



From the Secretary of State

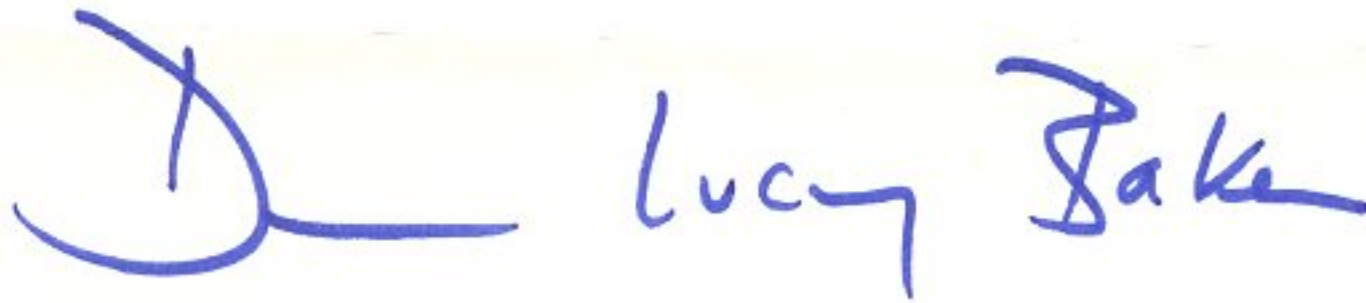
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 Lucy Baker

Thank you for your letter of 24 May regarding DFID's response to the IFC's safeguard policy review.

I welcome the consultations that UK NGOs have had with DFID during the review process and the contribution that you have made to strengthen the safeguards.

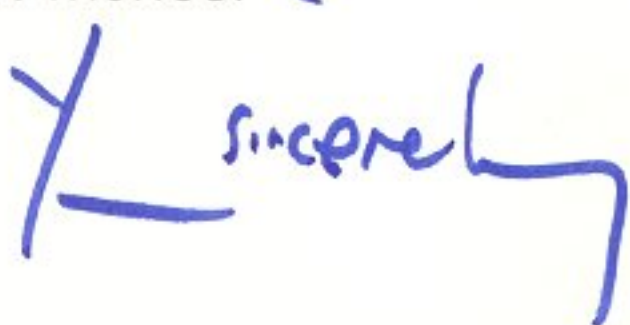
The new Policy and Performance Standards on Social and Environmental Sustainability have now been agreed and took effect on 30 April. The final version of the Policy and Performance Standards, which includes amendments made in response to comments at the Board, can be found at: <http://www.ifc.org/ifcext/enviro.nsf/Content/EnvSocStandards>.

As you know, we would have welcomed further progress in two areas – release of Action Plans to affected communities and monitoring of Broad Community Support. However, overall we feel that the revised policy provides strong and improved protection for the world's poor and vulnerable while enhancing their opportunities and prospects. A detailed statement and explanation of DFID's position was published on our website on 14 March.

The key now is how the safeguards are implemented. IFC management will provide a progress report on implementation of the safeguards in 18 months and a comprehensive review in 3 years – we will follow these closely and will encourage broad participation in the comprehensive review. We look forward to listening to your views during that process.

I would be grateful if you would copy this letter to your co-signatories.

Best wishes.

 sincerely



HILARY BENN