

BANKTRACK

TO THE SECRETARIAT AND PARTIES TO THE DUTCH BANKING SECTOR AGREEMENT ON HUMAN RIGHTS,
C/O SER
BEZUIDENHOUTSEWEG 60
2594 AW THE HAGUE
THE NETHERLANDS

BY EMAIL

SUBJECT: FIRST REPORT OF THE INDEPENDENT MONITORING COMMITTEE

01 MARCH 2018

Dear all,

As you know, BankTrack has welcomed the Dutch Banking Sector Agreement on Human Rights as an ambitious and far-reaching agreement, and is interested in monitoring the progress of all Parties and Adhering Banks towards meeting the commitments made in it, from an external non-signatory perspective. Our aim with this external scrutiny is to support the delivery of the Agreement and, with it, improved policy and practice on human rights from the adhering banks.

Monitoring the implementation of this agreement requires transparency, and we therefore welcome the publication of the adjusted timescales for the Agreement, last November on the Agreement's website.¹

We appreciate the reasons for revising the timescales in the initial Agreement, and acknowledge that the Agreement involves reaching multi-stakeholder consensus on some complex matters. We are also pleased to have had the opportunity to participate in a number of workshops and meetings related to the Agreement, and from these we are aware that work towards meeting the commitments made is progressing.

This notwithstanding, we are becoming concerned by the lack of published outputs from the Agreement to date, even where the revised timescales appear to have passed (for example, regarding section 5.2 on Value Chain Mapping Exercises, and section 7.4 on enabling remediation).

Given these concerns, we await with particular interest the publication of the first monitoring report into the implementation of the Agreement, which the revised timeline indicates is due to be published in Q2 2018. We see this report as a critical opportunity for the Parties and Adhering Banks to show the progress that has been made to date in all areas of the Agreement, and allow us and other external observers to critically evaluate that progress. We will be interested to learn, for example, of banks' progress in developing their policy commitments (section 3), optimizing their human rights due diligence (section 4), and developing their human rights reporting and KPIs (section 6).

We note that the text of the Agreement states (in section 13.2) that "an independent Monitoring Committee will ... **report on a confidential basis** to the Steering Committee on its findings. The Steering Committee will draft and publish **a summary** of the analysis and the advice of the independent Monitoring Committee as part of its annual progress report. The annual monitoring report will not contain competitively sensitive information on individual adhering banks." (Our emphasis.)

¹ <https://www.imvoconvenanten.nl/~media/files/imvo/banking/timeline-banking-sector-agreement.ashx>



While this clause gives the Steering Committee much apparent leeway in deciding how much or how little of the Monitoring Committee's report to publish, we would like to make clear with this letter that we expect to see the publication of *as full a summary as possible* of the Monitoring Committee's report. Ideally, we would want to see the Monitoring Committee's report published *in full*, accepting the need to remove or redact competitively sensitive information.

A high level of transparency at this crucial point will set an example to other Covenant agreements, and show that all Parties to the agreement understand that the responsibility to respect human rights requires businesses to "both know and show that they respect human rights in practice", as the UN Guiding Principles put it.

We hope you agree, and we look forward to reading the report during the second quarter of this year.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'R. Brightwell', with a long horizontal flourish extending to the right.

Ryan Brightwell, Human Rights Campaigner, BankTrack (ryan@banktrack.org)