

International Mission to Colombia to Share Ways to Stop Abusive Corporate Claims

12 representatives of organizations from 8 Latin American countries and other parts of the world will visit Colombia to participate in a mission to share their experiences of standing up to corporate greed and stopping abusive transnational claims in the courts.

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(Colombia, May 23, 2023) — Beginning May 22, 12 representatives of organizations from 8 Latin American countries and other parts of the world will visit Colombia to participate in a mission to share their experiences of standing up to the system of corporate courts that transnational companies use to blackmail states out of protecting ecosystems and communities.

Colombian partners invited the delegates to discuss organizing and advocacy strategies that have been used to counter this system building on a <u>declaration signed by more than 280 organizations from 30 countries</u>. The declaration urges Colombia to recover its sovereignty and protect communities and resources threatened by transnational investments by comprehensively reviewing and withdrawing from international investment treaties that allow multinational companies to sue foreign governments.

Multinational mining companies, such as Glencore and Canadian companies Eco Oro, Galway Gold and Red Eagle, have brought claims against Colombia in arbitration tribunals rigged in favor of investors. Such arbitration processes ignore human rights and the environment, seeking to force the State to pay million-dollar compensation for measures taken in response to the struggles of affected peoples who are defending their rights to water, health, life, territory and a healthy environment.

As of 2023, the Colombian State has been sued <u>21 times</u> for a current total of \$2.8 billion US dollars in known claims, according to the <u>National Agency for Legal Defense of the State</u> (ANDJE) and a recent report from <u>TNI and CAJAR</u>. These suits have been brought by transnational corporations from five countries: the US, Canada, the UK, Switzerland and Spain. Most of these companies are from the extractive sector that <u>frequently uses this mechanism</u> to pressure governments against the implementation of laws, public policies and judicial decisions necessary to address the climate crisis, halt extractivism and stake the path towards an energy transition embedded in social and environmental justice.

To meet their goals, this delegation includes experts with experience showing that it is possible to review and renounce this supranational arbitration mechanism, known as Investor State Dispute Settlement (ISDS), designed by and for transnational corporations. Delegation participants will discuss how governments from the global south and north have denounced or revised investment agreements that allow such claims, such as Pakistan, Ecuador, Bolivia, India, Indonesia and South Africa. Brazil, for its part, has never ratified investment agreements that permit ISDS.

Broad criticism of this system has also led countries in the global north to question and exit the system. In the renegotiation of the North American Free Trade Agreement (NAFTA), ISDS was eliminated between Canada and the United States. In addition, in early May of this year, 33 U.S. Members of Congress wrote to the administration of President Biden demanding the elimination of "this faulty and undemocratic dispute settlement regime" from all existing trade and investment agreements with the United States. The delegation will also bring knowledge of the experience in Europe where the European Commission has anticipated a coordinated exit of the European Union from the Energy Charter Treaty, a treaty specific to the fossil fuel sector and the most used treaty in the world with which states have been sued. Colombia is an observer to this treaty. Countries such as France, Germany, the Netherlands, Poland and Spain have each announced plans to leave given the incompatibility of investor-state dispute settlement mechanisms with measures needed to address the climate crisis.

At a time when Colombia is seeking to improve public policy in favor of people and the environment, including to address the climate crisis, it is necessary to recover the state's sovereignty. Stopping abusive transnational claims is necessary to defend the independence and role of the judicial system, and to respect the self-determination of indigenous peoples and other communities seeking justice and accountability for environmental damage and violations of their rights.

For more information about the delegation or to request an interview, please contact: Jen Moore, jen@ips-dc.org