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29 March 2010

Dear Johan and fellow BankTrack members,

On behalf of the EPFI Steering Committee and the EPFI NGO Working Group, we thank you for the recent letter (dated 11 February 2010) addressed to the EPFIs following the recent meeting between EPFIs, BankTrack members, and other NGO representatives, in Horgen, Switzerland.

We wish to take this opportunity to thank members of BankTrack who took the time and made the effort to exchange ideas and work together during this meeting. Many of us made long trips to attend this dialogue and we recognise and appreciate both the time and resources required to do so. We also thank you for noting in your letter that the conversation was considered “candid and constructive” and we fully agree.

As you know, EPFIs and the NGO community, including members of the BankTrack consortium, have a long history of engagement and dialogue. We note that you will respectfully decline further invitations to attend large group meetings for the time being, and we respect this decision. Nevertheless as one of our many stakeholders, our commitment and willingness to engage in such dialogue with you remains. Indeed, our door is always open and we are happy to continue engaging with you on issues of mutual interest, such as the IFC Performance Standard Review (PSR) process.

Indeed, EPFIs’ first and foremost priority is the IFC PSR process which will occupy a great deal of 2010. As you know, EPFIs and other Performance Standards (PS) users are awaiting public drafts of the revised PS. Once those drafts are in the public domain, we will engage in substantive discussion, within the EPFI network and with our different stakeholder groups, on what the IFC’s proposed revisions mean for the Equator Principles (EP). We believe that it is in our mutual interest to continue a dialogue about this process once the IFC releases its drafts (perhaps in the smaller working group formats that you have proposed).

EPFIs strongly believe that the Equator Principles continue to make a positive difference on-the-ground at the project level, within our own financial institutions, and within the finance sector generally. The EPs have formed the basis of many of our institution’s broader risk management policies. As such, we believe the EPs continue to be a positive agent of change, and are one of the finance sector’s most successful and effective market standards. Indeed, we are proud of the EPs’ positive evolution since 2003, and the significant changes we made in 2006 including incorporating enhanced community consultation standards, grievance mechanisms, labour standards, and transparency in our EP implementation.

Finally, EPFIs recognise that there are areas for improvement that are not directly tied to the IFC PSR. Please be assured that these issues are being considered as we move forward.

Sincerely,

Shawn D. Miller, on behalf of the EPFI Steering Committee and EPFI NGO Working Group