

## **NGOs Walk Out of OECD Meeting on Official Export Credits**

### **Groups from 12 OECD Nations Protest ECG's Years of Failure to Address Critical Issues**

**Paris, Monday 5 November 2007, Citing their frustrations at years of silence in response to repeated proposals for effective implementation of environmental and social standards, as well as for coherence with related OECD goals and agreements, non-governmental organizations (NGOs) representing hundreds of thousands of taxpayers in OECD member nations, walked out of an OECD meeting called to consult civil society organisations. The groups cited the recent approval by ECG ECAs of projects that flagrantly violate internationally accepted environmental and social standards as well as the failure of most ECG ECAs to take effective action to address sustainable development, corporate social responsibility, corruption, and sustainable debt relief. OECD taxpayers support some \$100 billion annually in ECA loans, insurance and guarantees for large scale projects in developing countries and economies in transition.**

While appreciating efforts by chairs of the Export Credit Working Party (ECG) and staff of the OECD Secretariat to foster dialogue between NGOs and ECG national Members, and noting good working relations with a number of national ECA environmental practitioners and officials, NGO representatives pointed to ECG members' collective unwillingness to engage in substantive exchanges of views, pointing out that lack of progress threatens the credibility of the OECD to effectively address many broad overlapping issues, from sustainable development to debt and bribery, in which ECAs are critical players.

« The approval this summer of German, Austrian and Swiss export credits for the Ilisu dam in Turkey, which violates World Bank/IFC environmental and social policies on many counts, demonstrates a flagrant disregard for basic environmental and social standards, and for the OECD Recommendation on 'Common Approaches on the Environment and Official Export Credits' » notes Bob Thomson, Paris based Facilitator of ECA Watch. ECA-Watch is an international network of NGOs advocating effective ECA action in avoiding environmental and social harm, and credible ECA measures to fight corruption, cease promotion of unsustainable debt in poor countries, and increased transparency.

In a letter delivered to the OECD ECG today, the NGOs stated, "there is a growing and urgent credibility crisis in the implementation of the Common Approaches. This crisis is a direct consequence of ineffective peer review, inadequate monitoring and inadequate transparency with respect to specific projects, accentuated by the categorical refusal of the ECG to discuss these very issues in specific cases."

Proposing greater transparency and more public and formal peer review processes as practiced by other OECD entities, the Groups regretted having to draw attention to the ECG's democracy and development deficit, reiterating their willingness to return to the table, bringing their expertise with respect to international best practices, when appropriate new modes of consultation and greater openness to dialogue are proposed.

#### **For more information, contact :**

Bob Thomson,  
ECA Watch, Paris,  
Telephone +33 (0)1 48 51 18 90  
Mobile: +33 (0)6 09 73 50 90,  
Email: [facilitator@eca-watch.org](mailto:facilitator@eca-watch.org)