

# HOLDING APARTHEID'S BANKS ACCOUNTABLE



Open Secrets and the Centre for Applied Legal Studies (CALS) are South African NGOs working towards corporate accountability for human rights violations. We are taking this fight to the doorstep of two European banks who aided and abetted the apartheid regime in South Africa.

## WHO ARE THE BANKS? WHAT DID THEY DO?



KREDIETBANK



KREDIETBANK  
LUXEMBOURG

Between 1977 and 1994, Belgium-based Kredietbank (now KBC Group) and its sister company Kredietbank Luxembourg (KBL) colluded with South African state-owned arms company Armscor to establish a global money laundering network of secret bank accounts and shell companies to break the UN arms embargo. According to research by Open Secrets, approximately 70% of these illegal arms transactions went through Kredietbank and KBL, making these banks the most significant international sanctions-busting collaborators with the apartheid regime.

## WHY HAVE THEY GOTTEN AWAY WITH IT?

Since the end of apartheid there has been a failure to investigate and hold corporations that aided the regime to account. Some of the same businesses are still doing business with the new democratic government.



## WHY DOES THIS STILL MATTER?

The lack of justice for historic private sector crimes has undermined efforts to make South Africa a more just and equitable society. Not only has money not been recovered, nor reparations paid, but South Africa has to pay back this odious debt while corporations continue to commit economic crimes.

## WHAT ARE WE DOING ABOUT IT?

The Organisation for Economic Development (OECD) Guidelines for Multinational Enterprises (MNEs) sets out standards to prevent MNEs from contributing to human rights violations, and is one of the few international mechanisms available to regulate and hold businesses accountable. Open Secrets and CALS have laid complaints against KBC and KBL at the Belgium and Luxembourg OECD National Contact Points (NCPs), asking them to make findings on the conduct of both banks.

## WHAT DO WE HOPE TO ACHIEVE?

- Findings by the NCPs that KBC and KBL violated provisions of the OECD Guidelines through their support for apartheid, and that a public apology should be issued to the South African government and people.
- Recommendations by the NCPs for more effective, binding mechanisms to hold financial institutions responsible for their conduct.
- A public challenge to European authorities to grapple with the conduct and harm perpetrated by corporations within their jurisdictions.

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