

## Press Release



# Over US\$28 billion invested in companies that produce internationally banned cluster bombs

## Stop Explosive Investments

(Ottawa, 16 June 2016) – Despite the international ban on cluster munitions, 158 financial institutions invested more than US\$28 billion in seven producers of the weapons between 1 June 2012 and 8 April 2016, according to a report launched today. The Cluster Muniton Coalition calls on these financial institutions and governments to put an end once and for all to investment in producers of cluster bombs.

The report ‘Worldwide Investments in Cluster Munitions: a shared responsibility’ is published by PAX (the Netherlands), a member of the Cluster Muniton Coalition.

“Financial institutions must stop turning a blind eye to the lethal consequences of their investments,” said Branislav Kapetanović, Ambassador of the Cluster Muniton Coalition who survived a cluster bomb explosion some 16 years ago. “Cluster munitions are being used in Yemen and Syria, causing significant civilian casualties including among children and women. All banks and financial institutions must prohibit investment in companies that produce these indiscriminate weapons,” Kapetanović added.

China Aerospace Science and Industry, China Aerospace Science and Technology, Norinco (China), Hanwha and Poongsan (South Korea), Orbital ATK and Textron (United States) are reported as the cluster munitions producers which have benefited from the US\$28 billion worth of investments.

“It is an outrage that so many financial institutions have no qualms about investing in companies that make banned cluster munitions. However, a positive development is that the number of financial institutions with a policy comprehensively banning investments in such companies has gone up. We commend these financial institutions for halting their investments and encourage others to follow suit,” said Suzanne Oosterwijk, co-author of the PAX report. In addition, Singapore Technologies Engineering publicly announced in 2015 that it has stopped producing cluster munitions.

One type of cluster munition produced by Textron has been used by the Saudi-led coalition in Yemen since March 2015, according to research by Human Rights Watch and Amnesty International. On 27 May 2016, the United States government blocked the transfer of these CBU-105 Sensor Fuzed Weapons to Saudi Arabia because of concern at the use of cluster munitions in or near civilian areas.

In 2015 and 2016 ninety-one percent of all known cluster munition casualties in Yemen were civilians including deminers. Of the civilian casualties at least twenty-two percent were children.

The 158 financial institutions are from fourteen countries. The vast majority of the financial institutions (138) are from countries that have not joined the 2008 Convention on Cluster Munitions. Of these, 74 are from the United States, 29 from China and 26 from South Korea. However, 20 financial institutions that have invested in producers of cluster munitions are from countries that have joined to the convention: Canada, France, Germany, Japan, Spain, Switzerland and United Kingdom.

“The core objective of the Convention on Cluster Munitions is to put an end to the suffering caused by these weapons,” said Megan Burke, Director of the Cluster Muniton Coalition. “We urge all seven States Parties to

the convention that are mentioned above to outlaw all investments associated with producers of cluster munitions and to fulfill their treaty obligations,” Burke added.

To date, 10 countries have put in place legislation against investments in cluster munitions (Belgium, Ireland, Italy, Liechtenstein, Luxembourg, the Netherlands, New Zealand, Samoa, Spain and Switzerland). Spain is the latest country to have enacted a ban on the financing of cluster munitions, in mid-2015.

A total of 119 states have signed or acceded to the 2008 Convention on Cluster Munitions, which prohibits the use, production, transfer and stockpiling of cluster munitions, as well as assistance with any of these banned activities. The convention also requires clearance of areas contaminated by cluster munition remnants and assistance to victims of these weapons.

Members of the Cluster Munition Coalition in Belgium, Canada, France, Germany, Italy, Japan, Lebanon, Luxembourg, the Netherlands, Spain, Sweden, Switzerland, Vietnam and the United States, among others, are taking action worldwide 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.
- Key findings infographic available at <http://bit.ly/1W1bEPj>.
- One-minute animation – Stop Explosive Investment available at <http://bit.ly/25Nyb28>.
- Cluster munition casualties and stockpilers and suppliers of cluster bombs used in Yemen- infographic available at <http://bit.ly/262vCWE>
- 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:

- For more information about the campaign to Stop Explosive Investments visit <http://www.stopexplosiveinvestments.org>.
- 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> .
- 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 Yemen and other countries visit <http://bit.ly/St1YZW>
- Cluster Munition Monitor 2015 is available at <http://bit.ly/1WGasvJ>