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## Billions \$ invested in producers of globally banned cluster bombs

(Tokyo, 23 May 2017) – While 119 nations have joined the 2008 Convention on Cluster Munitions to rid the world of cluster munitions, in the past four years, 166 financial institutions invested US\$31 billion in companies that produce cluster munitions. Investing in cluster munitions is morally unacceptable with devastating consequences when these weapons are used among civilians. Yet, financial institutions turn a blind eye and continue investing in companies that produce them. The Cluster Munition Coalition urges all financial institutions to stop investing in producers of cluster munitions.

According to the report ‘Worldwide Investments in Cluster Munitions: a shared responsibility’ published today by Cluster Munition Coalition member PAX (the Netherlands), the US\$31 billion investment by 166 financial institutions went to six companies that produce cluster munitions. Of the six, two companies are located in China (China Aerospace Science and Industry and Norinco), two in South Korea (Hanwha and Poongsan) and two in the U.S. (Orbital ATK and Textron).

“Cluster bombs are banned for a clear reason, because they disproportionately harm civilians, as is the case with the ongoing use of cluster munitions by Syrian and Russian forces in Syria and by the Saudi-led coalition in Yemen. That is why no banks or financial institutions should put a penny in companies that produce these illegal and harmful weapons, and no company or country should produce cluster munitions,” said Firoz Alizada, Campaigns and Communications Manager at the Cluster Munition Coalition.

“It is unacceptable to see an increase of US\$3 billion investments in producers of cluster bombs in 2017 in comparison to 2016. Nonetheless, we are pleased that Textron, a major producer of cluster bombs in the US announced last year that it would cease the production of cluster munitions and that, by the end of 2017, the company will have no involvement in the production of these weapons,” said Maaïke Beenes, co-author of the PAX report. “We will be following closely to see if Textron does indeed end all involvement with cluster munitions this year. We also call on all other companies to stop producing cluster bombs without further delay,” she added.

Forty-two financial institutions in 11 countries have enacted policies ending all investments in cluster munition producers. Furthermore, 46 financial institutions in 14 countries have taken steps to prohibit investments in companies producing the weapons, however, they must fix loopholes in their policies to put an end to all investments in producers of cluster bombs.

The 166 financial institutions still investing in cluster munitions are in fourteen countries. The vast majority of the financial institutions (151) are from countries that have not joined the Convention on Cluster Munitions. Of these, 85 are from the United States, 30 from China and 27 from South Korea. However, 15 financial institutions that have invested in producers of cluster munitions are from countries that have joined the convention: Canada, France, Germany, Japan, Spain, Switzerland and the United Kingdom. The number of investors in these countries has decreased from 20 in 2016 to 15 in 2017. To fulfill their convention obligations, States Parties to the convention must take action to prohibit investments by all financial institutions.

In strengthening the norm against cluster munitions, ten countries have enacted national legislation banning investments in cluster munitions. In addition, 28 countries have expressed the view that investments in the production of cluster munitions are prohibited.

Members of the Cluster Munition Coalition in Australia, Cambodia, Canada, France, Germany, India, Italy, Japan, Luxembourg, Macedonia, Nepal, the Netherlands, New Zealand, Norway, South Korea, Spain, the United Kingdom and the United States among others, are taking action to “Stop Explosive Investments”.

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#### **Further resources for the media**

- Download the full report “Worldwide Investments in Cluster Munitions, a shared responsibility” at <http://www.stopexplosiveinvestments.org/report> – Advanced copies and key findings are available under embargo upon request and the full report will be available online as of 01:00 CEST, 23 May.
- One-minute animation – Stop Explosive Investment available at <http://bit.ly/25Nyb28>.
- High-resolution images including cluster bombs, cluster bomb survivors and Cluster Munition Coalition campaigners in action available at <http://bit.ly/1sx6GrS>. Please credit all images used.
- Cluster Munition Coalition Twitter - <https://twitter.com/banclusterbombs>
- Cluster Munition Coalition Facebook – <http://www.facebook.com/banclusterbombs>

#### **Notes to the editor:**

- 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 - <http://www.stopclustermunitions.org>.
- For more information about the CMC’s campaign to Stop Explosive Investments visit <http://www.stopexplosiveinvestments.org>.
- A cluster munition, also known as a cluster bomb, is a weapon containing multiple explosive submunitions. Like landmines, these submunitions can remain a fatal threat to anyone in the area long after a conflict ends, for details visit <http://bit.ly/1u1ijUb>.
- 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.”
- Further information on use of cluster munitions in Syria and Yemen other countries visit <http://bit.ly/St1YZW>
- Cluster Munition Monitor 2016 is available at [bit.ly/CMMReport2016](http://bit.ly/CMMReport2016)