### Appendix I: Banks in scope

This series of Human Rights Impact Briefings focuses on the below list of 45 large private sector banks. Banks have been selected primarily from the list of the world’s largest 50 banks by assets. Banks without significant involvement in commercial banking, and national development banks, have been excluded. Some additional changes have been made for better geographic balance (e.g. inclusion of largest Latin American banks).

<table>
<thead>
<tr>
<th>Bank name</th>
<th>Country</th>
<th>Assets US$ bn$2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial &amp; Commercial Bank of China</td>
<td>China</td>
<td>3,550</td>
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<tr>
<td>China Construction Bank</td>
<td>China</td>
<td>2,982</td>
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<tr>
<td>Mitsubishi UFJ Financial Group</td>
<td>Japan</td>
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<tr>
<td>Agricultural Bank of China</td>
<td>China</td>
<td>2,819</td>
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<td>Bank of China</td>
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<tr>
<td>HSBC</td>
<td>United Kingdom</td>
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<td>BNP Paribas</td>
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<td>Deutsche Bank</td>
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<td>Crédit Agricole</td>
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<td>Caixa Economica Federal</td>
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<tr>
<td>Banco Bradesco</td>
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</tbody>
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1 The list was revised in 2017 with the addition of BPCE Group and the removal of Commerzbank.
Appendix II: Bank responses in full

Below the responses provided by bank representatives are reproduced in full, where a public response was provided. Only salutations have been removed. Responses have not been edited to remove spelling errors or inconsistencies. Where no public response was given, this is indicated in italics.

ANZ

Thank you for giving us the opportunity to comment on your draft report regarding companies involved in supplying fuel to countries in Africa.

Firstly, regarding our due diligence processes:

- Understanding and managing the social and environmental impacts of our business lending decisions is critical, as it gives balanced consideration to stakeholder needs and concerns.
- The primary way we identify and manage the risks associated with lending to business customers is through employee training and the application of our Sensitive Sector Policies and human rights standards. More information on these policies can be found in our 2016 Corporate Sustainability report, or on ANZ.com.
- We expect our customers to identify, manage, monitor and redress any adverse impacts on human rights with which their business is involved, in line with international standards, including the UN Guiding Principles on Business and Human Rights.
- The Appendix to this letter sets out the due diligence process in more detail.

Secondly, regarding our approach to engagement:

- Where customer practices are identified that may not be consistent with ANZ’s policies, we work with the customer to understand the circumstances and, where necessary, identify specific and time-bound improvement plans.
- If prospective or existing customers do not meet our standards and they are not willing to adapt their practices in an appropriate timeframe, we may decline financing or exit the relationship.

In this case, we confirm we have conducted due diligence in line with our policies with the companies mentioned in your report. We have also engaged with the companies and are satisfied they understand their responsibilities to respect human rights, and are seeking to engage on the issue using whatever leverage they have.

Bank of America

No response (but confirmed receipt).

Bank of China

No public response. Bank of China sent a brief confidential response by fax, which did not address the questions or issues raised.

Bank of Nova Scotia

No response (but confirmed receipt).
BNP Paribas

No public response. BNP Paribas provided a confidential response.

BPCE Group

We thank you for your above-referenced letter informing us of a draft case study dated April 2017 developing a recent report published by the Swiss NGO Public Eye and entitled "Dirty Diesel: How Swiss Traders Flood Africa with Toxic Fuels". This report (issued in last September) focuses principally on Vitol and Trafigura, two Swiss trading companies and big players in the industry. You have contacted BPCE because three banks from our group have financed these two companies and you would like reassurance their business practices.

We knew already the existence of this report and would like to bring to your attention the following comments:

• We acknowledge the importance of the issue raised by Public Eye as there is no doubt on the effects on human health of high-sulphur fuel, as globally any form of air pollution. This was clearly stressed at many occasions by the UN Environment Program (UNEP) and the ARA (African Refiners Association) in a report recently issued.

• The same ARA report also emphasizes that a steady improvement in product quality occurred over the past 10 years and, in conjunction with the World Bank, sets fuel quality targets for 2020 and 2030. In this context, the recent announcement made by five West African countries that they will adopt lower limits on sulphur content goes in the right direction.

• Although probably the goal to achieve at term, calling on the companies to commit themselves to sell exclusively fuel at European specification is currently contested as, in Africa, governments of importing countries control and manage the import of fuels and determine their own fuel specifications. Parameters taken into account are multiple and of sovereign importance due to the economic implication it has for countries.

• From an economic perspective, as mentioned by ARA in their response to this study, those countries are extremely price-sensitive and the costs of adaptation of local refineries (large employers) to meet European standards is a serious constraint and would require massive investments. So they have, for a while, to import cheaper oil than the European standards.

• We believe that the whole international community (including industry players, governments of exporting countries, and supra-governmental unions) has to play a role in addressing the issue of the fuel quality in Africa, but it does not seem realistic to believe that a company in itself could have the sufficient leverage needed to lead unilateral actions and drive by itself the market practices.

Beyond its regulatory requirements with respect to Know-Your-Customer and Compliance issues, Natixis, Banque Palatine et BIC-BRED (SUISSE) S.A have various decision-making bodies involved in the client-onboarding-credit-monitoring chain through which all types of risks related to a transaction are assessed and regularly monitored. The identification and analysis of the EHSS risks are full part of this process and discussed whenever appropriate prior to any decision. To this end, in each company, a dedicated team for assisting business lines and/or leading directly the due diligence process has been put in place.
Thank you for your letter dated March 9, 2017 regarding the import of high-sulfur diesel fuel to Africa. We appreciate you raising this issue and have discussed it internally. Citi requires that clients meet all applicable laws and all Citi environmental and social policies in their commercial activities. Historically, fuel standards around the world have been driven by air quality standards. For such standards to be effective, they must be set and regulated by the local governments where fuel sales take place.

We would like to note recent positive developments in African air quality regulations. As you mentioned in your report from December 2016, Nigeria, Togo, Benin and Cote d’Ivoire joined Ghana to adopt low-sulfur diesel fuel standards for 2017. Nigeria agreed to the import of low-sulfur diesel fuels (50 ppm or less) from July 1, 2017, with waivers granted to refineries in the process of upgrading their facilities to produce low-sulfur fuels by 2020. This will level the playing field between importers and local refiners in Nigeria by requiring that all diesel fuel meet new low-sulfur fuel standards by the deadlines listed above, and requiring that importers comply with the new regulations first.

Trafigura, one of the two companies featured in BankTrack’s report, has issued a number of public statements in response to the Public Eye report. They acknowledged that Public Eye had identified a serious issue in the effects on human health of high-sulfur fuel specifications, and expressed support for efforts in Africa to agree to lower-sulfur fuel standards, for example, in the member countries of the Economic Community of West African States (ECOWAS). Trafigura has also informed us of its successful effort to facilitate high-level contact between the African Refiners Association and the European Commission, to discuss how the EU could support a multilateral effort to improve fuel standards in Africa. As the company puts it, in pursuing advocacy on this subject in Africa and Europe, it is acting in conformity with its commitments under the UN Guiding Principles on Business and Human Rights. We support an inclusive process involving all relevant stakeholders to improve fuel standards and air quality in Africa.

Commonwealth Bank of Australia

Thank you for the opportunity to review the draft content of BankTrack’s “Human Rights Impact Briefing: Banks and Dirty Diesel” report.

Unfortunately, for business confidentiality reasons, we are unable to discuss specific clients.

As a major bank we support nearly every sector in the economy.

Strict environmental, social and governance standards are now incorporated into our business-lending decisions and we will only fund projects that meet these standards. These standards are outlined in our Environmental, Social and Governance (ESG) Lending Commitments.

These commitments are supported by an ESG Risk Assessment Tool and training for lending staff. Labour conditions and human rights are one of the criteria which clients are assessed on. If risks are identified through the assessment we seek information from clients on their mitigation strategies for the risks.

We will continue to apply our due diligence processes to support our commitments.
Crédit Agricole

Thank you for your letter dated 9 March 2017.

We have reviewed carefully the human rights impact briefing attached to your letter and would like to thank you for sharing it with us.

You will appreciate that we cannot disclose information that is specific to our clients or to the transactions that we are part of. This covers in particular the amount of the alleged financings of companies, the precise content of due diligence conducted with respect to specific clients or transactions as well as how we engage with our clients.

However, we would like to make the following comments:

- the nature and principles of the CSR due diligence process implemented by Crédit Agricole CIB is publicly available and can be found in section 2.4.4 of the Shelf Registration document. For your convenience, please refer to: http://www.ca-cib.fr/profil/informations-reglementees.htm
- we always give proper consideration to the information received from all stakeholders including the civil society and try to use our leverage of influence as appropriate
- in doing so, our action is guided by the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights

I hope that our answer will convince you that we are taking our responsibilities seriously and are giving proper consideration to the issue raised in your letter.

Credit Suisse

A prudent approach to risk-taking is essential to our activities as a bank. Credit Suisse therefore carries out a series of measures to review business risks. If there are grounds to believe that a potential transaction or client relationship could pose an unacceptable risk or is not compatible with our existing agreements or internal guidelines, Credit Suisse conducts a bank-wide standardized Reputational Risk Review Process. Environmental and human rights-related risks are some of the risks evaluated in this process against sector-specific policies or guidelines that are based on standards developed by international organizations such the UN or the World Bank.

Credit Suisse became aware of Public Eye’s “Dirty Diesel” report in September 2016. As part of our active involvement in industry associations we engaged among others with Trafigura, the company most in the focus of the report, and asked them to provide us with their perspective on the report and the demands from Public Eye.

Based on these interactions and further research we ascertained the following:

- The practice of blending described in the report is legal (as confirmed in the report), in that the fuels provided to the importing countries meet the quality specifications set by the respective governments;
- Many companies that operate in this sector are supporting the ongoing efforts by national governments to improve fuel quality and lowering sulphur levels of imported fuels through membership in the African Refiners Association;
- The regulatory requirements for fuel specifications need to take into account the existing and evolving technical infrastructure (refining capacities and standards, vehicle fleet) in the respective countries.
We share the concerns about air pollution and its effects on peoples' health and on the environment. Investigating these issues and engaging with the industry, among others, we continue to increase our understanding of the situation. As described in the report, the problem is complex and cannot be solved unilaterally by one set of actors, but requires the collaboration among a broader set of stakeholders, first and foremost the national governments, together with the industry and its associations such as the African Refiners Association.

We are pleased to note that a group of West African countries (Nigeria, Benin, Togo, Ghana, Ivory Coast) has recently announced measures to lower the permitted sulphur levels in imported fuels and to upgrade their national refineries to improve the quality of domestically produced fuels.

We continue to actively engage on this and other subjects in industry associations and bilaterally with clients.

**Deutsche Bank**

Reference is made to your above mentioned letter with regards to your upcoming third Human Rights Impact Briefing, this time on the impacts of the bank's finance for the oil and commodities trading companies Vitol and Trafigura.

As you know from previous cases due to the legal obligation to treat client specific information confidentially we can't provide any detailed information on our business relationships and agreements with our clients.

With regards to your question how we fulfill our responsibility under UN Guiding Principles on Business and Human Rights we refer to our ES Policy Framework as well as to our Human Rights Statement, both you are familiar with.

Our ES Policy Framework requires ES due diligence and its general provisions define sensitive sectors, specify the requirements for ES due diligence, and include criteria for mandatory referral to Group Sustainability. Under the ES Policy Framework the oil and gas sector is defined as a sensitive sector.

In order to identify, prevent and mitigate adverse human rights impacts, we have integrated human rights considerations (inter alia health and safety of communities) in the ES due diligence process. In addition, our internal due diligence is complemented by direct interaction with clients.

Having said this, we have discussed the topic that you address with your briefing with the companies when the report of the Swiss NGO Public Eye was published in September 2016.

Both companies assured us of their awareness of the seriousness of that issue raised by Public Eye but hey also emphasized that the export of fuels that do not meet the European specifications to African countries is not a legal issue. The companies affirmed that fuels are provided within the specifications set out by the importing countries.

Furthermore it is not an issue that can be resolved through unilateral action taken on a regional basis by one segment of the market as it is a global market that faces a global issue requiring multilateral effort. To improve the requirements on fuel quality is on the governments that set fuel standards. However the copanies admit that there may be a supporting role business has to play, in contributing expertise and investment, where
the appropriate conditions exist. Both companies are committed to contribute to a reliable approach to the issue and they are open for discussions with the various stakeholders involved in this process.

The information provided by the companies give us the comfort that they have addressed the issue you have raised appropriately. Should the companies need any support from us in their efforts to improve the situation it goes without saying that we are prepared to get further involved.

If you have any question please do not hesitate to contact us.

**HSBC**

Thank you for your letter and attachment concerning the Dirty Diesel Human Rights Impact Briefing, scheduled for publication in April 2017.

As you know, we don’t comment on individual companies – even to confirm or deny that they are customers – and so we are unable to reply to your specific questions. When we receive credible complaints about the operations of customers we always investigate and, if we discover that a customer is acting outside our policies, we will request that it remedies the situation in good time. We will close a relationship if satisfactory action is not taken.

HSBC published a statement on human rights in 2015, which sets out our position and which is available on our website here.

Thank you for writing to us about this project,

**Industrial and Commercial Bank of China**

*No response, no confirmation of receipt.*

**ING Group**


We make a substantial contribution to human rights as financier, employer, taxpayer and driver of progress and prosperity. Our impact is on different levels: 1) our workplace, 2) our supply chain, 3) how we do business and who we do business with and 4) partnering and sharing knowledge. More information on our Human Rights Policy can be found at [https://www.ing.com/ING-in-Society/Sustainability/Human-Rights.htm](https://www.ing.com/ING-in-Society/Sustainability/Human-Rights.htm)

At ING, we strongly believe in the positive role banks can play in promoting a better and fairer world through their financing. In 2016, ING joined other Dutch banks, labour unions, NGOs and the Dutch government in a covenant to ensure that global corporate and project finance done by Netherlands-based banks protects and improves human rights in areas like labour practices, the freedom to form labour unions, child labour and land rights. Our longstanding commitment to human rights and the UN Guiding Principles on Business and Human Rights is also reflected in our involvement in the OECD Advisory Group, our role on the steering committee for the Equator Principles and through the human rights policy in the Environmental and Social Risk Framework that we apply in the more than 40 countries where we operate.
We screen all ING clients across the entirety of our relationship. The Environmental and Social Risk (ESR) policy framework incorporates assessment tools that are used in ING’s mainstream processes and systems. Assessment on potential Human Rights impacts are therefore fully integrated into regular client and transaction reviews. More information on ING’s ESR Policy Framework, including underlying benchmarks, governance and approval processes can be found at Environmental and Social Risk (ESR) framework.

With regard to your questions we note the following:

Q1: Can the bank please confirm whether it has conducted human rights due diligence on Vitol and Trafigura specifically, and if so, outline this due diligence process?

Yes, as part of our ESR framework and commitment to respect human rights in line with the UN Guiding Principles we regularly engage with our corporate clients, including Trafigura and Vitol, to discuss environmental, social and human rights impacts.

Q2: Can the bank please provide an overview of its response to the human rights impacts identified in this briefing and its efforts to prevent and/or mitigate them,

The content and outcome of the Dirty Diesel report has been part of our regular dialogue with Trafigura and Vitol. The following points have been part of our dialogue:

- Poor air quality in African cities is a serious issue which demands action by several parties including governments, and achieving change is a complex challenge and needs time. As a major fuel suppliers in Africa they support co-operation between governments and industry to tightening fuel quality specifications;
- As part of their membership in the African Refiners Association (ARA), they support efforts by national governments in Africa to reduce permitted sulphur levels in fuel and welcomed the agreement last year by five East African countries to introduce a lower-sulphur specification for diesel;
- They also support the discussions currently underway between the ARA and the Economic Community of West African States (ECOWAS) about implementing the ARA’s Africa Fuel and Lubrication (AFRI) specifications in West Africa;
- The report also includes inaccuracies they have tried to clarify directly with their stakeholders or through their websites (e.g. http://www.trafigura.com/news/statement-from-puma-energy-in-response-to-public-eye-report-on-fuel-quality-in-africa/18448)

Q3: Can the bank commit to engage, if it has not done so already, with Vitol, Trafigura and other companies active in blending and selling of high sulphur fuels it is exposed to, to insist that the companies stop exports of Dirty Diesel to Africa and elsewhere as a requirement of receiving further finance.

ING will remain discussing these points with Trafigura and Vitol including efforts made by the African Refiners Association as part of regular engagements with clients. Note we have also engaged with them to receive their consent on the content provided herein.

We hope the above provides you with the answers you were looking for.
JP Morgan Chase & Co

Thank you for your letter relating to Public Eye's 'Dirty Diesel' report from September 2016. We were already aware of the report having been told about it, prior to its launch, by one of our commodity trading clients. We confirm that we continue our engagement with our commodity trading clients, including recent dialogue on this topic with both Trafigura and Vitol.

We recognise the importance of this issue, and not just for the African market, in coordinating the introduction of tighter fuel standards for imports, upgrading local refining infrastructure and vehicle fleets. We also recognise the coordination required between governments and commercial entities to affect change in this area. In that light, we are encouraged by some of the initiatives that are being pursued by regulators, industry organisations and individual companies both within Europe and Africa.

JP Morgan continues to implement its Environmental and Social Risk Policy and Human Rights Statement, as summarised in our public Environmental and Social Policy Framework, as appropriate to the pertinent risks associated with our clients' business activities and the financial services we provide.

Lloyds Banking Group

Thank you for your request and for sharing your latest report. We are unable to comment on possible customer relationships for confidentiality reasons, but I can confirm your report has been received and noted by the relevant people here at Lloyds Banking Group.

Mitsubishi UFJ Financial Group

Many thanks for your email. Unfortunately we have no comment to make at this time.

Mizuho Financial Group

Thank you for reaching out to us and sending the report regarding captioned subject. Please see our response to your questions as below.

…

(Q1)

(Answer) We cannot refer to individual transactions. However, Mizuho Bank is committed to respect human rights. Also as part of our credit risk management, we review/monitor our clients periodically and as necessary. Evaluation item includes not only financial indicators and performance index, but also non financial information. If there is any issue raised, then we will carefully reassess. Based on the result, relevant departments/offices determine the action plan after discussion.

…

(Q2)

(Answer) We cannot refer to individual transactions. However, we have taken note of your concerns and have forwarded/shared your mail/letter/report with relevant departments/offices.
(Q3)

(Answer) We cannot refer to individual transactions. However, as said in above answer for Q2, your mail/letter/report are forwarded/shared to relevant departments/office. Your concerns and issues raised are shared/recognized among relevant departments/offices. We will continue to monitor this carefully taking your concerns into consideration.

We find this kind of information valuable and we appreciate if you could keep us updated.

**National Australia Bank**


Whilst we do not comment on specific clients or projects, we have limited or no direct exposure to emerging and developing economies, such as those listed in your draft report. However, I have outlined below our approach to human rights and the way in which we have integrated human rights into our risk management framework.

As a major financial institution, NAB is subject to a range of legal and regulatory requirements in many jurisdictions, which incorporate the protection of basic human rights. We demonstrate our commitment to human rights by being a signatory to, or otherwise committing to uphold a number of international commitments, including the UN Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, UN Global Compact, the UN Environment Program – Finance Initiative, the Equator Principles and the OECD’s Guidelines for Multinational Enterprises.

We recognise that human rights concerns can arise not only in our own operations, but also via interactions with external parties, including our business relationships, customer interactions and financing investments, supply chain management and the communities we serve.

In September 2016, we published our Human Rights Policy which you can read [here](#). The Policy sets out NAB’s approach to incorporating human rights decision into our risk management framework and is informed by the UN Guiding Principles on Business and Human Rights. This includes conducting our business in a way that respects the rights and dignity of people, and avoids complicity in human rights abuses, while complying with applicable legal requirements. Our Policy includes commitments to:

- Avoid causing\(^3\) or contributing\(^1\) to adverse human rights impacts through NAB’s own business activities, and address such impacts if they occur.
- Seek to prevent or mitigate adverse human rights impacts associated with NAB’s third party relationships that are directly linked\(^1\) to NAB’s operations or NAB’s products or services.

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\(^3\) Refer to UN Office of the High Commission for Human Rights – Frequently Asked Question About the Guising Principles on Business and Human Rights 2014 pp 31 to 32 for explanatory text in relation to ‘cause’, ‘contribute’ and ‘directly linked’.
• Have grievance mechanisms to allow those adversely affected to raise concerns and seek remedy (as appropriate).

We also reflect our commitment to human rights in relevant policies and procedures, risk assessment processes, due diligence and training programs as part of our overall approach to environmental and social governance (ESG) risk management. Our ESG Risk Principles form part of our Risk Management Framework. NAB assesses applications for finance on a case by case basis based on a range of factors, such as ESG risk. This includes the use of our ‘High Risk ESG sectors and sensitive areas list’ to identify customers that may have a higher risk of ESG issues and where additional review and/or due diligence may be required. More information on NAB’s approach to ESG Risk Management, including at origination and through the evaluation process, is available on p17, p40 and p42 in our 2016 NAB Dig Deeper Paper which is available on our website here.

In the event that there is a risk of a customer failing to comply with law, or not meeting NAB’s requirements, we will review the customer relationship and, where appropriate, engage with the customer to understand how they are managing the risk. If this risk is not being addressed to NAB’s satisfaction, we may exit the relationship. You can read more information about our approach to ESG Risk Management here.

We review our Human Rights Policy annually. We also provide an update on our approach to ESG risk management through our half year and full year investor presentations on our website.

We trust that this answers your queries about our approach to human rights.

**Rabobank**

I write to you in reply to your e-mail letter of the 9th of March 2017 in which you request information on how Rabobank has acted to seek to prevent, mitigate or address the human rights impacts addressed in the Public Eye report on diesel exports to Africa (‘Dirty Diesel: How Swiss traders Flood Africa with Toxic Fuels’). This letter intends to provide you with a response to the three specific questions raised in your letter.

Due to reasons of client confidentiality we are not able to confirm any banking relationship with any company, including the companies mentioned in your information request. Furthermore, we cannot respond to any of the questions that relate to specific companies as indicated in your request. As you may know, we are currently in a constructive dialogue within the Dutch Banking Sector Agreement to define the reasonable boundaries of client confidentiality and its impact on the transparency banks can provide in relevant CSR related cases like the one you raise in your briefing. During this dialogue we will maintain the existing way of working. We ask your understanding for this and will disclose in this letter how Rabobank in general conducts due diligence and engages with its clients on sustainability issues.

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4 Refer UN Guiding Principles for Business and Human Rights. A grievance is defined as a perceived injustice evoking an individual’s or a group’s sense of entitlement, which may be based on law, contract, explicit or implicit promises, customary practice, or general notions of fairness of aggrieved communities.

5 Refer UN Guiding Principles for Business and Human Rights. Remedy may include apologies, restitution, rehabilitation, financial or non-financial compensation, as well as the prevention of harm through, for example, injunctions or guarantees of non-repetition.
Question 1: can the bank please confirm whether it has conducted human rights due diligence on Vitol and Trafigura specifically, and if so, outline this due diligence process,

In our sustainability policy framework (https://www.rabobank.com/en/images/sustainability-policy-framework.pdf) we make clear commitments to both the UN Guiding Principles on Business and Human Rights (UNGP) and the OECD guidelines for Multinational Corporations (OECD guidelines). Both require appropriate human rights due diligence to be carried out. The sustainability policy framework is applicable to all products and services and thus applies to all clients of Rabobank. This process is integrated in our credit approval and review process and in client monitoring.

Rabobank’s human rights due diligence process is, among others, aimed at ‘knowing and showing’ that human rights are not infringed upon in the course of doing business. We base ourselves on the (requested) information received from our clients, which information is tested against our own research and specialized sources on a daily basis. It consists of:

a) Identifying and assessing actual and potential human rights impacts
b) Integrating and acting upon the findings
c) Tracking the effectiveness of the response
d) Communicating how human rights impacts are addressed

- The process will vary in complexity according to the size of the business enterprise, the risk of severe human rights impacts and the nature and context of the operations.
- It is different from other due diligence activities because it focuses on adverse impacts on individuals and communities and on their rights, rather than only on risks to the company.
- The fact that human rights risks may change over time means this is an ongoing process instead of a one-off transactional analysis.

This process of human rights due diligence is part of the general due diligence process on sustainability. These processes are subject to continuous development. In 2016, in addition to the client photo that we make of each client to analyse their approach towards and performance on sustainability, the expert opinion process was introduced as an element of our credit approval and review process. This is an enhanced risk and opportunities assessment for a group of high sustainability risk clients by a specialized team from the sustainability department. For more information about this new process, criteria for selection and also for more information on the client photo assessment and public reporting on ongoing engagement processes with clients we refer you to our annual report (https://www.rabobank.com/nl/images/jaarverslag-2016.pdf, p. 78-80 & appendix 4, p.134-138).

Question 2: can the bank please provide an overview of its response to the human rights impacts identified in this briefing and its efforts to prevent and/or mitigate them,

Question 3: can the bank commit to engage, if it has not done so already, with Vitol, Trafigura and other companies active in blending and selling high Sulphur fuels it is exposed to, to insist that the companies stop exports of Dirty Diesel to Africa and elsewhere as a requirement of receiving further finance.
Combined answer:

Following the publication of the Public-Eye report we made an in-depth analysis of the information of the report, the factual situation, involved stakeholders and the context in which the activities take place. We concluded that this is a very complex situation with no short hand, simple solutions that solve the problem at short notice. In this respect we do not share opinions, such as also as expressed in Banktrack’s draft briefing on p. 6 ‘that there are no practical barriers to the introduction of low sulphur fuels – only cost implications’. Also the suggestion made in question 3 ‘to insist that the companies stop exports of Dirty Diesel to Africa and …’ will, without a wider effort, not result in an improved situation for the people in West Africa. This does not mean that there shouldn’t be efforts to see how the necessary transition can be made and how Rabobank uses its leverage to stimulate a change.

A sustainable solution to mitigate the breach of the ‘right to health’ human right lies in a transition path towards cleaner cars and fuels in Africa. This transition is a complex trajectory and will need a shared diagnosis, all involved stakeholders in this arena and a realistic time path. Although there seems to be a broadly shared understanding of the problem and its adverse impacts to people in West Africa, we see that the views on the problem and the solutions differ. We believe that a dialogue to agree on a shared understanding of the problem and possible solution is the first step. A trajectory towards implementation could start from there. We support these efforts, inform ourselves about existing initiatives and remain in dialogue with our clients and relevant stakeholders known to us as part of this process, to leverage our influence for a positive and lasting solution that helps improve the quality of petroleum products and any initiative taken to accelerate the necessary transition.

I trust to have informed you sufficiently. We are open to further contact in the coming weeks to elaborate in more detail on the topics addressed in this letter, while respecting client confidentiality.

**ROYAL BANK OF SCOTLAND**

*RBS provided a confidential response, as well as a public statement:*

Whilst we do not comment on individual customers, we take any allegations of this nature very seriously and conduct due diligence according to our Environmental, Social and Ethical risk framework. We strive to have regular, open and frank dialogue with all our clients and customers in sensitive sectors are subject to periodic review as well as specific assessments as and when issues emerge.

**SOCIÉTÉ GÉNÉRALE**

You have offered us the opportunity to explain our human rights due diligence processes in advance of the publication of Banktrack’s Human Rights Impact Briefing “Banks and Dirty Diesel”.

Societe Generale’s role in financing the real economy makes it aware of the environmental, social, and economic convergence issues at play within its sphere of influence and makes it intent to factor them into its business. At a minimum, Societe Generale requests its clients to comply with the environmental and social (E&S) laws and regulations of each relevant country. Beyond, all E&S commitments of the bank are set out in the E&S General Guidelines that constitute the global reference framework for applying evaluation procedures. Regarding human rights, the General Guidelines list the initia-
tives that Societe Generale is committed to respect as the UN Global Compact, the OECD Guidelines for Multinational Enterprise and the UN Principles on Business and Human Rights.

Societe Generale serves the global natural resources and energy markets. As part of this large business activity, trade finance teams provide short and medium term financing to clients underpinned by commodity trade flows.

The bank implements E&S (including human rights) due diligence through procedures enabling identification, evaluation, and, where relevant, prevention of risks, both at transaction and client relationship levels. This E&S due diligence is commensurate to the clients’ activities, their location and their positioning in the value chain. Information from the civil society plays an important role at the identification stage.

As Societe Generale clients, Trafigura and Vitol have gone through the above described process. Information of the last few months regarding the quality of car fuels in African countries and debates around the role of the different actors of the value chain have been factored in our reviews.

The involvement of Societe Generale with these companies is global and the credit amounts the report is referring to are general purpose lines which globally finance Trafigura and Vitol. Their trading of diesel in Africa is only a fraction of a much wider activity.

Nevertheless, the issue of high-sulphur diesel in Africa has been an important part of the on-going dialogue with these companies in the last few months. Societe Generale shares the view that strengthening the fuel standards in the African countries where such evolution has not yet started, will be the most effective way to tackle the issue and will be part of the solution to raising air quality in Africa.

At this stage, the bank intends to continue the dialogue with its clients and better engage with them and institutions and organizations such as the African Refinery Association, the Climate and Clean Air Coalition or the UNEP Partnership for Clean Fuels and Vehicles, that are already active on this matter, and more broadly on access to energy in Africa.

**Standard Chartered**

Thank you for your letter of 9 March 2017. Due to client confidentiality, a legal obligation, we regret that we can neither confirm nor deny client relationships.

As we have shared in our previous email exchanges, Standard Chartered acknowledges our responsibility to respect human rights, and expects the same from our clients. Human rights due diligence is part of our environmental and social risk assessment process in accordance with our commitments set out in our public Position Statements and where applicable through our application of the Equator Principles. This includes investigating, and engaging with clients, when specific concerns are identified, including concerns raised by civil society.

We take the conduct of our clients seriously and engage with them to align with the standards in our Position Statements. For additional information on our approach, please see:
We apply an environmental and social risk policy framework to all our activities. Where business or control functions responsible for identifying and assessing environmental and social risks as part of due diligence processes determine the existence of potential material risks, they refer the client, supplier or transaction to a specialized environmental and social risk unit for enhanced due diligence. In such a due diligence we typically take different perspectives (including of the (potential) client; relevant (governmental/ regulatory) authorities; civil society & rights holders) into consideration. Unless agreed by the (potential) client, we do not comment on the content of a specific due diligence and/or engagement process.

Thank you for your e-mail.

Please consider that coherently with our practices we never comment on allegations involving our customers.

For more details on our standards on the matter please refer to the dedicated section on our website.
APPENDIX III: VITOL’S RESPONSE TO BANKTRACK

Below we present Vitol’s response to the draft “Banks and Dirty Diesel” briefing in full, followed by commentary from BankTrack and Public Eye.

BankTrack did not contact Vitol or Trafigura for a response to its draft briefing, as the focus of the briefing was on the banks financing these companies, and as Public Eye has already sought and received responses from these companies. However, Vitol contacted BankTrack in March 2017 to enquire about the “Banks and Dirty Diesel” briefing, and was provided with the draft of this briefing, as presented to banks.

VITOL RESPONSE TO BANKTRACK’S DRAFT “BANKS AND DIRTY DIESEL” BRIEFING, APRIL 2016

Many thanks for asking us to provide you with information we regard as relevant in respect of the specification of fuels delivered to West Africa.

Vitol takes the issue of air quality (both indoor and outdoor) in West Africa extremely seriously. We completely agree that changes should be made to improve air quality in West Africa and are supportive of initiatives, including changes in specifications, which will improve air quality. Vitol was the only commodity company to attend the ‘Clean fuels for West Africa’ event in December hosted by Lilianne Ploumen, Dutch Minister for Foreign Trade and Development Cooperation and is always pleased to cooperate with the authorities in any of the jurisdictions in which it operates where its expertise may be of use.

As we have stated previously, it is not possible for any one company to determine the quality of diesel sold at the pump. This can only be determined by the government of the country where the product is sold. This is evident and undisputable if the facts are considered in an objective and impartial manner:

1. Diesel can only be imported by a licenced importer. Vitol supplies importers in West Africa, it does not import diesel.

2. The importers in West Africa will source from the cheapest reliable supplier. EU specification is more expensive and therefore someone offering EU specification would never be able to compete with non EU specification suppliers and would hence not be selected to supply.

3. Any company’s market share (we estimate that Vitol has less than 20% market share of diesel imports into West Africa), is dependent upon its ability to continuously compete on price. The difference between winning bids and losing bids is usually a matter of cents. The price difference between EU spec and 3,000PPM is currently around $6 a tonne.

4. The product passes through co-mingled storage and / or pipelines. It is consequently mixed with the product from other suppliers. There is no segregated supply chain.

5. Marketing companies, such as Vivo Energy (in which Vitol currently has a 40% market share), are obliged to buy product from the licenced importer / other intermediaries which are not controlled by Vitol.
6. A supplier to the importer has no means of ensuring that the product is sold in country. If Vitol, or any other supplier, were to supply EU specification (at a financial loss) to an importer, there is nothing to stop the importer from reselling the cargo, at a profit, and sourcing a cargo with a cheaper specification for local use.

The accuracy of the above can be confirmed by the regulatory agencies in each country. If helpful, we would be happy to put you in touch with them.

To address your points specifically:

1. “We see no evidence of regulatory barriers to Vitol choosing to supply fuel of a better quality”.

As is evident from the above, the barriers to Vitol supplying EU spec fuel to West Africa result from the market structure and local regulatory framework. The absence of ‘regulatory barriers’ does not make something viable.

2. It is also totally inaccurate to state that it is “technologically and legally possible” for Vitol to only export fuels that meet the standards of its home countries.

Vitol is obliged to meet the specification of any market it supplies. This specification is determined by the local regulatory authorities. Vitol cannot impose EU standards on other markets. It is inaccurate and false to suggest that regulators in other markets would be willing to accept any standards other than their own, for example, the US would not accept a cargo of EU spec.

Other points of accuracy in your document you may wish to consider include:

3. You refer to Vitol having a ‘dominant’ position. The EU states that a company with a market share of less than 40% is unlikely to be dominant. We estimate that our market share of imported diesel in West Africa is less than 20% and therefore cannot be accurately described as ‘dominant’. Please also note that this market share is based solely upon our maintaining highly competitive pricing and could change at any time.

4. It is inaccurate to suggest that Vitol’s investment in marketing companies in Africa enables it to supply these directly. As is clear from the above due to regulations, the marketing companies are obliged to purchase from the importers. This can be verified by the relevant local regulators. The business rationale suggested by Public Eye does therefore not make any sense.

5. You quote Friends of the Earth Netherlands as saying that, in light of CIEL’s opinion they expect Vitol to be prosecuted in the Netherlands. Vitol complies fully with its obligations under Dutch law and regulations. It is therefore difficult to see on what basis it could be prosecuted.

6. You state that “there are no practical barriers to the introduction of low sulphur fuels”. This is inaccurate and untrue. As stated above, there are practical barriers which prevent one company from acting unilaterally.

There are no barriers to local regulators changing the specification for imports, as some are planning on doing. However, additional practical barriers to the universal use of EU specification fuels also exist. In countries where there is a local refinery, the refinery would have to be closed or be given an exemption and time to upgrade (for example the Ghanaian TOR refinery, produces 1,500PPM diesel). This point is recognised in the
The accuracy of our statements can be verified by independent and external third parties. If the facts are considered in an impartial and objective manner, it is evident that only action by governments and local regulators can effect the change required to impact the fuel sold at the pump. As recognised by UNEP, companies have an important role to play, working with governments and stakeholders, but without the appropriate regulatory framework, can achieve nothing by themselves.

The Public Eye report highlights some very important issues which should be addressed. Unfortunately the report is biased, it does not paint an accurate picture and its conclusions are flawed. You dispute our classifying the report as ‘propaganda’. Propaganda is defined as “Information, especially of a biased or misleading nature, used to promote a political cause or point of view”. Given the report’s selective use of data, failure to consider all relevant information, focus on a limited number of the market participants and flawed conclusions, it is logically impossible to consider it as anything other than propaganda.

It goes without saying that we would be happy to provide any further clarification if that would be helpful.

**BankTrack and Public Eye Commentary on Vitol’s response**

“Vitol was the only commodity company to attend the ‘Clean fuels for West Africa’ event in December hosted by Lilianne Ploumen, Dutch Minister for Foreign Trade and Development Cooperation and is always pleased to cooperate with the authorities in any of the jurisdictions in which it operates where its expertise may be of use.”

**BT/PE Commentary:** We would like to note that a Vitol representative attended the ‘Clean fuels for West Africa’ event on a “listening basis”, the attendee did not speak. Meanwhile the CEO of Vitol Switzerland was in Amsterdam at the time of the meeting but did not attend.

“As we have stated previously, it is not possible for any one company to determine the quality of diesel sold at the pump. This can only be determined by the government of the country where the product is sold.

**BT/PE Commentary:** It is extraordinary for any company to declare that it cannot determine the quality of the product it sells, within legal boundaries. It is also, as detailed below, out of line with Vivo Energy (40% owned by Vitol)’s own marketing claims.

The quality of diesel and other fuel sold at the pump varies significantly within countries, as the tests carried out by Public Eye showed. Governments set the legal maximum level of sulphur and other health-damaging substances by setting fuel standards, but these do not prevent fuel being sold which is substantially better quality, e.g. lower in sulphur, than these legal maximums allow.

“This is evident and undisputable if the facts are considered in an objective and impartial manner:

“1. Diesel can only be imported by a licenced importer. Vitol supplies importers in West Africa, it does not import diesel.”
**BT/PE Commentary:** This is often the case, but makes little difference to the argument that Vitol is supplying low-quality fuels to West Africa – it only clarifies that there are third party ‘middlemen’. Indeed, sometimes these middlemen are partially owned by Vitol. For example in Ghana, Vitol works with and has equity stakes in local importers such as Cirrus/Woodfields & Ebony, both licensed importers.

Vivo Energy, which is only active in Africa, stated in a corporate brochure: “We are fortunate that, through Vitol and the fast-growing storage and terminals business, VTTI, we benefit from unique access to a truly global integrated supply chain with the world’s largest physical energy trader.” In another brochure it states: “We will add storage capacity and handling capability in partnership with Vitol and we are benefiting from cost-efficiencies arising from our direct line-of-sight of the entire supply chain.” Vivo operates Shell petrol stations in 16 African countries. When Vivo says it benefits from a “globally integrated supply chain”, this indicates that it and Vitol have control over the fuel quality all the way to the pump.

Vitol also talks, below, of its “market share of diesel imports”, indicating it recognises that the terminology we have used is appropriate.

“2. The importers in West Africa will source from the cheapest reliable supplier. EU specification is more expensive and therefore someone offering EU specification would never be able to compete with non EU specification suppliers and would hence not be selected to supply.”

**BT/PE Commentary:** While higher quality fuels are likely to be more expensive, the impact of this depends on the extent of this price difference. If the price difference is in fact rather small, traders such as Vitol and Trafigura should be able to absorb this difference within their margins, making a smaller profit. The evidence indicates that this is in fact the case.

In January 2015, five East African countries (Burundi, Kenya, Rwanda, Tanzania and Uganda) improved their standards from 500 to 50 ppm with no impact on the price at the pump. According to Edward Mwirigi Kinyua of the Kenyan Energy Regulatory Commission, the “burden [of the cost] has been pushed to the international traders”. Vivo Energy certainly knows this, as they operate in Kenya as well. Vivo even states that it was “proud to win the first cargo, and be the first oil marketer to import low sulphur fuel diesel into Kenya, with 50 ppm sulphur.” (Public Eye reply to Vivo Energy’s response to the Dirty Diesel report). In October 2016 the Chamber of Bulk Oil Distributers in Ghana said in a press statement: “(T)he CBOD has in conjunction with international traders been exploring trading modules that will ensure that a change in the specifications will not lead to an increase in ex-pump prices. After thorough analysis, we have concluded that aligning with the Euro Specification of 10ppm will enable Ghana to benefit from some economies of scale and savings from not blending (required for Ghana’s current spec) which will offset any increase in the logistical cost indicated in point 1 above. We are therefore confident that a move to the 10ppm will not lead to any material increase in price. We expect a zero to 1% maximum change.”

In March 2017, editors from Platts also acknowledged that “the overall value differential between higher sulphur fuels and lower sulphur fuels worldwide has actually narrowed quite significantly, which kind of make the question of what is the real incentive of maintaining high sulphur specifications as your import quality.” (Platts podcast (10m30s), March 2017).
The Dirty Diesel report indicates that it is profitable to use cheap, low quality blendstocks for markets with weak standards. Better standards would merely decrease the margins traders currently make on “African Quality” fuels. However to date, the companies have refused to share information on blend recipes and the profits they make on these fuels. We ask Vitol and other fuel suppliers to provide the necessary data to prove the case that they could not supply high quality fuels while remaining profitable. This would also require transparency of traders about the production costs of African Quality fuels and the blend recipes used.

“3. Any company’s market share (we estimate that Vitol has less than 20% market share of diesel imports into West Africa), is dependent upon its ability to continuously compete on price. The difference between winning bids and losing bids is usually a matter of cents. The price difference between EU spec and 3,000PPM is currently around $6 a tonne.”

**BT/PE Commentary:** Using this conversion tool, a tonne of gasoil is 1,129 litres, so a $6 difference in the price per metric tonne is equivalent to 0.53 cents per litre. For a 50 litre tank, this is a price increase of 26 cents. This difference is lower than Public Eye calculated in its report. (For a refinery, the operational cost of lowering sulphur content of diesel from 1000 parts per million (ppm) to 10 ppm only amounts to 1.7 US cents per litre, which doesn’t even amount to one dollar to fill a 50 litre tank). This means market conditions are now even more favourable than they were last year, as confirmed by the Platts podcast quoted above. As stated above, the evidence indicates it is possible for traders such as Vitol to absorb such price differences within their margins.

“4. The product passes through co-mingled storage and / or pipelines. It is consequently mixed with the product from other suppliers. There is no segregated supply chain.”

**BT/PE Commentary:** While fuel may be co-mingled in some circumstances, Vitol and Vivo Energy frequently make marketing claims regarding the quality of their fuels, including the statement above that Vivo “benefits from a truly integrated global supply chain”. Elsewhere in its commercial communications, Vivo states that it aims to create “a new benchmark for quality, excellence, safety and responsibility in Africa’s downstream energy marketplace” and that it is proud to make “truly world-class products available to all our African customers”. In Cote D’Ivoire, Vivo declares that it “uses all the means and tools necessary to ensure the latest international standards of quality […] so that Ivorian consumers benefit from what is best in terms of fuels when going to a Shell petrol station.” If it can ensure its fuels meet the quality standards that it claims in its marketing, it can influence factors such as the sulphur content as well.

As a fuel supplier, even where fuel is co-mingled, Vitol can meet its own responsibilities by ensuring that its contribution to this co-mingled fuel meets low-sulphur standards. A responsible supplier would act first, rather than waiting for the rest of the market to act.

“5. Marketing companies, such as Vivo Energy (in which Vitol currently has a 40% market share), are obliged to buy product from the licenced importer / other intermediaries which are not controlled by Vitol.”

**BT/PE Commentary:** As described above, the company owns stakes in or has business relationships with many local licenced importers. Also, this differs from the “truly global integrated supply chain” described in Vivo Energy’s marketing, over which Vivo, and hence Vitol, have “direct line-of-sight of the entire supply chain”. Vitol and Vivo Energy must take responsibility for the quality of the products they sell.
“6. A supplier to the importer has no means of ensuring that the product is sold in country. If Vitol, or any other supplier, were to supply EU specification (at a financial loss) to an importer, there is nothing to stop the importer from reselling the cargo, at a profit, and sourcing a cargo with a cheaper specification for local use.”

**BT/PE Commentary:** This situation differs from one country to another. In Ghana, for example, private importers receive rights to import from the National Petroleum Authority (NPA) based on criteria such as date, volume and product, which means the NPA identifies a consumption need at a given moment in the country. This means the importer cannot simply re-export the product and buy a cheaper one later, but has to supply the market following the NPA’s requirement.

It is interesting to see that Vitol, which accuses us of simplifying a complex issue for “propaganda” purposes, simplifies the rules it has to follow and does not take into account that every country is different. Vitol needs to take responsibility for the fuel it supplies. Theoretical bad practice by others in the supply chain should not be an excuse for inaction.

“The accuracy of the above can be confirmed by the regulatory agencies in each country. If helpful, we would be happy to put you in touch with them.

“To address your points specifically:

“1. “We see no evidence of regulatory barriers to Vitol choosing to supply fuel of a better quality”.

“As is evident from the above, the barriers to Vitol supplying EU spec fuel to West Africa result from the market structure and local regulatory framework. The absence of ‘regulatory barriers’ does not make something viable.”

**BT/PE Commentary:** See above.

“2. It is also totally inaccurate to state that it is “technologically and legally possible” for Vitol to only export fuels that meet the standards of its home countries.

“Vitol is obliged to meet the specification of any market it supplies. This specification is determined by the local regulatory authorities. Vitol cannot impose EU standards on other markets. It is inaccurate and false to suggest that regulators in other markets would be willing to accept any standards other than their own, for example, the US would not accept a cargo of EU spec.”

**BT/PE Commentary:** Vitol is obliged to meet or exceed the legal standards in the markets it supplies. It can supply fuels which exceed the legal standards in terms of quality, i.e. which have a significantly lower sulphur content than the legal maximum. Regulators would most likely welcome this. For example, US regulators accept imports of diesel at EU specifications, because the US has a limit of 15ppm in diesel, while the EU specification is lower at 10ppm.

“Other points of accuracy in your document you may wish to consider include:

“3. You refer to Vitol having a ‘dominant’ position. The EU states that a company with a market share of less than 40% is unlikely to be dominant. We estimate that our market share of imported diesel in West Africa is less than 20% and therefore cannot be accurately described as ‘dominant’. Please also note that this market share is based
solely upon our maintaining highly competitive pricing and could change at any time.”

**BT/PE Commentary:** We do not state that Vitol itself has a dominant position. The draft briefing stated that “Swiss trading companies Vitol, Trafigura and Addax & Oryx Group … have in recent years built a dominant position in the import and distribution of petroleum products in many African countries.” Vitol is not present in every country, but does have a leading position in several countries, including Ghana, Senegal and Nigeria.

“4. It is inaccurate to suggest that Vitol’s investment in marketing companies in Africa enables it to supply these directly. As is clear from the above due to regulations, the marketing companies are obliged to purchase from the importers. This can be verified by the relevant local regulators. The business rationale suggested by Public Eye does therefore not make any sense.”

**BT/PE Commentary:** See above.

“5. You quote Friends of the Earth Netherlands as saying that, in light of CIEL’s opinion they expect Vitol to be prosecuted in the Netherlands. Vitol complies fully with its obligations under Dutch law and regulations. It is therefore difficult to see on what basis it could be prosecuted.”

**BT/PE Commentary:** This is the stated opinion of Friends of the Earth Netherlands, and not for us to respond further.

“6. You state that “there are no practical barriers to the introduction of low sulphur fuels”. This is inaccurate and untrue. As stated above, there are practical barriers which prevent one company from acting unilaterally.”

**BT/PE Commentary:** Again, see above.

“There are no barriers to local regulators changing the specification for imports, as some are planning on doing. However, additional practical barriers to the universal use of EU specification fuels also exist. In countries where there is a local refinery, the refinery would have to be closed or be given an exemption and time to upgrade (for example the Ghanaian TOR refinery, produces 1,500PPM diesel). This point is recognised in the Public Eye report.”

**BT/PE Commentary:** Imported fuels can meet low sulphur specifications without a requirement for refineries to be upgraded first. This is the approach taken in the five countries which committed to introduce improved fuel quality standards in December 2016: the standards applied to imported fuels first, with a requirement for national refineries to be upgraded to the same quality by 2020. There is no need for importers to wait for local refineries to catch up before addressing the quality of their own fuel.

“The accuracy of our statements can be verified by independent and external third parties. If the facts are considered in an impartial and objective manner, it is evident that only action by governments and local regulators can effect the change required to impact the fuel sold at the pump. As recognised by UNEP, companies have an important role to play, working with governments and stakeholders, but without the appropriate regulatory framework, can achieve nothing by themselves.”
In fact, Rob de Jong, Head of UNEP transport unit, has stated: “For example, diesel fuels shipped to Nigeria and neighboring countries are at 3,000 parts per million sulfur. While this is not illegal, as standards in receiving countries are lacking or outdated and awareness is limited, it is unethical and unacceptable. […] As we continue to introduce and sharpen standards in African countries, we also need to see action from the mainly western exporters of dirty fuels and vehicles. We need the West and Africa to agree that cleaner fuels and vehicles are most welcome, and will save lives, but that the era of environmental dumping is over.” (Our emphasis.)

“The Public Eye report highlights some very important issues which should be addressed. Unfortunately, the report is biased, it does not paint an accurate picture and its conclusions are flawed. You dispute our classifying the report as ‘propaganda’. Propaganda is defined as “Information, especially of a biased or misleading nature, used to promote a political cause or point of view”. Given the report’s selective use of data, failure to consider all relevant information, focus on a limited number of the market participants and flawed conclusions, it is logically impossible to consider it as anything other than propaganda.

“It goes without saying that we would be happy to provide any further clarification if that would be helpful.”

**BT/PE Commentary:** We thank Vitol for directing us towards this definition of the word “propaganda”, but leave it to readers to draw their own views regarding the accuracy of the Dirty Diesel report, BankTrack’s briefing and the responses provided by companies. Vitol’s response indicates a refusal to take responsibility for the quality and sulphur content of the fuel it supplies as well as the fuel it retails, which its customers, business partners and financiers should find alarming. We maintain that Vitol and other fuel traders can choose to deliver fuel which meets higher quality standards than those laid down by national regulations, and that where such regulations are weak, it is their responsibility to do so.