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INVESTOR-BACKED NETWORK CALLS ON COMPANIES, STATES AND REBEL COUNCIL INVOLVED IN RECENT LIBYAN OIL DEALS TO UPHOLD INTERNATIONAL TRANSPARENCY STANDARDS

Transparency necessary to avoid corruption and to ensure Libyans benefit from their economy

WASHINGTON, D.C. – Conflict Risk Network today called on companies, states, the opposition-led Interim Transitional National Council and other parties involved in the sale of Libyan oil to uphold internationally accepted transparency standards. Reports indicate a tanker owned by Athens-based Dynacom Tankers and contracted by Swiss oil trading firm Vitol SA left a port near Tobruk last week carrying a cargo of crude oil sold by Libyan rebels. The cargo is said to be worth \$112 million, and the rebels reportedly intend to make future sales from areas under their control.

“The Interim Transitional National Council has said that an economy that benefits the Libyan people is an integral part of its vision for a Libyan state. In support of this principle and to ensure that oil deals don’t lead to corruption that can further fuel instability, the Council, companies, and other parties involved in oil transactions should commit to upholding international standards on transparency,” said Melany Grout, Director of the Conflict Risk Network.

The details of last week’s sale are opaque. The Libyan opposition government reported that Qatar agreed to market oil on its behalf, although an official with the Qatari oil ministry denied the country’s involvement in this transaction. The ultimate buyer of last week’s cargo is unknown, but the tanker is reportedly destined for China. Traders have speculated that payments will be made via an offshore account to which the rebels will have access, and the rebels’ finance minister, Ali Tarhouni, has said proceeds from oil sales will be placed in escrow and that the rebels “will withdraw them in the form of food, medicine and other humanitarian aid.”

“Increasing the need for transparency is the fact that future sales appear likely,” said Grout. The head of Italian oil group Eni held recent discussions with the Interim Transitional National Council regarding cooperation on oil, and several governments, including some in Europe, now recognize the Council as the official Libyan government.

Conflict Risk Network is 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, that calls on corporate actors

to uphold their responsibility to respect human rights and to take steps that support peace and stability in areas affected by conflict.

At the outset of major attacks against Libyan civilians, Conflict Risk Network and 24 of its institutional partners [called on](#) oil companies such as Exxon, ConocoPhillips, and BP to halt payments to entities controlled by Libyan leader Muammar Qaddafi, based on the concern that these funds could be used to further such violence. Sanctions passed since then by the United Nations, United States and European Union have essentially prohibited such transactions but do not appear to ban deals that circumvent government-controlled entities such as the National Oil Company and the Central Bank.

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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 uphold 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.