

NGO Working Group on EDC

CAW

Canadian Council for International
Cooperation

Canadian Friends of Burma

Canadian Labour Congress

Canadian Lawyers Association for
International Human Rights

CUSO

Democracy Watch

Development and Peace

Falls Brook Centre

KAIROS

MiningWatch Canada

Project Ploughshares

RESULTS Canada

Rights & Democracy

Sierra Club of Canada Nuclear
Campaign

Social Justice Committee

Steelworkers Humanity Fund

Toronto Environmental Alliance

West Coast Environmental Law
Association

A Working Group of the

Halifax
INITIATIVE
d'Halifax

Mr. Ian Gillespie
President
Export Development Canada
151 OConnor
Ottawa, Ontario, K1A 1K3

August 22, 2003

Dear Mr. Gillespie,

We are writing to ask for a clear statement of EDC's policy on bribery and convicted companies.

As you know, Acres International, an EDC repeat customer, has recently lost its appeal of a bribery conviction in Lesotho, for its role in the corruption surrounding the Lesotho Highlands Water Project.

As EDC was not involved in providing support to Acres International in this transaction, to our knowledge; it is unclear how this conviction will affect EDC's relationship with Acres International. EDC's anti-corruption program makes no comments on client relationships when a client has been found guilty of bribery in a non-EDC transaction.

We believe that EDC needs be proactive in weeding out bribe-givers from its list of clients. We ask you to commit to a thorough investigation of all transactions involving Acres International, and a barring of Acres International from future EDC transactions for a period no less than 5 years.

Corruption and bribery distorts markets and undermines efforts at democracy and development. It is difficult to investigate, particularly as there are inadequate resources available. Lesotho, a poor country, has taken its commitment to fight corruption seriously.

We look forward to learning how EDC will taking into account the decision of the Lesotho Appeal Court of August 15, 2003.

Sincerely,

Fraser Reilly-King

On behalf of the NGO Working Group on EDC

cc. The Honourable Pierre Pettigrew, Minister of International Trade
The Honourable Maurice Cauchon, Minister of Justice
The Honourable Susan Whelan, Minister for International Cooperation