



MEETING THE MOMENT

ANNUAL IMPACT REPORT 2022



Inclusive
Development
International

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Cover Photo Description:

Deforestation of rainforest for mining, industry and agriculture in Sumatra, Indonesia. Photo by Richard Carey.





INCLUSIVE DEVELOPMENT INTERNATIONAL WORKS TO ADVANCE SOCIAL, ECONOMIC AND ENVIRONMENTAL JUSTICE BY SUPPORTING COMMUNITIES AROUND THE WORLD TO DEFEND THEIR RIGHTS IN THE FACE OF HARMFUL CORPORATE ACTIVITIES.

Through our “Follow the Money” research, casework and policy advocacy, we hold corporations and development finance institutions accountable and promote a more just and ecologically sustainable development model. We also provide training and resources for fellow human rights defenders to strengthen the global movement for corporate accountability.

We envision a world in which local communities and individuals determine their own development paths, and businesses respect their human rights and environmental responsibilities.

WE CAN MEET THIS MOMENT TOGETHER

A MESSAGE FROM THE FOUNDERS

We are at a pivotal moment for humanity. The global climate emergency is quickly becoming the greatest threat to land rights, human rights and inclusive development.

Governments around the world are adopting a slew of policy responses and emissions targets to fast track a transition to a clean energy future. But the pace and scale of mining for transition minerals to meet these targets is posing another dramatic risk to the human rights and welfare of countless communities already on the margins of the global economy.

Millions of people are at risk being driven from their homes, land and livelihoods to make way for the extraction of bauxite, cobalt, nickel, lithium and other necessary transition minerals.

This is the great dilemma of our time: How can we rein in our shared climate crisis, and do so without trampling the economic, social and cultural rights of communities living in the path of mining and energy projects? How do we ensure a truly just and equitable energy transition?

We cannot and we will not shy away from this challenge.

We believe that a just and equitable global economy that respects the



ecological limits of the planet is possible. In 2022 our team has worked harder than ever—as individuals and in collaboration with partners and coalitions spanning the globe—to realize this vision. We have no intention of slowing down.

Deploying our Follow the Money approach, we identified the financial interests and hidden actors behind dozens of projects threatening the lands, forests and rivers that thousands of people rely on. And we worked with these communities to develop and execute advocacy strategies to ensure

that they have a seat at the decision-making table and demand that they share in the benefits of these projects.

We pushed for stronger international business and human rights rules and worked to leverage those rules to demand more responsible corporate conduct on the ground. And we deepened and expanded our expertise on the range of actors involved, including Chinese stakeholders and government entities playing an increasingly prominent role in global investment and supply chains.



We are incredibly proud of the successes our team achieved, working hand in hand with community and civil society partners. These include sharpening the focus of the auto industry on the irresponsible mining of the bauxite that they source from Guinea, and helping affected communities begin to secure redress. They include stopping a proposed coal-fired power plant in Côte D'Ivoire, continuing to disrupt the flow of capital to a disastrous planned oil pipeline across East Africa, and securing accountability for Philippine communities harmed by the country's coal power boom.

Our team has also fought—and continues to fight—for more effective systems and policies to ensure access to remedy, including for communities harmed by World Bank-funded projects. We have also pushed back hard against false and counterproductive “solutions” to corporate misconduct, including by exposing how so-called Environmental, Social and Governance (ESG)-labeled investment funds are funneling capital to companies involved in gross human rights abuses.

And we've worked to amplify our impact by sharing our proven Follow the Money research and advocacy methods and skills with fellow human rights and environmental defenders through educational resources, financial data tools and training.

But our work is far from over.

TO MEET THIS MOMENT AND THE GROWING GLOBAL DEMAND FOR OUR SUPPORT, WE ARE EMBARKING ON A NEW FIVE-YEAR STRATEGY TO SCALE OUR PROGRAMS.

This will include rolling out a comprehensive training and mentoring program intended to build a global community of Follow the Money practitioners, and developing a suite of state-of-the-art financial and supply chain research tools to support this community of practice.

We are also doubling down on our efforts to ensure that the energy transition is both rapid and just. This means prioritizing case work and policy advocacy that supports communities affected by mining and renewable energy projects, advancing stronger human rights regulations in mineral supply chains, and continuing to push international financial institutions to stop development dollars from flowing to fossil fuels. We will also continue exposing and countering false solutions, like those offered by the ESG investing industry and business-led sustainability certification schemes, which claim to promote responsible business practices but too often provide

window dressing for the worst corporate offenders. The depth of our casework and our long-standing relationships with frontline communities give us rare insight into, and evidence of, how these schemes can fail to capture community experiences and how they send misleading signals to the market about the social and environmental impacts of mines and other investment projects. We will work to fix these broken systems and elevate the voices of communities so that they have a chance to benefit and thrive in a clean and just energy future.

We are immensely grateful to our partners, collaborators and everyone who has donated their time, energy and money to help make our work possible. We couldn't do it without you and hope you will stand with us to meet this moment together.

David and Natalie

INCREASING THE COST OF CORPORATE MISCONDUCT

HOW WE WORK

Corporations and investors that refuse to assess and bear the full cost of their business model, including the cost of its impacts on people and the planet, are profiting from human suffering.

These costs do not just disappear. They are borne by often already politically and economically marginalized communities who are negatively affected by corporate activities. To deter and stop this misconduct, we seek to increase the financial, reputational and material price companies pay for failing to act responsibly in the first place.

Our strategy is underpinned by meticulous investigative research to reveal the web of hidden actors behind harmful projects. We work to engage these actors and where necessary pursue legal action and other avenues of recourse to hold them accountable. These strategies are informed by years of experience that have given us a nuanced understanding of how



to engage most effectively with a wide range of relevant public institutions and private sector actors. Our dedicated China Global Program has allowed us to develop expertise specific to Chinese actors, who have played an increasingly prominent role in overseas investment projects in recent decades.



Our investigations and advocacy efforts are intended primarily to advance individual communities' struggles for justice, but they also influence and strengthen the broader corporate accountability movement.

In addition to our investigations and case work, we train and provide resources directly to grassroots advocates and frontline human rights defenders seeking to hold corporations accountable. And we advocate for systemic reforms and policies to prevent corporate abuse and impunity in the first place.

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UNRAVEL FINANCIAL DATA TO EXPOSE THE WEB OF ACTORS BEHIND HARMFUL INVESTMENT PROJECTS

02

ACCOMPANY COMMUNITIES TO PREVENT HARMFUL INVESTMENT AND SECURE REDRESS

03

BUILD THE POWER AND EFFECTIVENESS OF THE CORPORATE ACCOUNTABILITY MOVEMENT THROUGH INNOVATIVE TOOLS AND TRAINING

04

ADVOCATE FOR BINDING HUMAN RIGHTS RULES AND ACCOUNTABILITY FOR CORPORATIONS AND FINANCIAL INSTITUTIONS

OUR STRATEGY IS UNDERPINNED BY METICULOUS
INVESTIGATIVE RESEARCH TO REVEAL THE WEB OF
HIDDEN ACTORS BEHIND HARMFUL PROJECTS.
WE WORK TO ENGAGE THESE ACTORS AND WHERE
NECESSARY PURSUE LEGAL ACTION AND OTHER AVENUES
OF RECOURSE TO HOLD THEM ACCOUNTABLE



OUR YEAR IN REVIEW

2022 IMPACT

49

→ HARMFUL PROJECTS INVESTIGATED
USING FOLLOW THE MONEY METHODS

194

→ ADVOCATES AND GRASSROOTS
HUMAN RIGHTS DEFENDERS TRAINED

1,683

→ FAMILIES
HELPED
TO SECURE
REDRESS

100

→ COMMUNITIES ACCOMPANIED WITH ADVOCACY AND LEGAL SUPPORT

4

→ INSTITUTIONS ADOPTED POLICY CHANGES TO STRENGTHEN HUMAN RIGHTS PROTECTIONS AS A RESULT OF OUR ADVOCACY

\$13 BILLION

→ IN ESG-LABELED INVESTMENTS FOUND TO BE FLOWING TO COMPANIES DOING BUSINESS WITH THE MYANMAR MILITARY

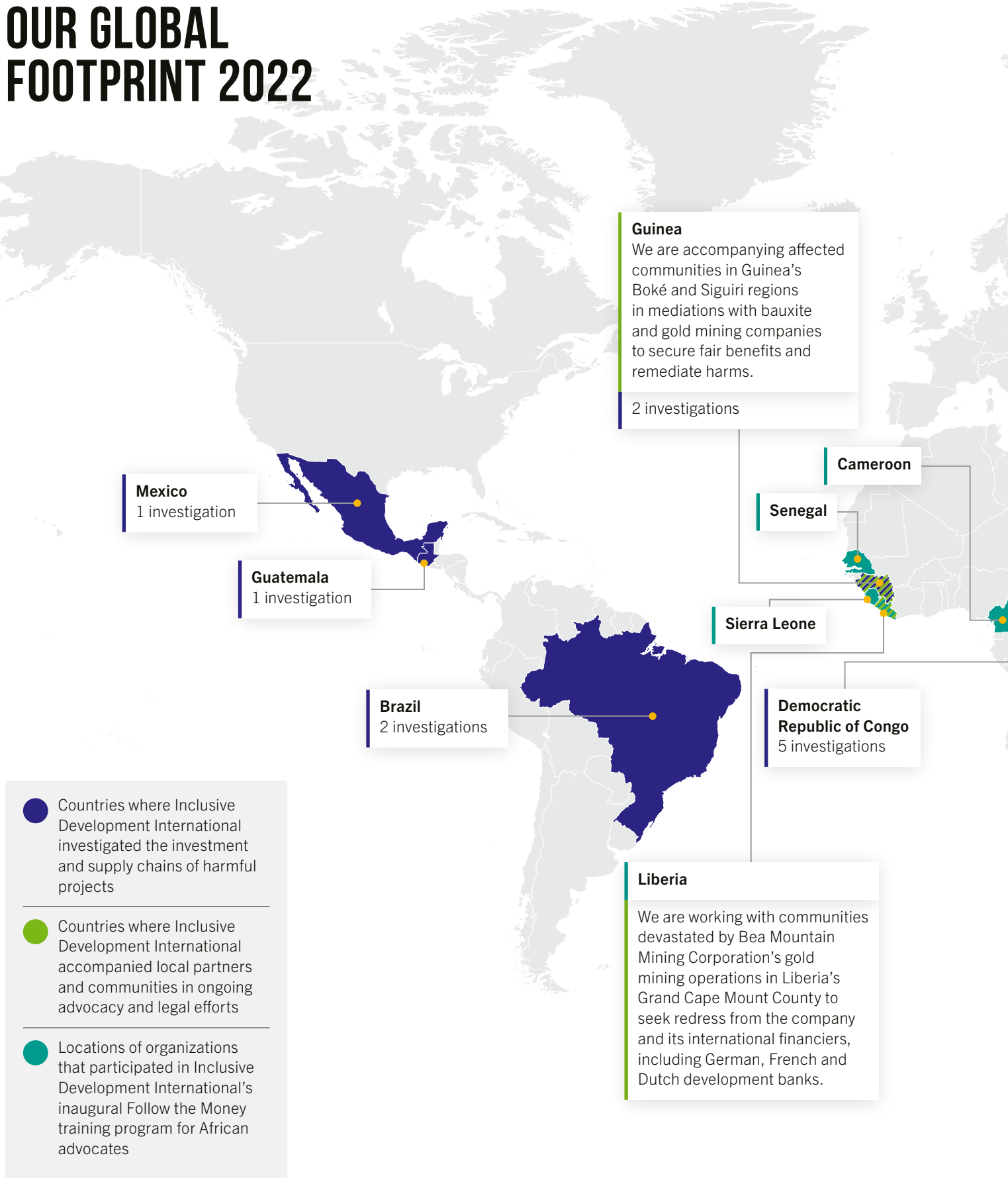
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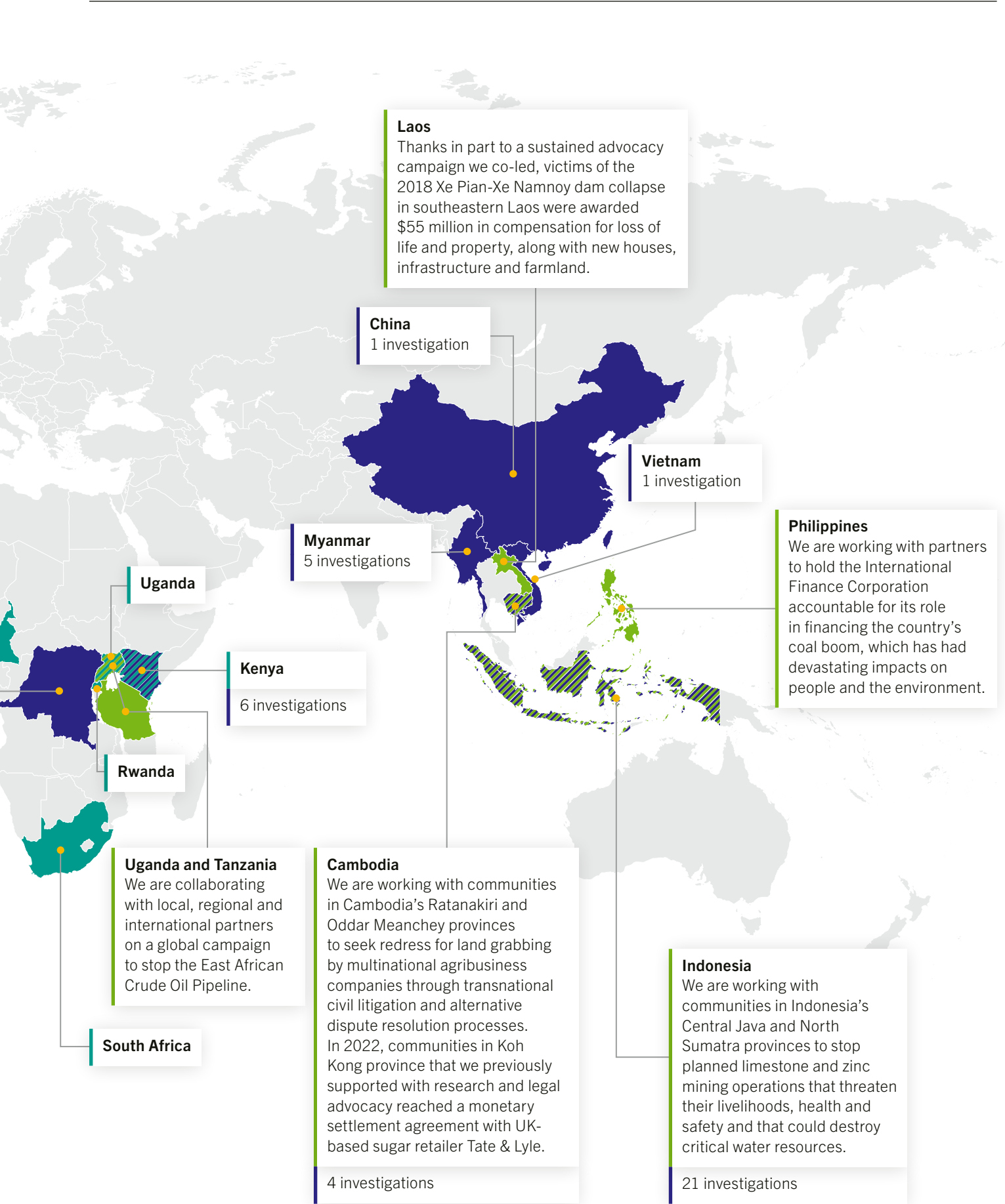
→ NEW ADVOCACY OPPORTUNITIES IDENTIFIED THROUGH OUR INVESTIGATIONS

69

→ INVESTMENT AND SUPPLY CHAIN ACTORS ENGAGED

OUR GLOBAL FOOTPRINT 2022





FOLLOWING THE MONEY TO JUSTICE

OUR INVESTIGATIONS

Behind harmful investment projects there is a web of banks, investors, insurance companies and commodity buyers that often remain hidden from view.

Many are bound by rules that require them to respect human rights and the environment. Others are global brands that care about their reputation. But as long as they remain invisible, they can evade responsibility.

We expose them.

Through our Follow the Money to Justice initiative, we take requests from community advocates for support investigating the investment and supply chains behind harmful projects, to identify potential new pressure points for advocacy. In 2022, we conducted nearly 50 such investigations and identified more than 70 new advocacy opportunities for our partners, including 15 opportunities to leverage the accountability mechanisms of key international development and finance institutions. These investigations have already been impactful, including stopping a proposed coal plant in Côte D'Ivoire.



FEATURE: STOPPING A CÔTE D'IVOIRE COAL PLANT THAT THREATENED NEARBY COMMUNITIES AND THE CLIMATE

At the request of Ivorian partner organization Jeunes Volontaires pour l'Environnement (JVE), Inclusive Development International undertook an investigation into the proposed 700-megawatt San Pedro coal plant in Côte d'Ivoire. We found, among other things, that the African Development Bank was an indirect backer of the coal project. Based on this information, JVE was able to raise concerns about the project with the bank's representatives at a meeting

in the lead-up to the COP 26 climate summit. The Ivorian Minister of Environment, who happened to be at the same meeting and heard those concerns, announced several weeks later that the project was not viable and would be canceled. Not only will this spare local communities and the environment from direct negative impacts, but it will prevent an estimated 220 million metric tons of greenhouse gasses over the projected life of the project.

Investigations we completed in previous years also continue to yield results, as community advocates use our findings and guidance to inform their sustained advocacy campaigns. In 2022, partners seized advocacy opportunities we previously identified in 26 different cases around the world, and some began to see results. Cambodian farmers reached a settlement with the British-based food industry giant Tate & Lyle, compensating them for harms stemming from forced evictions in Cambodia's Koh Kong province in 2006. This followed years of advocacy and legal pressure based on Inclusive Development International's research linking Tate & Lyle to the sugar suppliers that were responsible for the evictions. Meanwhile our partners, WALHI and Friends of the Earth US, made tremendous gains in their advocacy efforts aimed at securing remedy and



redress for communities impacted by Astra Agro Lestari (AAL) palm oil plantations in Sulawesi, Indonesia. Informed by our 2019 investigation of AAL, they have been relentlessly targeting brands we found were sourcing from its plantations and report that, in the past year, nine have either partially or fully suspended that sourcing, while others have launched investigations to facilitate remedial actions.



THROUGH OUR 'FOLLOW THE MONEY TO JUSTICE' INITIATIVE, WE TAKE REQUESTS FROM COMMUNITY ADVOCATES FOR SUPPORT INVESTIGATING THE INVESTMENT AND SUPPLY CHAINS BEHIND HARMFUL PROJECTS, TO IDENTIFY POTENTIAL NEW PRESSURE POINTS FOR ADVOCACY.

ACCOMPANYING COMMUNITIES IN PURSUIT OF JUSTICE

OUR CASEWORK

In select cases, after we have mapped the web of actors behind harmful projects and provided guidance on potential advocacy approaches, we work with partners to execute their chosen strategies.

This can include collaborating on evidence collection and engagement with companies connected to the project or their shareholders and customers. We also work with partners to file complaints to a range of international accountability mechanisms, and to pursue litigation where appropriate. In some cases, we accompany and counsel communities throughout dispute resolution processes and negotiations with companies and development institutions in order to secure remediation and prevent future harms.



“IT IS VERY, VERY STRIKING WHEN YOU GO FROM VISITING THOSE COMMUNITIES [THAT ARE WORKING WITH INCLUSIVE DEVELOPMENT INTERNATIONAL] AND SEEING THE LEVEL OF ORGANIZATION AND ENGAGEMENT AND FORWARD-LOOKING SOLUTIONS, TO PLACES WHERE THAT DYNAMIC ISN’T THERE AT ALL AND WHERE YOU STILL HAVE A SENSE OF HOPELESSNESS AND DESPERATION. [INCLUSIVE DEVELOPMENT INTERNATIONAL’S WORK] BRINGS A TANGIBLE SENSE OF HAVING SOME WAY THROUGH.”

Partner organization,
External Evaluation 2022

In 2022, we provided this ongoing intensive support to community advocates in 10 separate cases and campaigns. These included groups working to stop an oil pipeline that would devastate communities and ecosystems in Uganda and Tanzania, groups fighting a potentially disastrous zinc and lead mine in North Sumatra, as well as communities seeking redress for harms

from coal projects in the Philippines, bauxite and gold mining in Guinea, cement production and deforestation in Central Java, and industrial sugarcane and rubber cultivation in Cambodia.



“SINCE [INCLUSIVE DEVELOPMENT INTERNATIONAL] INTERVENED, THE COMMUNITY IS ASSERTING THEIR RIGHTS IN SPECIFIC, TARGETED WAYS. THEY HAVE TAUGHT US IN PARTICULAR HOW TO DOCUMENT THE IMPACTS OF WHAT THE COMPANY IS DOING, AND HOW TO MAKE CONTACT WITH THE COMPANY TO ADVOCATE.”

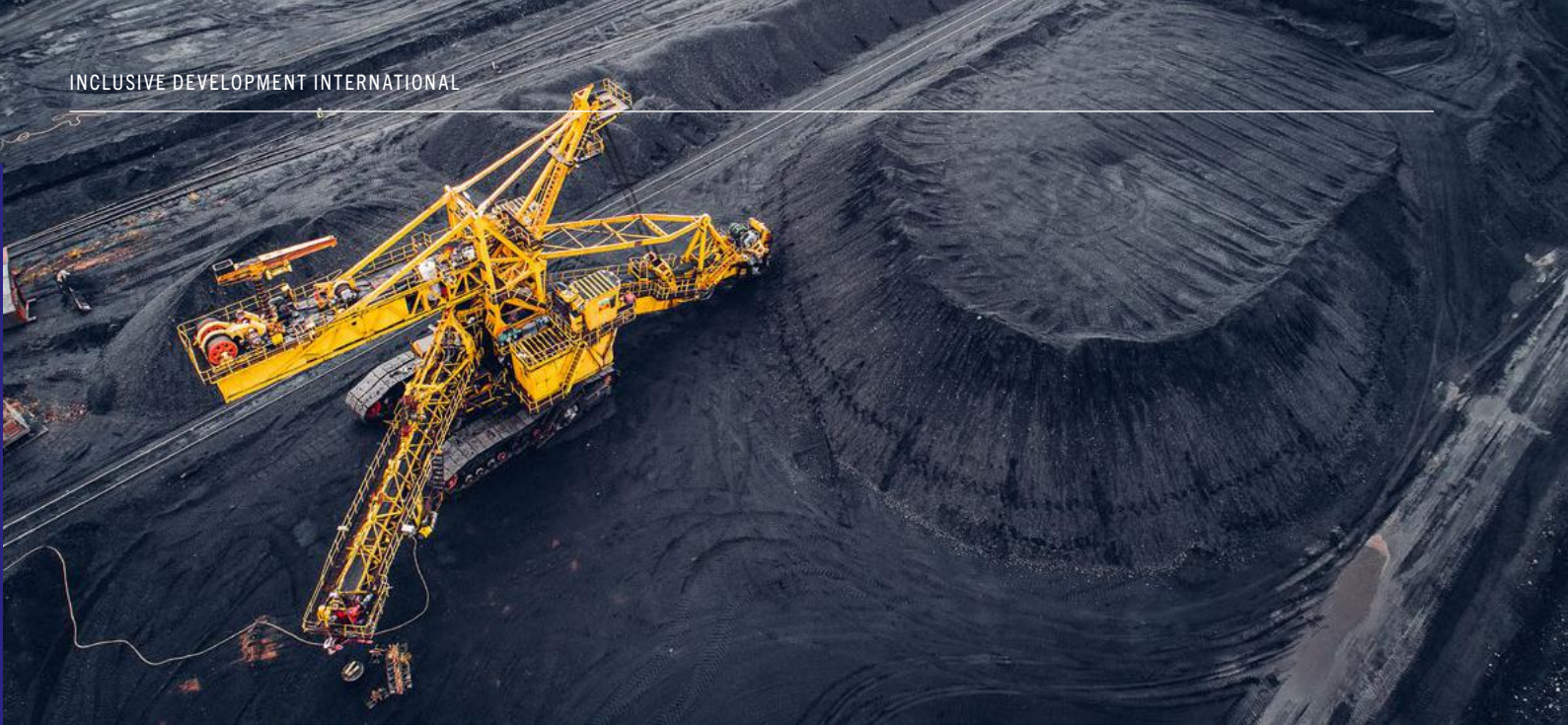
Community partner in Guinea,
External Evaluation 2022



Together with our partners, we have made significant progress even while up against some of the most powerful corporations and institutions in the world—including securing remedial compensation from one of the world’s largest gold miners, AngloGold Ashanti, and justice for communities harmed by International Finance Corporation-backed coal projects. We have helped to disrupt the flow of capital to fossil fuel projects backed by TotalEnergies and a Chinese state-owned oil company. And after more than a decade working with Cambodian families who were driven from their land and homes to make way for sugar plantations owned by the Thai sugar giant Mitr Phol, their groundbreaking class action lawsuit is now moving to trial in Thailand. This incredible achievement in the Mitr Phol case comes thanks to hard work by our team, our partners and the community plaintiffs, overcoming a series of procedural hurdles raised in 2022, including a motion from the company to dismiss the case.



→ A community member in Guinea with a check he received from AngloGold Ashanti as part of a partial settlement of compensation claims.



FEATURE: HALTING COAL EXPANSION IN THE PHILIPPINES

Since 2017, we have been working with the Philippine Movement for Climate Justice to stop expansion of the country’s coal-fired power industry, which threatens local populations’ health and environmental resources, in addition to intensifying risks associated with climate change.

Based on our research linking 19 planned coal-powered plants to financing from the International Finance Corporation (IFC), the private sector lending arm of the World Bank—via its financial intermediary client Rizal Bank—we collaborated with more than 100 citizen groups and affected communities to file a class-action style complaint to IFC’s Compliance Advisor Ombudsman. This complaint prompted a damning investigation that was published in 2022, concluding that IFC violated its own environmental and social protection policies by investing in Rizal and helping them bankroll a disastrous coal boom in the Philippines.



“DEVELOPMENT BANKS SHOULD BE LEADING THE WAY TO ADDRESS THE CLIMATE CRISIS, BUT WITH INVESTMENTS LIKE THIS, THE IFC IS TAKING US BACKWARDS. COMMUNITIES IN THE PHILIPPINES ARE SUFFERING BOTH THE DIRECT IMPACTS OF LIVING NEAR COAL-FIRED POWER PLANTS AND THE DEVASTATING EFFECTS OF CLIMATE CHANGE. THIS ISN’T THE KIND OF DEVELOPMENT WE WANT.”

Aaron Pedrosa,
 Legal Counsel of the Philippine
 Movement for Climate Justice

Responding to the investigation and our ongoing advocacy, the bank’s Board of Directors approved an action plan to address the devastating impacts of IFC’s investment, including measures to assess and address both the local and climate impacts of the coal plants. The action plan also includes policy reforms at IFC and Rizal that will help prevent similar harms from recurring in the future—in the Philippines and beyond.





FEATURE: THWARTING A DISASTROUS EAST AFRICAN OIL PIPELINE

Several years ago, we received a research request from a Ugandan civil society group working with communities adversely impacted by oil exploration in the country's Lake Albert region. As with all such requests, we mapped relevant investment chains, identifying the companies involved, their shareholders and financiers. But in thinking through the actors essential to moving these projects forward, we realized something important: the oil reserves around Lake Albert are land-locked and would not be commercially viable unless they could be transported out of the region. For this, the companies would rely on the planned East African Crude Oil Pipeline (EACOP).

Armed with our research and advice, our partners in Uganda decided to focus their advocacy on stopping EACOP, which itself poses immense risks: The planned pipeline would ultimately displace tens of thousands of people, endanger critical ecosystems (in the Lake Albert region and beyond), threaten water resources that more than 40 million people rely on in the Lake Victoria basin, and facilitate oil extraction compounding the climate crisis.

We worked with these groups to launch the #StopEACOP campaign, which has since seen explosive growth, backed

by more than 260 organizations in East Africa and around the globe, and raised the profile of the project and its risks among relevant industries, policy circles, and news media. This has put enormous pressure on the developers, including TotalEnergies and China National Offshore Oil Corporation, while delaying and greatly increasing the cost of the project.



A central focus of the campaign has been targeting firms most likely to participate in insuring and financing EACOP and associated projects, since the projects cannot move forward without that backing. As of December 2022, the #StopEACOP coalition had secured commitments from 24 banks and 22 insurance companies not to support EACOP. This past year, our advocacy also convinced a key insurer, Britam Holdings, a leading East African insurance firm and a client of the IFC, to withdraw its commitment to

participate in underwriting the project. In 2021, we had filed a complaint to IFC's Compliance Advisor Ombudsman detailing how Britam's participation in the EACOP project would violate numerous IFC environmental and social standards and the Equator Principles, a set of guidelines for the banking industry that are based on the IFC standards. Ultimately, this complaint prompted the IFC to use its influence with the firm, resulting in Britam's withdrawal from the project. It also served as a warning to other insurers and financial institutions that have committed to the Equator Principles that they would be in breach of those guidelines if they support the project.

"BRITAM'S RESPONSE TO OUR IFC COMPLAINT WAS A MAJOR WAKE-UP CALL TO ANY INSURANCE COMPANY OR EQUATOR BANK STILL PROVIDING OR CONSIDERING SUPPORT FOR EACOP."

Coleen Scott,
legal and policy associate at
Inclusive Development International

BUILDING THE POWER OF THE CORPORATE ACCOUNTABILITY MOVEMENT

TOOLS AND TRAINING

Since we launched the Follow the Money to Justice initiative in 2016, Inclusive Development International has, upon request from affected communities and their advocates, investigated more than 250 harmful projects in 32 countries.

But demand for our research and strategic insights has outstripped what our small team can provide on its own. In recent years we have increasingly invested in training and resource sharing with partners so that they can undertake these investigations and develop related advocacy strategies independently.

In 2022, we launched a new website providing in-depth guidance and a range of useful tools and information to help advocates conduct their own Follow the Money-style research and advocacy. We also piloted a six-month-long, comprehensive training course for advocates, to share our Follow the Money methods and resources. A cohort of passionate and skilled Africa-based advocates participated in the inaugural training program, and they and their organizations are now undertaking Follow the Money-style investigations and campaigns to support communities across the continent.

FEATURE: LAUNCHING A “FOLLOW THE MONEY” DIGITAL RESOURCE CENTER

In May 2022, we launched www.followingthemoney.org, a new website offering guidance and a suite of useful resources for conducting Follow the Money-style investment and supply chain research and advocacy. The website is intended both to complement in-person training workshops and to provide standalone guidance for human rights and corporate accountability advocates seeking to better understand our Follow the Money approach. The resources, available in a range of languages, synthesize what we’ve learned doing scores of investigations and engaging or targeting hundreds of corporate actors in advocacy.

The website includes step-by-step guides on investment and supply chain mapping—i.e., how to uncover and analyze the web of hidden investors, financiers, buyers and other influential actors linked to harmful projects—and on using that information to develop targeted advocacy strategies that help communities gain power and

leverage in their quest for justice. The website also includes a dedicated guide to understanding and engaging Chinese stakeholders, given the significant role of Chinese companies and financial institutions in driving global development across the energy, transportation, construction and manufacturing sectors.

IN ADDITION TO IN-DEPTH GUIDES AND INSTRUCTIVE CASE STUDIES, THE NEW WEBSITE HOUSES POWERFUL NEW AUTOMATED AND OPEN-ACCESS RESEARCH TOOLS, WHICH WE DEVELOPED IN COLLABORATION WITH THE UNIVERSITY OF CHICAGO DATA SCIENCE INSTITUTE TO SUPPORT INDEPENDENT FOLLOW THE MONEY INVESTIGATIONS.



In addition to in-depth guides and instructive case studies, the new website houses powerful new automated and open-access research tools, which we developed in collaboration with the University of Chicago Data Science Institute to support independent Follow the Money investigations.

These include the new Development Bank Investment Tracker (DeBIT), which allows users—with one click—to search the project databases of 17 development finance institutions with independent accountability mechanisms. They also include a new Shareholder Tracker, which allows users to quickly and easily identify the major shareholders of publicly listed companies—information they can use to drive more powerful and effective engagement strategies.

We hosted a series of webinars to share the new resource with advocates across Asia, Africa, Europe and Latin America, and we plan to continue updating the site with new information and digital tools as they become available.

FEATURE: TRAINING COMMUNITY ADVOCATES IN AFRICA

In March-September 2022, we provided in-depth training to 20 representatives from 10 civil society organizations based in Sub-Saharan Africa on our Follow the Money approach to research and advocacy. Over the course of several webinars and two week-long in-person workshops in Nairobi, we taught participants how to investigate the investment and supply chains behind harmful projects, and how to design advocacy strategies based on their findings. They acquired and consolidated these skills through hands-on exercises and discussions involving real cases that they brought from their own work with communities.



Using the techniques covered in the training, participants uncovered nearly 70 new advocacy opportunities related to 19 harmful projects, which they and their organizations are now acting on. This has included filing complaints to major development banks' accountability mechanisms and with government offices responsible for overseeing corporations' adherence to the OECD Guidelines for Multinational Enterprises (i.e., OECD "National Contact Points" in the home countries of corporations overseeing or linked to harmful projects). Two participating organizations are also now offering their own versions of the training to interested civil society organizations, expanding the reach even further.

This was a pilot program co-organized with WoMin and the Coalition for Human Rights in Development, which we will roll out in other regions, including Asia and Latin America, in the years ahead. The goal of this and future training courses is to foster a global community of Follow the Money practitioners—corporate accountability advocates with the know-how and resources to investigate the web of actors behind harmful investment projects and then use that information to help affected communities design and execute winning advocacy strategies.



"I FEEL MOTIVATED, ENERGIZED AND HOPEFUL THAT OUR COMMUNITIES WILL HAVE BETTER TOOLS FOR ADVOCACY."

Training participant, Tity Agbahey,
Coalition for Human Rights in Development

"IT'S A DOOR OF OPPORTUNITY THAT HAS BEEN OPENED FOR OUR ORGANIZATION."

Training participant, Wokulira Geoffrey Ssebagala,
Witness Radio, Uganda





FEATURED PARTICIPANTS



Twerwaneho Listeners Club is a Ugandan organization made up of former journalists that is supporting communities whose land was grabbed by the Swiss multinational cement company Holcim. The group has been pursuing litigation against the company in the Ugandan courts, but after participating in the Follow the Money training is exploring an expanded range of complementary advocacy approaches, including filing complaints to international accountability mechanisms in Europe.



Green Development Advocates is a Cameroonian group supporting communities affected by the planned Nachtigal Hydropower Dam, a project backed by major development finance institutions including the World Bank Group and the African Development Bank. During the training, participants from the organization mapped the full extent of development finance behind the dam and have since filed complaints to the independent accountability mechanisms of key institutions.



CHANGING THE SYSTEM

POLICY ADVOCACY

Drawing on our experiences with affected communities and the accountability gaps we encounter in our research and case work, we advocate to change the systems that are perpetuating destructive development and corporate impunity.

This includes advocating for stronger international human rights and environmental standards for transnational investment and development finance, and working to make these standards enforceable through more effective and accessible accountability mechanisms.

In 2022, we continued to push the World Bank's private sector arms—the IFC and the Multilateral Investment Guarantee Agency (MIGA)—to adopt a strong policy framework to ensure communities harmed by their investments are able to secure effective remedy and redress. In coalition with partners, many of whom also have first-hand experience with the failures and inadequacies of the current system, we have long campaigned for these institutions to recognize and fulfill their responsibility to contribute to remedy when they contribute to harm, among other reforms.



In 2022, the IFC and MIGA finally responded to these demands by developing an “Approach to Remedial Action,” with a public consultation on a draft of the approach set for early 2023. At the Civil Society Policy Forum of the World Bank's Spring Meetings in 2022, we co-organized a panel event with partners entitled “A New Era of Accountability in Development: Realizing the Right to Remedy for Affected People.” Our Executive Director David Pred presented a case study on IFC's disastrous investment in the expansion of the CBG bauxite mine

in Guinea, imagining how things could have gone differently if community rights had been at the center of IFC's environmental and social accountability framework. He called on IFC, which joined the panel discussion, to lead the way for the financial sector in adopting meaningful reforms that will guarantee the right to effective remedy to people harmed by their investments.



“THE WORK INCLUSIVE DEVELOPMENT INTERNATIONAL LED HAS RESULTED IN INCREDIBLE POLICY CHANGES. THERE IS A LOT LESS HIGH-RISK LENDING GOING ON AT THE IFC NOW LARGELY AS A RESULT OF INCLUSIVE DEVELOPMENT INTERNATIONAL’S WORK. THERE HAVE BEEN HUGE SYSTEMIC WINS AS WELL AS LOCAL COMMUNITY WINS AND IT’S THE COMBINATION OF THOSE THINGS WHICH MAKES IT SO POWERFUL.”

Partner organization,
External Evaluation 2022

Our China Global Program team continues their work with partners to advocate for improved standards in overseas Chinese investment projects, including supporting civil society groups to communicate concerns directly to Chinese policy makers and to document and publicize problematic projects. These collaborations have likely contributed to several important developments in 2022, including the adoption of new policies and guidelines by China’s state planning agency,

commerce and environment ministries, and banking regulator, calling for companies and banks to improve social and environmental performance in overseas projects.

“ENGAGING CHINESE [ACTORS] IS VERY COMPLICATED, AND ADVOCACY TARGETED AT CHINESE POLICY MAKERS OR BANKS ISN’T THE SAME AS IS POSSIBLE IN THE WEST. BUT BECAUSE [INCLUSIVE DEVELOPMENT INTERNATIONAL] HAS PEOPLE WHO REALLY UNDERSTAND THE PEOPLE TO TARGET, THEY PROVIDE THAT MUCH NEEDED GUIDANCE.”

Partner organization,
External Evaluation 2022

We have also continued to engage with key stakeholders in the aluminum industry to improve standards and strengthen accountability of companies involved in mining bauxite (the primary mineral used in the production of aluminum). Through ongoing advocacy, informed by our extensive experience working with communities impacted by bauxite mining in Guinea, we have

succeeded in bringing increased attention—from major buyers, industry organizations and the news media—to human rights concerns in the aluminum supply chain.

One of our key policy focuses has been calling out the raft of voluntary initiatives that claim to advance sustainable business practice and human rights, but that—due to lax standards, undue industry influence or outright conflicts of interest—too often do the opposite. For years we have been engaging with industry-led certification schemes such as Bonsucro and the Aluminum Stewardship Initiative, to demand higher standards and real consequences for members who breach them, the absence of which has led to harmful greenwashing. More recently, we have turned our attention to Environmental, Social and Governance (ESG)-focused investing, which promotes the same sort of greenwashing by the financial sector on an even larger scale.

FEATURE: CHALLENGING FALSE SOLUTIONS IN ESG INVESTING

Tailoring investment strategies to consider companies’ environmental, social and governance (ESG) practices has surged in popularity in recent years, with some asset managers advertising ESG-focused investment funds as a way for investors to align their money with their values. In 2022, the approach faced increasing scrutiny, including from political conservatives in the United States arguing that it goes too far—endangering investors’ financial returns by attending to what they consider “woke” or otherwise financially immaterial concerns. However, our experience supporting community struggles for accountability from companies that are responsible for serious human rights abuses, but are benefitting enormously from so-called ESG investments, shows that it does not go far enough.



Leading ESG funds are riddled with holdings in companies that have engaged or continue to engage in radically irresponsible business practices, undermining the potential impact of the approach and diverting investor interest away from truly responsible investment options. Given the enormous amount of capital that flows through ESG funds—upwards of \$30 trillion by some estimates—key players in ESG investing have significant leverage with companies seeking a spot in ESG funds, and they have a responsibility to use that leverage, including by excluding companies that are causing or contributing to adverse human rights impacts. That is, key actors, including ESG fund managers such as Blackrock, but particularly ESG index creators (firms that develop lists of companies recommended for ESG investment) and research and ratings

firms (which compile data on and assess companies’ ESG practices), have human rights responsibilities that they are failing to fulfill. We seek to change that.

In March 2022, in collaboration with ALTSEAN-Burma, we published the Myanmar ESG Files, an exposé documenting how billions of dollars in ESG-labeled investments were flowing to companies doing business with Myanmar’s military regime, despite its responsibility for some of the most horrific and well-publicized human rights crimes in recent history.

We used this case study to illustrate the systemic flaws of the ESG investing industry, focusing on the often under-appreciated role of ratings agencies and index creators, which include firms such as MSCI, FTSE Russell and S&P Dow Jones Indices. We have engaged both publicly and privately with these firms and other key actors, calling on them to acknowledge and fulfill their human rights responsibilities by excluding any company from their ESG indexes if it refuses to stop facilitating human rights abuses in Myanmar. We have also provided our research and recommendations to the U.S.

Securities and Exchange Commission, the European Securities and Markets Authority, the Organization for Economic Cooperation and Development (OECD) and the UN High Commissioner for Human Rights, calling for effective regulation of this industry to end ESG-washing of rights-abusing companies.

Moving forward, we plan to continue publishing research exposing the ESG investments flowing to a wide range of companies across industries and geographies that are engaged in activities devastating to the environment and human rights. We seek to both continue demonstrating the extent of the problem and the need for effective regulation, as well as create company-specific advocacy opportunities for affected communities. In addition to ongoing research and communications efforts over the coming year, we will also be ramping up engagement with relevant regulatory bodies and accountability mechanisms in the U.S, Europe and elsewhere, to ensure ongoing attention to this issue results in meaningful reform.



IN MARCH 2022, IN COLLABORATION WITH
ALTSEAN-BURMA, WE PUBLISHED THE MYANMAR
ESG FILES, AN EXPOSÉ DOCUMENTING HOW
BILLIONS OF DOLLARS IN ESG-LABELED
INVESTMENTS WERE FLOWING TO COMPANIES
DOING BUSINESS WITH MYANMAR'S MILITARY
REGIME, DESPITE ITS RESPONSIBILITY FOR
SOME OF THE MOST HORRIFIC AND
WELL-PUBLICIZED HUMAN RIGHTS CRIMES
IN RECENT HISTORY.



TAKING INCLUSIVE DEVELOPMENT INTERNATIONAL TO THE NEXT LEVEL

LOOKING FORWARD

At this pivotal moment for humanity—with the climate crisis posing new and devastating threats to already economically marginalized communities and the rapidly increasing urgency of a coordinated global response—Inclusive Development International is embarking on a new five-year strategy to scale our impact and ensure we are using our skills and resources to address the most urgent challenges.

All over the world, mega storms, floods, fires, and droughts are destroying homes, crops, water sources and essential infrastructure—causing mass displacement, affecting land-based livelihoods and food systems, and impacting physical and mental health. According to the UN Refugee Agency, the impacts of climate change already displace more than 20 million people each year. The UN Intergovernmental Panel on Climate Change warned in 2018 and reiterated again in 2022 that the world needs to halve global CO2 emissions by 2030 or we will barrel towards an ever-greater climate catastrophe.



A rapid transition away from fossil fuels is a human rights imperative. But the path to renewable energy poses its own massive risks to human rights. To fully transition to alternative energy sources will require an estimated six-fold increase in transition-critical minerals (a typical electric car requires six times the mineral inputs of a conventional car and an onshore wind plant requires nine times more mineral resources than a gas-fired plant). Demand for these minerals, including lithium, nickel, cobalt, iron ore, copper and aluminum already outstrips the rate of extraction.

Most of the new mining required is projected to take place on the lands and territories of Indigenous peoples and the rest will affect other communities that lack the economic influence and access to power needed to defend their interests against those of the mining industry. The land requirements for expanding geothermal, hydropower, solar and wind farms only add to these communities' risk.

It is imperative that we focus our attention on demanding a just energy transition, in which mining and renewable energy companies respect the human rights of affected communities.

Communities whose land, water sources and livelihoods will be affected should have the right to negotiate and agree to the terms, including conditions for mitigating negative impacts and sharing in the benefits of these lucrative projects.

We are meeting this moment with a new five-year strategic plan that centers these communities and the need for an energy transition that is both rapid and just, while investing in growing the community of advocates that has the skills and resources to conduct Follow the Money research and advocacy campaigns.

IT IS IMPERATIVE THAT WE FOCUS OUR ATTENTION ON DEMANDING A JUST ENERGY TRANSITION, IN WHICH MINING AND RENEWABLE ENERGY COMPANIES RESPECT THE HUMAN RIGHTS OF AFFECTED COMMUNITIES.



OUR STRATEGY AT A GLANCE

1

Prioritizing a just energy transition and an effective response to the climate emergency.

We will double down on our efforts to ensure that the renewable energy transition is both rapid and just. In addition to sustaining support for our ongoing cases, we will prioritize new case work that supports frontline communities struggling to i) stop climate-busting fossil projects and ii) ensure that transition mineral extraction and renewable energy projects respect their land and human rights and advance their development aspirations. We will campaign for stronger human rights regulations governing mineral supply chains, building on our work on aluminum, and demand that international financial institutions close the loopholes that have kept development dollars flowing to fossil fuels.

2

Scaling our impact through a global Follow the Money community of practice.

Informed by our 2022 pilot with African advocates, we are rolling out a training and mentoring program to build a global community of Follow the Money practitioners with the skills and resources to bring the approach to scale and apply it in the regions and sectors where it is needed most. Over the next five years, we plan to train 200+ human rights and climate advocates in Africa, Asia and Latin America on our Follow the Money research and advocacy methods and tactics and provide them with strategic support as they execute research and advocacy strategies informed by the approach.

3

Developing financial research tools to bring radical transparency to global finance & trade.

Building on the resources we have already made available at www.followingthemoney.org, we will develop a suite of state-of-the-art financial and supply chain data tools to support the growing Follow the Money community of practice. Once developed, we will integrate these tools into a single, open-access interface that will allow advocates to access critical information about the banks, asset managers, and consumer-facing brands that are linked to particular investment projects—information that can then be used to hold those actors accountable for ensuring that these projects operate sustainably and responsibly.

4

Exposing greenwashing and promoting real human rights and climate solutions.

We will continue to expose and counter greenwashing by the ESG investing industry and flawed “sustainable” supply chain certification schemes. We will work to elevate community voices and evidence from the ground to ensure they are reflected and addressed by initiatives claiming to advance responsible business practice. And we will expose schemes that fail to do so, that serve to greenwash harmful projects and that divert potentially powerful momentum away from meaningful and effective regulatory reform and accountability.

A TENACIOUS, PASSIONATE AND EXPERIENCED TEAM

OUR PEOPLE

LEADERSHIP

Executive Director:
David Pred

Legal and Policy Director:
Natalie Bugalski

Research Director:
Dustin Roasa

**China Global Program
Director:**
Mark Bo

RESEARCH

Senior Researcher:
Annie Burns-Pieper

**Senior Researcher,
Belt and Road Specialist:**
Erik-Myxter-iino

Research Associate:
Mindie Bernard

Research Associate:
Alexla Pérez-Sánchez

Research Associate:
Styrling Tangusso

LEGAL & POLICY

**Senior Legal and
Policy Associate:**
Sarah Jaffe

Legal and Policy Associate:
Nilsun Gürsoy

Legal and Policy Associate:
Coleen Scott

**Africa Program Associate,
Guinea:** Mariama Barry

**Land & Livelihoods
Technical Consultant:**
Adrien Desplat

**China Global Program
Senior Associate**

**Southeast Asia
Legal Coordinator**

**Southeast Asia
Program Associate**

**Senior Attorney,
Mekong Region**

**Southeast Asia
Program Advisor**

**Program Associate,
Indonesia**

OPERATIONS

Development Manager:
Jeannine Guthrie

Communications Manager:
Mignon Lamia

**Human Resources &
Administrative Coordinator:**
Christine Thoemke

Finance Officer:
Diane Fielding

Finance Officer:
Ari Schantz

For security reasons, we do not disclose the names of certain team members based outside the United States.

2022 INTERNS

Maria Gelpi

Hannah Goldfarb

Juls Marino

Jason Nemerovski

Paolo Phillips

Delaney Tallett

BOARD OF DIRECTORS

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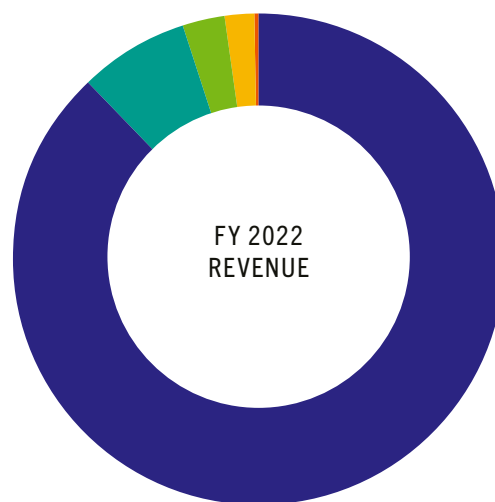
Director:
Bruce Shoemaker

A SOLID FOUNDATION FOR GROWTH

OUR FINANCES

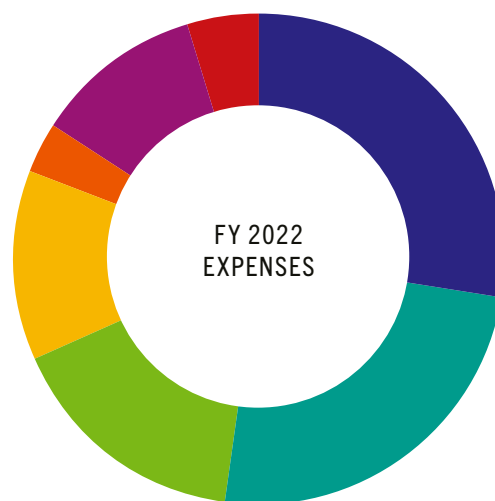
FY 2022 REVENUE

● Foundations and Grants	\$ 1,993,943
● Individual Donations	\$162,490
● Program Service Fees	\$61,066
● In-kind Contributions	\$50,000
● Other Income	\$160
Total Revenue	\$2,267,659



FY 2022 EXPENSES

Total Program	\$1,594,956
● Africa Program	\$522,938
● Southeast Asia Program	\$467,126
● China Global Program	\$307,902
● Policy Advocacy	\$234,757
● General Program	\$62,233
● Management & Administration	\$209,223
● Fundraising	\$89,216
Total Expenses	\$1,893,395



Net assets at beginning of year	1,778,810
Net assets at end of year	2,153,073

MAKE A DONATION

Our work supporting communities and grassroots groups on the front lines of the struggle for human rights and inclusive development is only possible because of the support we receive from foundations and individuals like you.

We are a nimble organization that operates with very minimal overhead costs. The donations we receive go a long way toward increasing our capacity to serve more communities and realize more lasting change.

TO MAKE YOUR DONATION HEAD TO:

WWW.INCLUSIVEDEVELOPMENT.NET/DONATE

To donate by mail, please send a check to the following address:

Inclusive Development International
9 SW Pack Square, Suite 301, Asheville, NC 28801

Your gift is tax deductible in the United States. Inclusive Development International is a section 501(c)(3) nonprofit organization. Our tax identification number (EIN) is: 82-2413310. If you have questions about your donation, please call: +1 (828) 505-4340 or email info@inclusivedevelopment.net.

**THANK YOU
FOR YOUR SUPPORT!**



A GROWING COMMUNITY BACKING THE WORK

OUR SUPPORTERS

Inclusive Development International is deeply grateful for the support of the foundations, partner organizations and committed individuals who make our work possible.

Our work in 2022 was supported by:

FOUNDATIONS AND PARTNER GRANTS

- Anonymous funders (4)
- 11th Hour Project
- Bread for the World
- Charles Stewart Mott Foundation
- Finkel Family Foundation
- Foundation for the Carolinas
- Ford Foundation
- Hastowitz Charitable Fund
- Heinrich Böll Stiftung
- Israelson Family Foundation
- Oxfam Novib
- Partners for Equity
- Planet Wheeler Foundation
- Rights & Resources Group
- RSF Social Finance
- Sigrid Rausing Trust
- Wellspring Philanthropic Fund

INDIVIDUALS AND BUSINESSES:

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- Jean-Louis Bazin
- Tim Beinat
- Isabelle Bey
- Martin Blayac
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- Richard Heede
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- Clara Vaugelade-Tafari
- Irène Waldspurger
- Gilles Yvars
- Toshi Australia PTY LTD.



FOLLOW THE MONEY TO JUSTICE.

WWW.INCLUSIVEDEVELOPMENT.NET



Inclusive
Development
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