://www.eib.org/en/projects/topics/social-sustainability/human-rights/index
4 Transport & Environment (2025): EU Export Credit Agency Support for Responsible Critical Raw Materials Extraction: Standards Fit for Purpose? Online: https://www.transportenvironment.org/uploads/files/Final-Report-ECAs-and-CRM-30-September-2025-sent-to-TE-4-Oct.pdf p. 7
5 ibid p. 27

Sámi communities are particularly affected by mining projects – public financial institutions must therefore ensure that the right to free, prior and informed consent is respected when financing such projects. Photo: Creative Commons Attribution 4.0

ECAs expand their engagement in the raw materials sector, the OECD-specific frameworks for ECAs do not provide sufficient normative protection.[6]

For state-owned or state-initiated **Raw Materials Funds**, no distinct, internationally binding social and environmental standards currently exist. In practice, references are frequently made to existing ESG frameworks or the standards of multilateral development banks. Because their political sponsors bear obligations under international law, these funds are indirectly bound by them and must adhere to them when awarding financing. For example, KfW, which was commissioned by the German federal government to implement the German Raw Materials Fund, is a public-law institution subject to the laws and regulations of the Federal Republic of Germany, as well as the international treaties and laws ratified by Germany.

Transparency

Transparency and early disclosure are vital for public trust, particularly when financing the mining sector, which is disproportionately characterized by social conflicts as well as environmental destruction and disasters. Especially in mining finance, access to information often determines whether negative social, ecological, and human rights impacts on affected communities and sensitive ecosystems can be avoided. At the same time, access to information is a fundamental human right derived from international human rights norms and European legal frameworks.

A central international reference framework is the **OECD Guidelines for Multinational Enterprises**, which explicitly apply to the financial sector. They include a dedicated chapter on disclosure, urging enterprises to „ensure that timely, regular, reliable and relevant information is disclosed regarding their activities, structure, financial situation and performance."[7] The OECD also emphasizes that disclosure must be designed to enable participation, prevention, and influence. For the mining sector, early disclosure—ideally before exploration begins—is crucial and must go beyond mere retrospective reporting. For public/quasi-state actors, states have politically committed to promoting the guidelines. The **OECD Guidelines on Corporate Governance of State-Owned Enterprises** also require that state-owned enterprises be subject to sustainability reporting and disclosure obligations „aligned with high-quality, internationally recognized standards"—including the MNE Guidelines and the UNGPs.[8] The problem, however, is that these frameworks are not legally binding.[9]

The **OECD Common Approaches** require Export Credit Agencies to make project-specific information and environmental and social impact assessments (ESIAs) for high-risk projects (Category A)[10] publicly available at least 30 days before a final financing decision.[11] In addition, environmental and social information for Category A and B projects should be published at least annually. However, a 30-day window is often insufficient for affected parties to properly review comprehensive and complex ESIA documents or to seek independent expertise. Particularly in the mining sector, where projects are highly technically complex and frequently entail irreversible environmental and social consequences, the demand for effective transparency and early participation thus remains unfulfilled.

Complementing these international standards, binding legal requirements exist at the EU level. The **European Environmental Information Directive** implements the central principles of the **Aarhus Convention** and regulates public access to environmental information. The Aarhus Convention is binding for states that have ratified it, as well as for their public authorities—including state-owned or state-controlled banks like national development banks. However, the Aarhus Convention does not apply directly to multilateral development banks operating outside Europe. Nonetheless, it exerts an important normative influence internationally as a reference framework for transparency, access to information, public participation, and access to justice in environmental matters. The EBRD, for example, explicitly recognizes access to information as a fundamental human right and underscores the importance of the principles and goals of the Aarhus Convention for its own transparency and participation practices.[12] Serving as the regional counterpart to the Aarhus Convention for projects in Latin America and the Caribbean is the **Escazú Agreement**, which in some respects goes even further than the Aarhus Convention.[13]

The **Extractive Industries Transparency Initiative (EITI)** is also particularly relevant to raw materials financing, focusing on the disclosure of payments, contracts, and ownership structures. However, much like the **Sustainable Finance Disclosure Regulation (SFDR)** and the **Corporate Sustainability Reporting Directive (CSRD)**, it only makes problematic financial flows visible; it prevents neither environmental destruction nor human rights violations in mining.

Grievance Mechanisms

Mining projects carry enormous human rights, environmental, and governance risks, particularly for local and Indigenous communities. It is therefore critical that they adhere to strict environmental, social, and human rights requirements and are designed transparently with the early involvement of the affected population. If rights are nevertheless violated or environmental damage caused, effective, independent, and easily accessible grievance mechanisms are crucial. Through these, affected parties can voice their concerns and demand remedy—such as compensation, restitution, or the suspension of the project. Many public financial

6 ibid p. 7

7 OECD (2023): OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, Chapter 3. Online: https://www.oecd.org/de/publications/2023/06/oecd-guidelines-for-multinational-enterprises-on-responsible-business-conduct_a0b49990.html
8 OECD (2024): OECD Guidelines on Corporate Governance of State-Owned Enterprises 2024. Online: https://www.oecd.org/content/dam/oecd/de/publications/reports/2024/06/oecd-guidelines-on-corporate-governance-of-state-owned-enterprises-2024_68fa05cd/e4f9dea9-de.pdf
9 BAFA (2026): UN Guiding Principles and OECD Guidelines. Online: https://www.bafa.de/DE/Lieferketten/VN-Leitprinzipien_OECD-Leitsaetze/vn-leitprinzipien_oecd-leitsaetze_node.html
10 The OECD Common Approaches do not categorize projects by sector per se. While mining (especially open-pit mining, etc.) is generally classified as Category A, exploration or minor expansions can sometimes be classified as Category B—with significant implications for transparency.
11 OECD (2025): Recommendation of the Council on OECD Legal Instruments Common Approaches for Officially Supported Export Credits and Environmental and Social Due Diligence. Online: https://legalinstruments.oecd.org/public/doc/280/280.en.pdf p. 14
12 EBRD (n.d.): Access to Information Policy. Online: https://www.ebrd.com/home/who-we-are/strategies-governance-compliance/access-to-information-policy.html p. 4
13 PowerShift (2026): Strategic Projects, Fragile Rights and Water at Risk: Benchmarking Safeguards in EU Raw Materials Policy. Online: https://power-shift.de/wasser-eu-rohstoffstrategie/

institutions and multilateral development banks have established such grievance mechanisms. They are typically structured in multiple parts: They generally include a **compliance function** that investigates whether the bank has violated its own environmental and social standards, internal procedures, or applicable law. Alongside this is a **dispute resolution/mediation mechanism** aimed at achieving an amicable solution between the affected parties, project developers, and the bank. Additionally, many mechanisms assume an advisory function by deriving recommendations for the further development of internal bank standards from specific grievance cases. Finally, **monitoring** is part of their mandate: This involves verifying whether agreed remedial actions are actually implemented following the conclusion of a grievance process.

While the establishment of formal grievance mechanisms by many institutions is a step forward, the decisive factor is whether they are accessible with low barriers in practice, offer protection against retaliation, and actually lead to remedy. Given the foreseeable expansion of public financing in the raw materials sector, effective grievance mechanisms are more important than ever. The UNGPs form a central international reference framework for assessing the effectiveness of extrajudicial grievance mechanisms. According to the UNGPs, grievance mechanisms must be:

1. **Legitimate** – viewed as trustworthy by complainants, independent and objective, and staffed by experts of high integrity;

2. **Accessible** – widely known, easy to use, and without requirements for specialized knowledge, legal representation, or fees; mechanisms must also consider risks of retaliation and provide measures to prevent or remedy them;

3. **Predictable** – provide clear procedures, indicative timeframes, and transparent information on possible outcomes, remedial actions, and implementation pathways;

4. **Equitable** – grant all parties fair access to information, advice, and expertise; mechanisms should also account for vulnerable groups and seek feedback before major decisions;

5. **Transparent** – ensure ongoing, proactive communication with parties about every step of the process, as well as regular reporting on the mechanism‘s overall performance;

6. **Rights-compatible** – ensure that outcomes and proposed remedies accord with internationally recognized human rights principles and are appropriate, effective, timely, culturally appropriate, and gender-sensitive;

7. **A source of continuous learning** – continuously improve the mechanism and prevent future grievances;

8. **Based on engagement and dialogue** – involve stakeholders and complainants at the operational level (e.g., in the project-level grievance mechanism) in the design, development, and resolution of grievances through dialogue.

Against this background, the following chapter systematically analyzes the environmental and social standards, transparency requirements, and grievance mechanisms of the financial institutions under review—and identifies where they must be tightened to make mining as sustainable as possible.

Regions of particular ecological sensitivity, such as rainforests, must be off-limits for mining finance.
Photo: Roberto Nickson/Unsplash

Internal Standards, Transparency, and Grievance Mechanisms

Protest following the collapse of a tailings dam in Brumadinho, Brazil, in 2019. 270 people died in the incident.
Photo: Rodrigo S Coelho, Shutterstock

The recurring environmental and human rights violations in the context of publicly financed raw material projects reveal structural deficits in past project assessment and monitoring. In this light, the banks‘ internal Environmental, Social, and Governance (ESG) standards play a central role: They are meant to ensure that the financing of new raw material ventures does not contribute to human rights abuses or environmental destruction. The following chapter critically analyzes the extent to which these standards are suited to genuinely limiting the structural risks of industrial mining finance, what gaps exist, and where they fall short of their own claims in practice.

Methodology: The ESG standards of public financial institutions are comparatively examined using 20 criteria across three dimensions: (I) Internal Standards, (II) Transparency, and (III) Grievance Mechanisms, and evaluated for their actual protective impact in the context of mining finance.

I) Internal Standards

When financing raw material projects, it is essential that banks independently undertake the assessment, management, and monitoring of environmental and social risks (Criterion 1). Because the raw materials sector is disproportionately characterized by human rights violations and environmental destruction, this responsibility must not be shifted solely onto clients. Furthermore, alongside the assessment of social and environmental risks, a systematic Human Rights Impact Assessment (HRIA) is required, as the mining sector is fraught with human rights abuses like almost no other (Criterion 2). Since many raw material deposits are located on Indigenous territories, and mining inherently involves irreversible interventions into land, the environment, and livelihoods, coupled with severe power asymmetries, Free, Prior, and Informed Consent (FPIC)—regulated in international agreements—is of central importance when financing these projects to protect the rights of Indigenous communities (Criterion 3). The decisive factor here is whether FPIC is structured as a binding precondition that explicitly mandates rejection if consent is absent („No consent, no financing“), or merely as a procedural element where consent is sought but not strictly required.

The engagement of all other affected parties (Stakeholder Engagement) must also go beyond formal consultations to guarantee actual influence, up to and including veto rights, conducted in local languages and safeguarded by institutionalized protective mechanisms—such as anti-retaliation protocols. This is particularly relevant as the mining sector ranks among the world‘s most dangerous for environmental and human rights defenders,[1] and it is the only way to ensure the effective participation of affected communities without fear of reprisal (Criterion 4).[2] When financing mining projects, binding biodiversity-related exclusion criteria must also apply, fundamentally prohibiting mining in ecologically highly sensitive areas—such as rainforests, wetlands, or savannas (Criterion 5). A binding standard for financial intermediaries is also crucial when financing mining projects (Criterion 6); otherwise, environmental, social, and human rights due diligence is outsourced to intermediary actors (e.g., regional and national banks), transparency regarding the actual projects financed is lost, and effective monitoring and access to grievance mechanisms for affected communities are severely hindered. Furthermore, in the context of mining finance, forced evictions must be fundamentally prohibited, and land rights must be comprehensively protected, including collective and customary usage rights (Criterion 7). Regarding mining finance, it is also essential that the negative climate impacts of this sector be considered (Criterion 8). While many public financial institutions have ceased lending to fossil fuel projects, extractive mining projects have not yet been excluded from financing, even though the extraction and processing of metals accounts for more than ten percent of global CO_2 emissions[3]—meaning „climate-friendly mining“ does not inherently exist. Finally, it is crucial that mining is explicitly designated in the banks‘ standards as a sector carrying specific and irreversible risks (e.g., through water pollution, tailings dams, toxic waste, blasting) to ensure that its financing neither violates human rights nor accepts environmental destruction as collateral damage (Criterion 9). Generic, cross-sectoral standards are insufficient for this; additional, clearly defined exclusion lists are required, for instance for particularly harmful mining projects.

II) Transparency

Regarding transparency, beyond the existence of a transparency policy (Criterion 10), the type and timing of publication are critical (Criterion 11). Especially when financing mining projects, a publicly accessible project registry and the early disclosure of environmental, social, and human rights assessments, as well as monitoring and ESG risks, are essential. This data must establish transparency before the financing decision is made, rather than merely retrospectively. Furthermore, it is critical whether the transparency policy

1 Global Witness (2025): Documenting killings and disappearances of land and environmental defenders. Online: https://globalwitness.org/en/campaigns/land-and-environmental-defenders/documenting-killings-and-disappearances-of-land-and-environmental-defenders/
2 PowerShift (2026): Strategic Projects, Fragile Rights and Water at Risk: Benchmarking Safeguards in EU Raw Materials Policy. Online: https://power-shift.de/wasser-eu-rohstoffstrategie/
3 PowerShift (2023): Metals for the Energy Transition. p. 8 Online: https://power-shift.de/wp-content/uploads/2023/05/Metalle-fuer-die-Energiewende_web02_230523.pdf

contains sweeping exemption clauses that allow for the restriction of publication, particularly for sensitive mining projects, or whether exceptions are narrowly defined, clearly justified, and transparently regulated on a case-by-case basis (Criterion 12). Equally relevant is whether project-related information is proactively published or only available upon request, as only proactive disclosure enables timely public scrutiny and participation prior to the financing decision, which is particularly vital for mining projects (Criterion 13).

III) Grievance Mechanisms

Concerning grievance mechanisms, it is not merely their formal existence (Criterion 14) that matters in mining finance, but above all their concrete design. Given the high human rights risks, long-term environmental impacts, and pronounced power asymmetries in the mining sector, grievance mechanisms must be exceptionally robust, independent, and accessible to provide affected communities with effective recourse. This includes ensuring that the grievance mechanism is independent of bank management (Criterion 15). Given the risks of intimidation and violence in the mining sector, grievance mechanisms must also have low barriers to entry, be available in local languages, be accessible via online and offline channels, and be actively promoted; binding protective measures against retaliation for complainants are equally required. Crucial here is visibility on the ground, for example by obligating project developers to actively and comprehensibly inform affected communities about the existence and use of the financing bank's grievance mechanism (Criterion 16). It is also of central importance whether grievance mechanisms publish complete investigation reports or merely summary findings, as only comprehensive transparency enables public accountability, learning processes, and structural improvements (Criterion 17).

It is also relevant whether indirectly affected parties (e.g., representatives of civil society organizations) are entitled to file complaints alongside directly affected communities, and whether access is available without time limits. This is because the long-term environmental consequences of mining—such as from overburden dumps, tailings, or acid mine drainage—often persist far beyond the actual lifespan of the project and can permanently impair or destroy existing livelihoods (Criterion 18). Finally, it is crucial whether the grievance mechanism has a clear mandate for remedy and responsible exit, including binding regulations on aftercare, liability, and long-term risks—for instance, regarding tailings storage facilities or acid mine drainage (Criterion 19). Lastly, it is important that the grievance mechanism serves as a source of continuous learning within the bank (Criterion 20) by regularly reporting to management and thus contributing to the improvement of environmental and social standards.

Internal Environmental and Social Standards of the EIB

The EIB has its own Environmental and Social Sustainability Framework (ESSF) and has maintained its own environmental and social standards since 2009. These define the requirements that project developers must meet throughout the entire EIB project cycle. The environmental and social standards were most recently revised in February 2022.

Infobox 14
Environmental and Social Standards of the EIB[1]

Standard 1: Environmental and social impacts and risks

Standard 2: Stakeholder engagement

Standard 3: Resource efficiency and pollution prevention

Standard 4: Biodiversity and ecosystems

Standard 5: Climate change

Standard 6: Involuntary resettlement

Standard 7: Vulnerable groups, Indigenous Peoples, and gender

Standard 8: Labor rights

Standard 9: Occupational and public health, safety, and security

Standard 10: Cultural heritage

Standard 11: Intermediated finance

1 EIB (2022): Environmental and Social Sustainability Framework. Online: https://www.eib.org/files/publications/eib_environmental_and_social_standards_de.pdf

Mine in the DRC. Photo source: Wikicommons

Overall, the environmental and social standards of the EIB appear ambitious and comprehensive on paper. In practical application, however, responsibility is largely shifted onto the project developers, while independent and effective due diligence by the bank itself is frequently absent.

For instance, **Standard 1** places the primary responsibility for the assessment, management, and monitoring of environmental and social risks on the project developer, rather than the EIB itself conducting independent and robust due diligence. This is particularly problematic for the mining sector, as pronounced conflicts of interest, information asymmetries, and „paper compliance" are typical here. While the standard regulates risk analysis, it does not mandate the exclusion of particularly harmful projects, meaning the financing of mining ventures remains possible even when severe ecological and social damages are foreseeable, provided these are formally addressed through management and mitigation plans. Furthermore, Standard 1 is generic in design and does not adequately address the specific, frequently irreversible risks mining poses to ecosystems, water systems, and the public good. Moreover, the EIB does not require an independent Human Rights Impact Assessment (HRIA) and lacks cancellation or exclusion clauses in the event of human rights violations.[4] For mining finance, there is a risk that the most severe impacts (land issues, displacement, repression, conflict) are addressed too late or not at all.

Standard 2 merely requires the project developer to demonstrate that stakeholder dialogue has taken place and that relevant information has been provided „in a culturally appropriate and understandable manner,"

4 Counter Balance (2022): Analysis of new EIB standards: A mixed bag failing to protect human rights and ensure transparency. Online: https://counter-balance.org/publications/analysis-of-new-eib-standards-a-mixed-bag-failing-to-protect-human-rights-and-ensure-transparency

without the EIB conducting an independent review. While affected parties have a right to „meaningful participation," they are not granted a formal veto right. In the mining sector, stakeholder engagement is also often reduced to late-stage, formal consultations with little actual influence, and affected communities frequently lack equal access to information, legal counsel, or independent expertise.[5] The stark power asymmetries between multinational mining corporations and local communities are inadequately addressed by the standard. Although Standard 2 prohibits intimidation, coercion, and violence against stakeholders, the high-conflict mining sector requires binding anti-retaliation protocols, protective mechanisms, safe channels, and clear consequences for threats; an institutionalized system for protection against retaliation is not mandated.

While **Standard 3** prescribes resource efficiency and the prevention of pollution, highly polluting mining projects could still be deemed compliant provided formal efficiency or mitigation measures are documented, without their actual ecological impact being verified. Binding thresholds, sector-specific exclusions, or clear mandates to reduce toxic burdens are, however, missing.

The same applies to **Standard 4** regarding biodiversity and ecosystems: For mining projects in ecologically sensitive regions—such as rainforests, wetlands, or savannas—the standard contains no clear exclusion criteria (no-go zones). Instead, it relies on compensatory measures („biodiversity offsets"), which in practice often legitimize irreversible destruction.

It is fundamentally welcome that the EIB anchors a dedicated climate standard with **Standard 5**: Projects should accordingly „be climate-friendly, contribute to climate adaptation, and be aligned with the Paris climate goals." By ending lending to coal projects in 2013, the EIB is already making an important contribution to limiting global warming. However, it has not yet excluded extractive mining projects from financing, even though the extraction and processing of metals accounts for more than ten percent of global CO_2 emissions—meaning „climate-friendly mining" does not inherently exist.

It is problematic that **Standard 6** focuses primarily on compensation and procedural issues regarding involuntary resettlement. According to the standard, displacement should not be fundamentally avoided, but only „wherever possible." This is particularly problematic for mining projects, as evictions here are not an exception but are often structurally inherent.

It is positive that **Standard 7** explicitly addresses FPIC. However, the phrasing that project promoters must engage in „good faith negotiations" with affected Indigenous peoples and „obtain" their free, prior, and informed consent is problematic. Under this interpretation, FPIC appears as a process that can, in doubt, be completed retroactively or as an outcome to be achieved „at any cost." In reality, however, FPIC is a rights-based claim that explicitly includes refusal—if consent is absent, the consequence must be that a project is not pursued further. The standard should therefore be clarified to ensure that non-consent is a real and respected option, and that open-ended consultations must take place before any project activities begin: No consent, no financing.

Standard 8 and **Standard 9** also fail to adequately capture the specific risks of the mining sector. Precarious employment, subcontractor chains, migrant workforces, informal labor, and restricted union rights are widespread in mining, yet are only addressed generally. In mining, severe accidents, chronic health impacts (such as black lung/silicosis), and environmentally induced diseases are structural risks.

It is positive that **Standard 10** identifies intangible cultural heritage (e.g., customs, knowledge systems, expressions, cultural spaces), as mining projects particularly frequently affect these sites.

Fundamentally, it is to be welcomed that since 2022, the EIB has established a dedicated standard (**Standard 11**) for financing via financial intermediaries (e.g., commercial banks, national/regional development banks, funds, and microfinance institutions), because a large portion of the EIB portfolio is handled through these indirect financings. However, the responsibility for risk screening, environmental and social due diligence, and monitoring rests largely with the financial intermediaries, while the EIB itself does not systematically verify whether end projects comply with environmental and social standards. The standard does stipulate that sub-projects with high environmental, climate, and social risks can be referred back to the EIB for review, yet it lacks clear, binding criteria for what constitutes a „high risk." For example, when the EIB provides funds to local banks, it is usually not publicly visible to which specific projects the financial intermediaries pass these funds, what risks were identified there, or what conditions and measures apply. Thus, the risk remains that public funds flow into ecologically and human rights-problematic mining ventures without the EIB effectively enforcing the standards it boasts on paper—and without affected communities on the ground knowing that a project was backed by the EIB.

Transparency

The EIB published a revision of its transparency policy from 2015 on November 17, 2021, committing to the proactive publication of project-related information (no later than three weeks before approval).[6] Project descriptions[7], selected environmental and social documents, and basic financial details are accessible via the website and a public registry[8]. Nevertheless, the EIB's transparency practices lag behind those of the EBRD, for example, because the EIB relies on extensive exemption clauses.[9] These allow the bank to withhold certain information if its disclosure could undermine interests, for example in the areas of public security, defense, commercial secrets, or data protection. It is particularly concerning that the EIB further adjusted its transparency policy in July 2025 „to ensure that disclosures do not contravene public interests in security, defense, and military matters."[10] Although „weapons and ammunition" remain on the EIB's exclusion list[11], EIB President Nadia Calviño announced at a meeting of EU finance ministers in Brussels in early 2025[12] that the bank would finance more defense projects in the future. In 2024, the development bank invested a record sum of one billion euros in security and defense, Calviño stated, adding that she expects this to double in the coming year. The bank had already altered its strategy in the previous year: while the EIB was originally only permitted to fund civilian projects, it is now allowed to support so-called dual-use projects and infrastructure, eliminating the previous rule requiring 50 percent civilian revenues.[13] It is vital to emphasize that this new transparency policy must not serve as justification for withholding information from affected communities.

Ultimately, an internal EIB report even found that 43 percent of projects were not published on time (at least three weeks prior to approval).[14] By contrast, the Asian Development Bank (ADB) published 99 percent of its project summaries and 100 percent of its environmental and social impact assessments 120 days before project approval.[15] A recent study commissioned by the European Parliamentary Research Service (EPRS) also found that the World Bank and the Asian Development Bank (ADB) publish „significantly more information" than the EIB, and do so „more timely."[16]

Compounding the issue is the EIB's strong reliance on a system of „transparency on request": While documents can formally be requested, this approach shifts the burden of responsibility onto the public and creates bureaucratic hurdles for affected communities, who frequently lack the information, resources, and institutional capacity to submit targeted requests. There remains a lack of a clear obligation for the EIB to ensure and verify that affected communities are actually and punctually informed about planned projects.

5 PowerShift (2026): Strategic Projects, Fragile Rights and Water at Risk: Benchmarking Safeguards in EU Raw Materials Policy. Online: https://power-shift.de/wasser-eu-rohstoffstrategie/

6 EIB (2025): EIB Group Transparency Policy. Online: https://www.eib.org/en/publications/20250191-eib-group-transparency-policy
7 EIB (n.d.): Proposed Projects. Online: https://www.eib.org/de/projects/pipelines/index EIB (n.d.): Financed Projects. Online: https://www.eib.org/de/projects/loans/index
8 EIB (2026): Public register - find a document. Online: https://www.eib.org/en/registers/all/index?q=&sortColumn=publicationDate&sortDir=desc&pageNumber=0&itemPerPage=10&pageable=true&la=EN&deLa=EN&yearFrom=&orYearFrom=true&yearTo=&orYearTo=true&orDocumentLanguages=true&orDocumentTypes=true
9 Bankwatch (2021): Step into the light: transparency review at EU bank can end culture of secrecy. Online: https://bankwatch.org/blog/step-into-the-light-transparency-review-at-eu-bank-can-end-culture-of-secrecy
10 EIB (2025): EIB Group Transparency Policy. Online: https://www.eib.org/en/publications/20250191-eib-group-transparency-policy
11 EIB (2025): Excluded Activities of the EIB Group. Online: https://www.eib.org/files/publications/20250132-290725-eib-group-excluded-activities-de.pdf
12 EIB (2025): EIB provides more financing for European security and defense, as well as critical raw materials. Online: https://www.eib.org/de/press/all/2025-156-eib-steps-up-financing-for-european-security-and-defence-and-critical-raw-materials
13 EIB (2024): EU Finance Ministers welcome EIB Group Action Plan to further step up support for Europe's security and defense industry. Online: https://www.eib.org/de/press/all/2024-143-eu-finance-ministers-set-in-motion-eib-group-action-plan-to-further-step-up-support-for-europe-s-security-and-defence-industry
14 EIB (2023): Report on the implementation of the EIB Group Transparency Policy in 2023. Online: https://www.eib.org/files/publications/20240206_report_on_the_implementation_of_eib_group_transparency_policy_in_2023_en.pdfFigure 1 p. 2
15 Asian Development Bank (2024): Access to Information Policy: Annual Report 2023. Online: https://www.adb.org/documents/access-information-policy-annual-report-2023
16 LE Europe (2024): Study on the active publication of 'environmental information' by financing entities. Online: https://www.ombudsman.europa.eu/pdf/en/192270

Grievance Mechanism (EIB-CM)

The EIB Complaints Mechanism (EIB-CM) was established in 2008 and operates on the basis of the EIB Group Complaints Mechanism Policy (EIB-CM Policy).[17] Complaints regarding a project can be submitted via a portal; the investigation of a case can take place either through a **compliance review or a dispute resolution process**.

- **Compliance Review**: The EIB Group examines whether its actions violated internal policies or applicable law.
- **Dispute Resolution/Mediation:** The dispute resolution team organizes independent, impartial conflict resolution with the support of local mediators who facilitate but do not make decisions.

Beginning in 2024, the EIB commissioned an external review of the EIB-CM, which was completed in April 2025. Following this, it initiated a formal review of the EIB-CM Policy—incorporating internal and external consultations. From 2008 to 2025, over 1,000 complaints were filed with the EIB-CM.[18] Unlike other grievance mechanisms, the EIB-CM has a very broad mandate that, in addition to environmental and human rights issues, encompasses access to information and other topics. Consequently, it receives more complaints than any other accountability mechanism.[19] However, these numerous complaints have not always been resolved to the satisfaction of the complainants in the past. For example, the EIB delayed complaints regarding the Ambatovy nickel mine in Madagascar for years, until the European Ombudsman eventually intervened.[20]

Another problematic issue is the lack of operational independence of the grievance mechanism from the bank‘s management. Policies and procedures are primarily developed by the bank‘s management and overseen by the Board of Directors. Furthermore, there is currently no cooling-off period for the leadership of the EIB-CM, and appointments are not made independently of EIB management. The grievance mechanism also lacks control over its budget; instead, EIB management determines the budget allocation.

While the EIB grievance mechanism acknowledges the risks of retaliation and recognizes that the fear of reprisal can deter people from voicing their concerns to banks and their grievance mechanisms, the procedures for assessing risks and implementing remedial actions remain too generic and insufficiently detailed. Finally, the EIB-CM Policy lacks adequate procedural details regarding the case management process, leaving complainants with a lack of clarity regarding what they can expect.

Internal Environmental and Social Standards of the EBRD

With its Environmental and Social Policy (ESP), the EBRD possesses its own framework dictating how the bank assesses, manages, and monitors environmental and social risks across all its financed operations—and what requirements clients must meet for projects to be deemed „bankable.“[21] The ESP was most recently revised in 2024.

Overall, the standards of the EIB and the EBRD exhibit certain similarities, yet differences exist in operational application: For instance, in contrast to the EIB, the EBRD does not rely solely on project developers and, under **Standard 1**, is actively involved in the assessment of environmental and social risks throughout project preparation, advising, implementation, and monitoring.[22] However, the EBRD‘s requirements are generically formulated and fail to acknowledge the sector-specific risks of mining, for example regarding occupational safety (**Standards 2 and 4**). It is particularly problematic that projects with severe environmental and social risks, as are typical for mining, can be financed—provided the risks are identified, managed, and mitigated. The EBRD also does not mandate an independent HRIA and lacks cancellation or exclusion clauses in the event of human rights violations.

17 EIB (2018): EIB Group Complaints Mechanism Policy. Online: https://www.eib.org/en/publications/complaints-mechanism-policy
18 EIB (2026): Complaints. Online: https://www.eib.org/en/about/accountability/complaints/cases/index?q=&sortColumn=_complaintMetadata_receivedDate&sortDir=desc&pageNumber=0&itemPerPage=25&pageable=true&la=EN&deLa=EN&yearFrom=&orYearFrom=true&yearTo=&orYearTo=true&orCountries=true&orContents.EN.content.type=true
19 Euobserver (2025): The EIB still has a massive problem with its complaint procedure. Online: https://euobserver.com/green-economy/ar65faa406
20 Counterbalance (2019): Development in Reverse - Episode 1: Ombudsman bashes EIB for mishandling a mining fiasco. Online: https://counter-balance.org/news/development-in-reverse-episode-1-ombudsman-bashes-eib-for-mishandling-a-mining-fiasco
21 EBRD (2024): Environmental and Social Policy. Online: https://www.ebrd.com/home/news-and-events/publications/institutional-documents/environmental-and-social-policy-2024.html
22 ibid p. 5

Infobox 16
Environmental and Social Standards of the EBRD[1]

Standard 1: Environmental and social impacts and risks

Standard 2: Labor and working conditionst

Standard 3: Resource efficiency and pollution prevention and control

Standard 4: Health, safety and security

Standard 5: Land acquisition, involuntary resettlement and economic displacement

Standard 6: Biodiversity conservation and sustainable management of living natural resources

Standard 7: Indigenous Peoples

Standard 8: Cultural heritage

Standard 9: Financial intermediaries

Standard 10: Information disclosure and stakeholder engagement

Standard 11: Intermediated finance

1 The EBRD itself uses the term „Requirements“. For the sake of consistency, the term „Standards“ is used here.

Environmental impacts in EBRD-financed projects are meant to be reduced using the Best Available Techniques and Good International Practice (**Standard 3**). A clear acknowledgment of planetary boundaries, however, is missing. This is problematic for the mining sector, as even „efficient“ mining remains associated with high absolute resource consumption, significant emissions, and massive interventions in hydrological systems and ecosystems.

Similar to the EIB, the EBRD pursues a management and compensation approach under **Standard 5**, rather than unequivocally ruling out forced evictions. While the EBRD is more specific in its design of resettlement and livelihood restoration plans, this does not guarantee a higher level of protection. There is no fundamental right against displacement.

Under **Standard 6**, the EBRD (like the EIB) recognizes the special value of biodiversity, protected areas, and critical habitats, but does not fundamentally exclude mining projects in these areas. Ventures with potentially severe or irreversible biodiversity impacts can be financed provided they are deemed „mitigation compliant“ and incorporate compensatory measures (offsets).

The EBRD also incorporates FPIC into **Standard 7** concerning Indigenous communities. However, FPIC is framed here not as a genuine consent or veto right, but as a procedural requirement within a project development framework. Even in the absence of consent, projects generally remain bankable under certain conditions as long as formal consultation and documentation duties are fulfilled („ensure good-faith negotiations with Indigenous Peoples and obtain their FPIC“[23]). Furthermore, there are no explicit exclusions for mining projects in Indigenous territories.

In **Standard 8**, the EBRD also includes unregistered and previously unknown tangible and intangible heritage („irrespective of whether or not it has been legally registered“). Nevertheless, projects with potentially severe or irreversible impacts on cultural heritage are not categorically excluded, but remain eligible for financing provided risks are identified, documented, and mitigated.

It is positive that the EBRD has a dedicated standard for financial intermediaries under **Standard 9**. Similar to the EIB, however, the EBRD delegates the responsibility for environmental and social risks to financial intermediaries, rather than undertaking an assessment of the end projects itself. The EBRD does, however, state that it will verify compliance through site visits and/or annual reports.

It is commendable that early engagement and ongoing dialogues are required. Much like the EIB, however, stakeholder engagement (**Standard 10**) at the EBRD remains highly procedural: There are no binding requirements ensuring that affected parties have an influence on fundamental project decisions. Particularly in mining, participation is thus often reduced to formal consultations conducted when central decisions have already been made. The EBRD acknowledges that stakeholders should participate without intimidation, coercion, or violence, yet it fails to provide concrete anti-retaliation protocols, safe participation formats, protective measures for community representatives, or clear consequences for threats or violence.

23 ibid p. 83

All over the world, affected communities are fighting back against large-scale mining, as seen here in the north of the island of Luzon in the Philippines. Photo: Michael Reckordt

Transparency

With its Access to Information Policy (AIP)—most recently revised and in effect since January 1, 2025—the EBRD possesses a comparatively robust transparency framework on paper.[24] The policy obligates the bank to the proactive publication of project-related information, including project summaries, environmental and social documents, and details on financing and instruments, and provides an appeals process in cases of denied disclosure. Furthermore, the EBRD regularly publishes reports on the application of the AIP and subjects the policy to a periodic review process. Exemptions from disclosure obligations are more clearly limited (e.g., pricing requests, contract negotiations, personal data) than at the EIB, and in certain cases, the EBRD may decide to release information despite the aforementioned exemptions if the public interest justifies disclosure („Public Interest Override").

Selected environmental and social documents, along with basic financing details, are accessible via the EBRD's website and a public registry.[25] Generally, private sector projects must be published at least 30 calendar days before Board of Directors approval, and public sector projects at least 60 calendar days prior. For private sector projects with high environmental and social risks (Category A), Environmental and Social Impact Assessments (ESIAs) must be disclosed at least 60 days before the Board decision; for public sector projects, the timeframe is at least 120 days.

Grievance Mechanism (Independent Project Accountability Mechanism, IPAM)

The EBRD's Independent Project Accountability Mechanism (IPAM) was approved in 2019 and launched in 2020. It replaced the former Project Complaint Mechanism (PCM). Since early 2025, a review has been underway and is expected to last until May 2026. As of May 2025, IPAM had recorded 30 cases.

A particularly positive aspect is that IPAM (unlike the EIB-CM) operates independently of EBRD management. The head of IPAM is appointed by a selection panel comprising internal and external experts. Additionally, there is a five-year cooling-off period between management roles within the EBRD and IPAM. The grievance mechanism also exercises full control over its budget. IPAM does not report to the bank's management, but directly to the Board of Directors.[26] It conducts regular public consultations and maintains a dialogue with civil society. To increase its visibility, IPAM hosts outreach initiatives. However, these are generic and not tailored to specific projects. This can be problematic, particularly if rightsholders are entirely unaware that a project is being financed by the EBRD—for example, because the EBRD provided a loan to a local bank.

It is problematic that access to the grievance mechanism is time-limited—specifically, to the period between project approval and two years after the project developer has fully repaid the loan. In the past, it has occurred repeatedly that project developers repaid loans early while grievance proceedings were still ongoing, thereby escaping liability.[27] Unlike the IFC, the EBRD lacks a policy on Responsible Exit (see chapter xx).

A critical flaw is that IPAM lacks a clear mandate for remedy. This undermines the trust of affected communities and reduces the grievance mechanism to a purely procedural instrument. Instead, IPAM should be explicitly authorized to identify damages and support effective remedy, even when credit relationships have already ended or projects have been completed early. Without such an anchor, there is a risk that complaints will merely be treated as „lessons learned," while affected communities are left permanently dealing with the negative consequences of projects. Furthermore, IPAM is not authorized to „recommend compensation beyond what is explicitly provided for in the Environmental and Social Policy." This provision severely limits affected communities' access to effective and adequate remedial measures.

Internal Environmental and Social Standards of the KfW

The KfW does not possess unified, bank-wide environmental and social standards in the form of dedicated thematic safeguards like those of the EIB or EBRD. Instead, the **KfW Development Bank, DEG**, and **KfW IPEX-Bank** each operate under their own Sustainability Policy or Environmental and Social Policy, which are far less detailed than the safeguards of the EIB and EBRD. They rely primarily on references to international standards (especially the IFC Performance Standards, World Bank EHS Guidelines, OECD Guidelines, and UN human rights norms). Because KfW IPEX-Bank is the most relevant entity for raw materials financing, its Sustainability Policy is evaluated more closely below.

Sustainability Policy of KfW IPEX-Bank

KfW IPEX-Bank operates under a Sustainability Policy that is binding for all its financing and was last revised in June 2025. At just 20 pages, it is significantly shorter than, for example, the EIB's Environmental and Social Sustainability Framework (102 pages). The Sustainability Policy defines how Environmental and Social Impact Assessments (ESIAs) are to be conducted.[28] In contrast to the EIB and EBRD, however, KfW IPEX-Bank lacks its own, differentiated environmental and social standards; instead, it aligns its assessment of environmental and social risks with international reference frameworks such as the IFC Performance Standards, the Equator Principles, and the World Bank's EHS Guidelines. On March 1, 2008, KfW IPEX-Bank also adopted the Equator Principles.

On a positive note, KfW IPEX-Bank regularly brings in independent environmental and social consultants for high-risk projects and explicitly states in its policy that it will not participate in ventures with „unacceptable risks." At the same time, it remains unclear when risks are deemed unacceptable, as no sector- or damage-specific red lines are defined—particularly not for high-risk sectors like mining. Unlike the EBRD, detailed requirements for monitoring and project supervision are absent; the responsibility for risk assessment is largely left to the project developer.

24 EBRD (2024): Access to Information Policy. Online: https://www.ebrd.com/home/who-we-are/strategies-governance-compliance/access-to-information-policy.html
25 EBRD (n.d.): Projects. Online: https://www.ebrd.com/home/what-we-do/projects.html#customtab-70eec7766a-item-4654c5d413-tab

26 EBRD (n.d.): About IPAM. Online: https://www.ebrd.com/home/what-we-do/projects/independent-project-accountability-mechanism/about-ipam.html
27 Example of Indorama Agro: While a grievance process was ongoing before IPAM, the company repaid the loans early in January 2025. Rights in Development (2025): Joint Statement. Online: https://rightsindevelopment.org/statement-indorama-agro-uzbekistan/
28 KfW IPEX-Bank (2025): Sustainability Policy: Guideline for Environmentally and Socially Compatible Financing by KfW IPEX-Bank. Online: https://www.kfw-ipex-bank.de/PDF/%C3%9Cber-die-KfW-IPEX-Bank/Gesellschaftliche-Verantwortung/Umwelt-und-Sozialvertr%C3%A4glichkeit/2025-06-Nachhaltigkeitsrichtlinie-IPEX.pdf

Transparency

KfW IPEX-Bank exhibits a disastrous lack of transparency: Vital project documents are difficult to access, only available in German, or subject to client consent. No other public bank examined in this study exhibits a comparably high degree of opacity.

KfW IPEX-Bank does not possess a standalone transparency policy. Instead, transparency requirements are embedded within the Sustainability Policy. According to this policy, „the provision of information is the responsibility of the customer," and no information may be disclosed without their consent.[29] Only for higher-risk projects are clients required to publish the environmental and social impact assessment. Furthermore, unlike the EIB or the EBRD, KfW IPEX-Bank has no public project registry. It only provides project information retrospectively via annual and sustainability reports and upon request. Similarly, KfW IPEX-Bank only publishes aggregated retrospective data in its Equator Principles Reports.[30]

For affected communities and civil society actors, it is therefore frequently impossible to trace whether, where, and under what conditions KfW funds are being deployed. The case of the Epanko graphite mine in Tanzania illustrates the consequences of this transparency deficit: For a long time, there was no publicly available information regarding KfW IPEX-Bank's involvement. The community was only informed once the decisions had already been made and received no clear information about compensation or resettlement. Affected individuals who raised concerns were threatened and criminalized.[31]

Grievance Mechanism

Within the KfW Group, only the DEG currently operates an „Independent Complaints Mechanism" (ICM).[32] The KfW Development Bank is currently working to establish its own grievance mechanism, while KfW IPEX-Bank relies on the general grievance systems of the KfW Group. However, these are designed for employees, business partners, or third parties to report compliance, legal, or integrity violations (e.g., corruption, fraud) and are not comparable to the independent accountability mechanisms of other public banks like the EIB (Complaints Mechanism) or the EBRD (IPAM).[33] KfW IPEX-Bank directs affected parties to the project developers, who are expected to establish a grievance mechanism themselves.[34] Particularly in high-risk sectors like mining—characterized by high human rights, environmental, and social risks—this creates an accountability vacuum, as the very entity potentially responsible for rights violations is simultaneously tasked with overseeing compliance. This presents a high risk of delayed or inadequate remedy for affected individuals. Furthermore, without an institution-specific, independent mechanism, no institutionalized advisory and learning function can emerge within the bank—meaning there is no systematic process to draw consequences from real grievances, tighten standards, and permanently improve the enforcement of conditions.

Infobox 17
Equator Principles

The Equator Principles represent a voluntary framework for commercial banks to ensure adherence to environmental and social standards in project finance; they have been adopted by 129 financial institutions worldwide.[1] The name „Equator Principles" symbolizes the framework's global ambition. The rulebook is based on the World Bank's environmental standards and the IFC Performance Standards (see page xx) and applies to projects with a financing volume exceeding US$10 million.

Principle 1: Review and Categorization

Principle 2: Environmental and Social Assessment

Principle 3: Applicable Environmental and Social Standards

Principle 4: Environmental and Social Management System and Equator Principles Action Plan

Principle 5: Stakeholder Engagement

Principle 6: Grievance Mechanism

Principle 7: Independent Review

Principle 8: Covenants

Principle 9: Independent Monitoring and Reporting

Principle 10: Reporting and Transparency

It is highly problematic that the Equator Principles are voluntary, lacking binding sanctions for non-compliance and mandatory enforcement mechanisms. Additionally, there is no central, binding grievance or accountability system. Principle 6 merely mandates that for all Category A projects (and potentially Category B), the borrower must establish a grievance mechanism as part of their management system. Such a grievance mechanism, however, is not independent, creating a significant conflict of interest.

1 Equator Principles (2026): Signatories & EPFI Reporting. Online: https://equator-principles.com/signatories-epfis-reporting/

Mining often has a negative impact on water bodies. Photo: Michael Reckordt

Environmental and Social Standards of the Raw Materials Fund

The German Raw Materials Fund possesses no proprietary environmental and social standards. Instead, project developers are required to consider international assessment standards such as the IFC Performance Standards, the World Bank Group's Environmental, Health, and Safety (EHS) Guidelines, the core labor standards of the International Labour Organization (ILO), the UN Guiding Principles on Business and Human Rights, and the Recommendations of the Task Force on Climate-related Financial Disclosures. Where possible, standards such as the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas or the Global Industry Standard on Tailings Management are also incorporated. While the Raw Materials Fund thus references a multitude of internationally recognized environmental and social standards, these are typically voluntary, non-binding, or process-oriented. Neither the IFC Performance Standards nor the UN Guiding Principles or OECD Guidelines establish legally actionable rights for affected parties. This leaves open the question of what consequences violations actually trigger and whether investments will be suspended

29 ibid p. 15
30 KfW IPEX-Bank (2026): Equator Principles. Online: https://www.kfw-ipex-bank.de/Nachhaltigkeit/%C3%84quator-Prinzipien/
31 Coalition for Human Rights in Development (2025): KfW - Irresponsible Banking. Online: https://rightsindevelopment.org/wp-content/uploads/securepdfs/KfW-Irresponsible-Banking-German.pdf
32 KfW (2017): Independent Complaints Mechanism of the DEG. Online: https://www.deginvest.de/DEG-Dokumente/%C3%9Cber-uns/Verantwortung/Independent-Complaints-Mechanism_DEG_Richtlinie_2017.pdf

33 KfW (2026): Complaints. Online: https://www.kfw-entwicklungsbank.de/Internationale-Finanzierung/KfW-Entwicklungsbank/Service/Beschwerden/
34 KfW (2026): Principles of Complaint Management for Customers of KfW IPEX-Bank. Online: https://www.kfw-ipex-bank.de/Internationale-Finanzierung/KfW-IPEX-Bank/KfW-IPEX-Bank-Beschwerdeformular.html

or terminated in the event of severe human rights or environmental breaches. Although several of the cited standards reference Indigenous rights, the Raw Materials Fund itself lacks an explicit commitment to Free, Prior, and Informed Consent (FPIC), as well as clear references to UNDRIP or ILO 169, which was ratified by Germany, as binding benchmarks. It remains unclear how compliance with these standards will be monitored, what sanctions apply to violations, and under what conditions the fund will exit a project.

Transparency

The Raw Materials Fund exhibits substantial transparency deficits. Although KfW stipulates formal requirements for transparency[35] and the participation of the affected population in the fund's Sustainability Policy, these remain largely non-binding and contingent upon implementation by the project developers themselves. For instance, developers are expected to initiate participation and consultation processes during project preparation and make relevant environmental and social impact information accessible to the public early on; however, no precise deadlines or binding minimum standards are established for the publication of project documents. Crucially, it is not regulated whether, and to what extent, key information must be disclosed *before* the fund makes investment decisions. This creates the danger that transparency and participation only come into play once projects are already politically and financially locked in, reducing public say to a mere formal consultation with no real influence. Unlike the EIB, for example, KfW does not publish information on projects that have applied and are still under review. In principle, information on federal equity stakes is publicly accessible via the federal participation reports published annually by the government.[36] However, information is only published here retrospectively (the 2024 participation report, for example, is published in June 2025), which is particularly problematic for mining investments. Early disclosure is necessary instead.

Grievance Mechanism

Neither the Raw Materials Fund nor the managing KfW operates an independent grievance mechanism.[37] Instead, the funded projects are expected to establish a grievance mechanism; the process is supposed to be appropriate, culturally adapted, documented, and it should report to the Raw Materials Fund.

Internal Environmental and Social Standards of the World Bank Group

The World Bank Group operates under its own institutionally anchored environmental and social standards, which are binding for its financing. However, these standards are not uniform across the entire World Bank Group but differ depending on the institution. For sovereign financing via the IBRD and IDA, the Environmental and Social Framework (ESF) has applied since 2018.[38] Because IBRD and IDA only indirectly create the preconditions for private mining investments (via policy advice, legal reforms, infrastructure financing, and governance programs) but do not directly finance mining projects, only the internal standards of the IFC/MIGA are examined in detail below.

IFC and MIGA

Private sector financing by the IFC and guarantees issued by MIGA are subject to the World Bank's separate Sustainability Framework and the IFC Performance Standards. These standards are binding for project developers and enforceable via loan and investment agreements.

The IFC Performance Standards were published in 2006 and represent one of the world's most influential frameworks for environmental and social requirements. Their significance now extends far beyond the IFC itself, as they serve as the authoritative international reference for environmental and social risk management and guide numerous banks. For instance, they

35 KfW (2024): Sustainability Policy of the KfW Raw Materials Fund. Online: https://www.kfw.de/PDF/Download-Center/Konzernthemen/Rohstofffonds/Nachhaltigkeitsrichtlinie-KfW-Rohstofffonds-DE.pdf 3.1.1.
36 BMF (2025): Federal Participation Report 2024. Online: https://www.bundesfinanzministerium.de/Content/DE/Downloads/Broschueren_Bestellservice/beteiligungsbericht-des-bundes-2024.html
37 KfW (2024): Sustainability Policy of the KfW Raw Materials Fund. Online: https://www.kfw.de/PDF/Download-Center/Konzernthemen/Rohstofffonds/Nachhaltigkeitsrichtlinie-KfW-Rohstofffonds-DE.pdf p. 8
38 World Bank (2016): Environmental and Social Framework. Online: https://thedocs.worldbank.org/en/doc/837721522762050108-0290022018/original/ESFFramework.pdf

Infobox 18
Performance Standards of the IFC[1]

Standard 1: Assessment and Management of Environmental and Social Risks and Impacts

Standard 2: Labor and Working Conditions

Standard 3: Resource Efficiency and Pollution Prevention

Standard 4: Community Health, Safety, and Security

Standard 5: Land Acquisition and Involuntary Resettlement

Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources

Standard 7: Indigenous Peoples

Standard 8: Cultural Heritage

1 IFC (2012): IFC's Performance Standards on Environmental and Social Sustainability. Online: https://www.ifc.org/en/insights-reports/2012/ifc-performance-standards

form the foundation for the standards of other multilateral development banks (e.g., EIB, EBRD, IDB), the Equator Principles (applied by 129 financial institutions globally, guiding trillions in private investments[39]), and numerous public export credit agencies and development financiers. Given the rapid evolution of international environmental and human rights standards in recent years, it is long overdue that the IFC initiated the first comprehensive review of its Sustainability Framework since 2012 in 2025. The Sustainability Framework encompasses the IFC Performance Standards, transparency rules, and grievance mechanisms. The review process is expected to last until 2028.

Currently, the IFC relies too heavily on the responsibility of project developers for assessment, management, and monitoring („IFC requires its clients to apply the Performance Standards to manage environmental and social risks," p. 1). Similar to the standards of the EIB and EBRD, the Performance Standards are formulated to be cross-sectoral and do not explicitly recognize mining as a high-risk sector (e.g., regarding labor conditions in PS2 or community health/safety in PS4). There is no obligation to conduct separate Human Rights Impact Assessments (HRIAs). While individual standards do address typical mining risks (e.g., land acquisition in PS5, biodiversity in PS6, Indigenous rights in PS7), there is no explicit classification of mining as a particularly conflict-prone sector carrying specific long-term risks (e.g., liability for tailings dam failures, post-closure care spanning decades, and the financing of decommissioning and rehabilitation) that would necessitate stricter requirements, assessment benchmarks, or exclusionary logic. At best, the specific risks of exploration, tailings dams, water consumption, and long-term environmental contamination are addressed indirectly in supplementary guidance documents, notably the „IFC Environmental, Health, and Safety Guidelines for Mining."[40]

While Performance **Standard 6** obligates project developers to protect biodiversity, it fails to define absolute no-go zones (for mining). Standard 5 lacks binding requirements for genuine, fair negotiations: Participation is often restricted to formal consultations while central decisions have already been made. Instead of strictly prohibiting evictions, the standard treats them as „manageable," and requirements to seriously consider a „no-project" scenario remain weak. Furthermore, the standard inadequately protects collective and customary land rights, leaving communities without formal property titles severely vulnerable; so-called „voluntary resettlements" harbor significant risks of abuse.[41]

Standard 7 references the principle of Free, Prior, and Informed Consent (FPIC) for Indigenous communities, but only in narrowly defined situations, such as resettlement or resource extraction—far narrower than under the UN Declaration on the Rights of Indigenous Peoples. What is required is not merely consultation, but actual, effective protection of Indigenous communities' rights; their consent must be decisive, and a „No" must be a viable option. **Standard 8** also features a definition of cultural heritage that is too narrow, vastly less comprehensive than the EBRD's framework, for example.[42]

39 Bretton Woods Project (2025): IFC Sustainability Framework Review. Online: https://www.brettonwoodsproject.org/2025/10/ifc-sustainability-framework-review
40 IFC (2007): Environmental, Health and Safety Guidelines for Mining. Online: https://www.ifc.org/content/dam/ifc/doc/2000/2007-mining-ehs-guidelines-en.pdf
41 Owen, J. et al. (2025): Implications of the UN declaration on the rights of peasants on the operability of the IFC's performance standard on involuntary land acquisition and resettlement. Online: https://www.sciencedirect.com/science/article/abs/pii/S2214790X25000589
42 Mason, A. & Martindale, A. (2023): Rethinking Cultural Heritage in the International Finance Corporation Performance Standards. Online: https://www.cambridge.org/core/journals/advances-in-archaeological-practice/article/rethinking-cultural-heritage-in-the-international-finance-corporation-performance-standards/C5A727D02411EBD7267214CDC96CC051

IFC/MIGA published an Approach to Responsible Exit in April 2025. Photo: Unsplash

It is particularly problematic that the IFC—unlike the EIB and EBRD, for instance—does not yet possess a dedicated standard for Stakeholder Engagement („Where applicable, the client will also assist and collaborate with the potentially Affected Communities (see Performance Standard 4) and the local government agencies", p. 6). Similarly, a standard for Financial Intermediaries is absent. Yet, investments via financial intermediaries account for 60 percent of the IFC portfolio: A 2025 CAO report reveals that a significant portion of these intermediaries fail to adhere to the Performance Standards, without the IFC terminating their financing.[43] Finally, the transparency deficit persists: There is inadequate disclosure for sub-projects financed via financial intermediaries. Affected parties often only learn of the IFC's involvement once damages have already occurred, severely hindering access to grievance mechanisms.[44]

It is a welcome development that IFC/MIGA adopted a **Remedial Action Framework (RAF)** in April 2025.[45] The framework stipulates for the first time how the financial institutions themselves should respond to damages caused by the projects they finance. A core issue across all project finance is the lack of access to remedy. An external review in 2020 concluded that a mere 13 percent of remedial actions undertaken by project developers in IFC-financed ventures were adequate.[46] Under the RAF, IFC/MIGA can support remedial actions on a case-by-case basis—for example, by leveraging their financial or contractual influence over project developers, or through supportive measures such as investigations, technical advice, and capacity building.[47] The primary responsibility, however, remains with the project developers. While the RAF represents a crucial step toward accountability, it provides no binding financial compensation, lacks a systematic funding mechanism, offers no clear rules for projects funded via financial intermediaries, and excludes affected parties from already completed projects.[48] The limitations of the RAF are especially glaring in the mining sector: Long-term environmental burdens like tailings and acid mine drainage outlast project lifespans, meaning damages often materialize only after the bank has exited. Furthermore, the RAF does not obligate the long-term financing of remediation or compensation.

43 CAO (2025): Compliance Monitoring Report. Online: https://www.cao-ombudsman.org/sites/default/files/downloads/CAO-Multiregional-FIMonitoringReport-July2025-ENG.pdf
44 Urgewald (2025): Don't Lose Sight of Trade: IFC's Chance to Improve Environmental and Social Safeguards in Trade Finance. Online: https://www.urgewald.org/sites/default/files/media-files/Urgewald_IFC%20Sustainability%20Framework%20Report.pdf
45 IFC (2025): IFC/MIGA INTERIM APPROACH TO REMEDIAL ACTION. Online: https://www.ifc.org/content/dam/ifc/doc/2025/ifc-miga-remedial-action-framework-en.pdf
46 World Bank (2020): External Review of IFC/MIGA E&S Accountability, including CAO's Role and Effectiveness Report and Recommendation. Online: https://documents1.worldbank.org/curated/en/299451597778360212/pdf/External-Review-of-IFC-MIGA-E-S-Accountability-including-CAO-s-Role-and-Effectiveness-Report-and-Recommendations.pdf p. 19
47 IFC/MIGA (2025): IFC/MIGA Interim Approach to Remedial Action. Online: https://www.ifc.org/content/dam/ifc/doc/2025/ifc-miga-remedial-action-framework-en.pdf
48 AWC (2025): IFC and MIGA Adopt First-Ever Remedy Framework: A Milestone for Accountability. Online: https://arabwatchcoalition.org/2025/05/15/ifc-and-miga-adopt-first-ever-remedy-framework-a-milestone-for-accountability

During the same period, IFC/MIGA also developed an **Approach to Responsible Exit**, which aims to manage the exit from financing in such a way that it does not trigger new negative environmental or social consequences.[49] The framework dictates that environmental and social risks should be more systematically integrated into exit decisions going forward, requiring an assessment of whether an exit would exacerbate existing damages or leave behind unresolved conflicts—such as over land rights, environmental impacts, or compensation. It remains open, however, the extent to which this approach goes beyond non-binding guidelines and genuinely ensures that the IFC does not abdicate its shared responsibility for long-term environmental legacies, human rights abuses, and unrectified damages in the mining sector.

It is now critical that the IFC uses its Review Process to create a dedicated standard for Stakeholder Engagement (which defines them as actual „Rightsholders") as well as one for Financial Intermediaries. Furthermore, both strategies—the approach to remedy and the exit strategy—must be translated into binding standards. In the past, the IFC has repeatedly exited projects while complaints were still actively running through the CAO process.[50]

Transparency

The IFC maintains a clearly defined transparency and disclosure policy, anchored in multiple official directives and instruments. The IFC's paramount transparency policy is the **„Access to Information Policy" (AIP)**, which went into effect on January 1, 2012, replacing the earlier 2006 Disclosure Policy.[51] The AIP defines which information is made public, thereby establishing a foundation for traceability and accountability in IFC financing. Through its disclosure portal, the IFC publishes project information, including summaries of environmental and social assessments.[52] On paper, the disclosure portal is quite extensive. However, recent cases show that individual information requests to the IFC are rejected or answered only in a highly restricted manner, highlighting the limited reach of the AIP in practice.[53] The IFC is currently updating its Access to Information Policy as part of the broader update of its Sustainability Framework.

The critical issue here is that the IFC must clearly narrow the AIP's exemption regime and define exemptions narrowly and exhaustively: To date, the bank can formally invoke exemptions that are not even listed in the policy itself. Among international financial institutions, this is uniquely problematic.[54] There must also be an even stronger focus on proactive disclosure. In the event of non-publication, the IFC must prove on a case-by-case basis that publication would cause a specific, identifiable, and severe harm. Even if potential harm is established, it must be evaluated whether the public interest in transparency (e.g., protecting human rights, the environment, health) outweighs the impending harm.[55] Particularly for mining projects with high environmental and human rights risks, transparency must be the default rule—including the early publication of environmental and social impact assessments, risk evaluations, and stakeholder plans. Furthermore, a significantly stronger proactive disclosure is required for projects financed via financial intermediaries, which have hitherto often remained entirely opaque. Additionally, information access and user-friendliness must be improved, including through low-barrier request channels and the publication of key project documents in local languages.

Grievance Mechanism (CAO)

In 1993, the World Bank became the first development bank to create an **independent grievance** mechanism by establishing the Inspection Panel (for compliance review)—due in no small part to years of pressure

49 IFC (2024): IFC's Approach to Responsible Exit. Online: https://www.ifc.org/content/dam/ifc/doc/2024/ifc-approach-to-responsible-exit.pdf
50 Devex (2024): IFC's new ‚responsible exit' policy: Milestone or a missed opportunity? Online: https://www.devex.com/news/ifc-s-new-responsible-exit-policy-milestone-or-a-missed-opportunity-108532
51 IFC (2012): International Finance Corporation Access to Information Policy. Online: https://www.ifc.org/content/dam/ifc/doc/2010/2012-ifc-access-to-information-policy-en.pdf
52 IFC (n.d.): Project and Information Portal. Online: https://disclosures.ifc.org/
53 Eye on Global Transparency (2025): IFC Denial of Document Request Reveals Narrow Scope of Info Access Policy. Online: https://eyeonglobaltransparency.net/2025/10/02/ifc-denial-of-document-request-reveals-narrow-scope-of-info-access-policy/
54 Centre for Law and Democracy (2025): Submission on the International Financial Corporation's Access to Information Policy. Online: https://www.law-democracy.org/submission-on-the-international-financial-corporations-access-to-information-policy
55 ibid

from international civil society.[56] In 1999, the IFC/MIGA established **the Compliance Advisor Ombudsman (CAO)** as an independent grievance mechanism for private-sector projects. The current CAO Policy took effect in July 2021.[57] Between 2001 and 2021, the CAO handled a total of 213 complaints from 58 countries.[58]

Functions of the CAO

- **Dispute Resolution/Ombudsman Function:** Assisting affected communities and companies in finding amicable solutions.
- **Compliance Function:** Investigating whether IFC/MIGA adhered to their environmental and social standards; identifying violations if necessary and issuing recommendations for remedy, including monitoring.
- **Advisory Function:** Providing recommendations to IFC/MIGA for systemic improvement of environmental and social outcomes.

The institutional independence of the CAO is a particularly positive aspect. Following the revision of the CAO Policy in 2021, it now reports directly to the Board of Directors and is no longer subordinate to IFC/MIGA management.[59] Leadership is determined through a formal selection process, and cooling-off periods apply. While the CAO has its own operatively self-managed budget, it is not completely financially independent. The size of the budget, as well as work and staffing plans, require approval by IFC/MIGA management.[60] Thus, a structural dependency on the very institutions the CAO is designed to audit persists.[61] It is commendable that complaints do not necessarily have to be filed by directly affected persons; community representatives, NGOs, or lawyers can also act as complainants.[62] This significantly lowers barriers to access—especially in repressive political environments. Additionally, under certain conditions, complaints can now be filed up to 15 months after IFC/MIGA has exited a project.

Alongside this, the issue of accessibility is paramount: Despite comparatively extensive outreach activities, the CAO remains virtually invisible to many local communities. Especially in the case of indirect financing via financial intermediaries, affected parties often do not know that IFC/MIGA are involved—and therefore remain unaware that the CAO can be invoked. While IFC clients are obligated to establish project-level grievance mechanisms, a clear mandate to provide information about the CAO itself is not universally applied and is inadequately monitored. Mandatory information requirements, disclosure of the CAO's presence on the ground, and materials in local languages and culturally appropriate formats are needed.

Another structural problem is that IFC/MIGA can continue to finance companies against which successful CAO complaints have already been filed. While findings from CAO proceedings formally feed into institutional learning processes, there is no systematic practice of excluding or sanctioning specific companies. Due diligence assessments remain project-focused and inadequately account for prior human rights abuses or environmental destruction committed by the same project developer. This severely weakens the preventative impact of the grievance mechanism.

Internal Environmental and Social Standards of Export Credit Agencies

Export Credit Agencies (ECAs) do partially possess proprietary environmental and social standards, but they are significantly less comprehensive and binding than the internal rulebooks of the EIB, EBRD, or IFC. They generally base their environmental and social due diligence on the OECD „Common Approaches" (see page 29). Several EU ECAs have also adopted the Equator Principles (see page 44), which impose higher requirements on human rights and environmental due diligence than the OECD Common Approaches.

56 The protest reached its peak in massive resistance against the Narmada Valley Development Project (1985-1993) in the Indian state of Gujarat, which involved the displacement of the predominantly Indigenous population. An independent commission established in 1991 confirmed the violations. The Board of Directors subsequently proposed a new, independent accountability mechanism. On September 22, 1993, the World Bank Board passed the resolution establishing the Inspection Panel.
57 CAO (2021): New CAO Policy Enhances IFC and MIGA's Accountability. Online: https://www.cao-ombudsman.org/news/new-cao-policy-enhances-ifc-and-migas-accountability
58 CAO (n.d.) Complaints. Online: https://www.cao-in-numbers.org/complaints
59 CAO (2021): IFC & MIGA Independent Accountability Mechanism (CAO) Policy. Online: https://www.cao-ombudsman.org/sites/default/files/CAO%20Policy%20Layout/CAO-Policy-ENG.pdf
60 Accountability Counsel (2021): New CAO Policy comes into effect. Online: https://www.accountabilitycounsel.org/2021/07/new-cao-policy-comes-into-effect
61 CAO (2025): Funding. Online: https://www.cao-ombudsman.org/about-us/funding
62 CAO (n.d.): Operational Guidelines. Online: https://www.cao-ombudsman.org/sites/default/files/downloads/2004CAOOperationalGuidelinesEnglish-FINAL.pdf chapter 2.3.

Infobox 19
UFK

rulebook. Instead, they align themselves with the OECD Common Approaches and (for high-risk projects) the IFC Performance Standards. UFKs also lack a standalone, comprehensive transparency or information access policy comparable to the policies of multilateral development banks (e.g., EIB, EBRD, IFC). Furthermore, there is no central public project registry comprehensively listing all UFK guarantees with company names and volumes. The annual reports neither name the beneficiary companies nor provide project-related environmental and social information. Neither Environmental and Social Impact Assessments nor existing conflicts, complaints, or lawsuits are disclosed. Only Category A projects—projects with potentially severe environmental, social, or human rights impacts—are published in accordance with the OECD Common Approaches no later than 30 days prior to a final decision on assuming a UFK guarantee.[1] Most recently, these were:

- **March 19, 2025**: Construction and operation of a copper mine, Pakistan
- **July 12, 2024**: Construction and operation of a mine for the extraction of rare earths, Australia
- **March 1, 2024**: Expansion and operation of a copper mine, Chile

It would be vital for all projects to be published. Otherwise, public risks are assumed without public accountability for the profiteers, and without the possibility of an independent assessment of the human rights and ecological consequences. Even the assessment of a project's eligibility from a raw materials economic perspective remains largely opaque. It remains unclear exactly which criteria are used to select projects, how human rights, Indigenous rights (FPIC), biodiversity, water usage, or climate impacts are factored in, and whether local conflicts or protests constitute an exclusion criterion.

1 UFK Guarantees (n.d.): Category A Projects Prior to Decision 2024. Online: https://www.ufk-garantien.de/de/nachhaltigkeit/vertrauen/projektinformationen.html

Transparency

ECAs operate largely opaquely.[63] There is a lack of binding disclosure obligations for project information, financing conditions, environmental and social assessments, as well as a lack of effective accountability and grievance mechanisms. Without these, there is no democratic oversight over the use of public funds.[64] A central problem area is the inadequate disclosure of ECA activities and risks:

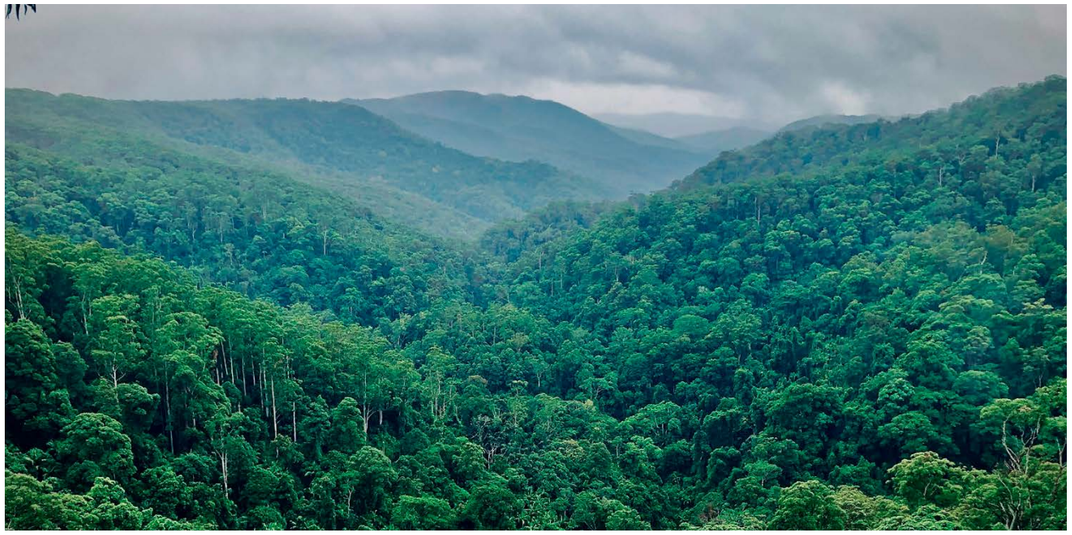
- Many ECAs do not publish sufficient data on projects, impacts, or risk assessments.
- Existing transparency requirements often only apply to projects falling under the OECD Common Approaches—many raw material financings therefore remain undisclosed, even if they are environmentally or socially critical.
- Mechanisms for accountability or for complaints by affected parties are generally inadequate or inapplicable to ECA support.

Grievance Mechanism

There is typically no dedicated grievance mechanism for ECAs. In practice, complaints regarding environmental, human rights, or corporate conduct mostly run through other channels—specifically via the National Contact Points (NCPs).

63 ibid
64 ibid

Aligning Mining Finance with Human Rights and the Environment



No-Go-Zone Rainforest: A green future without mining. Photo: Unsplash

Public financial institutions and multilateral development banks have announced plans to invest more in mining in the future. This is problematic because, as this publication has shown, the existing environmental and social standards, transparency requirements, and grievance mechanisms of these banks are currently insufficiently calibrated to the specific demands of this sector, which is inherently linked to irreversible environmental damage, severe human rights violations, and immense climate burdens. Many guidelines remain too procedural, non-binding, and haphazard in implementation.

They often provide no legally actionable rights for affected parties vis-à-vis the financial institutions and trigger no automatic sanctions when standards are violated. Furthermore, they accept structural interventions such as resettlements, environmental destruction, or biodiversity loss as fundamentally „mitigable." Collective rights, particularly Indigenous land and resource rights, are frequently inadequately protected—and the stark power asymmetries between corporations, states, and affected communities are largely ignored.

While mining finance is sometimes linked to climate targets (e.g., in the EBRD's Mining Sector Strategy), this is done without sufficiently problematizing the massive emissions and resource footprint of extraction and processing. These strategies implicitly assume that mining can be rendered „sustainable" through technological improvements, greater energy efficiency, and the application of ESG standards. Yet, primary mining remains associated with immense human rights, environmental, and climate risks, especially in high-conflict regions, even under improved standards. Approaches essential to a raw materials transition—such as recycling, the circular economy, substitution, or an absolute reduction in raw material consumption—play practically no role. The banks thereby stabilize a resource-intensive economic model instead of actively supporting the socio-ecological transition.

Without stricter rules, the expansion of mining threatens to exacerbate existing conflicts, breach ecological boundaries, and further erode the rights of affected communities. What is required instead are binding exclusion criteria, clear ecological limits, effective accountability, and an enforceable right to remedy. Public financial flows must be systematically aligned to protect human rights and ecosystems, rather than stabilizing new, destructive frontiers of extraction.

Specifically, this means for banks:

1. Mandatory human rights, social, and ecological due diligence

The responsibility for assessing, managing, and monitoring environmental and social risks must not lie solely with the project developer. Instead, financial institutions must themselves conduct independent and robust due diligence before financing a raw materials project. Moreover, they must execute independent, systematic, and preventive human rights due diligence (HRDD/HRIA)—regardless of project size or financial volume.

2. Exclusions and No-Go-Zones for mining

The financing of mining projects carrying severe ecological, social, or human rights damages must be strictly prohibited, rather than merely being formally addressed through management and mitigation plans. Clear exclusion criteria are required for financing mining projects in ecologically sensitive regions—such as rainforests, wetlands, glaciers, or savannas. The most vulnerable ecosystems must be declared No-Go-Zones.

3. Close engagement of affected communities

Particularly in the mining sector, early, substantive, and effective engagement of affected communities is critical. The IFC must therefore urgently establish an independent Performance Standard for Stakeholder Engagement. In this standard—and this applies equally to all other financial institutions—affected communities must be recognized not merely as „stakeholders," but as actual „Rightsholders": by ensuring they are consulted before central project decisions are made—and ensuring that a „No" is a viable option. Retroactive consultations do not satisfy this requirement. To protect stakeholders, financial institutions must also establish an institutionalized system for protection against retaliation, featuring binding anti-retaliation protocols, rather than merely issuing blanket prohibitions against intimidation, coercion, and violence.

4. Scrutiny of financial intermediaries

The volume of financing disbursed via intermediaries is immense. By outsourcing a portion of their lending, however, banks are currently often outsourcing due diligence and monitoring. Robust and ambitious standards for this type of financing are urgently needed. It is crucial that the bank itself conducts a systematic review to ensure that end projects comply with environmental and social standards, rather than transferring this responsibility wholesale to the financial intermediaries. Furthermore, the bank must proactively publish information regarding the final beneficiaries of the financial intermediaries.

5. Climate: Link mining finance to the local energy transition

While most public financial institutions and multilateral development banks no longer finance fossil fuel projects, they continue to fund mining projects. If this financing is to be compatible with climate and development policy goals, it must be ensured that mining projects do not solely service global supply chains but tangibly contribute to the socio-ecological transition in the regions of extraction. Financing should be tied to a binding obligation that mining companies contribute locally to the energy transition and climate adaptation, for example by paying into independent profit-sharing funds. These funds must be directly and autonomously available to affected communities so they can utilize the resources specifically for climate adaptation measures, the expansion of renewable energies, electrification, and sustainable local infrastructure. Ideally, banks should also prioritize financing ventures that advance the circular economy.6. FPIC as a hard precondition: No consent, no financing

Because mining frequently occurs on Indigenous territories, FPIC must be a prerequisite for any financing. Non-consent must be a real and respected option. Consultations must be open-ended and take place prior to project initiation—FPIC must therefore operate as a hard precondition: No consent, no financing. Moreover, FPIC must apply not only to the immediate mining activities but to all accompanying ventures that extend beyond the construction and operation of a mine yet affect Indigenous communities in the same way. This includes, for example, road or rail infrastructure that dissects grazing and herding lands.

7. Protect land rights

Requirements are needed for assessing alternative project designs, establishing No-Go-Zones, and seriously considering a „no-project“ scenario if affected communities oppose a venture that threatens their well-being or could cause ecological damage. Furthermore, collective and customary land rights must be granted equal protection. Communities holding collective land ownership—especially groups not formally recognized as „Indigenous“—are otherwise exceptionally vulnerable, because collective land and usage rights are often treated as subordinate to formal property titles. Protection must also explicitly encompass tangible and intangible cultural heritage.

8. Improvement in transparency

Public financial institutions investing in mining must establish a project database providing the early publication of central information—ideally, information must be published prior to a financing decision. In the event of non-publication, the bank must prove on a case-by-case basis that publication would cause a specific, identifiable, and severe harm. It must be publicly visible which concrete projects are supported by the bank‘s funds, what risks were identified there, and what mitigation measures are in place, instead of merely publishing that banks or funds maintain environmental and social policies and risk assessments. This also applies to projects financed via financial intermediaries.

9. Grievance mechanism

Public financial institutions and banks must establish their own grievance mechanism that is operatively independent of bank management, endowed with sufficient human resources, and operates with its own budget. This applies particularly to KfW IPEX-Bank, which has lacked any independent grievance mechanism to date. The grievance mechanism must not be restricted to mere compliance checking. Rather, it must be designed to effectively rectify concrete damages incurred by affected communities and the environment—and be granted a clear mandate and proprietary resources for remedy.

Specifically, this means for ECAs:

ECAs must disclose their decisions comprehensibly and early, so that the public and affected communities are informed. The assessment, management, and monitoring of environmental and social risks must be binding and of high quality for ECAs as well. In addition, these processes must be supplemented by human rights due diligence (HRIA), and reports to parliaments should be meaningful, complete, and publicly accessible.

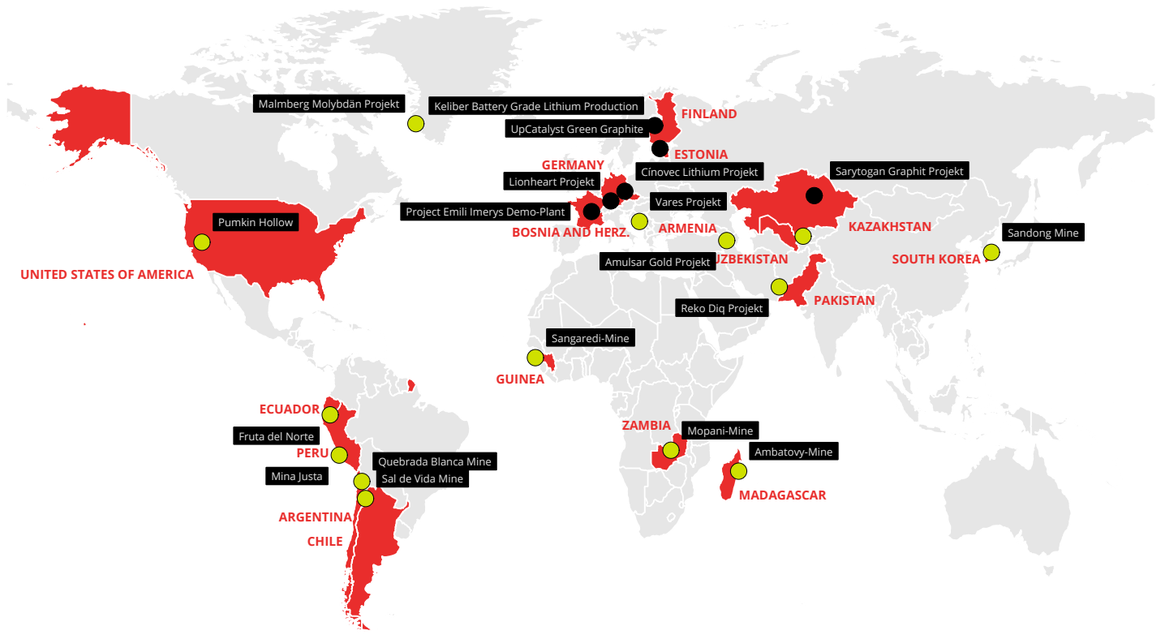
Specifically, this means for the Raw Materials Fund:

The disbursement of funds must be tied to binding, sanctionable human rights, social, and ecological due diligence obligations, including FPIC. Furthermore, the allocation of funds must be transparently documented so that adherence to the highest human rights, social, and ecological standards can be verified. Funding decisions should purposefully support the establishment and expansion of local processing capabilities, an increase in local value creation, and the creation of living-wage jobs.

Overview of Mining Projects and Strategic Projects

In der Publikation genannte Bergbauprojekte und strategische Vorhaben weltweit

- Strategische Projekte
- Weitere Minen



Bank	Criterion 1	Criterion 2	Criterion 3	Criterion 4
	Bank's Own Due Diligence	**Human Rights Assessment**	**Stakeholder Engagement**	**Biodiversity**
	Does the assessment, management, and monitoring of environmental and social risks also take place by the bank or only by the project developer? Are there on-site inspections?	Is an independent HRIA mandatory? Are there clear human rights exclusion/cancellation clauses in the event of severe human rights violations?	Is there a standard for Stakeholder Engagement? Veto rights? Local languages? Is there an institutionalized system for protection against retaliation (e.g., anti-retaliation protocols)?	Are there No-Go-Zones for mining, e.g., rainforests, wetlands, savannas, Indigenous territories, cultural heritage?
EIB	▼ Primary responsibility for the assessment, management, and monitoring of environmental and social risks lies with the project developer (Standard 1)	▼ No independent HRIA; no exclusion/cancellation clauses in the event of severe human rights violations (Standard 1)	● Dedicated standard for Stakeholder Engagement. Must be culturally appropriate and understandable for all; vulnerable groups are explicitly mentioned. However, there is no institutionalized system for protection against retaliation. A right to "meaningful participation" is mentioned, but no formal veto right is granted (Standard 2)	▼ No No-Go-Zones (Standard 4)
EBRD	● Somewhat stronger involvement of the bank in the assessment, management, and monitoring of environmental and social risks (Standard 1)	▼ No independent HRIA; no exclusion/cancellation clauses in the event of severe human rights violations (Standard 1)	● Dedicated standard for Stakeholder Engagement. Must be culturally appropriate and understandable for all; vulnerable groups are explicitly mentioned. However, there is no institutionalized system for protection against retaliation. A right to "meaningful participation" is mentioned, but no formal veto right is granted (Standard 10)	▼ No No-Go-Zones (Standard 6)
KfW-IPEX	▼ Primary responsibility for the assessment, management, and monitoring of environmental and social risks lies with the project developer	▼ Independent HRIA only if the project is expected to entail a critical human rights situation; no exclusion/cancellation clauses	▼/● Stakeholder Engagement is briefly mentioned. Must be culturally appropriate and understandable for all; vulnerable groups are explicitly mentioned. However, there is no institutionalized system for protection against retaliation. A right to "meaningful participation" is mentioned, but no formal veto right is granted	▼ No No-Go-Zones
IFC/MIGA	▼ Primary responsibility for the assessment, management, and monitoring of environmental and social risks lies with the project developer (Standard 1)	▼ No independent HRIA; no exclusion/cancellation clauses in the event of severe human rights violations (Standard 1)	▼ No dedicated standard for Stakeholder Engagement	▼ No No-Go-Zones (Standard 6)

Bank	Criterion 5	Criterion 6	Criterion 7	Criterion 8
	Financial Intermediaries	**FPIC**	**Land Rights**	**Climate**
	Is there a standard for Financial Intermediaries? Does the bank conduct systematic reviews?	Mentioned? Procedural or as a hard precondition: "No consent, no financing"?	Is the non-execution of a project an option? Protection of collective/customary rights?	Is there a climate standard? Is financing linked to the local energy transition/ local climate adaptation?
EIB	▼/● Dedicated standard for Intermediated Finance. However, the responsibility for the assessment, management, and monitoring of environmental and social standards lies with the financial intermediary (Standard 11)	● FPIC is mentioned, but highly procedural and not as a hard precondition (Standard 7)	● Displacement is not fundamentally prohibited, but only to be avoided and, if unavoidable, minimized. Also applies to collective/customary usage (Standard 6)	● Dedicated climate standard. But financing is not linked to the local energy transition/ climate adaptation (Standard 5)
EBRD	● Dedicated standard for Financial Intermediaries. However, the responsibility for the assessment, management, and monitoring of environmental and social standards lies with the financial intermediary. The EBRD does, at least, announce site visits (Standard 9)	● FPIC is mentioned, but highly procedural and not as a hard precondition (Standard 7)	● Displacement is not fundamentally prohibited, but only to be avoided and, if unavoidable, minimized (Requirement 5). Also applies to collective/ customary usage (Standard 8)	▼ No dedicated climate standard
KfW-IPEX	▼ Financial intermediaries are only mentioned very briefly. The responsibility for the assessment, management, and monitoring of environmental and social standards lies with the financial intermediary	▼/● FPIC is mentioned very briefly with reference to Performance Standard 7, but is highly procedural and not a hard precondition	▼ Resettlement deemed "necessary" in individual projects. Only very brief references to collective/customary usage	▼ Climate is only mentioned very briefly
IFC/MIGA	▼ No dedicated standard for financial intermediaries	● FPIC is mentioned, but highly procedural and not as a hard precondition (Standard 7)	● Vertreibung nicht grundsätzlich verboten, sondern nur zu vermeiden und wenn unvermeidbar, zu minimieren. Gilt auch für kollektive/gewohnheitsrechtliche Nutzung (Standard 5)	▼ No dedicated climate standard

Legend:

▼ Negative ●/▼ somewhat negativev ● neutral ▲ positive

Bank	Criterion 9 **Mining**	Criterion 10 **Transparency**	Criterion 11 **Type of Disclosure**	Criterion 12 **Exemption Clauses**	Criterion 13 **Disclosure**
	Is mining explicitly named as a sector with specific, irreversible risks (to the environment, occupational safety, human rights) or are standards generic? Exclusion lists for particularly harmful projects?	Is there a dedicated transparency policy?	Is there a publicly accessible project registry/ database? Is information (e.g., environmental and social assessments) published early (i.e., prior to approval) or only retrospectively?	Does the transparency policy contain exemption clauses?	Proactive or only "on request"
EIB	▼ Generic: Mining is not explicitly named. No exclusion of particularly harmful (mining) projects (Standard 1). Specific occupational risks of mining are not named (Standards 8 and 9)	▲ Dedicated transparency policy exists	● A publicly accessible project registry exists. Project summaries are published no later than three weeks before approval. In reality, only 43% of project summaries were published on time in 2023	▼ Extensive exemption clauses	▼/● Many documents are only available on request
EBRD	▼ Generic: Mining is not explicitly named. No exclusion of particularly harmful (mining) projects (Standard 1). Specific occupational risks of mining are not named (Standards 8 and 9).	▲ Dedicated transparency policy exists	▲ A publicly accessible project registry exists. Project summaries are published at least 30 calendar days prior to approval; for Category A projects, at least 60 days prior to approval	● Clearly limited exemption clauses + Public Interest Override	● Routine and proactive publication of documents regarding the environmental and social risks of projects
KfW-IPEX	▼ Generic: Mining is not explicitly named. No exclusion of particularly harmful (mining) projects. Specific occupational risks of mining are not named.	▼ No dedicated transparency policy	▼ No project registry	▼ The client is responsible for the publication of project information, and no information may be disclosed without their consent! Only for higher-risk projects are clients required to publish the environmental and social impact assessment	▼ No publication without the client's consent, and much is only available on request
IFC/MIGA	▼/● Generic: Mining is not explicitly named (Standard 1), but there is a supplementary sector-specific guidance document on mining. No exclusion of particularly harmful (mining) projects (Standards 1 and 3). Specific occupational risks of mining are not named (Standard 2)	● Dedicated transparency policy exists	● Public project registry Central project and ESG information is generally published (prior to the project decision), but with restrictions. Much detailed information appears only to a limited extent or later	▼ Extensive exemption clauses	▼/● Combination of proactive disclosure (as a core principle, routine publication of central project and ESG information) and access on request; however, with significant limitations due to confidentiality and exemption rules

Bank	Criterion 14 **Grievance Mechanism**	Criterion 15 **Independence of the Grievance**	Criterion 16 **Accessibility and Visibility**	Criterion 17 **Access to the Grievance Mechanism**	Criterion 18 **Long-Term Responsibility**
	Is there a dedicated grievance mechanism?	Operatively independent of bank management? Cooling-off period? Staffed with employees clearly separated from operational departments? Control over budget? Reporting directly to the Board?	Local languages? Offline access? Outreach activities? Protection against retaliation?	Are non-directly affected parties entitled to file complaints (e.g., CSOs)? Access without time limits?	Is there a policy on responsible exit and a mandate for remedy?
EIB	▲ Dedicated grievance mechanism exists	▼/● Only formally independent; no cooling-off period, no control over budget, reports to the Inspector General (part of bank management)	● Complaints can be filed in all official EU languages; offline access and outreach activities. Protective measures against retaliation mentioned, but no concrete anti-retaliation systems	● CSOs, lawyers, etc., are also entitled to file complaints Complaints must be filed within one year from the date the issue became known	▼ No responsible exit policy No binding mandate for remedy; the mechanism only issues recommendations, no direct corrective actions/compensation
EBRD	▲ Dedicated grievance mechanism exists	▲ Operatively independent of bank management; cooling-off period, control over budget, reports to the Board of directors	● Complaints can be filed in all official languages of EBRD countries; offline access and outreach activities. Protective measures against retaliation mentioned, but no concrete anti-retaliation systems	▼/● CSOs, lawyers, etc., are also entitled to file complaints Complaints must be filed up to two years after the loan has been fully repaid by the project developer	▼ No responsible exit policy No binding mandate for remedy; the mechanism only issues recommendations, no direct corrective actions/compensation
KfW-IPEX	▼ No dedicated independent grievance mechanism	▼ No dedicated independent grievance mechanism	▼ No dedicated independent grievance mechanism	▼ No dedicated independent grievance mechanism	▼ No dedicated independent grievance mechanism
IFC/MIGA	▲ Dedicated grievance mechanism exists	● Operatively independent of management; formal selection process with a cooling-off period, reports to the Board of Directors, has its own budget, but not full control over it	● Complaints can be filed in any language; offline access and outreach activities. Protective measures against retaliation mentioned, but no concrete anti-retaliation systems	▼/● CSOs, lawyers, etc., are also entitled to file complaints Under certain conditions, complaints can be filed up to 15 months after IFC/ MIGA has exited a project	● Responsible exit policy and remedial action framework exist, but have loopholes

Legend:

▼ Negative ●/▼ somewhat negativev ● neutral ▲ positive

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