

Internationales Forderungspapier zur Reform der ECAs: Die Erklärung von Jakarta

Jakarta Declaration For Reform of Official Export Credit and Investment Insurance Agencies

Introduction

Non-governmental organizations around the world call the attention of governments and international institutions to the mounting adverse environmental, social, human rights and economic consequences of ECA activities. We have directly witnessed the unconscionable human suffering and environmental devastation that ECAs have produced in Indonesia, which is only one of many country examples. ECAs have supported many projects-e.g. in the mining, pulp and paper, oil and power sectors-which have had devastating social and environmental impacts. ECAs have supported the export of arms used for human rights abuses by the Suharto government. In 1996, ECA exposure in Indonesia was \$28 billion, an amount equivalent to 24% of Indonesia's external debt. The Indonesian ECA debt places an unacceptable burden on the Indonesian people, crippling their future development. As a 22 September 1999 "Financial Times" article pointed out, careless industrialized country export credit agencies share a major responsibility for "violence in East Timor and economic disaster in Indonesia."

Official Export Credit and Investment Insurance Agencies have become the largest source of public international finance, supporting in 1998 over eight percent of world exports. In 1998 ECAs supported \$391 billion in private sector business and investment, of which \$60 billion was for middle- and long-term guarantees and loans, mainly supporting large-scale project finance in developing countries. This exceeds all bilateral and multilateral development assistance combined, which has averaged some \$50 billion over the past decade. ECAs account for 24 percent of all developing country debt, and 56 percent of the debt owed to official governmental agencies.

In April, 1998 163 NGOs from 46 countries sent to the finance and foreign ministries of the major industrialized OECD countries a "Call of National and International Non-Governmental Agencies for the Reform of Export Credit and Investment Insurance Agencies." The NGOs called for transparency in ECA decision making, environmental assessment and screening of ECA financial commitments, including participation of affected populations, social sustainability (equity and human rights concerns) in appraisal of ECA commitments, and for

an international agreement in the OECD and/or G8 on common environmental and social standards for ECAs.

Over the past two years the major industrialized countries have only made the minimal commitment to work towards common environmental approaches and guidelines in the OECD. The lack of transparency and meaningful public consultation in the OECD Working Party on Export Credits and Credit Guarantees, particularly the lack of any consultation with representatives of affected groups and organizations from non-OECD recipient countries, has rendered this process a travesty. ECAs have consistently learned no lessons from the past and continue to approve financing for environmentally and socially destructive operations.

The social and environmental negligence, support for human rights violations, and lack of transparency of ECAs must come to a halt. ECA financing for major arms transactions, for obsolete technologies rejected or illegal in their home countries, and for economically unproductive investments is a scandal of global proportions.

Call for Reform

Based on the experiences of Indonesia and many other countries, NGOs from around the world reiterate the April, 1998 international Call for Reform of Export Credit and Investment Insurance Agencies. We call upon OECD governments, ministers and national legislatures to undertake with due dispatch the following reform measures for their ECAs:

1. Transparency, public access to information and consultation with civil society and affected people in both OECD and recipient countries at three levels: in the assessment of ongoing and future investments and projects supported by individual ECAs; in the preparation within national ECAs of new procedures and standards; and in the negotiation within the OECD and other fora of common approaches and guidelines.

2. Binding common environmental and social guidelines and standards no lower and less rigorous than existing international procedures and standards for public international finance such as those of the World Bank Group and OECD Development Assistance Committee. These guidelines and standards need to be coherent with other ongoing international social and environmental commitments and treaties, for example, the conventions of the International Labor Organization and the United Nations Convention on Biological Diversity. In addition ECAs must conduct full, transparent accounting for climate change impacts and

move to increase investments in sustainable renewable energy. So far, some governments have established, or are establishing, environmental and social policies which substantially deviate from, and are below these internationally recognized standards and guidelines.

3. The adoption of explicit human rights criteria guiding the operations of ECAs. This should be done in consultation with affected people and civil society, and based on existing regional and international human rights conventions. In Indonesia and elsewhere ECAs have not only supported arms exports directly linked to egregious human rights abuses, their support for mining, paper and pulp mills and other major infrastructure investments often has been accompanied by destruction of indigenous and local peoples' rights to land and livelihood resources, armed suppression of dissent, and suppression of press freedom to criticize such abuses.

4. The adoption of binding criteria and guidelines to end ECAs' abetting of corruption. According to Transparency International, the continued lack of action by ECAs to address this issue is bringing some ECA practices "close to complicity with a criminal offense." We endorse the recommendations of Transparency International submitted to the OECD and European Union in September, 1999, on how ECAs should avoid continued complicity in corruption. These include, inter alia, recommendations that export credit applicants must state in writing that no illegal payments related to a contract were made, and that any contravention of the ban on illegal payment should entail cancellation of the state's obligation to pay. Companies found guilty of corruption should be banned from further support for five years, and export credit agencies should not underwrite commissions as part of the contracts they support.

5. ECAs must cease financing non-productive investments. The massive ECA support for military purchases and white elephant projects, such as nuclear power plants, that would be rejected by OECD bilateral aid agencies and multilateral development agencies such as the World Bank must end.

6. The cancellation of ECA debt for the poorest countries, much of which has been incurred for economically unproductive purposes. We support the call of the Indonesian anti-debt coalition for the cancellation of Indonesian ECA obligations, now placing an insupportable burden on the Indonesian people.

Conclusion

The OECD Development Assistance Committee declared in 1996 that " we should aim for nothing less than to assure that the entire range of relevant industrialized country policies are consistent with and do not undermine development objectives." The OECD ECAs, and the OECD Export Credit Working Party, completely disrespect this call. These ECAs have so far refused to accept any responsibility for their past mistakes, and to draw any meaningful lessons from them. The current practices of the ECAs embody a form of corrupt, untransparent, environmentally and socially destructive globalization as serious and reprehensible as the concerns raised by civil society and activists around the world about the World Trade Organization, the proposed Multilateral Agreement on Investment, and the International Monetary Fund and World Bank.

We call upon concerned citizens and organizations around the world to turn their attention to ECAs and their negotiating forum, the OECD, and to press their governments to undertake reform without further delay.

Vollständige Liste der unterstützenden Organisationen s.

[HTTP://WWW.ECA-WATCH.ORG/GOALS/JAKARTADec_ENDORSELIST.HTML](http://www.eca-watch.org/goals/jakartadec_endorselist.html)