



NEWS RELEASE: **Thursday 12 June 2003**

Short-cut to corporate accountability: reform Export Credit Agencies

Forget smallpox and conquistadors, Europe's new exports to developing countries are bribery, environmental degradation and human rights abuses according to a coalition of 60 NGOs who will be calling for the reform of European Export Credit Agencies (ECAs) on **Monday 16 June 2003**.

ECAs are publicly-backed national agencies that offer export finance, usually guarantees and insurance, to companies that want to invest in projects that are too risky for conventional funding. These projects – often dams, mines, timber extraction and pipelines – cause controversy and devastation when they backfire, raising calls for corporate accountability.

On **Monday 16 June 2003**, NGO representatives will present their demands for ECA reform to the European Council Working Group on ECAs in Brussels, following an invitation from the Greek Presidency.

Emilie Thenard, co-ordinator of the European ECA Reform Campaign,¹ said:

“Many of these disastrous projects are only made possible because of ECA support. Standards must be raised so that our ECAs contribute to sustainable development and stop backing projects that leave a legacy of devastated communities and permanent environmental damage. Reforming ECAs is a short-cut to corporate accountability.”

On the table at the meeting will be a set of ECA reforms proposed by the OECD.² The campaign is calling for these procedures and standards to be amended to:

- protect human rights as well as the environment
- screen all ECA activities, including projects under \$10 million
- establish a minimum set of binding standards for all ECA-backed projects
- embrace transparency, making Environmental Impact Assessments public before projects are approved.

ENDS

Available at www.fern.org:

- 5 examples of ECA projects and their impacts
- Who's who in European Export Credit Agencies
- Facts and figures about Export Credit Agencies

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¹ The European ECA Reform Campaign brings together a coalition of organisations working to achieve binding environmental, development, human rights and social guidelines for EU-based ECAs, set at a significant high level and drawing upon relevant internationally-recognised standards and EU legislation. The European ECA Reform Campaign brings together a coalition of organisations including Both Ends (The Netherlands), The Cornerhouse (UK), ECA Watch (Austria), FERN (EU), Les Amis de la Terre (France), Reform the World Bank Campaign (Italy), Urgewald (Germany), WEED (Germany) and WWF (UK). The campaign is co-ordinated by Emilie Thenard of FERN. Tel: +32 (0)2 735 2500. Further information: www.fern.org.

² For the official OECD document see <http://www.oecd.org/pdf/M00023000/M00023467.pdf>
NGOs have prepared a 'ghost' version of the OECD document with recommended amendments and additions, available at www.fern.org.