

09 May 2013

Foreign Affairs, Defence and Trade Committee
Department of the Senate
PO Box 6100
Parliament House
Canberra ACT 2600

**Re: Export Finance and Insurance Corporation Amendment (New Mandate and Other Measures)
Bill 2013**

Dear Senators,

CAER is a leading provider of independent research into environmental, social and governance (ESG) performance of companies. As such, we have taken an interest in the Export Finance and Insurance Corporation (EFIC) as we understand ESG risks associated with many business activities that may be supported by EFIC.

We have become a participant in the EFIC Multi-Stakeholder Forum formed in 2011 to facilitate a dialogue between EFIC and civil society organisations on issues related to upholding best-practice environmental and social standards in EFIC-supported transactions. The issues raised in that forum suggest to us the need for reforms to EFIC operations and procedures that go beyond those captured in the above captioned bill. CAER wishes to endorse Recommendation IV submitted by Jubilee Australia which recommends the establishment of a statutory requirement for disclosure of proposals under consideration; solicit public comment; disclose public submissions; and disclose, prior to approval, EFIC's assessments and benchmarking of the environmental and social impacts.

Transparent project benchmarking against environmental and social standards committed to by EFIC will ensure the Australian public and project-affected communities understand how EFIC determined that projects it supports do not stand in violation to its principles. EFIC (and the project sponsors it supports) will then be able to better demonstrate how they are ensuring that there are no violations of EFIC's social and environmental safeguards.

We support amendments to the EFIC Act that guarantee transparency, public participation and accountability and that formally recognise the key features of EFIC's environmental and social policy.

Many thanks for your kind consideration of this submission.

Regards,

Duncan Paterson, CEO
CAER - Corporate Analysis. Enhanced Responsibility.