

# CEDHA Files OECD Complaint against the Finnish Export Credit Agency, Finnvera

8 June 2006 – Helsinki, Finland – The Center for Human Rights and Environment (CEDHA) filed today, an OECD Specific Instance against Finnvera, for the Finnish Export Credit Agency's failure to comply with the OECD Guidelines for Multinational Enterprises in its support of the controversial Finnish papermill currently under construction in Uruguay.

Finnvera, Finland's Export Credit Agency (ECA), published over a year ago, its intention to support the now extremely controversial Botnia Orion papermill project in Uruguay, and is a critical underwriter of the Botnia investment scheme since through its guarantee support, other private investors are drawn to invest. The complaint is presented against Finnvera the same day that Argentina is presenting oral arguments requesting Preliminary Measures at the International Court of Justice at the Hague against Uruguay, to halt construction of the two mills projected on the Uruguay River.

The OECD complaint, follows a similar Specific Instance filed against Botnia in April 2006 and its contractors for breaching the OECD Guidelines, grounded on evidence confirmed by the IFC's Compliance Advisor Ombudsman (CAO) as well as numerous other scientific reports presented in other legal filings against the companies and against Uruguay. The OECD complaint asserts that Finnvera, an independent company 100% owned by the Finnish state, is complicit in Guideline breaches perpetrated by Botnia via their role as guarantor of the project, and refers to violations of Guideline chapters on Concepts and Principles of the Guidelines, General Policies, Disclosure, Environment, Bribery, Science and Technology, and Taxation provisions.

The Finnish National Contact Point (NCP), charged with reviewing Specific Instance filings, communicated recently to CEDHA that is set to meet today to assess the Specific Instance filed in April against Botnia, which also included Kemira, the Finnish chemical partly owned by the Finnish state and contracted by Botnia to produce chlorine dioxide necessary for the operation of the pulp mill.

The complaint calls on the Finnish NCP to insist that Finnvera cease all consideration of supporting the Botnia project, particularly as further and further problems and environmental impact study shortfalls are coming to light on the Botnia/IFC project.

Finnvera's vice chief executive Mr Topi Vesteri was quoted recently saying that 'it would be difficult to back down without losing face' whilst referring to Argentina's strong opposition to the mill.

Governments adhere to the Guidelines on Multinational Enterprises, and subsequently must encourage companies under their nationality operating in or from their territories to abide by them. Finland, which became a member of OECD in 1969, subscribes to the Guidelines, and has a National Contact Point which receives Specific Instance complaints regarding Finnish companies and attempts to bring actors together in a friendly resolution dispute mechanism. The Guidelines provide principles and standards for responsible business conduct in a variety of areas including employment and industrial relations, human rights, environment, information disclosure, combating bribery, consumer interests, science and technology, competition, and taxation. They are ultimately geared to promote sustainable development by multinational enterprises.

[http://www.cedha.org.ar/en/initiatives/paper\\_pulp\\_mills/oecd-specific-instance-finnvera-eng.pdf](http://www.cedha.org.ar/en/initiatives/paper_pulp_mills/oecd-specific-instance-finnvera-eng.pdf)

## More Information

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