



January 24, 2005

Dear Equator Banks,

I am writing in response to your letter dated 14 December, 2004, and to thank you for receiving IFC at WestLB's offices in New York the previous week. I would like to respond to some of the points you offered in your letter.

I believe that your concerns have been largely addressed by our decision to extend the original 17 December deadline for the close of public consultation, and with the planned release of the Guidance Notes, formerly called Interpretation Notes, on 31 January, 2005. The public consultation will now close on 29 April, 2005, to allow sufficient time for the Performance Standards to be studied side by side with the Guidance Notes. An indicative draft policy will also be released on 31 January, showing the range of external comments received during the consultation.

Your commitment to work closely with IFC in an iterative fashion is greatly welcomed, and the outcome will, I believe, ensure that the Performance Standards are appropriate for use by private-sector financial institutions, including Equator, as well as for IFC in its leadership role as a development institution.

IFC looks forward to continuing close and detailed dialogue with the Equator Principles' banks, so that together we can make great strides in social and environmental sustainability and development impact.

Yours sincerely,

Rachel Kyte
Director
Environment & Social Development Department

ABN AMRO Bank N.V.
Banco Itau S.A.
Bank of America, N.A.
Barclays plc
BBVA, S.A.
Calyon Corporate and Investment Bank
Citigroup Inc.
Dexia Group
Credit Suisse First Boston
Eksport Kredit Fonden
HSBC Group
HVB Group
KBC Bank N.V.
Mizuho Corporate Bank, Ltd.
The Royal Bank of Scotland plc
Standard Chartered Bank
WestLB AG

bcc: Messrs. Bulmer, Cowan, Ms. Aizawa