

PERMANENT PEOPLES' TRIBUNAL

Founder: Lelio Basso
President: Salvatore Senese

Hearing
on
Neo-liberal Politics and European Transnational Corporations in
Latin America and the Caribbean
Vienna
May 10-12, 2006

INDICTMENT

Members of the Panel:

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1. Why a Permanent Peoples' Tribunal on European Transnationals?

The EU-LAC bi-regional network, which organised *Enlazando Alternativas 2* (EA2), officially requested to convene a session of the Permanent Peoples' Tribunal (PPT) on Transnational Corporations (TNCs) in Latin America on 2 February 2006, to investigate the increasingly dominant role of European TNCs in strategic areas, such as services, infrastructure, petroleum, water, finance and telecommunications. They particularly asked for an examination of the threats thereby posed to political sovereignty, development policy, economic autonomy, environmental sustainability and democratisation in Latin America.

The network of organizations represented in EA2 requested a hearing of many cases from Latin American countries on aspects of life and work, rather than a formal judgment. Following the instruction phase foreseen by its Statutes, the PPT accepted the request, which appeared specifically for two main reasons:

1. The peoples, the movements, the spectrum of actors participating in the EA2 (see annex 1) represent one of the most important expressions of the ongoing struggle for the rights of peoples, which is the justification of the existence of the PPT, based on the Universal Declaration of the Right of Peoples in Algiers, 1976.
2. The themes of the request are an important opportunity for continuing and expanding the research role of the PPT with respect to the relationship between economic laws and human and peoples' rights. This work is ongoing since the beginning of the Tribunal in the second half of the 1970s in a series of judgments, which include sessions on:
 - the role of transnational corporations in the Latin American dictatorships (Brussels, 1975)
 - the causes of impunity of those who committed crimes in Latin American countries (Bogota' 1991);
 - the conquest of Latin America and the origins of International Law (Venice, 1992);
 - Transnational Corporations in the Textile, Garment and Sportswear industries and their impact on labour rights and the environment (Brussels, 1998)
 - the case of the Bhopal-disaster and corporate irresponsibility (Bhopal, 1991- London, 1994);
 - the wrong-doings of TNCs (Warwick, 2001)
 - the role of TNCs in Colombia (Berne, 2005; Bogota', 2006).(Further information on these Tribunals: www.grisnet.it/filb/tribunal)

2. The Procedure

The hearings of the PPT took place in three sessions following an opening session, each lasting around 4 hours. A detailed dossier of case studies and complaints was submitted to the jury. Witnesses and experts presented orally the documented cases and also

answered questions posed by members of the jury. The cases covered several areas of TNC activities and their impact on: natural resources, labour rights, public services with particular emphasis on water provision, sewage and electricity, the role of global finance and the role of TNCs active in financial services in Latin America, the food chain and agricultural diversity, the oil and gas industry.
(Full documentation will be available on www.asc-hsa.org and www.tni.org).

3. General Indictment

The members of the jury of the PPT thank the organizers of this important event, commend the thoroughness and high quality of the research and documentation presented in the course of the hearings and salute the commitment of the witnesses to achieving justice for their communities and their countries.

We have heard testimony and case studies concerning several TNCs and banks headquartered in Austria, Finland, France, Germany, Great Britain, Italy, the Netherlands, Spain and one non-EU country, Norway (refer to Annex 2 for list of cases on TNCs presented to PPT). We have been presented with overwhelming evidence concerning European TNCs abuses of human, social, cultural and workers' rights, their irresponsible and sometimes irreversible actions towards the environment and their complete disregard for the welfare of local communities.

We have heard, in particular, of the complicity of European governments that aid and abet their *own* TNCs. Furthermore, international public institutions including the World Bank, the Inter-American Development Bank, the International Monetary Fund, the World Trade Organization, the European Investment Bank, Export Credit and national development agencies, as well as European bilateral free trade agreements and investment treaties, pave the way for the exploitative activities of TNCs.

We were presented with cases of corporate-led public service privatisation (notably water, sanitation and energy), use and extraction of natural resources, oil exploration, land use and agribusiness practices, expansion of monocultural plantations for pulp, liberalization of financial services and the role of European Banks in various Latin American countries.

4. The Findings of the Tribunal

4.1 On the basis of the above we have identified common elements and violations that the PPT considers deserving of further work:

a. Violations to the right to access essential services: Water has been transformed into a commodity rather than a common resource. Pricing and distribution policies implemented by TNCs with the support of International Financial Institutions deprive broad sections of population (mostly the poor) from the enjoyment of this fundamental human right. Electricity privatisation and liberalization has similar results;

b. *Violations to the right to land:* The expansion of monocultural plantations for export (notably for soy and wood pulp) is destroying small-scale farmers' livelihoods, while preventing fair and equitable access to land;

c. *Violations to the right to food sovereignty, safety and security:* Industrial scale production of food for export, and the privatisation of biodiversity and seeds, driven by imbalanced international trade regimes and corporate interests, is destroying the capacity of Latin American countries to realize these rights;

d. *Violations to labour rights:* So-called labour "flexibility", the push for high returns for private investment, the need to produce cheap goods for global markets, together with the repression of Latin American trade unions, undermine core labour standards. Furthermore, TNCs use cheap suppliers of labour in order to keep costs low, thereby expanding an already huge informal sector;

e. *Violations to indigenous peoples' rights:* EU TNCs and Latin American governments collaborate in invading and exploiting indigenous peoples' lands without their prior informed consent or participation, thereby violating their cultural identity and fundamental rights;

f. *Violations to environmental rights:* Negligence and abuse by EU TNCs of fragile ecosystems in hotspots of biodiversity and wildlife, as well as key bioregions for climate stabilization augmented by deforestation for economic reasons, contamination of water, infrastructure expansion, result into a substantial ecological debt and contradict EU public commitments for sustainable development. Irresponsible exploitation of natural resources by European TNCs such as oil and gas result in widespread ecological impacts both at a local and ultimately global level;

g. *Violations to civil and political rights:* EU TNCs can proceed undisturbed thanks to the complicity and cooperation of local and national governments. All this can occur in spite of popular dissent since those same governments do not hesitate to repress dissent and often crackdown on environmental, social and labour movements.

All of these violations combined with the erratic behaviour of financial markets and the unbearable burden of the foreign debt result in a major attack on economic and social rights to development, and hence represent the central core of, and a major challenge for, the future work of the PPT.

4.2 TNCs are not solely responsible for this situation. The responsibility also extends:

- to the host governments; and
- to the EU that allows enterprises to apply inferior standards to those practiced in Europe.

The EU, in its negotiations with Latin American countries, follows an agenda of trade and financial liberalization and support for TNCs. Economic aid is often made conditional to the acceptance of EU criteria, while the EU maintains trade and

preferential arrangements with certain countries even where they are in violation of international human rights norms, such as those established by the International Labour Organisation (ILO).

4.3 The PPT has been unfortunately obliged to consider these cases due to the unavailability of any other forum for adequate recourse and redress as well as the absence of binding rules applicable to TNCs. Unless and until such norms are developed and properly implemented cases as the ones examined will recur again and again.

Therefore the PPT concludes that the complexity and seriousness of accusations and the corresponding violations of rights require further in depth investigation with also a view to contribute to the development of international legal instruments that would make TNCs truly and effectively responsible and accountable for their practices.

Perspectives

The PPT purpose and modalities of action have always been intended to provide support and to empower social movements and responsible citizens in their different struggles for justice and human rights. Not incidentally, therefore, the preparation of this session has generated an unprecedented level of interest and expectation in Latin American and European movements, that created new networks and a basis for strengthening their struggles, resistance and search for alternatives to the dominant economic and social paradigm.

At the same time, the opportunities that Latin America is currently experiencing in its own way to social justice and self-determination can provide inspiration to movements in Europe, in their practices and proposals for an alternative of justice.

The cross-fertilization of action and analysis, that this Tribunal seeks to foster, makes its work more than a mere academic exercise, but rather a genuine effort to contribute with its experience to a common endeavour of social, environmental and labour movements in both regions. It is their determination and visionary action that encourage us to pursue our future initiatives dealing with the challenges that economic and financial globalisation pose on the affirmation of peoples' fundamental rights.

In view of the importance and of the gravity of the findings of this Hearing, the Tribunal herewith states its intention to convene a formal session to judge the responsibilities and activities of European TNCs in Latin America.

ANNEX 1 - CONVOCANTES

Latinoamérica

- AIDSESP (Amazónica-Perù)
- Alianza Chilena por un Comercio Justo y Responsable (Chile)
- Alianza de Organizaciones Sociales y afines por una Cooperación para la Paz y la Democracia en Colombia
- Alianza Social Continental (ASC)
- Alianza Social Continental (Peru)
- Asamblea Sur (Colombia)
- ASEPROLA - Asociación Servicios de Promoción Laboral (Costa Rica)
- Associação Brasileira de Organizações Não Governamentais - ABONG (Brasil)
- ATALC - Amigos de la Tierra America Latina
- ATTAC Argentina
- Bloque Popular Centroamericano (Costa Rica)
- Campaña Comercio con Justicia "mis derechos no se negocian" (Columbia)
- Campanha Brasileira de Luta contra a ALCA
- CEIBA Chimaltenango - Asociación para la Promoción y el Desarrollo de la Comunidad (Guatemala)
- Centro Memorial Dr. Martin Luther King, Jr. (Cuba)
- CILAS - Centro de Investigación Laboral y Asesoría Sindical (Mexico)
- CONAMAQ (Bolivia)
- Confederación Nacional de Comunidades del Perú afectadas por la Minería - CONACAMI (Perú)
- Convergencia de los Movimientos de los Pueblos de las Américas - COMPA
- ECUARDNARI (Ecuador)
- Encuentro Popular (Costa Rica)
- Frente Farabundo Martí para la Liberación Nacional - FMLN (El Salvador)
- Fuerza Bolivariana de Trabajadores (Venezuela)
- FOVIDA - Fomento de la Vida (Peru)
- Foro Ciudadano de Participación por la Justicia y los Derechos Humanos - FOCO (Argentina)
- Marcha Mundial de las Mujeres (Colombia)
- Mesa de Trabajo Mujeres y Economía/REMTE Colombia
- Mesa Global (Guatemala)
- Movimiento Boliviano de Lucha contra el ALCA (Bolivia)
- Organizaciones miembros de la ASC y ASC Comité de Mujeres (Colombia)
- PARCAM Latinoamericano
- Red Colombiana de Acción Frente al Libre Comercio (Colombia)

- Red de Mujeres Transformando la Economía (Colombia)
- Red Internacional de Género y Comercio - IGTN
- Red Mexicana de Acción Frente al Libre Comercio (México)
- Red Sinti Techan (El Salvador)
- Rede Brasileira Pela Integração dos Povos - REBRIP (Brazil)
- REDES (Uruguay)
- Red Vida - Capitulo Brasileiro (Brazil)
- SEAP - Sociedad Económica de Amigos del País (Cuba)
- Viva la Ciudadanía - Asociación Minga (Colombia)

Europa

- Àgora Nord Sud - ONG Catalanes de Solidaritat Internacional (Catalunya, Estado Español)
- ALASEI-Bonn (Germany)
- Amigos de la Tierra en Europa
- ARCI (Italia)
- Asociación para la Cooperación con el Sur - Las Segovias - ACSUR (España)
- Association d'Ex Prisonniers Politiques Chiliens (France)
- Associazione Italia-Nicaragua (Italia)
- Associazione KABAWIL (Italia)
- Associazione "Vientos del Sur" (Italia)
- ATTAC Deutschland
- ATTAC France
- ATTAC Italia
- ATTAC Nederland
- ATTAC Saar (Deutschland)
- BanaFair (Deutschland)
- Banana Link (Great Britain)
- BLUE 21 - Berliner Landesarbeitsgemeinschaft Umwelt und Entwicklung (Deutschland)
- Breites Bündnis für Kolumbien - Frente de Acciones por Colombia (Deutschland)
- Campaña ¿Quién debe a quién? (España)
- CIFCA - Copenhagen Initiative For Central America
- CNCD (Belgium)
- Colectivo ALBA FRANCE
- Collectiv Guatemala (France)
- Colombian Solidarity Campaign (Great Britain)
- Comité pour les droits humains "Daniel Gillard" (Belgium)
- Comités Óscar Romero de Europa
- Confederazione COBAS (Italia)

- Corporate Europe Observatory - CEO (Niederland)
- Cuba Sí - Arbeitsgemeinschaft der PDS (Deutschland)
- Ecologistas en Acción (España)
- Entraide et Fraternité (Belgium)
- FIAN International - FoodFirst Information and Action Network
- Fiom-CGIL Federazione Impiegati Operai Metallurgici (Italia)
- Fondazione Neno Zanchetta (Italia)
- Forschungs- und Dokumentationszentrum Chile-Lateinamerika - FDCL (Deutschland)
- FOS - Socialistische Solidariteit (Bélgica)
- France Amérique Latine - FAL (France)
- Freundschaftsgesellschaft BRD-Kuba e.V. (Deutschland)
- Grupo Sur
- Hivos - Humanistisch Instituut voor Ontwikkelingssamenwerking (Niederland)
- IMI-Informationstelle Militarisierung e.V. (Deutschland)
- Institut für Theologie und Politik - ITP (Münster/Deutschland)
- Izquierda Unida (España)
- Justice et Paix (Belgium)
- KWIA (Belgium)
- KoBra - Kooperation Brasilien (Deutschland)
- Lateinamerika Nachrichten - LA (Deutschland)
- "Les Alternatifs" Movimiento politico francés
- Linke Front - Kommunistischer Jugendverband (Ungarn)
- Mani Tese (Italia)
- Netzwerk Cuba - informationsbüro e.V. (Deutschland)
- Observatorio de la Deuda en la Globalización (España)
- Observatorio de Multinacionales en América Latina - OMAL (España)
- OSPAAAL (España)
- Oxfam Novib (Niederland)
- Oxfam Solidarité (Belgium)
- Partito della Rifondazione Comunista - Sinistra Europea (Italia)
- Party of the European Left
- Progressio (Great Britain)
- Solidarity Fund X minus Y (Niederland)
- Raíces Cubanas
- RDB-CUB Rappresentanze Sindacali di Base-Confederazione Unitaria di Base (Italia)
- Sin Cobas - Sindicato Intercategoriale dei Comitati di Base (Italia)
- Transform
- Transform (Italia)

- Transnational Institute - TNI (Niederland)
- Veterinarios Sin Fronteras (España)
- WEED - Weltwirtschaft, Ökologie & Entwicklung (Deutschland)
- WIDE - Globalising Gender Equality and Social Justice (Belgium)
- 11.11.11. de Bélgica

Austria

- AGEZ - Arbeitsgemeinschaft Entwicklungszusammenarbeit
- Arbeitsgemeinschaft Entwicklungspolitik der SPÖ
- ATTAC Österreich
- Bundesjugendvertretung
- Bund Sozialdemokratischer Freiheitskämpfer, Opfer des Faschismus und aktiver Antifaschisten
- Casa Cultural Colombiana de Viena
- Die Grünen
- Dreikönigsaktion der Katholischen Jungschar - DKA
- EZA Fairer Handel
- FIAN - Foodfirst Information and Action Network
- Fokolar-Bewegung Österreich
- Frauensolidarität Österreich
- Gesellschaft für bedrohte Völker - GfbV
- Guatemala Solidarität Österreich
- Horizont 3000
- Informationsgruppe Lateinamerika - IGLA
- Internationale Plattform gegen Isolation
- Internationaler Versöhnungsbund - Österreichischer Zweig
- Jugend eine Welt - Don Bosco Aktion Austria
- Katholische Frauenbewegung - KFBÖ
- Katholische Jugend Österreich
- Katholische Männerbewegung
- Klimabündnis Österreich
- Kommunistische Partei Österreich - KPÖ
- Koordinierungsstelle der Österreichischen Bischofskonferenz für internationale Entwicklung und Mission - KOO
- Mexiko-Plattform
- Österreichische Friedensgesellschaft Bertha von Suttner
- Österreichische HochschülerInnenschaft - ÖH
- Polo Democrático Alternativo de Colombia-Viena
- Referat der Erzdiözese Wien für Mission und Entwicklung
- Sozialistische Jugend Wien
- Südwind Wien

ANNEX 2– MATRIX SUMMARY OF CASES PRESENTED TO THE TRIBUNAL

Area/ Sectors	Transnational Organization/ Country of origin	Organisation that present the case(s)	Description of the case(s)
PUBLIC SERVICES			
Water	Suez (France)	Unión de Usuarios y Consumidores (Argentina)	Argentina, Rosario. Delivery of drinking water and sewage.
	Suez (France)	FEJUVE - Federación de Juntas Vecinales (El Alto Bolivia)	El Alto, Bolivia. Water and cooperation.
	Suez (France)	CNDAV - Comisión Nacional en Defensa del Agua y de la Vida (Uruguay)	Uruguay. Concession of Potable water and sanitation services
	Suez (France)	FOCO- Foro de Participación Ciudadana (Argentina)	Argentina, Provision of Potable water and sanitation services in Buenos Aires.
	Suez (France)	REBRIP Red Brasileira por la Integracion de los Pueblos IGTN International Gender and Trade Network – Instituto EQUIT- Genero, Economia y Ciudadanía (Brasil)	Brazil. Privatisation of water and sanitation services in the city of Manaus - Amazonia
	Aguas de Barcelona (Spain) Suez (France)	RMALC -Red Mexicana de Accion frente al librecomercio (México) CIFCA (Bélgica)	Mexico. Privatisation of water in Hermosillo.
	GTZ- Agencia coop. Técnica. (Germany)	FDCL -Centro de Documentación e información Chile Latinoamérica (Alemania) FEJUVE (Bolivia)	El Alto, Bolivia. Water and cooperation
Electricity	Unión Fenosa (Spain)	Encuentro Popular (Costa Rica) CEIBA (Guatemala) CONGCOOP (Guatemala) CENSAT Agua Viva (Colombia) CDC Centro de Defensa del Consumidor (El Salvador) Amigos de la Tierra (España) Collectif Guatemala (Francia)	Unión Fenosa in Colombia, Guatemala, El Salvador y Nicaragua.

NATURAL RESOURCES			
Hydrocarbons	Repsol-YPF (Spain)	CEDIB-Centro de Documentación (Bolivia) Ecologistas en Acción Madrid (Spain) Foro de Ecologistas de Paraná (Argentina) Libres del Sur (Argentina)	Repsol in Argentina, Bolivia and Ecuador.
	Consortio OCP ETN: OMV (Austria) Repsol-YPF (Spain/Argentina) AGIP (Italy) Perenco (France) Bancos europeos WestLB (Alemania) BBVA (Spain) Banca Nazionale del Lavoro (Italy)	Acción Ecológica (Peru) Viva Amazonia (Austria) FIAN Internacional Global 2000 (Austria)	Ecuadorian Amazonia. Enlargement of the petroleum border (Ecuador)
Tourism	Riu Resorts, Ibero Star, Meliá, Oasis, Gala (Spain) and Viva (Italy)	MCP- Movimiento de Cultura Popular (Mexico)	Hotel services and related activities in the 'Maya Riviera' (Mexico)
Mining	Monterrico Metals (UK)	Frente del Desarrollo Sostenible de la Frontera Norte (Peru)	Exploitation of an open-pit mine in Piura region, Peru
The land	Bennetton (Italy)	INPADE (Argentina)	Purchase of lands that belong to the Mapuche People in Patagonia (Argentina)
AGRIFOOD CHAIN			
Agro-toxics	Bayer-Bayer Crop Sciences (Germany)	Red de acción en Alternativas al uso de Agroquímicos en America Latina (RAAA)	Tauccamarca – Commercialisation and production of agro-toxics and other consumables such as transgenic seeds. (Peru)
The soy industry	Cargill y Bunge: Commercialisation of commodities Hendrix-Nutreco (Holland): Feed production Vion Food Group (Holland): meat processing Rabobank (Holland)	Milieudefensie Friends of the Earth (Netherlands)	Soy industry chain (Brazil and Netherlands)
Tobacco productive chain	British Tobacco	Grupo de Trabajo de Agricultura de la REBRIP (Brasil)	Tobacco productive chain (Brazil)
Tree plantations and pulp mills	Andritz AG (Austria), ENCE (Spain) BOTNIA (Finland) Aracruz Celulosa (Norway) BBVA (Spain) ING (Netherlands)	FASE - REBRIP, MST, Terra e Direitos (Brasil) Redes- Amigos da Terra (Uruguay) Amigos de la Tierra (Austria)	Tree plantations and pulp mills in Espírito Santo, Rio Grande do Sul and Uruguay

THE LABOUR WORLD

Food, cleaning products	Unilever (UK-Netherlands)	Instituto Observatorio Social ETN de la CUT (Brazil)	Brazil. Labour rights
Telecommunications	Telefónica (Spain)	PLADES (Peru) SUTTP (Peru)	Behaviour of the company in Peru.
Fisheries Industry	CALVO (Spain)	Informationsstelle Lateinamerika (ILA) (Germany)	Behaviour of the company in El Salvador, although it has presence in other countries such as Venezuela, Brazil, Spain, Italy, US)
Salmon Industry	Marine Harvest	Programa de Estudios Laboral Instituto de Ciencias Alejandro Lipschutz, ICAL (Chile)	Labour rights

FINANCES

Finances	EU's corporate power (economic, monitoring and financial) EU's financial services In LA The Dutch Banks ING,RABOBANK, ABN AMRO	ATTAC- Argentina Enlace Civil (Mexico) Ecologistas en Accion (Spain) Observatorio de la Deuda (Spain) SOMO (Netherlands) Transnational Institute TNI (Netherlands)	EU's corporate power and the financial services. The European Banks in Argentina and Mexico
	The European Banks in Argentina	ATTAC Argentina	European Banks actions in Argentina
	Activities of the Bank Bilbao Vizcaya Argentaria Bancomer BBVA (Spain)	ENLACE CIVIL Mexico	BBVA Bank actions in Chiapas