

30 March 2010



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Dear ECGD,

Response to: Letter to companies and organisations that have responded to the Public Consultation on proposed revisions to ECGD's Business Principles and ancillary policies

Jubilee Debt Campaign would like to respond to your above letter. We remain extremely concerned by many aspects of your initial consultation document which we have already stated, in conjunction with other organisations. Most especially, we are concerned by the lack of an ESHR impact assessment around the central changes outlined in the document.

From our specific viewpoint, ECGD has been involved in many projects in past decades which have proved to be detrimental to the people and environments of the countries in which those projects were carried out. There is ample evidence from around the world as to the negative environmental, social and human rights impacts that such projects can and do have.

Moreover, there is no mechanism in place for those impacted by these projects seeking redress against the ECGD or the companies concerned. It is on their behalf that we feel compelled to say that it is not acceptable for ECGD to simply derogate its duty in regard of an impact assessment – which will only ever be an informed attempt at assessing possible impacts.

We cannot understand the reasons given for the failure to produce an impact assessment, namely that ECGD “does not know, and cannot estimate, the level of future demands for support for exports falling into the above category.” It seems to us that this is always the case with impact assessments, and the difficulty of the task should not prevent the Department trying. With particular regard to potential support of child labour or forced labour, the impacts are so serious that it really is imperative to assess the impacts.

It concerns us greatly, that failure to produce an impact assessment in this case is actually a reason to improve ESHR assessments in ECGD across the board, rather than rushing ahead with removing a category of projects from assessment. The fact that you cannot be confident that the new rules will not allow projects detrimental to the environment, people or human rights to be approved and undertaken, is surely proof enough that screenings should be continued, and the Department should drop its plans to make exclusions to screenings.

In short the failure to produce an impact assessment leaves us with no confidence at all that ECGD's projects going forward will be able to avoid exactly the pitfalls which projects have fallen into in the past – in particular in the case of the projects which you propose become exempt from screening.

We believe the ECGD would be in grave violation of its commitments to minimise harmful impacts on the environment, societies and human rights in countries in which its projects are carried out if it decides to go ahead with the changes to the Business Principles without first carrying out a full impact assessment. Were there to be ESHR violations found to have occurred in this 'non screened' category of projects, we do not see that ECGD would have any viable defence.

We do hope you will reconsider this move.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'N. Dearden', with a stylized flourish at the end.

Nick Dearden
Director