



Submission on the Role of Multilateral Development Banks and other International Financial Institutions in upholding child rights in the context of the upcoming General Comment No. 26

Submitted by the Bank Information Center ([BIC](#)) in response to the [second consultation](#) of the UN Committee on the Rights of Child on the General Comment No. 26, Children’s rights and the environment with a special focus on climate change.

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Introduction

This submission focuses on the specific role that International Financial Institutions (IFIs) can and should play in preventing, mitigating, and responding to environmental harms that their projects can have on children. IFI includes Multilateral Development Banks (MDBs) like the World Bank, organizations such as International Monetary Fund and the World Trade Organization, sub-regional MDBs, and other bilateral development banks and agencies.,.

It builds on BIC’s [response](#) to the UN Committee on the Rights of Child (CRC Committee) online questionnaire and BIC’s participation in the First Regional Consultation for Latin America and the Caribbean, held in Argentina, from October 31 to November 2, 2022.

IFIs are important international organizations that shape the economy around the world. As such, they can act as a catalyst for child rights or an obstacle to their realization. Unfortunately, oftentimes the latter prevails. Many IFI development projects have negative impacts on children’s rights to a healthy environment, and these impacts are often left overlooked since IFIs frequently consider children under the category of “disadvantaged” or “vulnerable” populations. Additionally, most development finance is provided in the form of loans, which impose a future financial burden that sometimes extends up to 40 years from initial disbursement, adding to inter-generational inequity that disproportionately impacts future generations.

For over 30 years, BIC has been advocating for MDBs to meet their environmental commitments, be transparent about their environmental and human rights impacts, and conduct their business in a manner that respects human rights. As a result, BIC has monitored several MDB projects for environmental impacts, many of which have or have the potential to negatively impact children's rights. These projects are all over the world and in different industries, including a [mining project](#) in The Democratic Republic of Congo; a [cement project](#) in Egypt; a [Rural Land Regularization and Titling Program](#) in Bolivia; a [Climate-Smart Development Project](#) and a [Kampala-Jinja Expressway](#) in Uganda; an [Ixquisis hydroelectric complex](#) in Guatemala, among others.¹

BIC welcomes the commitment of the CRC Committee in drafting this General Comment No. 26 (GC26) and calls on the CRC Committee to take the role of the IFIs seriously in it.

Recommendations as the consultations move forward

As the second consultation around the [draft CG26](#) is now underway, BIC urges the CRC to include the role and responsibilities of MDBs, and calls on MDBs to do more in the way that they assess climate risks to children. In doing so, we call on the CRC Committee to:

1) Address the role of IFIs in its new GC26.

As the cohort facing the greatest lifetime impacts from development projects, the CRC Committee should make specific reference to the role of IFIs in preventing, mitigating, and responding to project-related environmental harms on children in the revised GC26.

This is consistent with the CRC Committee's previous mention of the role of the IFIs in [GC No. 5](#) (para. 64), [GC No. 16](#) (para. 47-48), and [GC No. 19](#) (para. 27.b.), the specific reference to the World Bank in [GC No. 7](#) (para. 42), and the broad reference to financial institutions, including MDBs, in [GC No. 15](#) (para. 77). This would also be in line with the agreements made during the First Regional Consultation for Latin America and the Caribbean and the resulting Buenos Aires Declaration.

Making express mention of the MDBs' role in upholding child rights in the context of the environmental and climate change crises would serve to empower project-affected communities and civil society organizations working in the

¹ For a full analysis of the impacts of these projects on children, see BIC's input to the online questionnaire [here](#).

international finance field to hold the World Bank and other MDBs accountable for harm to children caused by the projects they finance.

2) Clarify IFIs' responsibilities as duty bearers in the new GC.

The CRC Committee does a great job at detailing its expectations on the role of States with respect to specific rights of the Convention as they relate to the environment (section III). These responsibilities and expectations should remain intact when States act as shareholders of MDBs that influence and approve decisions around development policy and projects. They should also remain intact when the States are acting as recipients (Borrowers) of loans and grants from MDBs or other IFIs. Even though IFIs are not parties to the Convention on the Rights of the Child, their shareholders are; thus MDBs and other IFIs have responsibilities as duty bearers for children.

To make this clear, the CRC Committee should consider including a new paragraph 95, which may read as follows:

“In their promotion of international cooperation, technical assistance, and financing, the UN System, including UN specialized agencies and related International Financial Institutions (IFIs), such as the World Bank Group, the International Monetary Fund, the World Trade Organizations and other Multilateral Development Banks (MDBs) should follow this General Comment and include, at a minimum, a child-rights based approach to assess and manage (including preventing, mitigating and remedying) the direct and indirect environmental and climate-related impacts of their projects.”

3) Require IFIs to identify direct and indirect climate impacts and risks of all their projects on children.

In a 2014 letter, Ms. Kirsten Sandberg, Chairperson of the CRC Committee, called on the World Bank “to act to protect children from such irreparable harm.” Despite some progress, this call is yet to be taken seriously by the World Bank and other IFIs.

Typically, IFIs only consider potential project impacts on children when children are primary beneficiaries or directly impacted, such as in education or health projects or when it comes to child labor. Otherwise, IFIs usually do not explicitly take into consideration child rights during project appraisal and implementation. Unless IFIs' social and environmental standards/safeguards and implementation

guidelines actively incorporate child rights, IFIs are likely to continue overlooking children's rights and needs.

Under section V on the General obligations of States, the CRC Committee should consider including the following sentences in paragraph 87:

“87. All proposed legislation, policy, regulations, budget, or other administrative decisions related to the environment requires vigorous child rights impact assessments. States, including when acting as members of IFIs or recipients of IFIs' loans and grants, should require the prior assessment of the possible environmental and climate impacts, directly or indirectly, including transboundary and cumulative, and both production and consumption effects, on the enjoyment of children's rights.”

Alternatively, the CRC Committee could consider incorporating a new paragraph 96 or a second section to the aforementioned new paragraph 95, which may read as follows:

“States must also comply with their obligations under the Convention, the Optional Protocols, and standards outlined in this General Comment when acting as IFI's shareholders, and should develop specific policies and guidance to prevent and respond to negative project-related environmental impacts on children, and ensure their practices and projects do not result, directly or indirectly, in violations of children's rights to a safe, clean, healthy and sustainable environment.”

4) Require IFIs to put children at the center of their climate change action plans and climate finance commitments

IFIs are key international organizations that hold significant influence over the world's economy. As such, they have the potential to either champion or impede the realization of child rights. As part of their climate policy development and implementation, IFIs should use their climate change action plans and climate finance commitments to acknowledge the effects of climate change on children.

For example, the [World Bank's Climate Change Action Plan](#) does not mention children; the Inter-American Development Bank (IDB) mentions them in its climate change [action plan](#) but it puts forward no relevant goals; and IFIs climate

finance commitments are yet not clear about how they are considering child-specific needs and risks

To address this, the CRC should consider including the following underlined references in paragraph 15, 95 and 96:

“15. (...) IFIs and States should develop policies, action plans and other measures to achieve goals that prevent environmental harm, such as eliminating childhood exposure to pollution and toxic substances and achieving climate neutrality.”

“95. In particular, IFIs and high-income States should support adaptation and mitigation efforts in developing countries by facilitating the transfer of green technologies, and by contributing to financing climate mitigation and adaptation, in line with their internationally agreed climate finance goals.”

“96. States should ensure that adaptation and mitigation measures supported by international climate finance mechanisms and international organizations, including IFIs, respect and protect children’s rights, including through the integration of standards and procedures to assess the risk of harm to children in conjunction with new climate-related projects, and to take measures to mitigate risks of such harm in compliance with the Convention and the Optional Protocols.

IFIs and States should furthermore cooperate to support the establishment and implementation of procedures and mechanisms to provide access to effective remedies for violations of children’s rights in this context.”

5) Call on IFIs to seek active involvement of children by listening, taking into account their opinions, and granting access to information.

IFIs should consider children as active stakeholders rather than passive recipients of their projects, and include children in consultations as key stakeholders in all stages of the project cycle (design, implementation, monitoring, reporting), thereby shaping MDB projects that impact them directly and indirectly. The draft GC 26 acknowledges the importance of child participation and States obligation to directly hear from children and make climate and environment policies *for* and *with* them and explicitly requires the States to do so. IFIs and businesses should be required to do the same.

A concrete reference to this in paragraph 57 would be sufficient to advocate for this. In doing so, the CRC Committee could strengthen the sentence as it follows:

“57. States and IFIs should ensure that age-appropriate mechanisms are in place for children’s views to be heard regularly (...).”

For any comment or clarification around this submission please contact Agustina Perez at aperez@bankinformationcenter.org.