

STOP EXPLOSIVE INVESTMENTS

ARE YOU FUNDING CLUSTER BOMBS?



Press Release

Government urged to rein in financial investments in cluster bombs

(Wellington, 2 September 2011): The New Zealand government must take measures to ensure compliance with the 2009 law prohibiting investment in the development and production of cluster bombs, said the Aotearoa New Zealand Cluster Munition Coalition (ANZCMC) today.

“Investing in the production of cluster munitions is no longer an ethical or moral issue, but an action that is illegal under New Zealand law and banned by the Convention,” said Mary Wareham, ANZCMC Coordinator. “The government must rein in financial investors supporting the production of cluster bombs through strong enforcement of the 2009 law banning this weapon.”

The Cluster Munitions Prohibition Act 2009 governs New Zealand’s implementation of the 2008 Convention on Cluster Munitions and prohibits the use, production, transfer and stockpiling of the weapon. The Act also makes it an offence to provide or invest funds “with the intention that the funds be used, or knowing that they are to be used, in the development or production of cluster munitions.”

The ANZCMC has called on the government to undertake measures to ensure that New Zealand investors comply with the Act, including state owned enterprises and crown financial institutions such as the New Zealand Superannuation Fund. In a letter to the Minister of Finance Minister, Hon. Bill English, and Minister of Disarmament and Arms Control, Hon Georgina Te Heuheu, the ANZCMC has requested that the government:

- Provide clear guidelines to New Zealand financial institutions requiring them to implement a comprehensive policy banning all types of investment and financial services to cluster munition producers;
- Ensure that New Zealand investors effectively screen investments by actively maintaining and sharing a common screening list of companies involved in the production of cluster munitions; and
- Establish an Advisory Council on Ethics that includes civil society representatives, to advise on investment of government funds, including on investment in companies involved in the production of weapons that are prohibited by New Zealand law.

Last Friday, 26 August, the New Zealand Green Party issued a statement reporting that the New Zealand Superannuation Fund (NZS) is being invested in five companies “that have involvement in the production of cluster bombs” namely: GenCorp, Kaman, Saab AB, Tata Power, and Zodiac Aerospace. NZS is the retirement benefit paid to all eligible New Zealanders by the New Zealand Government.

The NZS Guardians disagreed with the Green Party’s research findings and stated, “we are acting in accordance with our Responsible Investment policies and are not in breach of New Zealand’s obligations under the Cluster Munitions Convention.” New Zealand Prime Minister John Key told media the NZS has “agreed morally” ... “not to invest in companies which undertake what they believe to be immoral activity like cluster bombs.”

The ANZCMC has received confirmation from IKV Pax Christi Netherlands, co-author of the report “Worldwide Investments in Cluster Munitions; a shared responsibility,” that the five companies named by the Green Party have been excluded by other financial institutions for their alleged involvement in cluster munitions. IKV Pax Christi does not list the five companies as producers in their report due to a lack of information to either confirm or deny these activities, but confirms that these companies do appear on exclusion lists made by overseas financial institutions.

The Convention on Cluster Munitions comprehensively prohibits cluster munitions, provides strict deadlines for clearance of areas contaminated by cluster munition remnants and for the destruction of stockpiles, and requires assistance to victims of the weapon. A total of 108 countries have signed the Convention of which 60 have ratified, and one state has acceded. The Second Meeting of States Parties to the Convention on Cluster Munitions will be held in Beirut, Lebanon on 12-16 September 2011.

For more information,

- Contact: Mary Wareham, ANZCMC, Tel. +64-21-996-905, wareham@hrw.org
- ANZCMC website: <http://www.stopclusterbombs.org.nz>

ADDITIONAL INFORMATION

Cluster munitions

A cluster munition (or cluster bomb) is a weapon containing dozens or hundreds of small explosive submunitions or bomblets. Cluster munitions are dropped from the air or fired from the ground and designed to break open in mid-air, releasing the submunitions over an area that can be the size of several football fields. This means they cannot discriminate between civilians and soldiers. Many of the submunitions fail to explode on impact and remain a threat to lives and livelihoods for decades after a conflict.

Convention on Cluster Munitions

The 2008 Convention on Cluster Munitions bans the use, production, stockpiling and transfer of cluster munitions and requires countries to clear affected areas within 10 years and destroy stockpiles of the weapon within eight years. The Convention also includes groundbreaking provisions requiring assistance to victims and affected communities. Opened for signature in Oslo in December 2008, the Convention entered into force and became binding international

law on 1 August 2010. Since the Convention entered into force on 1 August 2010 countries must join through a process of accession, which is a one-step process combining signature and ratification, meaning it often requires both government and parliamentary approval. The convention is widely regarded as the most significant international disarmament treaty since the 1997 Mine Ban Treaty.

A total of 109 countries have joined the convention, of which 61 have ratified

Afghanistan, Albania, Angola, Antigua and Barbuda, Australia, Austria, Belgium, Benin, Bolivia, Bosnia and Herzegovina, Botswana, Bulgaria, Burkina Faso, Burundi, Cameroon, Canada, Cape Verde, Central African Republic, Chad, Chile, Colombia, Comoros, DR Congo, Republic of Congo, Cook Islands, Costa Rica, Côte D'Ivoire, Croatia, Cyprus, Czech Republic, Denmark, Djibouti, Dominican Republic, Ecuador, El Salvador, Fiji, France, Gambia, Germany, Ghana, Grenada, Guatemala, Guinea, Guinea Bissau, Haiti, Holy See, Honduras, Hungary, Iceland, Indonesia, Iraq, Ireland, Italy, Jamaica, Japan, Kenya, Lao PDR, Lebanon, Lesotho, Liberia, Liechtenstein, Lithuania, Luxembourg, Macedonia FYR, Madagascar, Malawi, Mali, Malta, Mauritania, Mexico, Republic of Moldova, Monaco, Montenegro, Mozambique, Namibia, Nauru, Netherlands, New Zealand, Nicaragua, Niger, Nigeria, Norway, Palau, Panama, Paraguay, Peru, Philippines, Portugal, Rwanda, Samoa, San Marino, Sao Tomé and Príncipe, St. Vincent and Grenadines, Senegal, Seychelles, Sierra Leone, Slovenia, Somalia, South Africa, Spain, Sweden, Switzerland, Tanzania, Togo, Tunisia, Uganda, United Kingdom, Uruguay, Zambia.
(Italics indicates signatories that have not yet ratified)

New Zealand and cluster munitions

New Zealand is one of six governments that led the 2007-2008 diplomatic Oslo Process that created the Convention on Cluster Munitions. New Zealand hosted a crucial meeting of the Oslo Process in Wellington on 18-22 February 2008 and chaired the negotiations on the definition of cluster munitions. It signed the Convention in Oslo on 3 December 2008 and enacted strong legislation to implement the Convention on 17 December 2009. New Zealand ratified the Convention on 22 December 2009, becoming a State Party on 1 August 2010. Minister of Disarmament and Arms Control, Hon. Georgina Te Heuheu led New Zealand's delegation to the Convention's First Meeting of States Parties to the Convention on Cluster Munitions in Vientiane, Lao PDR in November 2010. She visited a province heavily affected by cluster bomb contamination and announced a funding contribution for clearance of cluster bombs and other explosive remnants of war in Lao PDR.

About the Aotearoa New Zealand Cluster Munition Coalition (ANZCMC)

The ANZCMC is a campaign of two dozen non-governmental organisations established in 2007 to support the call to stop cluster munitions from causing unacceptable harm to civilians. It is a member of the international Cluster Munition Coalition, which is the civil society engine behind the Convention on Cluster Munitions. Mary Wareham coordinates the ANZCMC, which is comprised of the following organisations: African Pacific Voices NZ, Amnesty International Aotearoa NZ, Aotearoa Lawyers for Peace, Auckland University Students' Association, Caritas Aotearoa NZ, Christian World Service, Disarmament and Security Centre (Peace Foundation), Engineers for Social Responsibility NZ, Global Focus Aotearoa, International Physicians for the Prevention of Nuclear War NZ, National Council of Women NZ, National Consultative Committee on Disarmament, Oxfam NZ, Parliamentarians for Nuclear Nonproliferation and Disarmament NZ, Pax Christi Aotearoa-NZ, Peace Foundation NZ, Peace Movement Aotearoa, Soroptimist International NZ, Umma

Trust, UN Association NZ, UN Youth Association NZ, UNICEF NZ, Women's International League for Peace and Freedom Aotearoa.