

Robert B. Zoellick  
President  
World Bank  
1818 H Street, NW  
Washington, DC 20433

October 3, 2008

**RE: ICSID Administrative Council Meeting**

Dear Mr. Zoellick:

We represent 135 civil society organizations from 31 countries who are concerned about the impacts of the international investment dispute system on democracy and human rights, as well as the capacity of governments to reduce external debts, pursue sustainable development, and fight poverty.

We are writing to raise several points that should be discussed at the upcoming meeting of the International Center for the Settlement of Investment Disputes (ICSID) Administrative Council, which you chair.

**The ICSID Administrative Council should:**

**1. Review ICSID's handling of the Euro Telecom International v. Republic of Bolivia case**

This will be the first meeting of the Administrative Council since the former ICSID General Secretary registered the case of Euro Telecom International v. Republic of Bolivia on October 31, 2007. This action demonstrated extreme disregard for Bolivian sovereignty, since the government of Bolivia had withdrawn from the ICSID Convention nearly six months earlier. Determining jurisdiction in this case is not an appropriate question for an investment tribunal, particularly one that is associated with the World Bank, the administrator of the ICSID Convention. The World Bank should not have the power to decide on its own jurisdiction.

According to the ICSID web site, as of October 3, a tribunal had not yet been constituted in the case. If the case does move forward, it will only underscore the widely held view that this is a system which undermines national sovereignty in favor of the interests of private corporations and international investors. Particularly with the appointment of a new ICSID General Secretary, this is an important moment to put this controversial case on hold and take a close look at how it has been handled.

**2. Establish an independent review commission on ICSID**

Concerns about ICSID go far beyond the ETI case. Many governments and elected officials have raised legitimate criticisms. On November 23, 2007, the Ecuadorian government notified ICSID that it would not accept its jurisdiction in cases stemming from disputes over nonrenewable resources. The Argentine government has also raised concerns over flaws in the system, after being hit by more than 30 investor claims in recent years, many of them in retaliation for actions taken to alleviate the pain of financial crisis on average citizens. Venezuela and Nicaragua joined Bolivia in a joint declaration criticizing ICSID on April 29, 2007. In 2004, the Australian government refused to accept investor-state dispute resolution in a 2004 trade pact with the United States. U.S. Presidential candidate Barack Obama has vowed to make changes in investment rules that are enforced by ICSID.

Independent commissions have been formed to examine World Bank-related activities in other

controversial areas, such as dams and extractive industries. An ICSID review commission, led by independent leaders with broad expertise, should carry out a comprehensive examination, consulting stakeholders, including representatives of communities and citizens affected by investment activities that have been the subject of ICSID cases, as well as government officials who have developed laws or regulations that have been the target of ICSID suits.

In particular, the commission should examine how ICSID (and the investment treaties and trade agreements it enforces) may undermine other international treaties that promote social, economic, and human rights, as well as developing countries' capacity to reduce external debts and achieve the Millennium Development Goals.

We strongly urge you to put these matters on the agenda of the ICSID Administrative Council. A review of ICSID's handling of the Euro Telecom International v. Republic of Bolivia case is particularly urgent.

Signed,

Public Services International, International  
ATTAC, Argentina  
Centro de las Culturas, Argentina  
Comité Nacional del Partido Socialista Auténtico de la Nación, Argentina  
Corriente de Opinión Ciudadana, Argentina  
Foro Ciudadano de, Argentina  
Project Allende, Argentina  
Voluntarios del Mundo, Argentina  
Australian Fair Trade and Investment Network, Australia  
CADTM, Belgium  
Friends of the Earth International, Belgium  
Cafe semilla Juvenil, Bolivia  
CIOEC- La Paz, Bolivia  
Colectivo de Mujeres Alteñas, Bolivia  
Democracy Center, Bolivia  
Red de Comunicaciones Apachita , Bolivia  
Together for Human Rights, Canada  
Centro de Las Culturas, Chile  
La Comunidad para el Desarrollo Humano, Chile  
Movimiento Humanista (C54), Chile  
Comisión Nacional de Enlace, Costa Rica  
Concepción de Naranjo Community Water District, Costa Rica  
Observatorio Ciudadano De Servicios Publicos, Ecuador  
Attac France, France  
World Economy, Ecology & Development (WEED), Germany  
Bloque Popular, Honduras  
Humanist Association, Hong Kong  
Humanist Party, Iceland  
Campaign for the Reform of the World Bank, Italy  
Southeast Asian Council for Food Security and Fair Trade, Malaysia  
Demokratikòn, Coincidencia Social A. C., Mexico  
ENLACE Comunicación y Capacitación A.C., Mexico  
Red Mexicana de Acción frente al Libre Comercio, Mexico  
Corporate Europe Observatory, Netherlands  
De Gemeenschap voor Menselijke Ontwikkeling, Netherlands  
Citizens Against Privatisation, New Zealand  
Labour, Health and Human Rights Development Centre, Nigeria

Association for International Water Studies, Norway  
Asociacion Pro Derechos Humanos, Peru  
Asociacion de Promotoras de Salud , Peru  
ECOVIDA, Peru  
Federacion Nacional de Trabajadores de Agua Potable, Peru  
Revista Énfasis, Peru  
Asia Indigenous Women's Network, Philippines  
Tebtebba (Indigenous Peoples' International Centre for Policy Research and Education), Philippines  
Plataforma 2015, Serbia  
South African Municipal Workers' Union (SAMWU), South Africa  
Acsur-Las Segovias, Spain  
Agermanament Sense Fronteres, Spain  
Àgora Nord - Sud, Spain  
Amigos de la Tierra - España, Spain  
ARA, l'Assemblea Revolucionària d'Artés, Spain  
Asociación de Estudiantes de Medicina para la Cooperación y el Desarrollo (IFMSA-Spain), Spain  
Asociacion de Solidaridad con Colombia Asoc-Katío, Spain  
Asociación Iberoamericana pro Derechos Humanos, Spain  
Asociación Paz con Dignidad, Spain  
Associació de Cooperació per la Pau, Spain  
Associació per el Desenvolupament i la Integració Beni Snasen de Catalunya -ADIB-, Spain  
ATTAC, Spain  
ATTAC- Catalunya, Spain  
ATTAC-Madrid, Spain  
BALADRE - Coordinación estatal de luchas contra el paro, la pobreza y la exclusión social, Spain  
Comité de Solidaridad, Spain  
Comitè de Solidaritat amb els Pobles Indígenes d' Amèrica, Spain  
Comité de Suport al MST de Barcelona, Spain  
Confederación General del Trabajo (CGT), Spain  
Consell de la Joventut de Barcelona, Spain  
Coordinadora ONGD de Asturias, Spain  
Coordinadora Un Altre Món És Possible de Sabadell, Spain  
Cristianos de Base, Spain  
Derechos para Tod@s, Spain  
Dones x Dones, Spain  
Ecologistas en Acción, Spain  
Educació Sense Fronteres, Spain  
Enginyeria sense Fronteres, Spain  
Entrepobles, Spain  
Espacio Alternativo, Spain  
Espacio Horizontal contra la Guerra, Spain  
Federació catalana de ONG pel Desenvolupament, Spain  
Fundacion IEPALA, Spain  
IEPALA, Spain  
Intersindical Alternativa de Catalunya (IAC), Spain  
IU - Madrid, Spain  
JERC Joventuts d'Esquerra Republicana de Catalunya, Spain  
Justicia y Paz, Spain  
LEX IUUSTA ONG de Orientación Jurídica Gratuita, Spain  
Mans Unides, Spain  
Minyons Escoltes Guies Sant Jordi de Catalunya, Spain  
Mon3, Spain  
Observatori DESC, Spain  
Observatorio de Multinacionales en América Latina -Paz con Dignidad, Spain  
OCSI (Organización de Cooperación y Solidaridad Internacional), Spain  
ODG, Spain

ONU Veto NO, Spain  
Partit Humanista, Spain  
Paz Ahora, Spain  
Plataforma 0,7 Estatal, Spain  
Proyecto Cultura y Solidaridad, Spain  
Red África - Europa, Spain  
Red Ciudadana Por la Abolición de la Deuda Externa (RCADE/XCADE), Spain  
SED - Solidaritat, Educació, Desenvolupament, Spain  
Seminari d' Economía Crítica Taifa, Spain  
Servei Civil INTERNACIONAL - Catalunya, Spain  
SETEM-Catalunya, Spain  
Soldepaz, Spain  
Técnico de Entrepueblos, Spain  
Verdegaia, Spain  
Veterinarios Sin Fronteras , Spain  
Xarxa de l'Observatori del Deute en la Globalització, Spain  
Consejo Pro Bolivia En Europa, Sweden  
Defensoría Internacional de los Derechos de los, Switzerland  
Igualmente la Asociación Presencia Latinoamericana, Switzerland  
Millennium Solidarity Geneva Group, Switzerland  
Focus on the Global South, Thailand  
London Centre of Cultures, UK  
World Development Movement, UK  
Dialogo (ONG), Uruguay  
El Instituto del Tercer Mundo, Uruguay  
Bank Information Center, USA  
Center of Cultures, USA  
Coalition For Justice in the Maquiladoras, USA  
Earth Economics, USA  
Food & Water Watch, USA  
Global Exchange, USA  
Guatemala Human Rights Commission, USA  
Holy Cross International Justice Office , USA  
Institute for Policy Studies, Global Economy Project, USA  
Jubilee USA Network, USA  
Labor-Religion Coalition of New York State, USA  
Maryknoll Office for Global Concerns, USA  
Research Foundation for Science Technology and Ecology, USA  
Sisters of Charity of Nazareth Central Leadership, USA  
The Community for Human Development, USA  
The Oakland Institute, USA  
United Church of Christ Network for Environmental & Economic Responsibility, USA

Contact: Sarah Anderson, Institute for Policy Studies, tel: 202 234 9382 x 227, email: [saraha@igc.org](mailto:saraha@igc.org)

Cc: Nassib G. Ziadé, ICSID Acting Secretary General