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 136 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 This action demonstrated extreme disregard for Bolivian sovereignty, since the government of Bolivia had withdrawn from the ICSID Convention nearly six months earlier.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 (PSI)
Friends of the Earth International (FoEI)

Acción Ecológica, Ecuador
Acsur-Las Segovias, Spain
Asia Indigenous Women's Network, Philippines
Asociación de Promotoras de Salud, Peru
Asociación de Solidaridad con Colombia Asoc-Katío, Spain
Asociación Iberoamericana pro Derechos Humanos, Spain
Asociación Paz con Dignidad, Spain
Asociación Presencia Latinoamericana, Switzerland
Asociación Pro Derechos Humanos, Peru
Asocomunal de la Vega-Cauca, Colombia
Association for International Water Studies, Norway
ATTAC Argentina, Argentina
ATTAC España, Spain
ATTAC France, France
Australian Fair Trade and Investment Network, Australia
Bank Information Center, USA
Bloque Popular, Honduras
CADTM, Belgium
Cafe Semilla Juvenil, Bolivia
Campaign for the Reform of the World Bank, Italy
Campaña ¿Quién debe a quién?, Spain [Acsur-Las Segovias / Agermanament Sense Fronteres / Alternativa Universitaria de Valladolid / Amigos de la Tierra - España / ARA, l'Assemblea Revolucionària d'Artés / Asociación de Estudiantes de Medicina para la Cooperación y el Desarrollo (IFMSA-Spain) / Asociación Paz con Dignidad / Associació de Cooperació per la Pau / Associació per el Desenvolupapmnet i la Integració Beni Snasen de Catalunya -ADIB- / ATTAC- Catalunya / ATTAC-Madrid / Àgora Nord - Sud / BALADRE - Coordinación estatal de luchas contra el paro, la pobreza y la exclusión social / Comité de Suport al MST de Barcelona / Confederación General del Trabajo (CGT) / Consell de la Joventut de Barcelona / Coordinadora ONGD de Asturias / Coordinadora Un Altre Món És Possible de Sabadell / Cristianos de Base de Madrid / Derechos para Tod@s / Dones x Dones / Ecologistas en Acción / Educació Sense Fronteres / Enginyeria sense Fronteres / Entrepobles / Espacio Alternativo / Espacio Horizontal contra la Guerra / Federació catalana de ONG pel Desenvolupament / IEPALA / Intersindical Alternatica de Catalaunya (IAC) / Justicia y

Paz / Mans Unides / Minyons Escoltes Guies Sant Jordi de Catalunya / Mon3 / Observatori DESC / OCSI (Organización de Cooperación y Solidaridad Internacional) / ONU Veto NO / Paz Ahora / Plataforma 0,7 Estatal / Proyecto Cultura y Solidaridad / Red África - Europa / Red Ciudadana Por la Abolición de la Deuda Externa (RCADE/XCADE) / SED - Solidaritat, Educació, Desenvolupament / Servei Civil INTERNACIONAL - Catalunya / SETEM-Catalunya / Verdegaia / Veterinarios Sin Fronteras / Xarxa de l'Observatori del deute en la Globalització]
Center of Cultures, USA
Centro de las Culturas, Argentina
Centro de Las Culturas, Chile
CIOEC- La Paz, Bolivia
Citizens Against Privatisation, New Zealand
Coalition for Justice in the Maquiladoras, USA
Colectivo de Mujeres Alteñas, Bolivia
Comisión Intereclesial de Justicia y Paz, Colombia
Comisión Nacional de Enlace, Costa Rica
Comisión Permanente de Derechos Humanos, Colombia
Comité de Solidaridad Monseñor Óscar Romero de Valladolid, Spain
Comité Nacional del Partido Socialista Auténtico de la Nación, Argentina
Concepción de Naranjo Community Water District, Costa Rica
Confederación General del Trabajo (CGT), Spain
Consejo Pro Bolivia en Europa, Sweden
Corporate Europe Observatory, Netherlands
Corriente de Opinión Ciudadana, Argentina
De Gemeenschap voor Menselijke Ontwikkeling, Netherlands
Defensoría Internacional de los Derechos de los, Switzerland
Democracy Center, Bolivia
Democratikòn, Coincidencia Social A.C., Mexico
Dialogo (ONG), Uruguay
Earth Economics, USA
Ecologistas en Acción, Spain
ECOVIDA, Peru
El Instituto del Tercer Mundo, Uruguay
ENLACE Comunicación y Capacitación A.C., Mexico
Entrepueblos/Entrepobles/Entrepobos/Herriarte, Spain
Federacion Nacional de Trabajadores de Agua Potable, Peru
Focus on the Global South, Thailand
Food & Water Watch, USA
Foro Ciudadano de, Argentina
Global Exchange, USA
Guatemala Human Rights Commission, USA
H.I.J.O.S., Argentina
Holy Cross International Justice Office, USA
Humanist Association, Hong Kong
Humanist Party, Iceland
ILSA, Colombia
Institute for Policy Studies, Global Economy Project, USA
Jubilee USA Network, USA
La Comunidad para el Desarrollo Humano, Chile
Labor-Religion Coalition of New York State, USA
Labour, Health and Human Rights Development Centre, Nigeria
London Centre of Cultures, UK

Madres de la Plaza de Mayo-Línea Fundadora, Argentina
Maryknoll Office for Global Concerns, USA
Millennium Solidarity Geneva Group, Switzerland
Movimiento Humanista (C54), Chile
Observatorio Ciudadano de Servicios Públicos, Ecuador
Observatorio de Multinacionales en América Latina -Paz con Dignidad, Spain
Plataforma 2015 y más, Spain
Poor People's Economic Human Rights Campaign, USA
Project Allende, Argentina
Red de Comunicaciones Apachita, Bolivia
Red Mexicana de Acción frente al Libre Comercio, Mexico
Research Foundation for Science Technology and Ecology, USA
Revista Énfasis, Peru
Seminari d' Economía Crítica Taifa, Spain
Sisters of Charity of Nazareth Central Leadership, USA
Soldepaz Pachakuti, Spain
South African Municipal Workers' Union (SAMWU), South Africa
Southeast Asian Council for Food Security and Fair Trade, Malaysia
Tebtebba (Indigenous Peoples' International Centre for Policy Research and Education), Philippines
The Community for Human Development, USA
The Oakland Institute, USA
Together for Human Rights, Canada
Transnational Institute (Países Bajos)
United Church of Christ Network for Environmental & Economic Responsibility, USA
Voluntarios del Mundo, Argentina
World Development Movement, UK
World Economy, Ecology & Development (WEED), Germany

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Cc: Nassib G. Ziadé, ICSID Acting Secretary General