



Human Rights in Corporate Lending

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About NIBC

in brief

- Mid-sized retail and commercial bank based in the Hague, Netherlands
 - Established in 1945 to help rebuild the Dutch economy after WW II
 - Operations in the Netherlands, Germany Belgium and the UK
- In corporate banking, we focus on a limited number of sectors including shipping, offshore energy services.
 - Human rights due diligence is performed for 100% of our corporate loans and investments
- Core human rights-related policy commitments of NIBC:
 - Universal Declaration of Human Rights
 - OECD Guidelines for Multinational Enterprises
 - UN Guiding Principles on Business and Human Rights
 - ILO core conventions



“Human rights apply at sea equally as they do on land. We expect our stakeholders to respect and protect internationally recognised human rights and labour standards to the fullest extent whilst at sea.”

- NIBC Human Rights policy supplement, p4 <https://www.nibc.com/media/1429/nibc-human-rights-policy-supplement.pdf>

Responsible Ship Recycling Standards



About RSRS

- Nine banks working to strengthen sustainability practices in the shipping value chain
- Strong cooperation with clients, NGOs, authorities and other stakeholders

RSRS banks embed core commitments in financial contracts:

- Obtain and maintain an Inventory of hazardous materials for vessel(s) being financed;
 - To be achieved at next drydock or within one year; (for re-financing of existing ships)
 - Clients are encouraged to extend this to all or part of their fleet;
- Dismantling according to Hong Kong Convention and/or EU regulations;
 - Avoid irresponsible practices often linked to so-called cash buyers; and
- Exemplify transparency
 - Develop a company policy in regard to responsible dismantling;
 - Publish policies or policy statements on their company website;
 - Promote responsible practices within the shipping industry.



IRBC Agreement of the Dutch Banks

International Responsible Business Conduct Agreement

- Most Dutch banks are signatories
- Focus on human right responsibilities as defined by international standards
 - OECD Guidelines for Multinational Enterprises
 - UN Guiding Principles on Business and Human Rights
 - UNGP Reporting Framework
- Other parties to the agreement included
 - Civil society organisations
 - Trade Unions
 - National authorities (Ministry of Foreign Affairs, Ministry of Finance)
 - Socio-Economic Board (SER)
- Several working groups including *Enabling Remediation*
- We have shared our work with other parties, including the OECD and UN OHCHR
- Final report of the IRBC Agreement to be published shortly

IRBC Agreement of the Dutch Banks

International Responsible Business Conduct Agreement: Paper on Enabling Remedy

- Under the UNGPs
 - Businesses have a responsibility to establish or participate in effective operational-level grievance mechanisms
 - Industry sector mechanisms are one of these, can complement judicial and non-judicial processes, company mechanisms and state mechanisms
 - Mechanisms play a variety of different roles including:
 - providing remedy to stakeholders;
 - serving as a feedback loop as part of ongoing company due diligence, by identifying actual impacts (as opposed to risks) and as an indication of the effectiveness of prevention and mitigation measures; and
 - holding companies accountable for commitments made.

- Effective = legitimate, accessible, predictable, equitable, transparent, rights-compatible, source of continuous learning, and based on dialogue

- Processes are most effective when stakeholder-driven, informed and guided by the perspectives and desired outcomes of those who have been negatively affected

IRBC Agreement of the Dutch Banks

International Responsible Business Conduct Agreement: Paper on Enabling Remedy

- We recognise the need to build a broad grievance and remedy ecosystem where different actors play different but complementary roles
 - Action may be required by all parties that have caused, contributed to or are directly linked to the harm;
 - When negative impacts occur, parties connected to that impact have a responsibility to take action to address those impacts;
 - Affected stakeholders may in many cases need different forms of support to access and participate effectively in processes;
 - Businesses connected to the impact, governments, civil society organizations and trade unions may have various complementary and supporting roles to play to enable remedy in practice;
- A robust grievance infrastructure includes company-level , state-based and sectoral mechanisms
- Banks have an influencing role and can use their leverage to encourage their clients to cooperate in good faith with third-party processes and seek a consensual resolution with the affected parties.

More insights at: <https://www.imvoconvenanten.nl/en/banking/news/paper-enabling-remediation>

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