

Mr. Angel Gurría
Secretary-General of the OECD
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OPEN LETTER

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Dear Secretary-General

Amnesty International urges the Organisation for Economic Cooperation and Development (OECD) to ensure that the Export Credit Group (ECG) during the current revision of the *Recommendation on Common Approaches on the Environment and Officially Supported Export Credits* (the *Common Approaches*) take steps to ensure that member states, through their Export Credit Agencies (ECAs), better protect the rights of those affected by business-related human rights abuses and not support operations, transactions or other activities (projects) that lead to human rights abuses.

The current version of the *Common Approaches* recognizes that ECAs have a responsibility to consider the negative environmental impacts of projects they support. However, they contain no provision recognizing the responsibility of business enterprises to respect human rights, nor do they require ECAs to take measures to prevent negative human rights impacts of projects they support. Almost no ECA has in place adequate due diligence measures to ensure they do not end up supporting projects that abuse or contribute to abuses of human rights. As the *Common Approaches* are under review, the OECD and the OECD member States have therefore a unique opportunity to establish a robust human rights due diligence framework for both ECAs' operations and those of businesses they support.

Amnesty International has already raised concerns with the ECG that the current version of the *Common Approaches* fails to contain the necessary requirements to ensure that ECAs and its clients respect human rights in the projects that ECAs undertake and support. Amnesty International has also provided suggested text to the ECG in its submission made in September 2010 (enclosed). Despite key recommendations made by the Amnesty International over a number of months, the *Common Approaches* still fail to incorporate references to international human rights standards.

Given that the OECD is a multilateral institution, the ECG has an important role to play in benchmarking business practice against international human rights standards and in requiring clients to carry out human rights due diligence as is now recommended under the new version of the OECD *Guidelines for Multinational Enterprises*.

Indeed, the OECD and OECD member States took a positive step towards ensuring greater respect for human rights in the context of corporate activity when, on 25 May 2011, they adopted a revised version of the *OECD Guidelines for Multinational Enterprises* which contains a new chapter on human rights. This chapter lays down standards on the minimum expected conduct of enterprises with regard to human rights, and includes a clear recommendation to enterprises to put in place and implement adequate human rights due diligence processes to ensure they neither cause nor contribute to human rights abuses throughout their global operations.

Amnesty International is urging the OECD ECG to take the following steps to ensure that OECD member states, through their ECAs, do not support projects that violate human rights:

1. Provide a clear commitment by the OECD that it expects ECAs, through the *Common Approaches*, to take the steps necessary for ensuring that they do not support projects that cause or contribute to human rights abuses (e.g, projects that cause contamination or pollution which leads to unsafe drinking water and loss of livelihoods, or projects causing forced evictions). This means that ECAs must require their clients to undertake human rights due diligence by: requiring clients to have a statement of policy that they are committed to respecting human rights and requiring them to identify potential negative human rights impacts and ensure that these are prevented and addressed throughout the activity in question. An assessment of possible human rights impacts may be included in social and environmental impact assessments, but they must explicitly consider adverse impacts on human rights;
2. Ensure that, as an absolute minimum, the revised version of the *Common Approaches* is consistent with international human rights standards as well as the international framework on human rights and business as outlined in Prof. John Ruggie's 2008 report, "*Protect, Respect and Remedy: a Framework for Business and Human Rights.*" This would lead to changes within the text of the revised *Common Approaches* including;
 - An explicit reference to international human rights standards as well as the UN "*Protect, Respect and Remedy Framework*" into the Preamble;
 - Section II: '*Screening and classification of projects*', including in point 12 the requirement that ECG Members "...benchmark projects against host standards, and international human rights standards" when undertaking a review.
3. Require the ECG to consult on amendments to the text of the revised *Common Approaches* in a public and open manner before the process is completed.

Both of the recommendations in Points 1 and 2, would be consistent with provisions included in the new *OECD Guidelines for Multinational Enterprises* and human rights chapter. These changes would reflect a significant step forward to better protecting the rights of those affected by business-related human rights abuses.

We look forward to contributing to the revision process of the *Common Approaches* and also welcome the opportunity to discuss these specific amendments with the ECG and OECD member states.

Yours sincerely,



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Amnesty International

cc. François de Ricolfis, Chair of the Export Credit Group
cc. Steve Tvardek, Head of Export Credit Division.