



Justice and Peace Newsletter

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This edition Newsletter highlights the work of ECCR

THE ECUMENICAL COUNCIL FOR CORPORATE RESPONSIBILITY

Corporate Responsibility and Ethical Investment

We all know that the actions of multinational companies can have a huge impact – for good or ill – on the well-being of communities around the world; and indeed on the fabric of the earth itself. We have seen dramatic examples recently in the global financial crisis and in the Deepwater oil disaster off the USA. But every day around the world the policy and practice of well-known companies with regard to human rights, employment, supply chains and environmental impact has a significant effect on the lives and livelihoods of communities, particularly on the poorest.

Christian faith calls us to work for justice and environmental stewardship. But often we feel helpless to change the actions of the powerful, be they governments or multinational companies. In fact we potentially have much more influence than we sometimes realise. The positive impact of consumer power has been graphically illustrated in recent years by the exponential growth of fair trade. We also have power as investors and shareholders.

All of us are, one way or another, investors in companies and therefore part owners. This may be directly through owning shares, or indirectly through our pension funds, savings, bank accounts and insurance policies, and through the church we belong to. Most church denominations are major shareholders.

Shareholders, as company owners, give companies their mandate to operate. What companies do, therefore, they do in our name. Investment entails responsibility. Awareness of this fact is a key ethic for Christians, and accepting this responsibility empowers us to realise that we can all participate in improving the policy and practices of companies.

There are three main aspects to ethical investment (sometimes referred to as 'socially responsible' or simply 'responsible' investment):

1. **Negative** - Choosing not to invest or to divest/disinvest from industry sectors, e.g. armaments, tobacco, gambling, pornography, or from companies with a poor record on human rights, environment, etc.
2. **Positive** - Choosing specific good things to invest in, e.g. sectors like sustainable forestry, renewable energy, health care, & sustainable property, or the most responsible looking company in its particular sector. Micro-finance for small scale start up business, mainly in developing countries, and funding for social enterprise are becoming increasingly popular as positive investments, e.g. through Oikocredit, Shared Interest, and Big Issue Invest. Sometimes investors choose to accept a lower return than the current market average for this sort of investment in recognition of the additional social return generated.
3. **Engagement** - Talking to those multinational companies in which investments are held to try to improve one or several aspects of their corporate responsibility. If the dialogue does not progress satisfactorily, shareholders can make their concerns more public, e.g. through questions and voting at the company AGM, and by filing a shareholder resolution, e.g. shareholder resolutions on tar sands extraction at the 2010 AGMs of BP and Shell.

ECCR (the Ecumenical Council for Corporate Responsibility) is a membership organisation which ties together corporate responsibility and ethical investment issues by undertaking research, advocacy and dialogue to encourage companies to meet higher standards of corporate responsibility, while assisting

churches and their members to make investment decisions which further this work through responsible and positive impact investment. ECCR's website www.eccr.org.uk has lots of information about current issues, ideas for action, and the chance to sign up for a monthly e-newsletter and to become a member or make a donation to support ECCR's work.

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(Brussels, 29/06/10): Development and environmental groups warned that EU biofuels targets are leading to uncontrollable land grabbing from poor communities in Africa, pushing more people into hunger.

EU member states have submitted plans to meet the EU's Renewable Energy Directive, which demands that 10% of transport fuel comes from renewable energy by 2020 – most of it likely to come from biofuels. Already, EU companies have acquired or requested 5 million hectares of land in developing countries for industrial biofuels – an area greater than the size of Denmark. Often this is land used by poor communities to feed themselves. To meet the 10% target could require up to 17.5 million hectares.



"EU countries are only thinking about filling their fuel tanks yet over a billion people around the world cannot find enough food to fill their stomachs", said David Barisa Ringa from ActionAid Kenya .

"Poor communities are being pushed off their land to make way for EU biofuels companies. Under the Treaty of Lisbon all EU policies must have the eradication of poverty as the primary focus – this is clearly not the case with the EU's energy policy, which is further damaging EU progress towards the MDGs".

The 8 MEPs for the North West are: Jacqueline Foster, Paul Nuttall, Arlene McCarthy, Brian Simpson, Sajjad Karim, Chris Davies, Arlene McCarthy and Nick Griffin. Their email addresses can be found on the internet at <http://www.writetothem.com>. Most of them will reply

URGENT PRAYER: Eritrean refugees sent back from Libya in great danger

250 highly vulnerable Eritrean refugees are in danger of being forcibly repatriated by Libyan authorities. They were herded like cattle into trucks which took them from Misrata prison to a detention centre on the edge of the Sahara desert earlier this week. Before leaving, many of the group were severely tortured by their guards, some so badly that they had to be returned to the prison where they were being held for medical treatment. They are now being held in one single, dark, overcrowded cell, with no access to toilets, food or water and are being hosed with water, beaten and threatened by guards who say they have orders to "finish" them. Surprisingly, no news broadcasters are reporting this story. Distressingly, repatriated Eritreans can expect just as severe treatment once back in the hands of their own national authorities. Some 20,000 citizens of a population of around six and a half million are imprisoned in Eritrea without charge or trial, 3,000 of whom are held simply for their Christian faith – that's an extremely high proportion. The UN's office in Libya dealing with refugees (the UNHCR) was kicked out of the country last month, but has now been allowed to work in a limited capacity, potentially exposing these returning refugees to even greater injustice and hardship. Further information can be found on the Christian Solidarity Worldwide website (www.csw.org.uk)