



**To: Equator Banks present at
July 1st London meeting**

Subject:

Progress on joint NGO-Equator Bank working group?

Date

Amsterdam, 19 August 2004

LS,

On behalf of the NGO representatives present at the July 1st meeting with Equator Banks in London, I would like to inquire with you about the state of affairs regarding our agreed joint NGO-Bank working group. Most of us have returned from holidays and are very eager to start off with what promises to be a very interesting and mutually beneficial undertaking.

To recapitulate what we wrote to you in our follow up letter of July 17th; it is our understanding that this will be a temporary working group that will convene a few times before, and help prepare the next Bank-NGO meeting scheduled for January 2005 at Credit Suisse in Switzerland.

The following people will participate in the working group on behalf of our organisations:

- Heffa Schuecking, Urgewald, Germany (heffa@urgewald.de)
- Ilyse Hogue, Rainforest Action Network, US (ihogue@ran.org)
- Jules Peck, WWF, UK (jpeck@wwf.org.uk)
- Johan Frijns, BankTrack coordinator, Netherlands (coord@banktrack.org)

as representatives/members of the wider BankTrack network, plus

- Bruce Rich, Environmental Defense, US (brich@environmentaldefense.org)
- Glenn Prickett, Conservation International, US (g.prickett@celb.org)
- Marta Miranda, World Resources Institute, US (marta@wri.org)

representing their own organisations.

We would very much like to hear from you which bank representatives will take part in the working group.

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Issues to discuss

At our meeting in London we agreed on three fields of work for the working group; the use of the equator-principles website, transparency and reporting, and the possible involvement of NGOs in the further development and applications of the Principles.

While we are completely open as to the exact agenda of the working group, we would like to identify a few issues that we think fit under these three headings. These are:

- *information disclosure at website.* The group should address the question what sort of information can be made available on the Equator Principles website so that it allows external observers to make an informed judgment on the implementation and application of the Equator Principles.
- *Information disclosure on specific projects and transactions.* While recognizing the need to take into account business confidentiality requirements, we believe that it is increasingly established in international good practice that environmental information relating to specific transactions is not business confidential, nor is information on specific projects and transactions where environmental and social issues invoke the consideration of the Equator Principles. We would like to pursue in the Working Group discussions on how the Equator Banks can be more transparent concerning specific projects that have been approved where the Equator Principles have been applied, as well as concerning projects that have been rejected because of environmental and social concerns.
- *Engagement of external stakeholders.* The London meeting was an excellent first step in further engaging civil society groups in the –debate on the- implementation process of the EPs. This said, as Northern NGOs we are very much aware that we also do not represent the full range of stakeholders. More specifically we feel that NGOs and community representatives from the South need to be brought on board. The working group can identify appropriate processes to make this happen.
- *Accountability issues.* While the issues mentioned above all relate to the question of external accountability there are a few specific issues that need further debate. Most importantly we would like to bring in our expertise in the use of the various external accountability mechanisms of IFIs and ECAs and discuss what would be feasible options for the Equator banks to implement.
- *Joint post project evaluation.* One interesting idea that surfaced at the meeting was the possibility to set up joint bank-NGO-sponsor post project evaluations, assessing how the Equator Principles were applied, what difference they made in project design and implementation, what lessons can be learned etc.
- *NGO involvement in bank training.* We got the impression from the presentations at the meeting on how the EPs are being implemented and what sort of training bank staff receives that project staff could benefit from being exposed to NGO experiences and perspectives. We would be interested in exploring how this could be accomplished.

Practicalities



We propose that the working group will start its work as soon as possible, with a first meeting (or conference call?) to take place in September. The aim of that meeting would be to agree on the terms of reference for the group and the exact process to be followed.

To facilitate smooth communication, Johan Frijns, coordinator of BankTrack, has volunteered to act as contact address for the wider NGO community engaged in this debate. Would you be so kind to send all future correspondence on this matter to coord@banktrack.org?

While we understand the difficulties involved in identifying a similar one stop contact address for banks, we kindly request to you to figure out a way to avoid having to send future correspondence to this entire group.

Finally, although this is still a while away we already would like to propose **Friday January 22nd 2005** as the date for the next NGO/Bank meeting. This will allow us to have our meeting coincide with various events linked to the World Economic Forum.

We are looking forward to the cooperation and hope to hear from you soon on the practicalities of the process ahead.

Sincerely,

Johan Frijns
Coordinator BankTrack

On behalf of

Andreas Missbach, Berne Declaration (member BankTrack)
Antonio Tricarico, Campaign to Reform the World Bank, CRBM (member BankTrack)
Bruce Rich, Environmental Defense
Donald Pols, Milieudefensie, Friends of the Earth Netherlands (member BankTrack)
Glenn Prickett, Conservation International
Greg Muttitt, Platform (member BankTrack)
Heffa Schuecking, Urgewald (member BankTrack)
Ilyse Hogue, Rainforest Action Network (member BankTrack)
Jules Peck, WWF-UK (member bankTrack)
Marta Miranda, World Resources Institute
Michelle Chan-Fishel, Friends of the Earth US (member BankTrack)
Naomi Kanzaki, Friends of the Earth Japan
Nigel Homer, the Nature Conservancy
Paul Faeth, World Resources Institute
Simon McRae, Friends of the Earth UK (member BankTrack)