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INVESTORS URGE EXXON, CONOCOPHILLIPS, OTHER OIL COMPANIES IN LIBYA TO CUT OFF SUPPORT TO QADDAFI REGIME

Oil Companies Should Halt Revenue Payments to Government, Fund Civilian Recovery

WASHINGTON, D.C. – Twenty-four institutional investors, including Calvert Asset Management and Boston Common Asset Management today called on oil companies doing business in Libya to halt revenue or other payments to the Libyan government. The investors have called on oil companies to place revenue payments into a Libya Recovery Fund that would cut financial support from the government while avoiding undue economic harm to civilians.

“Oil companies operating in Libya possess tremendous economic leverage and have an opportunity – and responsibility – to ensure their operations do not support the Libyan government, which has launched horrific attacks on civilian protesters,” stated Bennett Freeman, Senior Vice President for Sustainability Research and Policy at Calvert Asset Management Company.

“Investors are in a unique position to influence the management of oil companies doing business in Libya, said Dawn Wolfe, Associate Director of Environmental, Social and Governance Research at Boston Common Asset Management. “The risks and uncertainties in that operating environment are extreme and the human rights implications vast. Companies and investors cannot stand idly by.”

The investors are members of the Conflict Risk Network (CRN), a network of nearly 100 international institutional investors, including public pension funds such as the New York State Common Retirement Fund and socially responsible investment firms such as Calvert Asset Management. CRN calls on corporate actors to fulfill their responsibility to respect human rights and to take steps that support peace and stability in areas affected by conflict.

“It would be unconscionable if revenues from Libya’s lucrative oil sector support Colonel Qaddafi’s deliberate attacks on Libyan’s citizens,” stated Melany Grout, Director of the Conflict Risk Network. “Creating a Libya Recovery Fund is a way forward that would cut support to the government while enabling civilians to benefit from their resources. And while creation of a fund will require leadership from and discussion with the UN Security Council and other relevant offices and institutions, leadership from oil firms will be instrumental.”

The strategy behind the Libya Recovery Fund is based on a proposal that Human Rights Watch submitted to the United Nations Security Council in 2007 in relation to the conflict in Darfur. Though a workable framework might be slightly different in the case of Libya, the basic premise would be that the Fund would permit both Libya and private firms to continue to export oil – and

existing customers could continue to buy it – but all proceeds from such exports and all royalties and similar payments owed to the government would be paid directly to the fund, which could be administered by an independent UN-designated financial institution (such as the World Bank) that would serve as escrow agent.

For more information including a list of oil companies doing business in Libya, please see [CRN's Engagement Fact Sheet](#).

Background on Libya Oil Production

Oil is the primary source of revenue for the Libyan government, which relies on the resource for 95 percent of its export earnings and 80 percent of its domestic revenue. [Recent reports](#) claim a gap of several billion dollars a year between the amount of money Libya makes from its oil reserves and government spending – a shortfall some claim Col. Qaddafi claimed for personal use.

Libya, a member of OPEC, accounts for 1.7 percent of the world's crude output. It is the world's 17th largest producer and the third-largest in Africa. Europe receives 85 percent of Libya's exports (32 percent Italy, 14 percent Germany, 10 percent France), and the United States and China account for 5 and 10 percent, respectively. Reuters has reported that all ports are closed.

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About CRN: Conflict Risk Network (CRN), <http://crn.genocideintervention.net/> is a network of institutional investors, financial service providers and related stakeholders calling on corporate actors to fulfill their responsibility to respect human rights and to take steps that support peace and stability in areas affected by genocide and mass atrocities. Its goal is to increase such behavior by corporate actors, and thereby reduce conflict risk.

CRN is a project of the [newly merged](#) Genocide Intervention Network / Save Darfur Coalition (GI-NET/SDC). The two organizations merged on November 1, 2010 to create a more powerful voice dedicated to preventing and stopping large-scale, deliberate atrocities against civilians. The organization remains committed to its work to end the crisis in Darfur and bring peace to all of Sudan as well as to end violence in other areas of mass atrocities such as Congo and Burma. The merger creates the world's largest anti-genocide organization, with a membership base of hundreds of thousands of committed activists globally, an unparalleled nationwide student movement, more than 190 faith-based, advocacy and human rights partner organizations, and a network of institutional investors collectively representing more than \$3 trillion in assets under management.