

LAUNCH OF THE ASTM CAMPAIGN
"NO CORPORATE IMPUNITY - HUMAN RIGHTS BEFORE PROFIT"

**Action Solidarité Tiers Monde calls for multinationals based in
Luxembourg to be made accountable**

Luxembourg, October 24, 2017 – At the launch of its campaign "*NO CORPORATE IMPUNITY - Human rights before profit*", Action Solidarité Tiers Monde (ASTM) calls on the Luxembourg Government to make the multinationals based in the Grand Duchy accountable for their activities by adopting binding standards that oblige them to prevent human rights and environmental abuses and to repair the damage caused by their activities throughout the entire supply chain. Today many multinationals are more powerful in economic terms than whole countries, but unlike states they remain outside the international regulatory system on human rights. As a result, when victims of human rights violations caused by the activities of multinationals seek justice they face major obstacles.

While 85% of multinational companies have their headquarters in countries in the North, most of the people affected by their activities are in the South. ASTM has been working to support communities and human rights defenders who challenge the harmful activities of multinationals in developing countries for many years. *"It is clear to us that human rights violations and damage to the environment by multinationals constitute a real obstacle to development in the countries of the South. It is the duty of Northern countries, where the decision-making centres of the major corporations are based, to put an end to the impunity of the multinationals"*, said Nicole Ikuku, coordinator of ASTM.

The architecture of impunity

Multinationals are structured in an increasingly complex and opaque manner. They operate through several entities such as subsidiaries, subcontractors and suppliers based in different countries. As a result, it becomes extremely difficult to hold groups and parent companies to account when damage is caused as a result of their activities. In the eyes of the law, each entity that makes up a multinational company is considered to be autonomous, having no legal relationship with the parent company. But in reality, the various entities of the same group have only limited autonomy.

"Today, there is a legal fiction that no longer corresponds to the economic reality of the multinationals. While it is easy for profits to cross over legal boundaries, it is an entirely different situation when it comes to responsibilities. This situation prevents victims from suing the parent company or the contracting companies that it controls allowing the multinationals to avoid their responsibilities", explained Antoniya Argirova, responsible for political work at ASTM.

Until hell freezes over: the Chevron/Texaco case

The famous long-running legal battle between communities affected by oil pollution in Ecuador and the American company Texaco/Chevron has become a textbook case to illustrate the problem of the impunity of multinationals. Between 1964 and 1992 Texaco extracted oil from the Amazon rainforest, leaving behind more than 1,000 toxic oil-filled pits that contaminated the region's waters and soils. For almost 25 years the affected communities have been fighting for compensation for the damage caused by the multinational. Although in 2011 Chevron was found responsible by an Ecuadorian court for the pollution caused and sentenced to pay \$ 9.6 billion in compensation, the company has still not paid anything to the victims.

"We have supported the Ecuadorian organization Frente de Defensa de la Amazonia in their legal battle against Chevron for ten years. It's a fight between David and Goliath. The company has unlimited resources and significant political influence, which enables it to keep the case going indefinitely" , said Dietmar Mirkes, responsible for questions about climate change impact in the Global South.

Increasing violence against human rights defenders

In some cases the state fails in its obligation to protect human rights defenders or even becomes an accomplice of the multinationals. When those affected try to organize and challenge corporate activities they risk being intimidated, harassed and even murdered in attempts by the companies and those that protect them to crush their resistance. The use of violence has increased in recent years. According to the international NGO Global Witness, the year 2016 saw a sad new record: 200 people were murdered while defending their lands, forests and rivers against destructive industries.

Momentum at the international level

More and more initiatives are being launched to force multinationals to assume their responsibilities in the event of damage brought about by their activities. In 2016 France was the first country to adopt a law on the duty of vigilance that makes it possible to make multinationals responsible for human rights violations and environmental damage resulting from their activities. In Germany organizations are calling on the future government to adopt binding measures to force companies to respect human rights and Switzerland has also taken this path. Furthermore, UN member states are currently discussing a possible legally binding international treaty on human rights and transnational corporations in Geneva.

The need for a legally binding framework in Luxembourg

A few days ago a report on land grabbing and human rights presented at the European Parliament's Subcommittee on Human Rights denounced the involvement of European companies in cases of land grabbing in countries in the South. Multinational companies based in Luxembourg - Adecoagro, Socfin and Clearstream - are also listed.

"Human rights are universal and Luxembourg must guarantee the same level of human rights protection that exists within its own territory when its multinationals operate abroad" said Antoniya Argirova.

By adopting binding standards the Grand Duchy, whose aim is to play a leading role in the globalized economy, would set an example and become a driving force, both at the European and the international level, for ensuring responsible

For more information on the campaign events, please consult the website nocorporateimpunity.org

Action Solidarité Tiers Monde asbl

Action Solidarité Tiers Monde is an international non-governmental organisation in Luxembourg fighting since 1969 for political emancipation, economic and social history of the Third World. It is guided by the conviction that major obstacles to emancipation are located here, in the centers of economic and political power.

Press relations - Katrin Mockel

katrin.mockel@astm.lu

T +352 400 427 - 21 ou +352 621 27 59 61

Advocacy officer- Antoniya Argirova

antoniya.argirova@astm.lu

T +352 400 427- 20