

Response to letter dated 28th June 2024 from UN OHCHR to EPL
(Ref: AL OTH 104/2024).

BY EMAIL

30 July 2024

TO:

Robert McCorquodale, Chair-Rapporteur of the Working Group on the issue of human rights and transnational corporations and other business enterprises; and
Surya Deva, Special Rapporteur on the right to development.

Dear Robert and Surya,

Thank you for sending your letter dated 28th June 2024 via Federica Donati, Officer-in-charge, Special Procedures Branch, OHCHR. We are pleased to receive this and thank you for the time taken to consider the implementation of the Equator Principles (EPs) with respect to human rights impacts and risks, and in particular the relevant obligations and requirements of the UN Guiding Principles.

Since their creation in 2003, the EPs have considered human rights risks. This focus has progressively increased through the regular updating of the EPs and development of guidance for EP Financial Institutions (EPFIs), as examples of good practices and international obligations have rightfully also progressed.

As you have referenced, the current version of the EPs is dated July 2020 (termed ‘EP4’) and includes explicit references to the UN Guiding Principles as well as human rights obligations and commitments. The EPs have been an important steward for promoting and mainstreaming human rights due diligence in, for instance, Principle 2 where EP4 requires “assessments of potential adverse Human Rights impacts as part of the “ESIA” or “other Assessment Documentation”.

Since the publication of EP4, EP Financial Institutions (EPFIs) have continued to focus their efforts to develop practices and processes that effectively assess and appropriately manage human rights risks related to their financing of in-scope products under the EPs. This work has produced additional and dedicated guidance for all EPFIs, made available publicly on the EP [website](#). Specifically, this includes:

- [Guidance Note: On Implementation of Human Rights Assessments under the Equator Principles \(2020\)](#); and
- [Tools: To Enhance Access to Effective Grievance Mechanisms & Enable Effective Remedy \(2022\)](#).

These guidance notes and tools expand and provide clarity regarding the development and management of effective grievance mechanisms at the Project level, as well as considerable emphasis on the processes, procedures and good practices which together would ensure that effective access to remedy is available for all relevant and affected parties that may be impacted by Projects financed under the EPs.

It should also be noted that where concerns regarding the conduct of individual EPFIs are raised by third parties to the Office of the EPs, these are then directed to the individual EPFI. Whilst the Office of the EPs does not respond on behalf of EPFIs, it is available to facilitate the initial correspondence between potentially affected parties and/or Civil Society Organisations and the EPFI.

In November 2023, the EP Steering Committee announced, following the Annual General Meeting of EPFIs, that a review of EP4 would commence in 2024. Initial work on this has started and may well include some of the items raised in your letter (noting that any updates require a vote of all EPFIs so I am unable to make firm commitments on final changes).

As a final point of clarification, we note that your letter is addressed to Equator Principles Limited. This is a company, limited by guarantee, established on a not-for-profit basis, and with Articles of Association published on [UK Companies House](#). Its objects include for promoting and encouraging the implementation of the Equator Principles, however decision-making powers regarding the EP themselves remain with the EP Steering Committee and individual EPFIs. As such, any questions or concerns regarding the EPs are best addressed to the Steering Committee.

Please let me know if you require any additional information at this time.

Yours sincerely,



Max Griffin
CEO, Office of the Equator Principles