

The Cluster Munition Coalition is led by a Governance Board of:

Action On Armed Violence, Asociación para Políticas Públicas-APP, Cambodia Campaign to Ban Landmines, Campaña Colombiana Contra Minas, DanChurchAid, Handicap International, Human Rights Watch, ICBL Georgian Committee, IPPNW, Mines Action Canada, Nepal Campaign to Ban Landmines, Norwegian People's Aid and Protection.



Banks Behaving Badly: US\$27bn invested in cluster munition producers while use of banned weapon continues in Ukraine and Syria

(London, 27 November 2014): 151 financial institutions worldwide invested US\$27 billion in companies producing cluster munitions from 2011 to 2014, according to a report launched today by [Cluster Munition Coalition](#) member [PAX](#) (the Netherlands). The report, "*Worldwide Investments in Cluster Munitions: a shared responsibility*," details the scale of investment in companies producing this banned weapon by banks, pension funds and other financial institutions around the world.

While the majority of states recognise cluster munitions as unacceptable due to the humanitarian risk to civilian populations, production of the weapon continues in a limited number of countries yet to join the [2008 Convention on Cluster Munitions](#).

"We must put lives before profit. We're talking about a weapon that is currently killing civilians in Syria and eastern Ukraine and continues to claim lives in Laos fifty years after it was used. Yet financial institutions have invested US\$27 billion—more than twice the GDP of Laos—in producers of this banned weapon," said Amy Little, Campaign Manager at the Cluster Munition Coalition (CMC).

The new report from PAX shows which financial institutions have invested in cluster munition producers between June 2011 and September 2014. The report's "Hall of Shame" shows the majority of investments come from financial institutions in states that have not yet joined the Convention on Cluster Munitions. Yet financial institutions from countries that have joined the treaty are also still involved. These investments are falling foul of the treaty's prohibition on assistance in the production of the weapon. "The UK, Australia, Canada, France, Germany, Japan, Spain and other countries that have joined the global ban on cluster munitions should legislate quickly to ensure they are not supporting the overseas production of weapons they have already outlawed," Little said.

In contrast, nine States Parties to the Convention (Belgium, Ireland, Italy, Liechtenstein, Luxembourg, the Netherlands, New Zealand, Samoa and Switzerland) have led by example, enacting national laws that prohibit public or private financial institutions from investing in cluster munitions.

"Cluster munitions are banned by international law; a majority of the countries in the world has recognised that this weapon is unacceptable. And yet cluster munition producers are still able to fund their activities. Financial institutions should introduce robust policies to ensure they are not supporting companies involved in the production of this banned weapon," said Suzanne Oosterwijk, co-author of the PAX report.

While the number of financial institutions investing in companies producing cluster munitions remains high, the report shows an increase in financial institutions with policies to prohibit this practice. Seventy-six financial institutions are listed in the 2014 report as having cluster munition policies in place.

Recent use of cluster munitions in [Syria](#) and eastern [Ukraine](#) further demonstrates the urgent need to eradicate this weapon. Last month Cluster Munition Coalition member Human Rights Watch [documented](#) widespread use of cluster munitions in eastern Ukraine, in fighting between government forces and pro-Russian rebels. In Syria civilians account for 97% of recorded deaths where cluster munitions have been used over the past two and a half years.

Alongside the report launch, Cluster Munition Coalition campaigners will mark a global day of action to [Stop Explosive Investments](#) worldwide on 27 November 2014 including action in Australia, Brazil, Canada, Denmark, France, Germany, Japan, Laos, the Netherlands, South Korea, Spain, Switzerland, Taiwan, the United Kingdom and more.

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Further media resources:

[All media resources are collated on Dropbox here: <http://bit.ly/1yWpAWg>]

- **The full “Worldwide Investments in Cluster Munitions, a shared responsibility” report and key findings** (including named financial institutions), is available under embargo here [<http://bit.ly/1yWpAWg>]. It will be published via <http://www.stopexplosiveinvestments.org/report> 01:00 GMT on 27 November 2014.
 - **Video News Release** available to view under embargo (01:00 GMT 27.11.14) via YouTube (<http://bit.ly/1ysNp8c>) and broadcast-ready via Dropbox (<http://bit.ly/1uNajld>)
 - **Campaign animated short** available to view under embargo (01:00 GMT 27.11.14) via YouTube (<http://bit.ly/1BPNhp9>) and broadcast-ready via Dropbox (<http://bit.ly/1vsdDtI>)
 - **High-resolution campaign images** including cluster bombs, cluster bomb survivors, financial targets and the CMC campaign in action available here [<http://bit.ly/1yWpAWg>]. Please credit all images used as shown.
 - **Syria cluster bomb use media kit including infographics** - <http://bit.ly/1nObjZg>
 - **CMC Twitter** - <https://twitter.com/banclusterbombs>
 - **CMC Facebook** - <http://www.facebook.com/banclusterbombs>
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Notes to the editor:

- For more information about the campaign to *Stop Explosive Investments* visit <http://www.stopexplosiveinvestments.org>.
- The Cluster Munition Coalition (CMC) is an international coalition of nongovernmental organizations (NGOs) working in around 100 countries to eradicate cluster munitions, prevent further casualties from these weapons and put an end for all time to the suffering they cause. The CMC works to change the policy and practice of governments and organisations towards these aims and raise awareness of the problem amongst the public. <http://www.stopclustermunitions.org>
- A cluster munition is a weapon containing multiple – often hundreds- of small explosive submunitions. They are dropped from aircraft or fired from the ground and are designed to break open in mid-air, releasing the submunitions and saturating an area that can be the size of several football fields. Many of the submunitions fail to explode on impact and remain a threat to lives and livelihoods for decades after a conflict.
- The 2008 Convention on Cluster Munitions comprehensively prohibits the use, production and transfer of cluster munitions as well as requiring clearance of cluster munition remnants, destruction of stockpiles, and assistance for victims. 115 countries have joined the convention, of which 88 are states parties: <http://www.stopclustermunitions.org/en-gb/the-treaty.aspx>
- The CMC believes investing in producers of cluster munitions is banned under the Convention on Cluster Munitions because Article 1 of the Convention reads: “Each State Party undertakes never under any circumstances to: (a) Use cluster munitions; (b) Develop, produce, otherwise acquire, stockpile, retain or transfer to anyone, directly or indirectly, cluster munitions; (c) Assist, encourage or induce anyone to engage in any activity prohibited to a State Party under this Convention.”
- “*Worldwide Investments in Cluster Munitions: A Shared Responsibility*” was first published in October 2009. Updates of the report appeared in April 2010, May 2011, June 2012 and December 2013. Today’s report is the fifth update. PAX commissioned Dutch economic research company Profundo to find data for the Hall of Shame and Hall of Fame and runners-up sections of the report. The report shows which financial institutions worldwide have invested in companies that are involved in the production of cluster munitions.
- 9 states have adopted legislation that prohibits (various forms of) investments in cluster munitions: Belgium, Ireland, Italy, Liechtenstein, Luxembourg, the Netherlands, New Zealand, Samoa and Switzerland. In total, 27 states have not yet passed legislation against investment in cluster munitions production have expressed the view that investments in the production of cluster munitions are or can be seen as prohibited by the Convention on Cluster Munitions. <http://www.stopexplosiveinvestments.org/legislation>
- Further information on 2014 use of cluster munitions in eastern Ukraine: <http://www.stopclustermunitions.org/ukraine>.
- Further information on 2012-14 use of cluster munitions in Syria: <http://www.stopclustermunitions.org/syria>.
- To view detailed information on cluster munition contamination, casualties, clearance and ban policy in every country in the world visit <http://www.the-monitor.org>.