

## **Contributing Paper**

# **Export Credit Agencies**

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This is one of 126 contributing papers to the **World Commission on Dams**. It reflects solely the views of its authors. The views, conclusions, and recommendations are not intended to represent the views of the Commission. The views of the Commission are laid out in the Commission's final report "Dams and Development: A New Framework for Decision-Making".

## I. Introduction and Background

In the last five years, the Export Credit Agencies (ECAs) have come under increased public scrutiny as a result of the environmental, social and economic impacts of projects and project components that are publicly guaranteed or financed under their programs.

ECAs are international financial agencies that provide loans, guarantees and insurance to domestic corporations and businesses for their activities overseas. The key objective of ECAs is supporting and promoting exports and trade from their respective countries. The ECAs are also an increasingly important source of financing for the private sector, and amounts have far outpaced official development assistance. From 1988 to 1996 export credits increased four-fold from (US) \$2.6 billion to \$105 billion per year.<sup>1</sup> By 1996 ECAs were supporting \$432 billion in export credits.<sup>2</sup>

While most public international financial and development institutions, (including the multilateral development banks, United Nations agencies, and bilateral lenders) have developed environmental assessment procedures, guidelines and policies, the ECAs have been slow to adopt policies and guidelines for screening and assessing projects or project components that may have environmental and social impacts.<sup>3</sup> A broad coalition of international non-government organizations (NGOs) has issued several reports on ECA projects documenting adverse environmental and social impacts.<sup>4</sup> Analysis from the NGO case studies on Three Gorges Dam in China, Ilisu Dam in Turkey, Maheshwar Dam in India, and San Roque Hydro and Irrigation Project in the Philippines underline the need for the ECAs to examine more closely projects they support through credits, loans and guarantees. These case studies also highlight the problem of a lack of common standards of the ECAs agencies because if one agency turns down a company's bid for a project, then inevitably a company in another country will seek funding or guarantee from a competing ECA. Some ECAs officials believe that they will be at a disadvantage if they implement environmental standards because the export business will just be accepted elsewhere.<sup>5</sup>

The controversial Three Gorges dam in China is a key example of this problem.<sup>6</sup> Three Gorges will cost up to (US) \$43 billion, and once constructed will stand 600 feet high, and create a reservoir 400 miles long. Environmentalists have long opposed the dam based on the involuntary resettlement of up to 1.9 million people and a series of adverse environmental impacts.<sup>7</sup> In the early 1990's, the World Bank indicated to the Chinese government it would not finance the project, and advised them not to approach the Bank for a loan. In 1996, after intense pressure from U.S. NGOs and a negative inter-agency study, the U.S. Export-Import (Ex-Im) Bank declined support for the project. Ex-Im cited lack of information on environmental and social mitigation related to the project. Despite these red flags, other ECAs stepped forward. Hermes (Germany), issued loan guarantees of \$833 million to the German Company Siemens, and turbine manufacturer Voith Hydro. Exportrisikogarantie (ERG) (Switzerland) issued loan guarantees of nearly \$300 million to Swiss companies ABB and Sulzer Escher-Wyss. In addition, the Economic Development Corporation (Canada) extended a (US) \$12.5

million loan to Agra, Inc. and a \$153 million loan in support of a turbine contract of General Electric Canada.<sup>8</sup>

The lack of ECA environmental standards has underscored the inconsistency within G-8 and Organization for Economic Cooperation and Development (OECD) governments who often require standards within their own bilateral agencies and encourage strong policies in international treaty organizations such as the World Bank. However, in 1999, some efforts among governments and NGOs to establish common standards in ECAs progressed.

In May 1999, international NGOs monitoring the Export Credit Agencies issued the "Mesum Declaration," signed by 163 NGOs from 46 countries which promoting key principles for adoption by the ECAs. These included increased information disclosure and public participation, and agreement on a common set of environmental and social standards based on existing international standards.

Also last year, for the first time, the G-8 Ministerial meeting, issued a statement in its communique recognizing the importance of common standards among the ECAs:

"We agree to continue to support the Multilateral Development Banks in making environmental considerations an integral part of their activities, and we will do likewise when providing our own support. We will work within the OECD towards common environmental guidelines for export finance agencies. We aim to complete this work by the 2001 G-8 Summit."<sup>9</sup>

Later in the year, the OECD Working Party on Export Credits and Credit Guarantees agreed to a voluntary environmental information exchange on larger projects. The six point agreement: includes exchanging environmental assessments on projects, sharing other information and coordinating responses to exporters, lenders and other principle parties. While the exchanges are completely voluntary, they represent a step forward for a coordinated effort. An OECD Ministerial Council meeting later issued a statement welcoming progress on environmental information exchange and urging the ECAs to continue to work toward a common approach.

In February 2000, a meeting is scheduled at OECD to further develop plans for exchanging information and common approaches. According to Bob Crick, (Vice-Chair of the OECD Working Party on the Export Credit and Credit Guarantees), ECA representatives are already meeting regularly to discuss and share information on projects with potential environmental impacts.<sup>10</sup>

In the limited time frame given for this paper, it was not possible to conduct a comprehensive review of environmental guidelines of the ECAs. In addition, many ECAs while stating that they have an internal review process, do not have publicly available guidelines or procedures. This paper reviews the guidelines and procedures of four Export Credit Agencies including the Export Import Bank (United States), Export

Development Corporation (Canada), Export Credit and Guarantee Department (United Kingdom), Japanese Bank for International Cooperation (Japan). Based on the information available, these four agencies are far ahead of other OECD Export Credit Agencies in environmental assessment and guidelines. Section II reviews existing international standards and best practice on environmental assessment, transparency and public consultation. Section III reviews the guidelines of the four agencies and Section IV draws some conclusions.

## **II. Review of Current International Practices in Regard to Environmental Assessment, Information Disclosure and Public Consultation.**

There is now a large body of international experience and best practice around Environmental Assessments. While the responsibility of the Environmental Assessment (EA) lies with the project sponsor, most agencies now have specific guidelines for what is expected in the assessment process. The public financial institutions such as the World Bank, other MDBs, and bilateral agencies all have environmental guidelines or procedures on environmental assessment. Many UN Agencies involved in development also have guidelines. Increasingly private sector financial agencies such as the International Finance Corporation (IFC) and the Overseas Private Investment Corporation (OPIC) also have extensive guidelines. This section reviews current best practice in the international financial sphere, referencing guidelines from various agencies.<sup>11</sup> Prior to funding or involvement, most international funding agencies now require environmental screening, categorization and an environmental assessment of projects that have potential adverse impacts on the environment. The environmental assessment process also include consultation with affected people, stakeholders, some public disclosure of information, and monitoring.

Many international agencies require that EA standards for a given project meet host country standards and World Bank standards, or in some cases the standard of the country of the financing agency. For example, the Overseas Private Investment Corporation expects project EAs to meet both host country standards and World Bank standards. If there is a gap in the World Bank standard, then OPIC looks to U.S. Federal standards or standards of other international organizations.<sup>12</sup> The European Bank for Reconstruction and Development (EBRD) expects projects to meet host country standards and European Union (EU) standards. Where EU standards are lacking, it requires World Bank standards.<sup>13</sup> The stages of an EA process usually include Screening, Scoping and Studies, Review and Decision, and Monitoring.

Environmental Screening is a critical first step in the EA process, as it determines the extent and category of an EA. The category that a project is put in depends on the type, location, scale of project, and potential environmental impacts. Standard practices usually has three categories: A, B, and C. Category A usually requires a full impact assessment, Category B a more limited environmental study and Category C does not require a study. OPIC and others have a screening process which includes categorical

prohibitions. These include large dams that disrupt natural ecosystems, infrastructure or raw materials extraction in primary tropical forests and other protected or ecologically fragile areas, and projects that cause resettlement of 5,000 or more people.<sup>14</sup> OPIC then has six categories (A-F) for projects, including F which has the prohibitions.

### Scoping and Studies

This phase of the process includes planning and implementing a series of studies on the environmental impacts. It usually also includes involvement of stakeholders and the public. For example, the IFC requires public consultation and disclosure of information at this stage. The basic types of studies include an Environmental Impact Assessment, an Environmental Analysis and an Environmental Audit. A full EA and Environmental Analysis are used to determine potential impacts, whereas an audit is used for operations that are already ongoing.<sup>15</sup>

Common recognized elements of an environmental assessment include the following:

- A summary;
- A Project description;
- A description of the legal and institutional framework;
- Baseline data;
- A description of environmental impacts;
- Prevention and mitigation measures;
- A comparison of alternatives;
- Monitoring, reporting, and evaluation requirements;
- and Stakeholder participation;<sup>16</sup>

Most international agencies such as the EBRD, the IFC, the United Nations Environment Program, OPIC, and the MDBs, require these elements in an EA report. Stakeholder and public participation are also critical. The IFC requires public participation twice within the course of the EA process: once during the scoping of the project and another time after the draft EA is prepared and before project approval. OPIC provides the public with an opportunity to comment on all Category A projects before making a final commitment to the project. OPIC also expects the project sponsors to engage in “meaningful consultation with all local stakeholders in the scoping, preparation, and completion of EAs and other environmental studies.”<sup>17</sup>

### Review and decision

At this stage, the agency will review the EA, and adequacy of studies and information made available. This will lead into a decision about whether to finance or guarantee the project or project component, based on the outcome of the report. There should be clear criteria for review. This is also an important time for public input to comment on the EA and studies. Several international agencies have an independent group or committee review and give comments or approval on the adequacies of the studies.

This allows for a check and balance system in agencies where finance officers or underwriters are rewarded for a large project portfolio, and hence may have a conflict of interest in determining whether the project should be supported or slowed for mitigation or reform. Monitoring is at the end of the EA process.

Most agencies monitor compliance with regulations, impacts of the project, and environmental mitigation.<sup>18</sup> OPIC reserves the right to monitor projects and compliance with “environmental representations and undertakings throughout the terms of its insurance.”<sup>19</sup> OPIC routinely conducts on-site monitoring for environmental impacts. IFC also requires the project sponsor to report on compliance on measures agreed with the IFC on the basis of the findings and results of the EA.

### **III. Review of Selected Export Credit Agencies**

#### **A. Export-Import Bank (United States)**

The Export-Import Bank of the United States (Ex-Im) is an independent government agency that provides guarantees for the repayment of loans and make loans to foreign purchasers of U.S. goods and services. Ex-Im Bank also provides political risk insurance to U.S. companies. In the last 60 years Ex-Im has provided more than (US) \$300 billion in U.S. Exports.<sup>20</sup>

Of the Export Credit Agencies reviewed for this paper, Ex-Im has the most developed set of guidelines and procedures. In 1995, the Export-Import Bank issued environmental procedures which includes guidelines, an environmental screening document, an outline for the contents and format of an environmental assessment, and requirements for public participation. These were revised in 1996, and again in 1998 after a review. The current set is good until 2001, but may be upgraded before then. The upgrade could include a requirement for environmental management plans for large scale projects.<sup>21</sup>

In 1998, Ex-Im issued an exclusion list which mainly includes pesticides banned by the U.S. Environmental Protection Agency. Ex-Im also has established Nuclear procedures, including nuclear guidelines and nuclear screening document.

Ex-Im Bank also has an Engineering and Environment Division which evaluates applicants based on Ex-Im’s objectives and guidelines. If the project does not meet the guidelines, the Ex-Im Board of Directors reviews the environmental impacts of the project on a case-by-case basis. In addition, financing may be conditioned upon mitigation of environmental impacts.

Ex-Im uses quantitative or numerical guidelines, as well as qualitative guidelines to assess the objectives of protection of air quality, protection of water use and quality, waste management, acceptable risk in relation to natural hazards, protection of

ecological sources, avoiding or mitigating socioeconomic and socio-cultural impacts, and noise abatement. The guidelines are used in a broad selection of specific industrial sectors, including pulp and paper, iron and steel, mining and milling, oil and gas, power plants, forest operations and logging, petroleum refineries and petrochemical facilities, and hydro-power and water resource management.<sup>22</sup>

Depending on answers in an initial screening document, Ex-Im then categorizes transactions as N, A, B, or C. Category N is for Nuclear and has its own procedures. Category A is a project which requires no environmental information and is typically an export dealing with (for example) electronic, telecommunications, or radar equipment. Category B includes projects that are constructed in or are near to environmentally sensitive areas such as primary forests, tropical rainforests and wetlands. This category requires an environmental assessment. Category C requires additional environmental information, but is not full assessment.

Ex-Im has also issued a guidance outline on environmental assessment, which includes information about the format and contents of an EA. Ex-Im suggests that EA's should include: description of the project and existing environment, an analysis of beneficial and adverse impacts of project, potential mitigation of significant adverse impacts, identification of impacts for which no mitigation is available, the regulatory framework, and the scope and effectiveness of existing monitoring systems, and a listing of staff available to evaluate, oversee and implement mitigation. Ex-Im also suggest contents which follow the line of Ex-Im objectives above. The Ex-Im guidelines for format and contents are close to international best practice except it does require an investigation of alternatives. According to Ex-Im officials, the guidelines have more often served to upgrade and improve projects, rather than to stop projects.<sup>23</sup>

Regarding public participation, Ex-Im will "make use of information provided by other sources including government entities, intergovernmental organizations and non-governmental organizations."<sup>24</sup> However, Ex-Im's procedures for EA do not require public participation of stakeholders. Once the EA has been given to Ex-Im, the Bank will make copies of the document available in "a form authorized by the project sponsors,"<sup>25</sup> which implies that certain parts could be redacted before its public release.

## **B. The Japanese Bank for International Cooperation (JBIC)**

The Japanese Bank for International Cooperation (JBIC) was established on October 1, 1999 through a merger of the Export-Import Bank of Japan (JEXIM) and the Overseas Economic Cooperation Fund (OECF). JBIC conducts International Financial Operations including export and import loans, untied loans and equity participation in overseas projects of Japanese Corporations. JBIC also provides financial assistance including official development assistance to countries.<sup>26</sup>

The Jexim Bank had previously supported or guaranteed exports to the Three Gorges dam in China, the San Roque Hydro and Irrigation Project in the Philippines, the

Ocensa Pipeline in Columbia, the Urucu Gas and Oil project in Amazonas, the Ilisu Dam in Turkey, and the Ok-Tedi Copper and Gold Mine in Papua New Guinea. The OECF had previously funded components of the Sardar Sarovar (Narmada) dam in Western India.

JBIC has a set of Environmental Guidelines, which are similar to JEXIM Bank's guidelines. These include use of screening criteria and an environmental checklist. JBIC requires borrowers to fill out a "screening form". After the form is reviewed a project is classified as either Category A, B, or C. Category A projects are projects that are located in a sensitive area which can include primary forests, tropical rainforests, tidal flats, national parks, endangered species habitats, World Heritage sites, areas where minorities or indigenous people reside or projects in which involuntary resettlement may take place.

Screening for Category B projects are weaker than other international standards as many large scale infrastructure projects are included under B which should be classified as A such as hydro-projects or mining projects.

Category C is a project that is not under the environmental checklist, or is in the environmental checklist but whose impact is considered minimal, projects which are under review, or projects in which JBIC's portion of the project cost is less than 5%. The JBIC screening process to determine categories do not have clear qualitative or quantitative standards.

JBIC require compliance with host country standards.<sup>27</sup> If the host country standards are not met it will consider whether the standards "diverge significantly" from Japanese or international standards.<sup>28</sup> In Category A projects, JBIC's policy states that it will "confirm" environmental impacts through the environmental checklist, an Environmental Assessment, and information from a resettlement plan or indigenous peoples development plan. JBIC indicates that it may take sites visit to confirm environmental impacts.

JBIC's guidelines also indicate it will undertake monitoring of environmental impacts in Category A, B, and C projects where necessary, and may also consider suspension of support for a project if the project fails to meeting local environmental standards. However JBIC does not have prohibitions on specific kinds of projects. In Category A projects, it is also vague about conditions under which a project can move forward, indicating that as long as environmental issues are considered, the project will probably go ahead.

JBIC requires "in principle" that projects it support should comply with the environmental laws and regulations of the host country where the project is located. In cases where the standards in the country "diverge significantly" from Japanese or international standards or in the absence of local standards, then JBIC will consider instead Japanese or international standards for the project. JBIC also indicates it will take into

consideration social environment such as resettlement of populations.

NGOs are critical of the guidelines because there was no public consultation in developing them, either with stakeholders or international NGOs. Japanese NGOs have called for a revision of the guidelines with full public consultation.

### **C. Export Credit Guarantee Department (United Kingdom)**

The Export Credit Guarantee Department (ECGD) provides financial and insurance assistance to UK companies exporting to developing countries. It also provides political risk insurance to UK companies operating overseas to guard against non-return of investments. The ECGD issues policies of over 3 billion (in pounds) to UK exporters. The ECGD is a separate department of the UK government and reports directly to the Secretary of State for Trade and Industry. The ECGD has been associated with the San Roque Dam in the Philippines, the Natha Jhakri Hydroelectric Power Project in India, and is considering support for the Ilisu Hydroelectric Project in Turkey. The support would provide a £200 million investment guarantee for Balfour Beatty, the lead contractor in the project.

The ECGD just initiated the beginnings of environmental screening procedures on January 4, 2000. A main element of the screening procedure is a questionnaire which screen projects for environmental problems. All applicants are now required to send in a questionnaire with the application. The rest of the procedures are still being developed. Based on the information provided the ECGD will review potential environmental impacts. The ECGD also notes that it will not have “pre-set standards” but will review environmental impacts of projects on a case-by-case basis, and will use relevant standards such as the World Bank, host government regulations and industry standards.<sup>29</sup> According to the ECGD, in some cases it may require more information such as an environmental impact assessment.

The ECGD has not implemented any other of the best practices of international agencies. It does not have specific prohibitions on funding, requirements for an EA, public participation, or monitoring.

According to ECGD staff this is just a first step and the ECGD hopes this step will alert them to potential problems. However, ECGD anticipate that projects with environmental problems will be few and far between.<sup>30</sup>

No project has ever been turned down by the ECGD on environmental grounds. However, according to ECGD’s Bob Crick (who is also the Vice Chair of the OECD Export Credit Working Party), the ECGD is currently looking more closely at the Ilisu dam project in Turkey.<sup>31</sup> However, Crick added that the ECGD is more inclined to look for ways to mitigate or minimize environmental impacts, then to not finance or guarantee a project.

The questionnaire contains screening of projects by sector, and ask whether the project for which goods and services are supplied will impact on various natural resources and populations. The questionnaire also asks the company to attach copies of company environmental policies, relevant government policies or standards, copies of environmental management or monitoring plans, copies of the environmental impact assessment where relevant, if the EA standard is comparable to the World Bank, UK, EU, or the International Finance Corporation. The questionnaire also asks for details on the EA including social and environmental impacts, mitigation and resettlement of people.

While the questionnaire does represent a step above not having anything in place, it falls short of international standards, as it is not a set of procedures or policies. Despite the questionnaire, the ECGD does not require an EA for specific types of projects, but it handles projects on a case-by-case basis rather than having a pre-set standard. This is substandard practice. While the questionnaire lists sensitive type habitats to check off, the ECGD does not have a prohibition on projects which impact on specific sensitive habitats. As far as reviewing the questionnaire, this will take place as a matter of course in the approval process by underwriters in the ECGD. Currently, there is no environmental review committee or staff to look at the questionnaire or screen projects. In the case of a controversial projects, the ECGD did indicate it would hire an outside expert and/or consult with other ECAs on the matter.<sup>32</sup>

The questionnaire asks if there has been public consultation, but not information disclosure on EA, and currently the process would not specifically require consultation or information disclosure. According to Bob Crick, public consultation is an “evolving process” and the ECGD does not have a pre-set process or rule for public consultation.

Nicolas Hildyard of the Cornerhouse an NGO based in the U.K. believes ECGD will have to go further because what the ECGD has in place is “decades behind international best practice. The ECGD need to have mandatory requirements for environmental assessments and public consultation, and they need to be more pro-active.”<sup>33</sup>

#### **D. Economic Development Corporation (Canada)**

The Economic Development Corporation of Canada is a government corporation whose mandate is to support and develop Canada’s export trade and Canadian capability to engage in trade and take advantage of international business opportunities. In 1998, the EDC’s total export sales and foreign investment was (Can) \$34.7 billion.<sup>34</sup> The EDC issued a Environmental Review Framework in 1999, which “reflects ongoing multilateral discussions at the [OECD] aimed at strengthening environmental considerations in risk assessment practices of export credit agencies.”<sup>35</sup> EDC had also been pressured by Canadian and international NGOs for its association with problem projects such as the Three Gorges Dam project in China, the Omai Gold Mine in Guyana, the sale of Canadian Candu Nuclear Reactors to China, and the Ok Tedi gold mine in Papua New

Guinea.<sup>36 37</sup>

The EDC Environmental Framework includes:

- requirements for an Environmental Review Report (ERR) which demonstrates that the project is in compliance with host country,
- a screening process,
- a prohibition on support of projects “after taking into account the implementation of mitigation measures, are, in its opinion, likely to cause significant adverse environmental effects that cannot be justified by the anticipated positive effects of such projects.”<sup>38</sup>
- consideration of other internationally recognized environmental standards and industry best practices in determining environmental mitigation.

The EDC Environmental Framework lacks a requirement for a full environmental assessment and some of the common elements of an environmental assessment. For example, it does not require an assessment of alternatives to the project or a comparison of the environmental impacts or risks of alternatives to the proposed project. The ERR allows for quite a bit of flexibility regarding the content and the format of the review. Rod Giles of the EDC says flexibility is the key to dealing with environmental issue in the private sector, and that the EDC prefers to work on a case-by-case basis.<sup>39</sup>

Although the EDC has a screening process, based upon the screening it does not have environmental categories upon which to base decisions about whether to require an environmental assessment. According to the EDC, there is an Industrial Engineers Advisory Group which review projects for environmental impact and gives the go ahead. If needed the EDC would also hire outside consultants.<sup>40</sup>

The EDC does not require that the environmental review report be released to the public, nor does it specifically require the ERR to take into account the concerns of stakeholders and affected people. However, the EDC does indicate it will take into account information from NGOs as part of its risk assessment and decision making process.

Canadian NGOs have criticized the process around the framework because there was lack of consultation with NGOs and communities in developing countries. NGOs have requested that the framework be called a draft and set up a public comment period. The EDC says the framework is a “starting point” and the document will probably be reviewed within three years, taking into account comments from the public. The EDC also noted that a multilateral effort is the most effective way to have environmental sustainability, and indicated that in some cases the EDC may be at a competitive disadvantage due to its environmental framework.

## IV. Conclusion

Public Controversy over the environmental and social impacts of the ECAs has been growing over the last five years. An international coalition of NGOs and stakeholders have brought to public attention the problems and adverse impacts of these agencies. There are now numerous case studies of problem projects that have been financed or guaranteed by the ECAs. There is also now a mandate from both the G-8 Ministers and from the OECD to pursue a common set of environmental guidelines and standards among the ECAs and to increase sharing of environmental information. Some ECAs officials are promoting a multilateral effort to coordinate the standards of the ECAs in order to ensure that any individual ECA is not at a competitive disadvantage.

Currently only a few Export Credit Agencies have public environmental policies or guidelines, or screening procedures. Of the Agencies that do have policies, they often fall short of accepted international standards such as those of the IFC, OPIC and United Nations Environment program. The ECAs reviewed have varying standards for environmental screening, assessment and review, but that fact that the agencies have *something* on the books is a still a step ahead of other OECD ECAs.

Only one agency reviewed-Export-Import Bank-requires a comprehensive environmental assessment process and meets most international best practice. The U.K. ECGD has the weakest requirements of those reviewed which at this stage amounts only to a screening process.

Basic transparency mechanisms such as access to information and public consultation are critical to ensure that problem projects and environmental impacts are identified at an early stage, yet most ECAs reviewed don't place an emphasis on public participation. Increased transparency can only contribute to the improvement of the environmental and social record of ECA financed and guaranteed projects.

Up-coming meetings within the OECD and among ECAs will probably yield some results in more ECAs issuing guidelines and procedures, and in reaching common standards. However, much of momentum for reform efforts will probably rely on the continued vigilance and criticism from international NGOs, stakeholders and the public.

## ENDNOTES

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2. The Corner House, *Snouts in the Trough: Export Credit Agencies, Corporate Welfare and Policy Incoherence*, (1999).

3. For a critique of lack of environmental guidelines in ECAs see Bruce Rich, *Export Credit Agencies: the Need for More Rigorous, Common Policies, Procedures and Guidelines to Further Sustainable Development*, (November 17, 1998). See also Yale Environmental Clinic, *An Analysis of Environmental Standards of Export and Overseas Private Investment Support Agencies*, (May 14 1998).

4. See Berne Declaration, et.al, *A Race to the Bottom: Creating Risk, Generating Debt, and Guaranteeing Environmental Destruction*, (March 1999). See also The Corner House, *Snouts in the Trough: Export Credit Agencies, Corporate Welfare and Policy Incoherence*, (1999).

5. Yale Environmental Clinic, Op. Cit, page 4.

6. Yale Environmental Clinic, Op. Cit. , Page 4.

7. See International Rivers Network Webpage and Campaign Dossiers.

8. Yale Environmental Clinic, Op. Cit, page 4. see also *Race to the Bottom*, Op. Cit, page 7.

9. G-8 Communique, Cologne, September, 1999.

10. There has been a number of exchanges on the controversial Ilisu Dam in Turkey.

11. For an analysis of Standards for Good Practice for Environmental Assessment, see Bruce Rich, *Established Common Elements of International Good Practice for Environmental Assessment, Background Memorandum for a Presentation before the OECD Working Party on Export Credits and Credit Guarantees*, (October 26, 1999). See also Lasse Tallskog, et.al, *Environmental Assessment in Public Promotion of Exports and Investments to Developing Countries*, prepared for Ministry of Foreign Affairs of Finland, (October 1998).

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13. Bruce Rich, Op. Cit., page 3.

14. OPIC, Op. Cit., Appendix F.

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16. Ibid, page 31.

17. OPIC Handbook, Op. Cit., Page, 7.

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  23. Jim Mahoney, Ex-Im Bank, personal communication, January 14, 2000.
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  27. See Friends of the Earth, International Campaign for Export Credit Agency Reform, (October 1999).
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  27. Personal communication, Robin Olgalvy, ECGD, January 7, 2000.
  31. Personal communication, Bob Crick, ECGD, January 7, 2000.
  32. Personal Communication, Bob Crick, ECGD, January 10, 2000.
  33. Personal Communication, January 12, 2000.
  34. EDC Webpage, EDC Corporate Profile, 1999.
  35. EDC Webpage, Environmental Framework, 1999.
  36. Friends of the Earth, Analysis of Canadian Export Credit Development's Environmental Framework in comparison to Mesum I Declaration and Internationally Recognized Standards Environmental Goals and Standards, (September 1999).
  37. EDC's Environmental Framework was not in place when support for projects related to Three Gorges were approved.

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38. EDC Webpage, Op. Cit. , Page 2.

39. Personal communication, January 12, 2000.

40. Rod Giles, Personal Communication, January 12, 2000.